STUDY MATERIAL

DEVELOPMENT ADMINISTRATION

For

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PAPER - IX

II YEAR

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M.A. POLITICAL SCIENCE

PAPER - IX

DEVELOPMENT ADMINISTRATION

II YEAR

Prepared by:

Sri. Manojkumar B
Assistant Professor
PG Department of Political Science
Government College Madappally.

Scrutinized by:

Dr. G. Sadanandan
Associate Professor and Head
P.G Department of Political science
Sree Kerala Varma College, Thrissur.

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Module 1

Nature and scope of Development Administration

Development is the end result of (Public) Administration. The paradigm of development is depending on the nature of government and its policies. It may be ideologically driven or ethically motivated. It strips off the orthodox structuralism of public administration as put forward by classical Administrative theorists and attempts to cater the emerging need of a given population upon which the process of administration is going to be taken place. Development Administration is an intellectual enterprise with which defined goals of development can be achieved. Welfare of people, increase in per capita income, empowerment of the marginalised if any, long term projects like implementation of five year plans, strategies to ensure sustainable development, eradication of poverty and mitigation of commoners’ grievances….the list may not be completed and the projects and programmes of government or public authority unquestionably relates to the nature of their administration. Development Administration as a theory and model is an article for developmental design of third world countries. According to Kempe Ronald Hope “Virtually every development plan, administrative reform agenda, political party manifesto, Government action plan and major policy speech has come implicitly or explicitly to suggest a preference for the Development Administration approach to public management”. Unlike the western developed nations third world countries resort a state or public purse centred approach for development initiatives. But we cannot give exclusiveness for development administration as a sole strategy adopted by the third world countries.

Kempe Ronald Hope in his article “The Dynamics of Development” and Development Administration has pointed out three reasons for the development of “Development Administration” as a new discipline as well as an approach.

They are:

a. Role of CAG (The Comparative Administration Group; between 1962-71) headed by FW Riggs and supported by The Ford Foundation of America. The group conducted extensive studies and later published several papers intending to support the third world countries in their social reconstruction. “The administrative problems of developing countries” was the concern of the CAG.

b. “Highly Prescriptive” nature of Development Administration. It suggests easy ways to overcome administrative problems on the way of operationalizing administrative tenets.

c. As an approach the new tendency of development administration demanded “administered social change.”

According to George K. Najjar, (Journal Article : Development Administration and "New" Public Administration: A Convergence of Perspectives?) “The main thrust of development administration has been the study of administrative patterns and behaviour in societies caught in the midst of transition along the path from rural, agricultural, peasant life toward urban, industrial, and more advanced forms; and to devise a set of guidelines potentially helpful in facilitating the process of transition”. Najjar points out the role of Development Administration as an approach to ease the transitional phase of countries which are caught up in between development and underdevelopment. In democratic countries it is the conduct of administration in a political context.

One of the landmark events in the history of public administration and comparative public administration was the Conference on Comparative Administration convened in Princeton, New
Jersey, during September 1952 by the Public Administration Clearing House. There were thirty scholars, administrative advisers and other executives in the conference. They expressed concern over the changing role of Public Administration across continents. The agenda setting of the conference was “… gave examples of problems that they had confronted about which doctrine and knowledge were lacking, particularly comparatively. Mention was made of the proliferation of government corporations for agricultural, industrial or financial development in underdeveloped countries, without understanding of the conditions for their success or the methods of their control. What were the conditions for success or failure of various devices of parliamentary government? Problems of delegation of authority, of budgetary procedures were said to be pressing”. The conference suggested the need for making comparative studies of administration in different countries. It was the first attempt to analyse public administration on the contest of a country’s special circumstances.

The Conference declares that Public Administration no longer be treated as an “ivory-tower” theory but its content and context should be prefixed with the unique social setting on which it is going to be implemented. Development administration thus becomes a by-product of comparative public administration. Comparative public administration studies administrative systems in developed as well as developing or underdeveloped nations. How to apply the theories of public administration in differing context of development or underdevelopment, “ethnic, cultural, historical, religious, linguistic, or racial backgrounds” is the concern of Development Administration. Two types of administrative changes are debated in this context. Inter system maintenance and outer system modifications. Inter system maintenance means that development of proper organs for running administration; that covers reforms in bureaucracy, administrative laws, E-governance etc. The latter deals with the impact of administration in society or social changes like improvement of standards of living, removal poverty, reduction of inequality, social justice etc.

The UN division for Public Economics and Public Administration explains the Goals and tasks of development administration as:

Establishment of “welfare state” is the most important task of development administration. The State, and by extending the scope of public administration, would be the engine of development. The welfare state would come about through government's control of the national economy. Accordingly, government took on several important tasks: centralized economic planning, the preparation and execution of development programmes and projects, the promotion and management of industrial growth, and meeting the basic needs of citizens through the provision of social services, economic opportunities and social welfare programmes

Development Administration is administration for development purpose. It is a version of underdeveloped or developing nations who want to improve themselves using public administration. It is an offshoot of comparative public administration. It addresses the need of society and social dynamics. The basic assumption behind development administration is that social changes can be initiated or guided by administration machinery. Classical public administration was looking for improvements within the administrative framework while development administration is looking for social change and wants to be a cause for social engineering. Under developing and developing nation’s resorts to well configured system of administration to achieve national goals. Development administration represents the goal oriented or plan based developmental tasks.

Development administration was a deviation from traditional meaning of public administration. Public administration says about the institutional as well as instrumental designs of policy
implementation using well established administrative machinery. Theories and methods developed within the ambit of public administration were revolved around the nature of organisation and management with which public policies can be implemented from top to bottom levels of social life.

On the other hand Developmental administration has dramatically changed the entire scope of administration. It says about larger goals of administration and it has an altruistic or enlightened role in the developmental programmes of people. It is a people centred vision and the merit of development administration is judged from the point of fulfilment of public policy rather the procedural clearance of bureaucratic administration. Public administration adhere principles and procedures of legal or normative aspects of management. The rational of public administration eschews policy goals of a democratic government and virtually quite ignorant of its due process. Traditional public administration behaves like an impersonal being with little attention to the broad goals of administration.

The concept of Development Administration is a development of the post 1945 era. The term “development administration” came into use in the 1950s to represent those aspects of public administration and those changes in public administration, which are needed to carry out policies, projects, and programs to improve social and economic conditions. During a period of 15 years following the end of World War II, in 1945, colony after colony threw off the imperial yoke. Country after country achieved independence and political autonomy.

This new status gave promise of freedom and liberty and self-determination in political systems of representative democracy. It gave hope of greater individual freedom and equality of treatment in the society. Even in countries which had not been colonies but had been administered by some other form of authoritarian government, this was a generation of rising and insistent expectations pressing for rapid political, social, and economic change. New governments and their bureaucracies, their administrative agencies and processes, were expected to give reality to these anticipated fruits of independence and liberty. These new functions, these demands upon the administration system, were not only enormous in size and weight; they were novel and complex in character.

Development Administration is a mid 20th century concept. It was an attempt to make public administration more goal oriented and democratically driven one. The concept is largely encouraged to evolve developmental programmes and policies suitable for developing and developed countries. It is an action oriented and strategy packed aspect of public administration. It is a path breaking approach towards administration. Normally administration, in the context of Government, is an offshoot of professional management of public policies. But development administration is an attempt to integrate multitude functions of government in a systematic way to peruse goals of development, very often targeted and previously ascertained goals of development. No longer will administration be considered as a pattern of systematic and routine bound activity.

Development Administration is an inclusive approach towards development. Development is the ultimate goal. Without development no administration can achieve anything. It is for the people and not for the technocrats of administrative milieu. As the goals of administration became well defined development, the new approach can bridge the gap between different administrative theories.

Development Administration is focussed on the administrative problems of developing and developed nations. Administration should not be meaningless. It will be supplemented with corresponding changes in a given area of attention. The Change should be positive as well as progressive in the long run.

According to D Goulet, true development has several dimensions. They are
a. An economic component dealing with creation of wealth and improved conditions of material life, equitably distributed;

b. A social ingredient measured as well-being in health, education, housing and employment;

c. A political dimension including such values as human rights, political freedom, enfranchisement, and some form of democracy;

d. A cultural dimension in recognition of the fact that cultures confer identity and self-worth to people;

e. The full-life paradigm, which refers to meaning systems, symbols, and beliefs concerning the ultimate meaning of life and history; and

d. A commitment to ecologically sound and sustainable development so that the present generation does not undermine the position of future generations.

Following reasons are responsible for the emergence of the concept of Development Administration. –

1. Emergence of newly independent developing countries.

2. Development schemes in the developing countries.


4. Attempt to make area-studies in administration

5. Administration is not a technical matter alone; it functions on the refluxes of society rather than application of various management theories in administrative agencies.

1. Emergence of newly independent developing countries:-

The traditional concept of public Administration as was underwent transformation with the emergence of the ‘Welfare state’. The narrow vision of public administration as “law and order machinery or revenue administration” underwent overhauling to get armed with socialistic centred path of welfare state during the 20\textsuperscript{th} Century.

The development administration as movement was a response to the emergence of the ‘Newly Independent states’ in Asia and Africa, and they were trying to address the problems of poverty, unemployment, illiteracy, malnutrition etc. The governments in these countries were entrusted with an agency role of welfare and development. The exigencies of time have made the administration in developing countries development – oriented or welfare oriented.

2. Development schemes in the developing countries:-

These developments have had a profound impact on the public administration. Development becomes a multi system management. Complex socio-economic compendium gets processed by the political systems for gaining balanced change.

Developmental Administration in developing countries represents a cluster of politico-bureaucratic nexus. Further, most developing countries have realised that national development is essentially an integrated process of change. It is a dynamic process directed towards transforming the entire society, enmeshing its economic, social, political and administrative aspects, for an all-round, balanced change.
3. Establishment of Comparative Administration Group (CAG) in 1960-

D. Waldo, Fred Riggs, Weidner etc were talk about New Public Administration. These scholars in 1968, in Minnibrook conference, attempted to define public Administration a new. They focussed on the concept of development administration, in different ecological settings, operates in order to achieve a set of social goals. The CAG attempted to make comparative study of Public Administration as evolved in the developed nations with as adopted in developing as well as under developed nations of the world.

Hereinafter the public administration treated as a tool for ensuring development in developing and under developing nations. When we connect public administration with its end result or nature of service delivery system it becomes development administration or administration for development of society. Development administration is process of guiding an organisation toward the achievement of progressive political, economic and social objectives that are authoritatively determined one manner the other.

4. Attempt to make Area Studies in Administration.

Area studies mean that we have to understand the administrative system of each country with its own social, economic, cultural and regional uniqueness. For instance, the administrative tactics used by Indian Government must have close bearing with the plural culture of India. Nature of distribution of power, role of civil service, the core areas where the government have given more importance like irrigation, agriculture, infrastructure, education etc.

5. Administration is not a technical matter alone;

Development administration is not the application of administrative theories for the improvement of administrative machinery alone. It is a legitimate method for social transformation. It follows an evolutionary process though which transformation of society is made possible. It fetches both internal and external reformation; internally the system corrects itself to absorb social needs and externally the society becomes capable of accepting the government as their sole agency of social change.

Development administration is concerned with following matters:

1. The formulation and implementation of plans, policies, programmes and projects for national development.
2. Development Administration focussed to the national development; it is ‘action oriented’ and ‘goal oriented’ administrative system.
3. Development administration concentrates on the Socio-economic change of developing nations.
4. Virtually it galvanized society and saved many nations from drastic social changes.
5. Project and programme oriented development of states eventually saved the generations from the threat of civil war for social change.
6. Need of internal reforms within the administrative structure and demand for creating more committed administration.
7. It enhanced the role administrators as an agent of social change.
Development Administration is a type of administration or management, adapted for the particular needs of developing countries has been referred to interchangeably as development administration or development management. Broadly development administration is an integral part of societal development and is profoundly influenced by the overall political, economic, and cultural attributes of society.

The sphere of development administration has acquired an immense importance in the countries of Asia, Africa and Latin American since the 1960s. Often these countries are labelled as developing countries because they are relatively young and are engaged in the developmental tasks of nation-building and socio-economic progress. Although, these countries have different customs, traditions, cultures, political systems, languages, and vary greatly in social values, religious beliefs and degrees of economic development, they have the following fundamental features in common.

a. First, they are faced with similar developmental problems, be it social, economic, political or administrative.

b. They are embarking on the road of modernisation with much stress on raising their national income per capital and improving the well being of their people.

c. They have realised the importance of development administration as a means of carrying out socio-economic, political change with a view to achieving the goals of nation building and socio-economic progress.

**Meaning of Development Administration**

For Harry J. Friedman development administration means:

i. Programme implementation for socio economic progress and monitoring of nation building progress

ii. Administrative reforms to keep the bureaucracy updated.

