Public water supply programmes are today regarded as an essential component of any scheme of economic and social development. Public provision of safe drinking water -- a human right now -- requires huge investments and drinking water is no longer a free good.

Water supply is an area with an intertwine between engineering and economics and there is a great need to focus economic analysis on the various aspects of water supply, for which we should first identify the areas that require such attention.

But water supply, though regarded as a public utility since a long time, has received only scant attention at the hands of the economists, unlike other public utilities such as electricity and transport. While it is difficult to account for the relative negligence of this most important utility that meets a basic need, a partial explanation may be sought in the conventional belief that water is a free good. (The position, however, seems to be changing with more attention being paid in the last two-three decades to the economic aspects of water resources development, though not specifically to the drinking water supplies). It is, therefore, necessary to disprove the popular conviction that water is a free good and to establish firmly that water supply has an economic dimension — that is, it is first necessary to annex a new area, economics of water supply. And no
annexation can be achieved without several reconnaissance exercises. This study is one such attempt.

As a preliminary and exploratory exercise, this study was designed to be comprehensive, covering all the major aspects of the public water supply system in Bangalore city and hence, had to be descriptive as well as analytical. When in doubt about the significance of an issue or a detail to be included in the study, we preferred errors of commission to errors of omission.

All this accounts for the rather immodest size of the report, which grew far beyond our original intentions and expectations — and this without going into the more specific aspects of the system. This in itself is an indication of the vastness of the problem before us and the need for greater efforts in this direction.

Now to the most pleasant and at the same time, the most difficult task — pleasant because of the realisation that there were so many individuals and organisations willing to offer the required help; difficult because of my utter inability to express in words my gratitude to such a large number of participants in this exercise.

I must at the outset express my gratitude to my teacher and guide, Prof. S.Subbaramaiah, who has been to me much more than a mere Research Supervisor. He initiated me into this
part of Public Economics, having anticipated the need for such studies years ago, and without his constant guidance and advice, it would never have been possible for me to attempt any exercise of this sort. I offer my pranams to my Revered Guru who has been guiding me at every stage and in every step.

This study was undertaken by me as a USC Teacher Fellow under the Faculty Improvement Programme of the USC. I am grateful to the University Grants Commission for awarding me the Fellowship, and enabling me to devote myself full-time to this study.

I must thank the National Education Society of Karnataka, the governing body of my College, for granting me study leave, for a three-year period and enabling me to accept the USC Teacher Fellowship.

I am grateful to the S.V. University Post-Graduate Centre (now Sri Krishnadevaraya University), Amantapur, for extending to me the benefit of enrolment for their Ph.D. programme and granting an extension of time for the submission of the dissertation.

This study would have been impossible without the kind permission of the authorities of the Water Board to study their organisation. The cordiality and help I received from the entire staff of the Water Board were overwhelming. In every unit of the Water Board, they met my near-impossible demands for data, records and files, with great patience and willingness.
I confess my inability to acknowledge their help individually and I offer my sincere and grateful thanks to the authorities and the entire staff of the Bangalore Water Supply and Sewerage Board, Bangalore.

I must also acknowledge the help I received from the Bangalore City Corporation and the Karnataka Urban Water Supply and Drainage Board in the collection of data for this study.

I must make a special mention of the assistance we received from the WHO International Reference Centre for Community Water Supplies, The Hague, The Netherlands. The contact with the IRC - CWS proved extremely profitable, as it brought us in touch with the vast amount of research work being done in this area in other countries. Ing. A.L.M. Holdeman, Librarian, IRC-CWS has been instrumental in getting us innumerable references and bore patiently with our repeated inquiries and demands for literature. I thank Ing. Holdeman and through her the WHO-IRC-CWS.

I am equally grateful to the World Bank for providing us several of their reports and studies, which proved to be of immense value to us.

During the course of this study I had to seek the help of several organisations. I express my grateful thanks to the authorities and the staff of the libraries of the following
Institutions:

Bureau of Economics and Statistics,
Bangalore Medical College,
Indian Institute of Management,
Indian Institute of Science,
Institute for Social and Economic Change,
Institution of Engineers,
Karnataka Government Secretariat,
Karnataka Legislative Assembly,
Karnataka State Archives,
Osmania University (Hyderabad),
United States Information Service (American Library, Madras), and
University Visvesvaraya College of Engineering.

My special thanks are due to Sri S. Krishna Murthy, who gets the credit for the efficient typing of this dissertation. The care and interest he took in typing the report were remarkable.

I do not have to add that the shortcomings of this study are my own responsibility.

January 1984

V S Murthy