

PART III

What Did Past Reforms Achieve and What's Next?

This third and final part of the book focuses on the reform options that were considered and implemented in the last two decades. We first summarize the evidence on the spread of reforms and their types, with a focus on the issues related to PPI and the setting up of Independent Regulatory Agencies (IRAs). We then look at the central role of prices and subsidies as an outcome of these reforms. Indeed, prices and their structures, including subsidy levels and types are central to the affordability of infrastructure services. We show that many of the existing subsidies that prevent cost recovery are not well targeted to the poor, and suggest ways to improve targeting of performance. The concluding chapter takes a step back from the focus on empirical data in much of the book in order to summarize some the directions that the next wave of reforms should consider if the winners of reforms are to include the poor.