According to Hahn Been Lee, development administration involved management of government or of an agency to ensure capability to cop up with social change and sustained growth.

Gant observed that development administration is "that aspect of Public Administration in which focus of attention is on organizing and administering public agencies in such a way as to stimulate and facilitate defined programmes of social and economic progress. It has the purpose of making change attractive and possible.''

Thus development administration involves two elements:

1. The bureaucratic process that initiates and facilitates socio-economic progress by making the optimum use of talents and expertise available; and

2. Mobilisation of administrative skills so as to speed up the development process.

Development administration concentrates on the needs and desires of the people, it is concerned with formulation of plans, programmes, policies and projects and their implementation. It plays a central role in carrying out planned change i.e. it is concerned with planning, co-ordination, control, monitoring and evaluation of plans and programmes. It is not only concerned with the application of policies as determined by the political representatives in existing situation but also with introducing efforts to modify existing situations so as to serve the cause of the masses.

The administration of development implies:
i. The execution of programmes designed to bring about progressive improvement

ii. The changes within an administrative system which increases its capacity to implement such programmes.

**Edward Weidner** defined it as “The process of guiding an organisation toward the achievement of progressive political, economic and social objectives that are authoritatively determined in one manner or the other”, i.e. Edward Weidner thinks that development administration deals with achievement of social goals as determined by government on behalf of its population. **Merle Fairsouls** regarded development administration as “a carrier of innovating values, it embraces the way of the new functions assumed by developing countries embarking on the path of modernisation and industrialisation. Development administration involves the establishment of machinery for planning economic growth and mobilising and allocating resources to expand national income”.

F.W Riggs mentions that the study of Third World administration, interpreted largely as development administration, became the central concern for and synonymous with comparative public administration.

As a concept, he defines development administration as the combined process of both the ‘administration of development’ (implementation of development policies and plans) and the ‘development of administration’ (improvement of administrative capabilities)

To **Montgomery,** Development Administration connotes “carrying planned change in the economy or capital infrastructure and to a lesser extent in the social services especially, health and education”. In the above definitions, development administration is used in two inter-related senses . It refers to the administration of development programmes, to the methods used by large scale organisation, notably government to implement policies and plans designed to meet these developmental objectives,

i. By implication, rather than directly, it involves the strengthening of administrative capabilities.

The two aspects of development administration i.e. administration of development and development of administration are intertwined in most definitions of the term. Riggs Observes “Administration cannot normally be improved very much without changes in the environmental constraints (the infrastructure) that hamper its effectiveness and the environment itself cannot be changed unless the administration of development programmes is strengthened”.

**Donald Stones** analysed the concept of development administration in terms of plans, policies, programmes and projects towards the achievement of developmental goals. Development administration, therefore is concerned primarily with the tasks and process of formulating and implementing the **four Ps (Plans, Policies, programmes and projects),** in respect to whatever mixture of goals and objectives may be politically determined. It signifies the space where freedom of administrative machinery is expressed in its values and beliefs without fear or favour on programmes and projects.

**In brief, Development Administration has following objectives:**

- Application of innovative strategies for development
- Emphasis on development at the grassroots level.
- Development has to be a need-oriented and self-reliant process
Stress on social development and human capital as a major resource.

Development has to be viewed not merely as a technological problem but also as an ideological norm.

It gives birth to new administrative approaches like ecological studies in administration.

Profound and rapid change in order to establish a distinct and just social order.

Recognising and highlighting the unity, rather than dichotomy between politics and administration.

Effective and efficient use of scarce resources.

Creation of a politics-administrative environment which is oriented towards securing basic needs of the population

**Development Administration as Development of Bureaucracy:** The development of administration means development of administrative machinery and processes suited to the task of national development. Only through an effective administrative system can the goals of socio-economic development and nation-building be achieved.

The government being the principal planner, financier, promoter and director of national development depends on bureaucracy for its functioning. Therefore, the role of bureaucracy as an agent of socio-economic change becomes important in the development process. Despite the fact that bureaucracy in developing countries is ill-prepared and ill-motivated for the tasks lying before it, the fact remains that in most of these countries it is the major instrument of social change.

Eisenstadt observes that bureaucracies in developing countries “helped to maintain the framework of a unified polity as well as the capacity to absorb varied demands and to relate them effectively. Not only were they important instruments for unification and centralisation, but they enabled the rulers to implement continuous policy. In addition, they also served as important instruments for mobilisation of resources, taxes, manpower and political support. There is no basic conflict between bureaucracy and development. No doubt, at present it suffers from certain structural weaknesses and behavioural attitudes, nevertheless, given right orientation in the new content, bureaucracy can be structurally and behaviourally geared to the task of development.

Weidner stated that Development Administration means “an action oriented and goal-oriented administrative systems.” Weidner emphasised that the study of development administration can help to identify the conditions under which a maximum rate of development is sought and obtained. He contended that existing models for comparison were limited in their usefulness because they made inadequate provision for social change. He suggested development administration as a separate focus for research, the end being to relate different administrative roles, practices, organisational arrangements and procedures to the maximising of development objectives. Pai Panadikar identifies Development Administration with “administration of planned change.”

**Hallmarks of Development Administration:**

1. Change – oriented
2. Goal - Oriented and result oriented
3. Citizen participation in the administration
4. Commitment to development
5. Integrated and holistic process
6. It has two sides – one is development programmes and other is its implication.

7. Its scope of Operation is wide.

8. Stress on planning


10. Democratisation of administration

11. Inclined to social needs

1. **Change – oriented**

Development administration is change-oriented. Traditional administration was oriented towards the maintenance of stability and status quo. Hence, Pai Panandikar said development Administration means ‘administration of planned change’. The Planned development is intended to achieve specific results within the specified time.

3. **Goal-oriented and result-oriented**

It is result-oriented. It expects specific results and expresses in most areas clear-cut norms of performance. Consequently, it would also be judged on the basis of results achieved.

4. **Citizen participation**

Development being a process of social and economic change, citizen participation in the task of administration is vital. The public servants must be able to carry the citizens with them and draw them actively into the developmental processes. It demands a basic change in the outlook of the civil servants.

4. **Commitment to development.** Development administration requires a firm commitment, a sense of involvement and concern on the part of civil servants, if the goals of development are to be realised.

5. **Integrated and holistic process.** Development administration is inter-related and holistic process of change. It refers to the structure, organisation and behaviour necessary for the implementation of schemes and programmes of socio-economic change undertaken by the governments of developing nations.

6. **It has two sides.** Firstly, it refers to the administration of developmental programmes, the methods used by large-scale organizations, especially governments, to implement policies and plans designed to meet developmental goals. Secondly, Development Administration involves the strengthening of administrative capabilities. These two aspects are intertwined in development administration.

7. **Its scope of operation is wide** - Traditional public administration was limited to its function of maintaining law and order. But the scope of development administration is wider.

8. **Stress on planning** - It is planned change. The administrative capabilities are strengthened to achieve developmental goals. This objective is linked with planning. The planned development is intended to achieve specific results within the specified time.

10. Democratization of Administration

Space for people’s involvement in the decision making process is another feature of development administration. Citizen’s Charter, Grievances cells and role of Grama Sabha etc. are examples for popular participation in decision making government in different levels.

11. Inclined to social needs.

Government is always acting as pro-people machinery. Social change is the main aim of governments which follows the path of development administration. Prompt delivery of services, emphasis on social security measures, affirmative approaches like reasonable classifications in society like BPL, SC or ST etc. can be pointed as the best examples for development administrative approaches of the governed.

In summing up the role development administration in a democratic country, we can say that it is goal-orientated as well as result-orientated; client oriented as well as commitment oriented; change and progress oriented; time and attitude oriented; freedom and capability orientation (Amartya Sen).

The perspectives that encountered by the area of development administration are the citizen-government interface that theoretically explained by the ecological studies in Developmental Administration.

Development of Administration or Administrative Development

Development Administration has to be efficient and effective. For that purpose it has to aim at enlargement of administrative capabilities and structural and behavioural change. It is this aspect of administration that is called administrative development or development of administration. In simple terms it means development of administrative system or administrative health by introducing-administrative rationalisation and institution building. The purpose implicit in this concept is not merely changing the administrative procedures and channels but also bringing out fundamental change in administration that leads to:

The administration should evolve so as to commensurate with societal goals. Development of administration further means cultural change in administration. The colonial administrative culture is unsuitable to the changed socio-political ethos of the developing world. Our British legacy has adversely affected the administration. The obsolete Acts e.g. Police Act, 1861, cannot take us towards the path of change.

Development of administration should refer to the creation of ability to adjust to new stimuli or changes. The development of administration aims at qualitative and quantitative transformations in administration with an eye on the performance of management of affairs. The term also implies technological changes in administration so as to enable it to adopt new modes or techniques of administration. Thus administrative development focuses on adaptability, autonomy and coherence in administration.

In short, administrative development is concerned with:

1. The capacity of an administrative system to take decisions in order to meet the ever increasing demands coming from the environment and with the objective of achieving larger political and socioeconomic goals.
2. Increase in size, in specialisation and division of tasks and in the professionalization of its personnel.

3. A pattern of increasing effectiveness in the optimum utilisation of available means and further augmentation of the means, if necessary.

4. Increase in administrative capability and capacity.

5. Transformation of existing administrative mechanism into new machinery through modernizing the bureaucracy by external inducement, transfer of technology and training.

6. Replacement of initiative, practices etc. with those based on realist need.

7. Reducing the dependence on foreign experts by producing adequate trained manpower.

8. Promotion of development initiative.


11. Removing or reducing bureaucratic immobility and widespread corruption.

12. Reorientation of established agencies, and the delegation of administrative powers to them.

13. Creation of administrators who can provide leadership in stimulating and supporting programmes of social and economic improvement.

The meaning and importance of administrative development as an ingredient of development administration has been well summed up by Caiden in the following words, "Administrative reform is an essential ingredient of development in any country, irrespective of the speed and direction of change. Administrative capacity becomes increasingly important in the implementation of new policies, plans and ideas. The improvements in administrative capacity may involve the removal of environmental obstacles, structural alternatives in traditional and innovatory institutions bureaucratically organised or otherwise. This would also necessitate changing individual and group attitudes and performance." The behaviour pattern of bureaucrats is as crucial to development administration as the institutions and structures. The purpose of development of administration is to remove the administrative lag which seriously handicaps governments in planning and executing co-ordinated programmes of economic and social reforms.

The predominant concern of development administration is to design and administer such development programmes which meet the developmental objectives. It is the administration geared to the task of achieving certain clear-cut and specified objectives and goals expressed in operational terms. Thus development administration is defined as a process of action motivated by and oriented to the achievement of certain predetermined goals.

Actually administration of development and development of administration are interrelated concepts. Both are dependent on each other. Administration of development is as important as development of administration. To achieve development goals it is essential that there is proper assessment of resources, proper plan formulation, evaluation and implementation, adequate involvement of people, emphasis on technological change and self-reliance. At the same time we also need developed bureaucracy, integrity in administration, initiative, innovativeness, delegation of powers, decentralised decision-making etc. Administrative development cannot take place without
administrative change and reform. Both the concepts support each other and development of administration is needed for administration of development. As per F. Riggs 'development administration' and 'administrative development' have a chicken and egg kind of relationship. Superiority of one concept over the other cannot be established.

**Difference between traditional public administration and Development Administration**

Many scholars like George Gant, Ferrel Heady and others have sought to conceptualise development administration as different from traditional administration. They explain that these two types of administration differ from each other in terms of purpose, structure and organisation, attitudes and behaviour, capabilities, techniques and methods. This is the implicit meaning of the observation of John Gunnel who says, "The increasing shift of development scenario requires increased diversification and specialisation of knowledge and skills and high level of managerial ability for integrative co-ordination.

To quicken the pace of development there is an additional need for a new breed of administrators of superior calibre and vision with a passion for achieving results and of those who can take risks and introduce innovations. There is an increasing need to have heightened sensitivity to the welfare of the poor sections and greater responsiveness to the political process." It follows that development administration has to have different features and should be based on different requisites than the traditional or law and order or general administration.

We can sum up the difference between development administration and traditional public administration as follows.

<table>
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<th>Development Administration</th>
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<tr>
<td>Change – oriented</td>
<td>Status – quo oriented</td>
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<tr>
<td>Goal and result oriented</td>
<td>Emphasis on economy and efficiency</td>
</tr>
<tr>
<td>Flexible and dynamic</td>
<td>Hierarchal and rigid</td>
</tr>
<tr>
<td>Its objectives are complex and multiple</td>
<td>Simple and limited objectives</td>
</tr>
<tr>
<td>Concerned with new tasks</td>
<td>Concerned with routine operations</td>
</tr>
<tr>
<td>Believes in decentralization</td>
<td>Believes in centralisation</td>
</tr>
<tr>
<td>Stress on planning</td>
<td>Does not relay much on planning</td>
</tr>
<tr>
<td>Creative and innovative</td>
<td>Resists organisational change</td>
</tr>
<tr>
<td>Stress on participation of people</td>
<td>Organisational stress due to control and command structure.</td>
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Fred W. Riggs’ article “Agraria and Industria: Toward a Typology of Comparative Administration,” published in 1955, won him wide acclaim among scholars. Since the publications of The Ecology of Public Administration (1961) and Administration in Developing Countries (1964), Riggs’ position and reputation in the field of comparative public administration has been peerless. Riggs did not admit classification of society into agrarian and industrial. Instead he opted to create a more diverse, yet simplified model, namely, the “fused-prismatic-diffracted” model or what I have chosen to call a “prismatic” model. The model is appropriate for studying three societal types: highly developed Western industrial societies and traditional agrarian societies, as well as developing societies. Each society has its own social, economic, politically symbolic, and communicative attributes, as well as its own political system and concepts of individual rights. Yet, these attributes as a whole eventually develop into different administrative systems. Riggs believed that the degree to which each component of a society differs from another in function is measurable, and that measures of functional differentiation can be used to locate the three societal types along a continuum. Simultaneously, Riggs believed that his theoretical model can be used to compare the fundamental structure of various societies. Through his model, one is therefore able to comprehend each country’s administrative attributes and differences.

Rigg’s relies on functional-structural analytical approach. He refers to structure as a society’s pattern of activity, while function is considered to be the outcome of a pattern of activity. Given this analytical approach, one discovers that traditional agrarian societies, highly developed industrial societies, and developing societies are functionally and structurally distinct. Such functional and structural attributes can be further examined by using a biological approach, that is, via a spectrum. Taking a traditional agrarian society as an example, say a traditional Thai society, one notices that various social functions and social structures are highly functionally diffuse, that is, there is no organized division of labour. This analogy serves to demonstrate the consequences of an unorganized functional and structural system in a traditional agrarian society. But, should a white ray of light be beamed through a prism, it would disperse into a wide range of colours. Riggs uses the word “diffract” to refer to this phenomenon (different than its meaning in physics) as a metaphor for the functional and structural system that is highly functionally specific, as found within an industrialized society. However, Riggs believes that there is a third scenario in addition to the two diametrically opposed extremes. That is, one must also contemplate the condition of the white light during the process in which it is being beamed through the prism itself. Specifically, the white ray is just starting to be diffracted, but the diffraction process has yet to be completed.

J.N Khosala divides the functions of Development Administration into the following six categories
1. Formulation of development goals and policies
2. Programme formulation and project management
3. Reorganisation of administrative structures and procedures
4. Evaluation of results.
5. Peoples participation into development efforts
6. Promotion of growth of social and political infrastructure.

Applications and strategies for Developments Administration: Western Liberal (Riggs), Marxist, Gandhian

I. Rigg’s Prismatic model and scope of Development Administration

Fred W. Riggs’ article “Agraria and Industria: Toward a Typology of Comparative Administration,” published in 1955, won him wide acclaim among scholars. Since the publications of The Ecology of Public Administration (1961) and Administration in Developing Countries (1964), Riggs’ position and reputation in the field of comparative public administration has been peerless. Riggs did not admit classification of society into agrarian and industrial. Instead he opted to create a more diverse, yet simplified model, namely, the “fused-prismatic-diffracted” model or what I have chosen to call a “prismatic” model. The model is appropriate for studying three societal types: highly developed Western industrial societies and traditional agrarian societies, as well as developing societies. Each society has its own social, economic, politically symbolic, and communicative attributes, as well as its own political system and concepts of individual rights. Yet, these attributes as a whole eventually develop into different administrative systems. Riggs believed that the degree to which each component of a society differs from another in function is measurable, and that measures of functional differentiation can be used to locate the three societal types along a continuum. Simultaneously, Riggs believed that his theoretical model can be used to compare the fundamental structure of various societies. Through his model, one is therefore able to comprehend each country’s administrative attributes and differences.

Rigg’s relies on functional-structural analytical approach. He refers to structure as a society’s pattern of activity, while function is considered to be the outcome of a pattern of activity. Given this analytical approach, one discovers that traditional agrarian societies, highly developed industrial societies, and developing societies are functionally and structurally distinct. Such functional and structural attributes can be further examined by using a biological approach, that is, via a spectrum. Taking a traditional agrarian society as an example, say a traditional Thai society, one notices that various social functions and social structures are highly functionally diffuse, that is, there is no organized division of labour. This analogy serves to demonstrate the consequences of an unorganized functional and structural system in a traditional agrarian society. But, should a white ray of light be beamed through a prism, it would disperse into a wide range of colours. Riggs uses the word “diffract” to refer to this phenomenon (different than its meaning in physics) as a metaphor for the functional and structural system that is highly functionally specific, as found within an industrialized society. However, Riggs believes that there is a third scenario in addition to the two diametrically opposed extremes. That is, one must also contemplate the condition of the white light during the process in which it is being beamed through the prism itself. Specifically, the white ray is just starting to be diffracted, but the diffraction process has yet to be completed.
Traditional society is equated with fused society (single beam) while modernised society is linked to diffracted (beam) society. How far a traditional society can be modernized is the contested question. Between the two extremes of a “lack of division of labour” society versus a diffracted society, one may ask, what other possibilities are there. Through his model, Riggs suitably and thoroughly addresses these questions. Riggs first tackles these issues by describing how a ray of light passes through a prism: when a fused white light is beamed through a prism, the white light is subsequently diffracted into a rainbow of colours. Riggs further conceptualizes the diffraction process itself as creating a continuum. This conceptualization can be also applied to the real world such that a prismatic society can be theorized as a continuously expanding and developing system. Riggs’ concept is illustrated in the following diagram.

Riggs’ believes that when analyzing prismatic societies, most social scientists fail to understand how they essentially function. More significantly, they are unable to fully understand the conditions under which a society experiences diffraction. That is to say, such social scientists only grasp the concept of a specialized structure, and are not able to conceptualize the entire social structural system. Taking a family household as an example, in a fused society the family is the model by which politics, the administrative system, religion, and ethics are judged. In contrast, in a diffracted society, the family household’s influence on other social structures is negligible. Yet, in a prismatic society the degree of influence lies within these two extremes. In other words, a family household’s influence on various other social structures is less than in a fused society, but more than in a diffracted one. The study of economic behaviour can be applied in the same manner. In a prismatic society, should one ignore the interrelationship between political, administrative, social, and economic factors, and limit one’s analysis to economic behaviour alone, one not only fails to fully grasp the larger picture, but more importantly, misunderstands the role of economic behaviour as well.

**Prismatic model of developing societies**

Riggs defines development administration as the combined process of both the ‘administration of development’ (implementation of development policies and plans) and the ‘development of administration’ (improvement of administrative capabilities). Riggs eventually came up with a new analytical construct (known as the prismatic model) to explain these transitional nations. Riggs articulated this prismatic model based on the metaphor of prism – as the fused white sunlight (which represents the fusion of several colours) passes through a prism; it becomes diffracted into several separate colours. Here the fused light signifies the fused structures of traditional society (single structure performing all necessary functions); the diffracted colours represent the specialized or differentiated structures of modern society (separate structures or institutions for major functions);
and the situation within the prism (which is a transitional phase between the fused and diffracted stages) reflects the condition in developing nations, which Riggs began to define as prismatic societies (Riggs, 1964). In explaining the nature of administration in these transitional societies, Riggs systematically used an ecological approach to explore their non-administrative domains of society, politics, economy, and culture.

In general, such prismatic societies are characterized by formalism (theory-practice gap), heterogeneity (co-existence of the traditional and the modern), and functional overlaps (similar functions are performed by different institutions). These features are reflected in the prevalence of poly-communalism in society (interaction among communities based on suspicion and distrust); the bazaar-canteen model economy and its price-indeterminacy (caused by the influence of social status, bargaining capacity, and official position on economic behaviour); and poly-normativism in decision process (representing the use of both rational and non rational criteria). These ecological or contextual factors, according to Riggs play significant role in shaping the nature of public administration in developing nations, which he presents as sala (complex and mixed) model administration characterized by the coexistence of universal official norms and respect for traditions, which is reflected in the influence of family and community on official decisions (e.g. nepotism and favouritism); prevalence of both ascriptive and achievement criteria leading to the ‘attainment’ norms in public offices; and so on. However, Riggs refined this prismatic model with unique ecological and contextual forces in the process of developmental regimes.

The 1980’s was a radical turn in the concept of Development Administration where scholars wanted administration to be flexible and people should be included in the process. Towards the 90’s the very influential ‘New Right Philosophy’ sprung up which was neo-liberal (modern form of the liberal approach prevailing in earliest time of society) and also the Public Choice Theory (Discussed in previous articles on this blog) emerged that brought a new paradigm to the concept of Development Administration. This led to the Good Governance concept. New Public management also made a huge impact where it was suggested that administration should become more managerial and market based in its approach in order to survive and be efficient. It stated that the state cannot sacrifice social values for achieving efficiency and not go beyond its constitutional limitations. Nowadays, the Discourse theory of Development Administration is doing the rounds that asserts that development administration should have two major criteria: Human need based approach and Sustainable approach.

They examined five strategies (liberal capitalism, communist strategy, liberation theology, Islamic fundamentalism, Sarvodhaya/socialist) to find out which one catered to both these criteria. It was found that Sarvodhaya was the only model that contained both the above criteria and if implemented properly will lead to optimum results in Development Administration.

II. Karl Marx and Conflict Theory

Karl Marx (1818–1883) used a conflict theory model to transformation. Development is in a transformation of society. For Riggs of agrarian society to more society. For Marx, society’s predicated upon the idea of “base This term refers to the idea that a society’s economic character forms its base, upon which rests the culture and social institutions, the superstructure. For Marx, it is the base (economy) that determines what a society will be like.
Karl Marx asserted that all elements of a society’s structure depend on its economic structure. A triangle diagram with the economy considered the base, and government, family, religion, education, and culture considered the superstructure. Additionally, Marx saw conflict in society as the primary means of change. Economically, he saw conflict existing between the owners of the means of production—the bourgeoisie—and the labourers, called the proletariat. Marx maintained that these conflicts appeared consistently throughout history during times of social revolution. These revolutions or “class antagonisms” as he called them, were a result of one class dominating another. Most recently, with the end of feudalism, a new revolutionary class he called the bourgeoisie dominated the proletariat laborers. The bourgeoisie were revolutionary in the sense that they represented a radical change in the structure of society. In Marx’s words, “Society as a whole is more and more splitting up into two great hostile camps, into two great classes directly facing each other—Bourgeoisie and Proletariat” (Marx and Engels 1848). Karl Marx didn’t accept the western model development. He believed that the production relation could have a prominent role in deciding nature of development. Each society have its own mode of production (production of wealth or the base structure). Society is the reflection of its base structure. Every form of development is indebted to the nature of distribution of wealth in society. He envisioned a government of working class and ultimately it gives birth to class less colourless society. He believed that state should become a means to attain the last stage of Marxism withering the virtual form of state.

III. A developmental paradigm for rural people - Mahatma Gandhi and his approach to development

Mahatma Gandhi believed that India will have to live in villages, not in towns, in huts not in palaces. He held this conviction by saying that “If village perishes, India will perish too”. Karl Marx and F W Riggs were thinkers from the western tradition. Gandhiji says that “My idea of Village Swaraj is that it is a complete republic, independent of its neighbours for its own vital wants and get inter-dependent for many others in which dependence is a necessity. Thus every village’s first concern will be to grow its own food crop and cotton for its cloth. It could have a reserve for its cattle, recreation and playground for adults and children. Then if there is more land available, it will grow useful money crops, thus excluding ganja, tobacco, opium and the like. The village will maintain a village theatre, school and public hall. It will have its own water works ensuring clean water supply”. He foresaw the problems of western model of development. His model of development was based on the reconstruction of villages on sound spiritual and scientific values.

Gandhian strategy of rural reconstruction was based on village swaraj and swadeshi movement. The basic principle of village swaraj as outlined by Gandhiji are trusteeship, swadeshi, full employment, bread labour, self-sufficiency, decentralisation, equality, Nai Talim etc. Thus the idea of ideal village of Gandhian dream was a comprehensive one, encompassing the economic, social, political and educational dimensions.

Importance of Gandhian model of development is visible in this era of globalisation. The UNDP definition on development is an example for it. It says that meaningful development is possible only with a generation of long, healthy and meaningful life and they should have the choice in acquiring knowledge and will have access to resources for decent standard of living. The renowned Rio Declaration on sustainable development reiterated the Gandian principles of self sufficiency and careful utilisation of resources. The Declaration urged elimination of unsustainable patterns of production and consumption. Revival and recognition of indigenous knowledge is another symptom of development. “Everybody on this earth has a natural right to at least the basic necessities of life, just like the birds and the beasts have. If somehow, an individual had more than his proportionate share, he was a trustee of that portion for God’s people” Mahatma Gandhi reminded us.
IV. Characteristics of Developing Countries

Most of the countries lay in the southern part of Tropic of Cancer are developing and under developed countries. Exceptions like Australia are there. There is no unanimity among the economists or political scientists to establish one country as developing or under developing.

Following factors are very often pointed out to designate a country as developing and under developing.

a. Lower per-capita income
b. Low levels of human capital
c. High levels of poverty and under-nutrition
d. Higher population growth rates
e. Predominance of agriculture and low levels of industrialization
f. Low level of urbanization but rapid rural-to-urban migration
g. Dominance of informal sector
h. Underdeveloped labour, financial, and other markets

We can reach a conclusion that economic aspects are the determining force of development. Development Administration can play a vital role in improving one nation from its present stage of underdevelopment to a developed one. Importance of new paradigms of development based on real time basis is the feature of changing nature of public administration. Role of a government as an agent of development is the key to success. In such a way, development administration is relating to management of an economy.
Module II.

Development Administration in India.

I. Constitutional frame work of decentralised strategies of Development Administration in India.

In the Indian context, the central challenge before development administration relates to social development. In his famous ‘tryst with destiny’ speech on 14 August 1947, Jawaharlal Nehru articulated this challenge as ‘the ending of poverty and ignorance and disease and inequality of opportunities’. Development administration in India connected with the principle and policy of good governance, which must aim at expansion of social opportunities and removal of poverty. Good governance, means securing justice, empowerment, employment and efficient delivery of services to its diverse population.

India is a Parliamentary form of government which is federal in structure with unitary features. Government in India has four layer structures. The first layer of Indian government consists of a Central Government, comprising of President at its apex, Vice president, Prime Minister with his Council of Ministers and attorney general of India. The structure of India’s federal--or union--system not only creates a strong central government but also has facilitated the concentration of power in the central government in general and in particular in the Office of the Prime Minister. The legislative wing of the central government lies in a bicameral legislature called Indian Parliament; Lok Sabha (House of People, Lower House, and First Chamber) and Rajya Sabha (Council of State, Second Chamber, Upper House).

The second tire of government is state level administration consists of State Governments with Governor and a Chief Minister aided by a council of ministers. Legislatures of the states consist of the Governor, Chief Minister and one or two Houses. The Constitution provides for a Legislature for every state. The legislatures in the state are either bicameral (consisting of two Houses) or unicameral (consisting of one House). The lower House is always known as the Legislative Assembly (Vidhan Sabha) and the Upper House wherever it exists as the Legislative Council (Vidhan Parishad). At present only six states have a bicameral legislature- Anthra Pradesh, Bihar, Jammu & Kashmir, Karnataka, Maharashtra and Uttar Pradesh. All other states have only one house.

The next tire of administrative structure consists of Local Governments. There are Panchayathi Raj and Urban Local Governments which gained constitutional status with 73rd and 74th constitutional amendments respectively in 1992.

The administrative units of Indian Democratic state again expand to seven Union territories which are administered by central government. Delhi, one of the Union territories was recently designated as the National Capital Territory by 69th constitutional Amendment of 1991. Delhi and Pondicherry have Legislative Assemblies.

Part X (Art. 244) of the constitution envisages a special system of administration for certain areas designated as ‘scheduled areas’ and ‘tribal areas’. The fifth and sixth schedule of Indian constitution provides provisions for the administration of scheduled and tribal areas of the country.

Administrative Machinery of Central Government.

India is a federal state with lots of unitary elements. Development administration in India depends upon different roles played by governments at different levels. The subjects of administration are
distributed between central government and state governments by incorporating Seventh Schedule in the constitution. There are three lists in the Seventh Schedule. List I or the Union List consists of 100 subjects (areas on which the union government has exclusive jurisdiction) List II or State List consists of 61 subjects (states in India enjoys administrative autonomy over these subjects) and the List III, known as concurrent list; comprising of 52 subjects, gives equal opportunity for Union Government as well as State Governments to move legislations. The Union Law cannot be superseded by State Law. The subjects which cannot be fallen in any of these lists (Residuary Powers) will be given to the Union Government. The executive power has been divided between the Centre and the states on the lines of the distribution of legislative powers.

There are a number of non-constitutional bodies within the disposal of central government for administrative convenience. The most important of them, from the developmental administrative perspective are the Planning Commission and National Development Council. It is worthwhile to look upon the composition powers and functions of Planning Commission.

**Law making procedure in Legislature**

In this first stage called **First Reading**, only a general sketch of the bill is presented and its importance and need talked about. This is called the Introduction Stage or First Reading when a date is fixed for further discussion.

Then the bill moves to a more important stage called Discussion Stage or **Second Reading**. This involves lengthy consultations and consists of further three stages called as below:

1. **First Stage:** In this stage, the general aspects and principles behind the bill is discussed. The bill may be agreed upon to pass on to the next stage, referred to a 'Select Committee' or circulated (or put up on websites) to elicit the opinions and comments of general public.

2. **Second Stage:** In this stage, the bill is examined clause by clause.

3. **Third Stage:** This is the stage where the amendments take place. In this stage, each clause may be subject to vote especially when it is a contentious issue. The majority view prevails and the clauses may be accepted unchanged, amended, replaced or disposed.

   **Third Reading:** Now that the fine prints of the bills have been discussed, a general discussion as to the applicability and impact of the bill as a whole is discussed at this stage. The debate ensues for or against the bill followed by a voting to adopt it.

Once the bill is passed by a majority, it is passed to the other house where the same stages are repeated. Once the bill is accepted by the other house, it is sent to the President (or the Governor in the states, as the case may be) for his/her assent. Upon receiving the Presidential assent, the bill is notified and published in official government gazette and becomes an Act of Parliament. The President may also return the bill with suggestions without giving his/her assent. But when it is returned to him/her a second time without any changes, he/she is bound to assent to it. If the bill is rejected or sought to be modified by the other house, it goes back to the house where it originated. If the original house does not agree to the modification sought, it may resend it or call for a joint session of both the houses. Such a session is also called for when the bill lapses for more than 6 months in the other house.

**Planning Commission**

India has accepted a socialist pattern of society where inequalities in income and life situations should be reduced to the possible level where we should feel a sense of equality. Planning
commission is an extra constitutional body which came into being in March 1950 by an executive resolution of the Government of India. It is the supreme organ of planning for social and economic development.

Functions of the Planning Commission

a. Make an assessment of the material, capital and human resources of the country, including technical personnel, and investigate the possibilities of augmenting such of these resources as are found to be deficient in relation to the nation’s requirement;

b. Formulate a Plan for the most effective and balanced utilisation of country’s resources;

c. On a determination of priorities, define the stages in which the Plan should be carried out and propose the allocation of resources for the due completion of each stage;

d. Indicate the factors which are tending to retard economic development, and determine the conditions which, in view of the current social and political situation, should be established for the successful execution of the Plan;

e. Determine the nature of the machinery which will be necessary for securing the successful implementation of each stage of the Plan in all its aspects;

f. Appraise from time to time the progress achieved in the execution of each stage of the Plan and recommend the adjustments of policy and measures that such appraisal may show to be necessary; and

g. Make such interim or ancillary recommendations as appear to it to be appropriate either for facilitating the discharge of the duties assigned to it, or on a consideration of prevailing economic conditions, current policies, measures and development programmes or on an examination of such specific problems as may be referred to it for advice by Central or State Governments.

Role of Planning Commission:

All the Divisions in the Planning Commission may be grouped into three types of Divisions as indicated below:

a. Administrative Divisions: They render services pertaining to administration, accounts, library, training and other general services to the employees of the Commission.


From a highly centralised planning system, the Indian economy is gradually moving towards indicative planning where Planning Commission concerns itself with the building of a
long term strategic vision of the future and decide on priorities of nation. It works out sectoral targets and provides promotional stimulus to the economy to grow in the desired direction.

Planning Commission plays an integrative role in the development of a holistic approach to the policy formulation in critical areas of human and economic development. In the social sector, schemes which require coordination and synthesis like rural health, drinking water, rural energy needs, literacy and environment protection has yet to be subjected to coordinated policy formulation. It has led to multiplicity of agencies. An integrated approach can lead to better results at much lower costs.

The emphasis of the Commission is on maximising the output by using our limited resources optimally. Instead of looking for mere increase in the plan outlays, the effort is to look for increases in the efficiency of utilisation of the allocations being made.

With the emergence of severe constraints on available budgetary resources, the resource allocation system between the States and Ministries of the Central Government is under strain. This requires the Planning Commission to play a mediatory and facilitating role, keeping in view the best interest of all concerned. It has to ensure smooth management of the change and help in creating a culture of high productivity and efficiency in the Government.

The key to efficient utilisation of resources lies in the creation of appropriate self-managed organisations at all levels. In this area, Planning Commission attempts to play a systems change role and provide consultancy within the Government for developing better systems. In order to spread the gains of experience more widely, Planning Commission also plays an information dissemination role.

The National Development Council (NDC)

The National Development Council (NDC) was set up on August 6, 1952 to strengthen and mobilize the effort and resources of the nation in support of the Plan, to promote common economic policies in all vital spheres, and to ensure the balanced and rapid development of all parts of the country. The Council, which was reconstituted on October 7, 1967, is the highest decision-making authority in the country on development matters.

The National Development Council has a special role in our federal polity. It is the apex body for decision making and deliberations on development matters, presided over by the Prime Minister of India and comprising of all Union Ministers, Chief Ministers of all the States and Administrators of Union Territories and Members of the Planning Commission. Ministers of State with independent charge are also invited to the deliberations of the Council.

Objectives:

The National Development Council was established with the following objectives.

1. To ensure co-operation of states in the execution of the five year planning (Plan).
2. To strengthen and mobilise the efforts and resources of the nation in support of the Plan.
3. To help to evolve a common economic policy for the entire nation.
4. To ensure balanced and rapid development of all parts of the country.

The functions of the Council:

a. to prescribe guidelines for the formulation of the National Plan, including the assessment of resources for the Plan;
b. to consider the National Plan as formulated by the Planning Commission;
c. to consider important questions of social and economic policy affecting national development;
d. to review the working of the Plan from time to time; and
e. to recommend such measures as are necessary for achieving the aims and targets set out in the National Plan.

The aim of these distributions of powers is decentralisation of power. Power as protected and ensured through constitutional means cannot be abrogated under normal circumstances. The union government is given subjects of national importance and very often beyond the purview of developmental administration. Developmental administration is the concern of state as well as local self governments in India. In states there is a Council of Ministers with the Chief Minister as its head, who advises the Governor.

II. State Governments

Article 157 to 167 in Part VI of the constitution deal with the state executive. the state executive consists of the governor, the chief minister, the council of ministers and the advocate general of the state. The legislative and executive powers of state governments are predetermined by the State List and Concurrent List of the constitution of India. Democratic decentralisation process made state governments more feasible place for development administration. States governments are again divided into several independent administrative units called Nagarapalika and Panchayati Raj.

Federal states like India moves on its planned projects and project implementation within the stipulated time is very essential for the development of the country. Priorities will be decided from the grass root level itself. The inputs for achievement of development in a desired level should be passed from District Planning Committees to State Planning boards. State planning boards act as a link between planning commission of India and District Planning Committees. Though state planning Borads are not mandatory, the 73rd constitutional amendment made constitution of state planning commission mandatory for every state.

The Kerala Planning Board has started a virtual space called plan space as a data base centre to support and assist implementation of developmental plans at grass root level. “Plan Space Kerala” is a web based information system - a virtual space for concurrent monitoring and evaluation of plan schemes. It is intended to develop a comprehensive, scientific, and reliable database as well as a sufficiently elaborate and transparent system of reporting; analysis, and upkeep of information on plan implementation across all departments.

State Planning Boards

Functions of planning boards in states.

a. To make assessment of the state resources and formulate plans for the most effective and balanced utilization of these resources.
b. To determine plan priorities of the state within the framework of the priorities of the National Plan.
c. To assist the district authorities in formulating their development plans within the sphere in which such planning is considered to be useful and feasible and to coordinate these plans with the state plans.
d. To identify factors which tend to retard the economic and social development of the state and determine the set of conditions for successful execution of the plan.
e. To review the progress of implementation of the plan programmes and recommend such adjustments in policies and measures as the review may indicate.

**Planning process at the state level:**

Stages of preparation of development projects:

a. States initiate advance action on plan formulation even before the guidelines of the Planning Commission on the preparation of five-year plans are received.

b. Different departments of the state governments are involved in formulating broad parameters of the state plans.

c. The States, in response to call from the Planning Commission, send their suggestions, which form the base of the approach paper for the national plan. After the approach paper, prepared by the planning commission, is approved by the NDC, it forms the basis on which states are required to formulate their draft five-year plans in accordance with the objectives and strategies.

d. State Planning Board holds continuous discussions with other state departments and district and regional planning agencies on the one hand and with the central working groups, the Planning Commission and the central ministries on the other hand.

e. The state draft plan is then discussed at the level of the central working groups and the Planning Commission. The proposals are approved/modified by the Planning Commission, keeping in view of the national and the state priorities and resources.

f. The Planning Commission prepares the draft national plan and it is discussed in the National Development Council. With the approval of the NDC, the plan gets ready for endorsement by the Union Cabinet and the Parliament.

**III. Local Administration in India.**

Local Administration means presence of local self governments in India. They should enjoy autonomy and are at the behest of ordinary people living in villages. Pure form of decentralisation is the basis of development administration. Without the rational of decentralisation no government can claim that they are democratic to the spirit and in principle. Decentralization is the transfer of power and authority from the central/state government to the local level government, and some times, to non-government and private organizations (for example; Jalanidhi project, Akshaya mission, IT mission etc.)

Decentralization enables rural poor people to:

a. Share in decision-making that affects their daily lives;

b. Evaluate the outcome of their own decisions;

c. Minimize chances of misunderstanding;

d. Understand the difficulties and complexities of administration, planning and management;

e. Accept responsibility for failure; and

f. Develop a sense of belonging and commitment to civil society.

**Basics of decentralization:**

a. Political and administrative autonomy to local bodies.

b. Devolution of revenues to local bodies and empowering them to levy taxes to fund part of their expenditure.

c. Periodic local body elections.

d. Reservation of seats on local bodies for weaker social sections.

e. Local database on administration.
f. Local voluntary and private sector organizations collaborate with local governments in addressing development issues.

g. Build local human capacities through improved access to health care, education and productive assets to ensure that decentralization empowers the poor.

Types of decentralization

Political – provides citizens or their elected representatives at the local level with more power in decision making and supports democratization by giving them more influence in the formulation and implementation of policies. The process is known as 'devolution' and is inherently tied with local autonomy.

Administrative – redistribution of authority, responsibility and financial resources among different levels of government.

This includes:

- **De-concentration** – transfer of power, authority, responsibility or the discretion to plan, decide and manage.
- **Delegation** – creation of autonomous units with a great deal of discretion in decision making.

Fiscal – delegation of fiscal and financial powers, including taxation powers to the local self government bodies.

Leading forces behind decentralization

1. Democratization process.
2. Structural adjustments and disengagement of the state.
3. Emergence of civil society organizations and new stakeholders.
4. Growth of local and regional forces in search of their own socio-political identities.

As many Asian countries adopt decentralized development models, they are searching for best ways to:

a. motivate and mobilize people to participate in local development;

b. strengthen capability for participatory local development;

c. strengthen institutional capabilities for training of local decision-makers for their varied and demanding tasks; and

d. Enhance sharing in knowledge and understanding of good practices in local development.

The 73rd and 74th Constitutional Amendments and structural revamping Local Self Governments:

The importance of the 73rd and 74th constitutional amendment Acts is that it provides constitutional status for panchayats and Municipalities in India. Hereinafter, they are enjoying powers which a constitutionally protected and listed in 11th and 12th schedules of Indian constitution. A new part, Part IX also incorporated in the constitution entitled “The Panchayats” in the constitution of India. There are 29 subjects for panchayats and 18 areas of local importance are reserved for Nagarapalikas (municipal bodies)

The introduction of 64th constitutional amendment bill in July 1989 represented the first attempt to confer constitutional status on rural local governments. But the bill was ultimately defeated in the Rajya Sabha. The 73rd and 74th constitutional amendments were introduced in parliament in September, 1991 by the government of Prime Minister Narasimha Rao. They were referred to a Joint Select Committee of Parliament and were ultimately passed as the 73rd and 74th Amendment Bills in
December, 1992. After the bills were ratified by the state assemblies of more than half the states, the President gave his assent on April 20, 1993.

The amendments were then officially enacted through the issue of government notifications the Constitution (73rd Amendment) Act, 1992 (commonly referred to as the Panchayati Raj Act) went into effect on April 24, 1993, and the Constitution (74th Amendment) Act, 1992 (the Nagarpalika Act), on June 1, 1993.

The amendments made a distinction between mandatory (compulsory for all states) and discretionary provisions (states can take appropriate decisions over these matters) And so, while many of the discretionary provisions laid out a vision and created a space for individual states to legislatively innovate in reforming local government, ultimately, the design and scope of particular reforms was left to the discretion of individual state legislatures.

Of the mandatory provisions of the Panchayati Raj Act, the most critical are those that strengthen the structure of representative democracy and political representation at the local level.

**Power to the panchayats; 73rd constitutional amendment.**

The *Eleventh Schedule* added to the Constitution of India by the 73rd Amendment Act lists a comprehensive range of development activities to be entrusted to Panchayati Raj Institutions as a part of the decentralization process.

1. Programmes for productive activities – agriculture, irrigation, animal husbandry, fuel and fodder, poultry, fishery, small-scale industries including food processing and cottage industries;
2. Land development programmes – land reforms, soil conservation, minor irrigation, water management and watershed development, wasteland development, social forestry and grazing lands;
3. Education and cultural activities – primary schools, adult education, technical education and libraries;
4. Social welfare – women and child development, family welfare, care of people with physical and mental disabilities;
5. Provisions of civic amenities – drinking water, rural electrification, non-conventional sources of energy, rural roads, bridges, culverts, waterways, sanitation, rural housing and health;
6. Poverty alleviation and allied programmes for social and economic advancement of the weaker sections;
7. Maintenance of community assets and public distribution system;
8. Organization and control of rural markets and village fairs.

**The key mandatory provisions are:**

The establishment in every state (except those with populations below 20 lakhs) of rural local bodies (panchayats) a three tier system of panchayati raj system comprising of Village Panchayat, intermediate panchayat (Block Panchayat in Kerala) and District Panchayat. Thus Act provides uniformity in the structure of panchayati raj throughout the country. However states having a population below 20 lakh may not constitute panchayats at the intermediate level.

Compulsory (obligatory or mandatory) provisions in the Act.

a. Organisation Grama Sabha in a village or group of villages. Establishment of three tire panchayat system in all states.

b. Direct elections to all seats in the panchayats at all levels.
c. Compulsory elections to panchayats every five years. In the event that a panchayat is dissolved prematurely, elections must be held within six months and the newly elected members enjoy the rest of the period.

d. Mandatory reservation of seats in all panchayats at all levels for Scheduled Casts and Scheduled Tribes in proportion to their share of the panchayat population.

e. Compulsory reservation of fifty percent of all seats in all panchayats at all levels for women, with the reservation for women applying to the seats reserved for SCs and STs as well.

f. Indirect elections to the position of panchayat chairperson at the intermediate and district levels.

g. Mandatory reservation of the position of panchayat chairperson at all levels for SCs and STs in proportion to their share in the state population.

h. In addition, the act mandates the constitution of two state-level commissions:
   • An independent election commission to supervise and manage elections to local bodies and
   • A state finance commission, established every five years, to review the financial position of local bodies and recommend the principles that should govern the allocation of funds and taxation authority to local bodies.


The Act added a new part, Part IX A. entitled as “the Municipalities” in the constitution. The Act gives constitutional status to the municipalities. It has come under the justiciable part of the constitution of India. The Act provides for three types of Municipalites. They are

a. Nagar panchayat; at transitional area i.e., area in transition from rural to urban area.
b. Municipal council; for a smaller urban area.
c. A municipal corporation for a larger area.

Representatives are elected as the manner in which elections are conducted to panchayats. But the Act allows certain persons having special knowledge, the members of lok sabha, Rajya Sabha, or MLAs, as special representatives without the right to vote in the municipal organs. The act recommended for the constitution of ward committees (similar to Grama Sabha) consisting of one or more wards. Reservation of seats and manner of election are on the same line with panchayati raj institutions.

Functional items of urban local bodies

1. Urban planning
2. Regulation of land use and construction of buildings
3. Roads and bridges
4. Water supply, public health, sanitation etc.
5. Fire services
6. Urban forestry, protection of environment etc.
7. Slum improvement and upgradation.
8. Urban poverty alleviation.
9. Burials and burial grounds. Crematoriums etc.
10. Public amenities including street lighting, parking lots etc.
11. Regulation of slaughter houses and tanneries.
12. Care for disabled and downtrodden.

Devolutionary aspects of local self governments makes them more relevant in the context of developmental administration. Development of administration and Administration development are simultaneously carried out by these administrative units. Creation of Finance commission and District planning committee should be mentioned here. State level election commission is also established for
superintendence, direction and control of elections to local self governments. It acts independently of the Election Commission of India. It is worthwhile to study the nature of Finance Commission and District Planning Committee as they show that how does the Amendment ensure proliferation of power to the grass root level of Indian democracy. The system revokes the traditional concepts of centralised planning and addresses the local needs. This is the only way we can change entire administrative scenario of the country. The aim of developmental administration can be materialised with this irrevocable initiative made by our parliament.

**State Finance Commission**

The state finance commission review the financial position of local bodies and make recommendations to the governor as to:

1. the principles that should govern
   a. The distribution between the state and the local bodies, the net proceeds of the taxes duties, tolls and fees levied by the states.
   b. The determination of the taxes, duties, tolls and fees that may be assigned to the local bodies.
   c. The grants-in-aid to the municipalities form the consolidated fund of the state.

2. The measures needed to improve the financial position of the municipalities.

3. Any other matter referred to it by the governor in the interest of sound finance of the municipalities.

**District Planning Committee**

It is suggested that every state should constitute a District Planning Committee to consolidate the plans prepared by panchayats and municipalities in the district. The state legislature is empowered to make necessary laws for the constitution, composition, powers and functions of the District Planning committees. The Act lays down the four-fifth of the members of a district planning committee should be elected by a district panchayat and municipalities in the district from amongst themselves. There is a provision of Metropolitan Planning Committee in every metropolitan area.

**Socio-Economic Framework, parties, pressure groups, public opinion, voluntary organizations**

Major determinants of social and political frame work in India today are: Religion, Caste, and Language. The government has recognized 22 official languages; Hindi, the national language, is the most widely spoken, although English is a national lingua franca. About 80% of the population is Hindu; India is the home of more than 138 million Muslims, the third largest Muslim population in the world. India’s population also includes Christians, Sikhs, Jains, Buddhists, and Parsis. The discussion on caste polarisation normally starts with the caste system as prevailed in ancient India. The caste system is based on occupational and socially defined hierarchies. - There are 4 castes:

1)priests (Brahmin),
2)warriors (Kshatriya),
3)traders/artisans (Vaishya), and
4)farmers/laborers (Shudra). - These categories are generally understood throughout India.

The caste system does not include the tribal people and those outside the caste system formerly known as “untouchables”, or dalits. In reality, Indian society is divided into thousands of jatis--local, endogamous groups based on occupation--and organized hierarchically according to complex ideas of purity and pollution. Discrimination based on caste is officially illegal, but remains prevalent, especially in rural areas. Government effort, expanding education, land reform and economic opportunity through access to information, communication, transport, and credit are helping to lessen the harshest elements of the caste system.
Perhaps more than in any other part of the world, India is a country where people have come to acquire multiple identities based on region (e.g. North India, North East India, Deccan and South India), language (e.g. Hindi, Tamil, and Telugu), religion (e.g. Hindu, Muslim, Christian, Buddhist, Jain, and Sikh), etc. Each set of these and other identities corresponding to a distinct set of social relations, i.e., a distinct social structure. However, there are threads which bind many of them together. Therefore understanding Indian social structure is necessary because it explains our relations with each other in society. It tells us what kind of social institutions exist in society and how they got modified over a period of time.

As a large emerging economy with a growing middle class, India has captured the attention of developed economies eager to tap into a new market with hundreds of millions of potential consumers. Within Asia, policymakers and private companies alike look to India as a regional market for exports and large-scale projects. India has also increasingly emphasized strategic economic relations in the region, most notably with Afghanistan, Pakistan, China, and the Association of Southeast Asian Nations (ASEAN). The excitement India’s economy has generated lately is due in large part to changing internal and external dynamics. By some estimates, India’s economy will grow from its current $1.8 trillion GDP to be the world’s third largest in 2030, with a GDP of close to $30 trillion. Correspondingly, North America and Western Europe’s share of global GDP is expected to shrink from 41 percent to 18 percent, while “developing Asia” will grow from 27 percent to 49 percent. India’s exports of goods and services have risen from 8 percent of GDP to 25 percent in the last two decades alone. In addition, its exports are more diversified—both geographically and in terms of the products it sells—than its neighbours and competitors. Many believe India could be the rising economic powerhouse that China is seen as today. There is broad agreement that the global centre of economic activity and growth is moving to Asia, and investors are increasingly looking to India for economic and trade opportunities.

The establishment of Indian National Congress in 1885 in India is generally considered as the beginning of the formation of parties. To begin with, the Indian National Congress which led national movement was an umbrella organization representing interests of all sections of society. The formative phase of the Indian National Congress was dominated by the Moderates like Dada Bhai Naoroji, Surendra Nath Banerjee, Gopal Krishna Gokhale and others as well as the Extremists like ‘Lal-Bal-Pal’ – referring to Lala Lajpat Rai, Bal Gangadhar Tilak and Bipin Chandra Pal. After the First World War, the Indian National Congress steered the path of India’s independence under the leadership of Mahatma Gandhi. There also emerged some other political parties during this period like the Muslim League, the Communist Party of India, the Hindu Mahasabha, etc.

After independence in 1947, the Indian National Congress transferred itself into a political party in the sense of contesting elections and forming government. It remained a dominant political party up to 1967, as it continued to win elections held in 1952, 1957, 1962 and 1967 at the Centre as well as in almost all the States. This period is known as ‘one party dominant system’ in view of the Congress winning majorities whereas the large number of other political parties contesting elections winning only few seats. Since 1967 the party system in India has been in constant flux. In 1971 although the Congress won a majority in the Lok Sabha, in many states various other political parties formed governments mostly in coalitions. After 1977, it appeared that India had moved towards a ‘two party system’ – the two parties being the Indian National Congress and the Janata Party. But it was only for a very short period. The Janata Party which was in fact a coalition of various factions like the Congress O, the Jana Sangh, the Socialists, the Bharatiya Lok Dal, and the Congress for Democracy split into different factions. The Janata split once again gave advantage to the Congress
which returned to power at the Centre in 1980 and remained there until 1989. However, the Congress has not been able to regain its dominant position ever since 1989. Indian party system witnesses a coalition system of government from 1989 onwards. Since 1999 two broad coalitions have come up – one, known as the National Democratic Alliance (NDA), led by the Bharatiya Janata Party, and the second, known as the United Progressive Alliance (UPA), led by the Congress Party. At present in India in fact there is a multi-party system as very large number of parties participates in political process.

India’s national politics may have made a massive swing from an era of coalition politics after the last general election in which BJP emerged as single party with clear mandate to rule the country and gridlock to one in which the Bharatiya Janata Party-led National Democratic Alliance will rule with little reason to fear opposition parties. Indeed, it now appears that the Indian National Congress, India’s grand old party and the party which led the United Progressive Alliance (UPA) coalition for the past 10 years, will be unable to field a candidate to take on the position of Leader of the Opposition in the 16th Lok Sabha. Under Indian parliamentary procedural rules, in order to field a candidate for that position, an opposition party must hold at least 10 percent of the 545 seats, or 55 seats, in the Lok Sabha. Congress won just 44 seats, rendering it technically incapable of fulfilling that role. Congress’ spectacular electoral loss was to the advantage of certain regional parties in India, including the All India Anna Dravida Munnetra Khazagam and the All India Trinamool Congress — each of whom acquired in excess of 30 seats in the Lok Sabha.

India’s embrace of economic and trade liberalization reforms in the early 1990s—particularly de-licensing, the privatization of state-owned enterprises (SOEs), and liberalization of trade and foreign direct investment (FDI)—contributed to two decades of turbocharged economic growth that gave rise to the so-called “Indian Economic Miracle.”In fact, the Indian economy grew 40 percent faster per year in the two decades that followed the 1991 reforms than it did in the two decades preceding it. Unfortunately, over the past several years, Indian economic growth has stagnated, and the momentum for continued liberalization has waned. In fact, in 2013, Indian economic growth slowed to 4.4 percent—the lowest level in a decade. And while the World Bank expects India’s economic growth to rebound slightly to 5.4 percent in 2014, still the roughly 10 percent annual growths associated with the Indian Economic Miracle of the 1990s and early 2000s appears to be an increasingly distant memory. Yet even as India’s policy makers must contend with slowing economic growth, they are also concerned by a large current account deficit, persistently high unemployment and inflation rates, and a looming “demographic dividend” that will bring over 110 million new Indian citizens into the country’s workforce over the coming decade. At the same time, India’s economy and its enterprises face significant international competition. In particular, as the race for global innovation-based economic growth has intensified, some countries have increasingly turned to using trade-distorting “innovation mercantilist” practices such as mandating local production or technology transfer as a condition of market access, manipulating currency or technology standards, and disadvantaging foreign competitors to gain advantage.

NGOs and Civil Society Groups

According to a home ministry report, although there is no centralized database on the number of NGOs in the country and the quantum of finance involved in their operations, unofficial figures indicate that there are over 20 lakh NGOs registered under Societies’ Registration Act, Trust Act etc. India is a plural society. Its societal ethics go with multiple interest brewed by the exigencies of hour and context.
In India there are numerous NGOs and community-based organizations using a wide variety of means to raise awareness among people on a wide variety of issues pertain to daily life of individuals. Many NGOs use social platforms to assert their reach in target groups. Local, national and regional NGOs have emerged as major players and partners in both development and conservation activities in the region. At the community level, they are in the front line in providing assistance in the acquisition of basic needs and amenities; in identifying issues, raising awareness, and providing information to grassroots communities; in articulating the communities’ problems and needs and bringing these to the attention of those who can affect change; in defending both the environmental and developmental rights of communities and building the capacity of communities to manage their natural resources; and in dealing with sustainable development concerns.

Some NGOs are very successful in awareness-raising, campaigning and advocacy areas in our country. For example, the Kerala Sastra Sahitya Parishad (KSSP) has earned international recognition for its work in mobilising public opinion among people’s organizations in the State of. The KSSP is regarded as one of the best-informed and best-organized grassroots movement in India, with over 20 000 members. Scientific and technical NGOs are assisting in bridging the gap between science, policy makers and the citizenry. Their research and education work is proving a vital addition to the decision and policy-making process. In India, for instance, the Centre for Science and Environment publishes ‘Citizen’s Reports on the Environment’ which focus on specific environmental issues, such as urban pollution, and flood management. Written in nontechnical languages, these reports enable the general public to better understand the issues. In order to include expert elements in policy initiatives, the National Environmental Council has accommodated five representatives from NGOs as well as the National Consumers Federation.

Women’s NGO groups are working to empower women and improve their standing in the decision making process. One example is the Community Development Society (CDS), Alappuzha (Alleppey). This is a successful model of women in development that has now been replicated in 57 towns and one entire district in Kerala State. The objective of the CDS is to improve the situation of children under 5 and of women age 15 to 45 years. CDS work includes literacy programmes, income generating schemes for women, provisions of safe drinking water, low cost household sanitary latrines, kitchen gardens, food-grain bank, immunization, and child-care. The CDS has resulted in the empowerment of women and the building of community leadership. It is a unique example of community based poverty eradication efforts by women. Since its small start in 1993, the CDS has grown to a large-scale women’s movement with membership of 357 000 poor women (20 per cent of poor people in the State) from both rural and urban areas.
Module III

Challenges in Development Administration

The Challenges and prospects of development administration entirely depend upon the planning process in India. Development Administration in India has been going hitherto unknown changes ever since the inception of 10th five year plan. The real challenges in terms of accountability and delivery of services became more glaring. When the country rolled its plan from sector-wise development to inclusive development, the traditional bureaucratic ‘steel frame’ has to be revisited from practical as well as theoretical point of view. The approach paper to the 10th five year plan says that government may enhance the productivity of civil service and it was the duty of the executive to ensure that each employee was performing socially relevant tasks. The plan proposal suggested need for reward for merit and discipline and punishment for mal-function and misconduct. Two watch words repeated ‘accountability and performance quality’

Categorically the approach paper of tenth plan says as its objective that “It is now generally recognized that Government in the past tended to take on too many responsibilities, imposing severe strains on its limited financial and administrative capabilities and also stifling individual initiative. An all-pervasive government role may have appeared necessary at a stage where private sector capabilities were undeveloped, but the situation has changed dramatically in this respect. India now has a strong and vibrant private sector. The public sector is much less dominant than it used to be in many critical sectors and its relative position is likely to decline further as government ownership in many existing public sector organizations is expected to decline to a minority. It is clear that industrial growth in future will depend largely upon the performance of the private sector and our policies must therefore provide an environment which is conducive to such growth”.

It is clear that development administration in India is undergoing strategic and systemic changes. The National Development Council in its meeting held on 9th December, 2006 has approved the approach paper to the Eleventh Plan "Towards Faster and More Inclusive Growth". The concept of inclusive growth had been debated and listed the areas as monitor able targets of the tenth plan. The listed target areas are:

a. Reduction of poverty ratio by 5 percentage points by 2007 and by 15 percentage points by 2012;
b. Providing gainful high-quality employment to the addition to the labour force over the Tenth Plan period;
c. All children in school by 2003; all children to complete 5 years of schooling by 2007;
d. Reduction of gender gaps in literacy and wage rates by at least 50% by 2007.
e. Reduction in the decadal rate of population growth between 2001 and 2011 to 16.2%;
f. Increase in Literacy rate to 75% within the Plan period;
g. Reduction of Infant mortality rate (IMR) to 45 per 1000 live births by 2007 and to 28 by 2012;
h. Reduction of Maternal mortality ratio (MMR) to 2 per 1000 live births by 2007 and to 1 by 2012.
i. Increase in forest and tree cover to 25% by 2007 and 33% by 2012.
j. All villages to have sustained access to potable drinking water within the Plan period;
Well known economist, Jay Dubashi says “In my view, it is an anachronism to have a market economy and five year plans together. It is not possible. Both are contradictions in terms.” The Tenth Five Year Plan is a classic example of why and how planning – despite its immense promise and potential – has failed in India. The challenges which swept away the target of ten plans were:

1. The Plan all along reflected the complete disconnect between what the real India really needs and what policy makers, sitting in air-conditioned offices, think it needs.

2. Many economists think that the failure to address the crisis confronting Indian agriculture is perhaps the biggest failure of the Plan. Since 2002, when the Plan was operational, close to 40,000 farmers and landless labourers have committed suicide. The average growth rate of the sector during the preceding five years has been less than the population growth rate in rural India.

3. During the Plan, the State increasingly abdicated some its core responsibilities towards the poor. The totally wrong notion that only market driven policies will help, completely dominated the implementation of the Plan.

4. When it comes to education and health care, the performance of successive Five Year Plans has been worse than pathetic. The tenth plan too was a failure.

5. Once the steel frame that helped the British rule India effectively and efficiently, the Indian bureaucracy is now a rusting and rotting body that consistently pulls India down. Ask any analyst and for that matter any Indian citizen and you will get a unanimous reply that the nature, structure, attitude and performance of the Indian bureaucracy is the biggest stumbling block for sustained and inclusive growth.

6. This spot on Indian democracy is so well known that nothing new or revealing can be said or written about corruption destroying the very intentions of planning and policy making. International bodies like Transparency International routinely rank India as one of the ten most corrupt nations in the world.

7. Another key reason behind the failure of the Tenth Plan is the recalcitrant and adamant stand adopted by many state governments when it comes to implementing reforms. Just one example will reveal how this attitude has derailed the Plan targets.

The long list of targets of tenth five year plan remain unachieved and its reasons surely show light on the way towards the concept of development administration going on India. Apart from sector-wise growth the target of Indian administration becomes inclusive development. The theme of 11th plan is “Towards Faster and More Inclusive Growth”
The broad objectives of 11th plan were:

- Average inclusive growth rate of 9% along with 4.1% growth rate in Agriculture, 10.5% growth rate in Industry and 9.9% growth rate in Service sector and to double per capita income by 2016-17.

- Providing essential public services such as education, health, maternal and child-care, clean drinking water and basic sanitation facilities to all especially in rural areas.

- Accelerated agricultural growth through strengthening extension and technology transfer, improved credit flows along with diversification into horticulture and floriculture.
• For faster growth of manufacturing, infrastructure consisting of roads, railways, ports, airports, communication and electric power is to be substantially rectified through public private participation.
• For promoting industrial growth, creation of investment friendly climate in the states along with encouragement to FDI, focused infrastructure development for Special Economic Zones (SEZs) and Special Economic Regions (SERs) and greater flexibility in labour laws.
• Under Bharat Nirman, a time bound programme (2005-09), infrastructure gaps in the area of irrigation, rural roads, rural housing rural water supply, rural electrification and rural telecommunication connectivity are to be addressed.
• Bridging divides for SCs, STs and other left behind.
• Gender balancing for minimizing gaps in all social indicators by focusing on three areas namely violence against women, economic empowerment and women health.
• Decentralized planning through greater involvement of PRIs.

The 11th plan suggested the guidelines for the state governments regarding on which areas that they should give priorities while preparing state plan. Looking to the diverse geography and social structure and developmental needs of the people a vision focused on following six priorities has already been identified and state plans are centralized around these priorities since 2003-04. These priorities will also continue to be the guiding factor during the Eleventh Plan period:-
• Eliminating hunger, malnutrition, starvation below subsistence level of living and abject poverty.
• Taking special care of disadvantaged, particularly women.
• Emphasizing HRD, social infrastructure, creating capabilities, filling up of social infra gaps.
• Providing gainful employment, creation of livelihoods and conservation of natural and cultural heritage.
• Ensuring good governance & fiscal reforms.
• Creation of economic infrastructure.

The 11th Plan provides an opportunity to restructure policies to achieve a new vision based on faster, more broad-based and inclusive growth. It is designed to reduce poverty and focus on bridging the various divides that continue to fragment our society. The 11th Plan must aim at putting the economy on a sustainable growth trajectory with a growth rate of approximately 10 per cent by the end of the Plan period. It will create productive employment at a faster pace than before, and target robust agriculture growth at 4% per Year. It must seek to reduce disparities across regions and communities by ensuring access to basic physical infrastructure as well as health and education services to all. It must recognize gender as a cross-cutting theme across all sectors and commit to respect and promote the rights of the common person. Rapid growth is an essential part of our strategy for two reasons. Firstly, it is only in a rapidly growing economy that we can expect to sufficiently raise the incomes of the mass of our population to bring about a general improvement in living conditions. Secondly, rapid growth is necessary to generate the resources needed to provide basic services to all. Work done within the Planning Commission and elsewhere suggests that the economy can accelerate from 8 per cent per Year to an average of around 9% over the 11th Plan period, provided appropriate policies are put in place. With population growing at 1.5% per Year, 9% growth in GDP would double the real per capita income in 10 Years. This must be combined with policies that will ensure that this per capita income growth is broad based, benefiting all sections of the population, especially those who have thus far remained deprived.

A key element of the strategy for inclusive growth must be an all out effort to provide the mass of our people the access to basic facilities such as health, education, clean drinking water etc. While in the short run these essential public services impact directly on welfare, in the role to play in achieving the
The objective of faster and more inclusive growth. This sector, longer run, determine economic opportunities for the future. The private sector, including farming, micro, small and medium enterprises (MSMEs) and the corporate sector, has a critical account for 76% of the total investment in the economy and an even larger share in employment and output. MSMEs, in particular, have a vital role in expanding production in a regionally balanced manner and generating widely dispersed off-farm employment. Our policies must aim at creating an environment in which entrepreneurship can flourish at all levels, not just at the top. All this is feasible but it is by no means an easy task. Converting potential into reality is a formidable Endeavour and will not be achieved if we simply continue on a business-as-usual basis.

Commenting on the capability of public administration to support inclusive growth as put forward by the 11th planning, former Prime Minister Dr. Manmohan Singh says “I am convinced that the government, at every level, is today not adequately equipped and attuned to deal with this challenge and meet the aspirations of the people. To be able to do so, we require the reform of government and of public institutions ... No objective in this my main concern and challenge in the days to come”. Bimal Jalan, former Governor of Reserve Bank added to this “It is a striking fact that economic renewal and positive growth impulses are now occurring largely outside the public sector.... In the governmental or public sector, on the other hand, we have seen a marked deteriorations development agenda can be met if we do not reform the instrument in our hand with which we have to work, namely the government and public institutions. Clearly, this will not at all levels— not only in terms of output, profits and public savings, but also in the provision of vital public services in the fields of education, health and transport”.

The economy is booming, but the capacity of the public sector for effective implementation is not keeping pace— and implementation is everything. India’s growth performance has been spectacular. After some weakening, GDP growth recovered to an estimated 8.5% growth in 2004/05 and in 2005/06. The signs of the economic boom in the modern sector are everywhere. India adds thousands of new cell phone subscribers every day, automobile and motorbike ownership is taking off, and cities are vibrant. The reforms of the early 1990s that moved India towards a more competitive economy— both domestically and globally—continued the rapid growth that is allowing India to emerge as a global superpower. While even a decade ago India fretted over head to head competition with the rest of the world, now the rest of the world frets over India’s rise. The current generation of political leaders has seen India move from negotiating with the USA over food aid to negotiating with the USA India’s entrance to the previously closed club of nuclear powers. India’s sterling economic performance has been accompanied by a curious inversion. In past decades people would fret about economic performance, but marvel at India’s institutional strengths in the public sector—a vibrant democracy, an extraordinarily talented top-tier bureaucracy (the “steel frame” of the Indian Administrative Service), and a set of organizations that could provide law and order, revenue collection, and a modicum of services in a sprawling poor country. Today, these concerns are almost inverted: it is easy to be optimistic about India’s economic prospects, but there is growing concern that the basic institutions, organizations, and structures for public sector action are failing— especially for those at the bottom. Statements of the need for institutional reform come from inside and outside of government, from the left and right of the political spectrum, and from the top to the bottom.

Four weak links in the chain of accountability explain many of the currently observed symptoms:

- Weak voice. Accountability to the citizens and voters of the state (politicians and policy makers) is systemically weak because delegation is weak (voters do not have a clear idea of what it is the government can accomplish), financing is weak (there is little connection
between financing (tax payments/user charges) and delegation or performance), information is weak (the typical citizen has little or no reliable, relevant, timely, benchmarked information on performance in service delivery), and enforceability is weak (because so many other factors outside of the politicians control affect electoral outcomes). A key question is what kinds of changes to the system would make it more attractive for a well-meaning politician or policymaker to engage in reforms that would improve services?

- Weak citizen cohesion. One tremendously important aspect in India in creating voice for effective services is the temptation for groups to organize only to improve their benefits from the state, not services more generally. The politics of caste and other identity politics often work so that the benefits of winning elections are not to improve services but to control access to provider jobs or contracts. With weak citizen cohesion and weak voice the state and its apparatus are treated not so much as a means of generating public goods or services, but rather as a means of generating private benefits for those who control the state. In particular, the power to grant contracts, choose beneficiaries, and fill government jobs conveys the potential for enormous benefits. When this power is exercised in the absence of any clear standards and external accountability to service delivery, the benefits of the public sector are for those in the sector.

- Blurred compact. A major feature of the institutional landscape is that two roles of the state are blurred: one is the state as a steward to ensure adequate services, and the other is the state as an organization that produces services. The result is that the exigencies (and temptations) of being a provider overshadow the responsibilities of being a steward. For instance, is the Ministry/Department of Health (at the center or state) responsible for improving health conditions in the population or merely the operator of one provider of some health services?

- Weak client power. Since neither organizational nor frontline providers depend directly on the served citizens (either as individuals or communities) for their financing and since the served citizens have little capacity to enforce their preferences, the citizens’ information about provider performance plays little or no role in the prospects of the organization or frontline providers. As a result, “client power” plays almost no role in accountability.

The World Bank report on the need for accountability for the successful implementation of development activities lists following essential elements for effective service delivery. A recent global report on service delivery laid out a framework for analyzing accountability. The framework is four by five. That is, a system of accountability has four possible links of accountability.

1. From citizens to the state called voice (or more commonly, politics).
2. From the state to organizational providers (which could themselves be line agencies or wholly owned parastatals) called compact.
3. From organizational providers to front-line providers called management.
4. From citizens directly to providers (both organizational and front-line) called client power.

Each of these four relationships of accountability (voice, compact, management, and client power) has five constituent elements:

1. Delegation, a clear statement of the desired outputs and outcomes
2. Finance, the provision of adequate sources of finance to reach the desired outputs and outcomes.
3. Information, on the quality of performance,
4. Enforceability, making the outcome for the agents dependent on how well they achieved the desired outputs and outcomes, and
5. Performance, the agent chooses what actions to take based on incentives created through delegation, financing, information, and enforcement of the system.

To ensure systemic changes and practice accountability on a wider scale following changes in the administrative areas are suggested.

**Clearer delegation:** this moves the system away from merely giving responsibility to organizations for compliance with internal processes in the use of inputs to responsibility for outputs and outcomes.

**Stricter unbundling:** a distinct separation of the roles of the government as the entity that sets goals, gives financing, enforces the “rules of the game” and the role of government as a direct producer or services. When the umpire is a player everyone knows who will win. This unbundling can happen within the public sector (by separating roles of regulator and producer), across tiers of government (by separating roles between state and (levels of) local governments), or between the public and private sectors (through various degrees of Public-Private Partnerships).

**More autonomy for providers** (both organizational and frontline) to use flexible means to reach their goals without undue political interference in decisions.

**Greater external accountability through better information:**
The Right to Information Act potentially creates a sea-change in transparency. But to make information effective for the system requires more than just making existing information available—very often the key information on performance isn’t even created—it requires that the information available be relevant, egular, and reliable.

**Better enforceability in the system:** whether between citizens and their elected officials or directly on frontline providers—without that link many initiatives founder.

These five principles (clear delegation, unbundling of roles, provider autonomy, external accountability, and enhanced enforceability) do not dictate any single systemic solution. Rather they are ways to judge potential reforms: do they advance towards a coherent and cohesive system in which all of these are accomplished? For some services a public-private partnership (perhaps with financing flowing directly to the end-users) might be the best way. But if a PPP arrangement does not embody these principles (e.g. where there is not enforceability over a private sector monopolist) it may miss the chance to improve services.

**Internal Reforms**
While the public sector faces systemic challenges, it also shows promise. A recent World Bank report *Reforming Public Services in India: Drawing Lessons from Success* examines 25 cases in which major reforms in service delivery occurred. There are many examples of institutional innovations in service delivery at the Center (such as the creation of the National Highway Authority of India) and in the states (e.g. *Bhoomi* for land records in Karnataka, Education Guarantee Scheme in Madhya Pradesh).
Creating an enabling environment for reform. There are ways these successes can be promoted. As one example, many successes are driven by “reform champions” within the public sector as many cases of successful “internal” improvements in services happen when civil servants are given a clear political mandate for reform, adequate time, and autonomy. One of the most worrisome features of the current system is the shortening duration of top civil servants in their posts as it both detracts from their capability to carry through and reflects an undesirable politicization of the civil service.

Information for greater external accountability. There is now widespread recognition that if citizens are to create pressure for better services they need better information, and information that meets the three Rs: reliable, relevant, and regular. There are a variety of promising initiatives:

The government has recently passed a Right to Information law, that creates enormous scope for citizens to know what is happening—but it is only a promise that will require support to become a vehicle for service improvements and not merely a means for political grandstanding.

The use of survey information via “citizen report cards” that began in Bangalore shows the need for persistence—while “once off” efforts can generate agitation and fleeting press attention—it is only when people take it to heart as a regular indicator can it be used to drive reforms.

Decentralization—local governments

More than a decade ago India’s 73rd and 74th constitutional amendments launched an effort to improve local governance through devolving responsibilities to democratically elected bodies, heading autonomous units of local government. Political decentralization has moved ahead and India now has more than 3 million citizens serving in locally elected bodies. But in most states decentralization is “unbalanced” in that political decentralization has moved much further along that any effective devolution of responsibilities.

Decentralization is no panacea—services can get better or worse with decentralization: as with all other reforms, implementation is everything. Moving forward with a well-designed decentralization requires aligning the “three Fs”: funds, functions, and functionaries in ways that make it possible to have technically effective services with both “accounting” (the capability to spend money well by providing reliable processes for planning, budget control and reporting) and “accountability” (the ability of citizens and communities from the bottom up to hold elected officials and providers responsible for outputs and outcomes).

The activity mapping of the “three Fs” into concrete actions to be undertaken by the various tiers of government (centre, state, district, block, and gram panchayat) is complex and needs to be done activity by activity and sector by sector. Two general tendencies do emerge.

First, decentralization creates an opportunity to unbundle responsibilities across tiers of government in order to create checks and balances in the interests of the tiers of government—so that one tier reports on the performance of another—in order to assist citizens in getting the information they need to create accountability for performance.

Second, decentralization, in creating new lines of responsibility also creates opportunities to strengthen the “demand side”—the mobilization of communities from the bottom up to demand better performance with better information and greater scope for voice and choice. This is an important part of the design of many of the new programs of the Centre and of the States. The employment scheme
under the National Rural Employment Guarantee Act places important responsibilities on the PRI bodies—and envisions different roles for the districts, blocks, and GPs in monitoring different aspects of performance. The National Rural Health Mission creates new health workers under the control of the local bodies as a means of creating a cadre of workers whose primary line of accountability is at the local level. Many of the states have begun to use the local bodies to certify attendance of teachers and other states have moved even further to give local bodies more ability to influence the teachers. But, implementation is everything.

Public-Private Partnerships

Public-private partnerships (PPP) can play an increased role in the provision of services of all types, from telecommunications to health, from airport modernization to primary education. As with all other service delivery reforms merely involving the private sector (which could be either for-profit or not-for-profit (e.g. NGO)) cannot be expected to improve services unless it increases accountabilities.

Discussions of “privatization” are controversial as often “privatization” is usually taken to involve the reduction in government responsibility for a sector and a reliance on market outcomes or involves the divestiture of state assets. But public-private partnerships is just a broad umbrella for discussing ways in which engagement with non-state actors can help the government fulfill its obligations to supply core services, services which are being badly served now but with an excess political commitment to providers over actual provision of services. In fact, health care, education, water supply, irrigation have all been, to a considerable extent, de facto privatized, not by deliberate policy but systemic failures in practice.

Public-private partnerships then cover the variety of ways, from management contracts, to demand side transfers (such as provider portable health insurance), to changing industry regulation (telecommunications) to specific contracting (e.g. airport modernization, highway construction) in which the public sector can use the strengths of the private sector (particularly when choice is an effective tool for enforceability on providers) to accomplish public purposes. It is for their potential for gains in efficiency that PPPs are desirable—there should be no illusion that PPPs bring new resources to the table: while they might bring additional financing, in the end financing is just about bearing costs today versus costs in the future. Unless PPPs work to promote more cost effective services the mere availability of private financing for specific projects does not lessen the total resource burden of creating infrastructure—and ultimately these costs will be borne by the citizens of India either as taxpayers or as users.

One advantage of PPPs is that they by their very nature force an open decision about delegation (what is the public sector going to pay for and why?) and also force clear unbundling in separating out the roles of provider and regulator. In addition, provider autonomy is easy to accomplish with a PPP. Why then are they not a panacea?

First, using private providers (including NGOs) works best when citizens can exercise choice across providers to create enforceability, when citizen private and public interests coincide, and when the relevant information about the quality of provider performance is easily observable. This is why in India, as nearly everywhere in the world, telecommunications reform has gone further and faster and been perceived as more successful than say, provision of urban water supply. With water supply there is much less scope for direct choice and hence enforceability over providers is much more complex.

Second, using private providers (including NGOs) to fulfill public purposes is in nearly every context, and perhaps particularly so in India, a politically charged topic as it creates a three-way relationship between citizen and the state, the state and the providers and the citizen and the
provider—and all dimensions of that relationship can be problematic. In many instances reforms that are desirable to make services viable (such as higher user charges) are caught up in political controversies such that even quite desirable contracts are impossible as they create too much risk for potential providers.

That said, there is massive scope for expansion of the use of PPPs in nearly every sector. India is in the position to build on successes in the transport and communications sectors. The role of PPP, as another way of promoting better services, is not limited to infrastructure. In health, in education, even in the implementation of poverty programs there are promising ways to use the empowerment generated by allowing people to make their own choices by channeling funds to people first rather than providers.

Role and Functions of Judiciary in India

The Judiciary in India performs various important role and functions which do not remain confined within the traditional jurisdiction of Civil and Criminal:

1. **Prevention of violation of law:** In case of violation of law, a suit is filed against the offender. The judge hears both sides and decides whether there has been a break of the law. In case of violation of law, the judiciary establishes justice by providing redress and punishing the offender.

2. **Making of new law:** The judges, by way of interpreting the existing laws, make new laws. The judiciary can follow precedents established in previous decisions; it can also overrule such precedents, and thereby, makes new law.

3. **Decides on constitutional questions:** The highest federal Court, namely the Supreme Court, decides constitutional questions. If there is any constitutional conflict or dispute between the Union and the States or among different States, the dispute is brought to the federal Court who decides and acts as the guardian of the federal constitution. There are hundreds of such constitutional cases decided by the Indian Judiciary, Gopalan vs. the State of Madras, Golak Nath vs. State of Punjab are few examples.

4. **Interprets the constitution and Laws:** In addition to adjudication, the responsibility of safeguarding and interpreting the constitution and law rests on the judiciary. In the United States the power of the interpretation is absolute as expressed in the words of Chief Justice Charles Evan Hughes: We are under a constitution but the constitution is what the judges say it is. But the Indian Court does not enjoy the vast power in this area.

5. **Administrative functions:** The judges perform certain executive functions. Appointments of officers and servants, maintenance of records, administration of staff etc. are performed by the judiciary. Superintendence over lower courts is another function of the judiciary.

6. **Advisory function:** The highest court of the country sometimes gives advices to the executive and the legislature on constitutional points, if sought for. Thus the Judiciary has advisory functions too. If it appears that a question of law or fact has arisen, it may be referred to the judiciary for its advice.

7. **Protection of fundamental rights:** The Judiciary acts as a protector of rights of the citizens guaranteed by the law of the land and the constitution. The Court can declare any law which transgresses a fundamental right as invalid. In India the judiciary has the power to issue writs in the name of habeas corpus, prohibition, mandamus, quo warranto and certiorari.

8. **Guardian of the constitution:** The Judiciary is regarded as the guardian of the constitution. In federal States this function is discharged by the application of the power of judicial review. The
Supreme Court of India enjoys limited power of judicial review in invalidating laws made by Parliament or State Legislatures.

**Importance of the Judiciary:** The importance of the judiciary in a democratic society can hardly be exaggerated. Judiciary is a part of the democratic process. Judiciary not only administers justice, it protects the rights of the citizens and it acts as the interpreter and guardian of the constitution. In many states the judiciary enjoys the power of judicial review by virtue of which the judiciary decides the constitutional validity of the laws enacted or of the decree issued. It can invalidate such laws and decrees which are not constitutional.

**Phases in the People’s Planning Campaign – a Kerala model development initiative**

The Kerala model development is known for its initiative ‘peoples’ planning’. Following are the main features of peoples’ planning programme in Kerala.

**First phase** – Gram Sabhas were convened to identify local development priorities, with meetings held on holidays to ensure maximum participation. Volunteer squads visited households to explain the importance of participation while public meetings and different mass media were used to generate mass awareness. Group discussions were organized on 12 identified development sectors. The most important outcome of the gram sabhas was development reports covering local development aspirations, information on natural resources, available statistics and problems.

It is estimated that about 2.7 million men and women took part in the Gram Sabhas. Twenty-seven per cent of the participants were women. About 650 resource persons at the state level, 12 000 at the district level and more than 100 000 at the local level, were trained for active participation in the Gram Sabhas.

**Second phase** – Local development seminars were organized to suggest action to address the identified development priorities. To facilitate the discussions, participants were given reports of the socio-economic status of the Gram Panchayat. The state of resources was assessed from existing government data, and survey of local geography and history. These exercises were guided by a group of trained local resource persons, elected PRI representatives, and government officials. This involved a massive programme to train resource persons from the state to local level.

The second phase produced an extensive local database, a comprehensive survey of the development status of the panchayat and a list of likely solutions to development problems. Task forces were set up to prepare development projects for each development sector.

**Third phase** – Sector-wise task forces prepared projects based on suggestions emerging from the development seminars. All the 12 development sectors had a task force of 10 to 15 members each and chaired by an elected representative with an officer from the relevant line department as the convenor.

As many as 12 000 task forces were functioning at the village level alone with a total participation of at least 120 000 persons. The task forces prepared about 100 000 projects for consideration by the panchayats. Special efforts were made to ensure the participation of officials and local level experts in the preparation of the projects. Guidelines were issued by the State Planning Board to ensure uniformity in the project reports.

**Fourth phase** – Projects prepared by the task forces prioritized for incorporation into the fiveyear plans of the panchayats.

**Fifth phase** – Plans are vetted by a panel of experts for their technical viability and conformity with the mandatory government guidelines on planning and costing, before they are forwarded to the District Planning Committee (DPC).
Final phase – The DPC gives formal approval to the plans. It is to be noted that even the DPC cannot change the PRI priority, but only ensure compliance with government guidelines. The final development plan for each district in Kerala thus reflects people's needs and aspirations.

Peoples planning in Kerala was an experiment with the truth of the viability of people’s participation in development projects. Lack of technical expertise among local populations affected its working and increased populising marred the working of peoples planning in Kerala and the project came to an end without achieving its objective. But popularity and further strengthening of the system cannot be rejected.

Role of judiciary in development administration

The working model of development administrations has been changed to suit new trends in administration. The concept of good governance is an example. Good governance signifies the way an administration improves the standard of living of the members of its society by creating and making available the basic amenities of life; providing its people security and the opportunity to better their lot; instil hope in their heart for a promising future; providing, on an equal & equitable basis, access to opportunities for personal growth; affording participation and capacity to influence, in the decision-making in public affairs; sustaining a responsive judicial system which dispenses justice on merits in a fair, unbiased and meaningful manner; and maintaining accountability and honesty in each wing or functionary of the Government. As per the United Nation’s Commission on Human Rights, the key attributes of good governance include transparency, responsibility, accountability, participation and responsiveness to the needs of the people. Good governance is thus linked to an enabling environment conducive to the enjoyment of Human Rights and promoting growth and sustainable human development. There is no area where the judgments of Supreme Court have not played a significant contribution in the governance – good governance – whether it be – environment, human rights, gender justice, education, minorities, police reforms, elections and limits on constituent powers of Parliament to amend the Constitution. The Supreme Court has, over the years, elaborated the scope of fundamental rights consistently, strenuously opposing intrusions into them by agents of the State, thereby upholding the rights and dignity of individual, in true spirit of good governance. For example Reiterating the view taken in Motiram, the Supreme Court in Hussainara Khatoon, expressed anguish at the “travesty of justice” on account of under-trial prisoners spending extended time in custody due to unrealistically excessive conditions of bail imposed by the magistracy or the police and issued requisite corrective guidelines, holding that “the procedure established by law” for depriving a person of life or personal liberty (Article 21) also should be “reasonable, fair and just”. In Prem Shankar Shukla9, the Supreme Court found the practice of using handcuffs and fetters on prisoners violating the guarantee of basic human dignity, which is part of the constitutional culture in India and thus not standing the test of equality before law (Article 14), fundamental freedoms (Article 19) and the right to life and personal liberty (Article 21). It observed that “to bind a man hand and foot’ fetter his limbs with hoops of steel; shuffle him along in the streets, and to stand him for hours in the courts, is to torture him, defile his dignity, vulgarise society, and foul the soul of our constitutional culture”. Strongly denouncing handcuffing of prisoners as a matter of routine, the Supreme Court said that to “manacle a man is more than to mortify him, it is to dehumanize him, and therefore to violate his personhood….”. The rule thus laid down was reiterated in the case of Citizens for Democracy.
Module IV
Rural development Theory

The factors affecting rural development favourably or adversely are so varied, and have combined over time in so many different ways, that it is very difficult to isolate a small number of crucial variables or determinants. There are many physical, technological, economic, socio-cultural, institutional, organisational and political factors that affect the level and pace of rural development. These factors operate at all levels: household, village, district, state, nation and the world as a whole. Depending upon how they are managed, these factors can have both favourable and adverse effects on development. For instance, if the human resources of a country are not properly developed by proper nutrition, health care, education and training, and are not productively utilised, these resources become liabilities and obstacles to development. But if they are properly developed and utilised, then they become great assets and major factors contributing to development. Knowledge about the nature and magnitude of the impact of various determinants on rural development is necessary for rural development managers to be able to use these factors to achieve their goals efficiently and effectively. This chapter is devoted to identifying the major determinants of rural development, and examining their role in promoting rural development. There is no single index or indicator which can adequately capture the multifaceted nature of rural development. At the same time, unless we can measure the phenomenon of rural development, we are unlikely to know much about the quantitative impact of the factors that influence it.


The diagram states rural development is concentrated on the quality of people along with the support of natural resources, employment, capital, technology, and organisational and institutional framework along the simplicity of rural people. The variables might be called the ‘instrument variables’ of economic growth. The contribution of a single variable is difficult to isolate, but at least some statistical associations between these variables are often possible. By a natural resource we mean any product, thing or circumstance found by man in his natural environment that he may in
some way utilise for his own benefit. In this sense, the resources provided by nature include air, climate, soil, water, plants, animals, mineral ores, mineral oil, coal, natural gas, solar radiation and certain amenities which can be used for tourism. Natural resources can be classified into two categories: non-renewable or stock resources, such as metal ores, mineral oil and coal deposits, and renewable or flow resources, such as solar radiation, animal and plant species, and winds, among others. Natural resources play a very important role in the process of rural development.

There are three major hypotheses that seek to propound the relation between the natural resources and development: (a) Neo-Malthusian hypothesis; (b) Cornucopian hypothesis; and (c) the Environmental Kuznets Curve (EKC) hypothesis.

The proponents of the Neo-Malthusian hypothesis, mostly biologists and ecologists, believe that the carrying capacity of our planet Earth is limited as the planet is finite, closed and non-growing. In other words, there is a natural limit to both the critical functions of the environment, that is, the inputs provisioning and waste assimilating capacities of our planet Earth are both limited. On the other extreme, the proponents of the Cornucopian hypothesis have an optimistic perspective. They are mostly technologists, agricultural scientists and economists. They assert that there is no evidence or reason to fear the catastrophic collapse of societies postulated by the scholars subscribing to the Neo-Malthusian school.

The EKC hypothesis proposes that there is an inverted U shaped relation between quality of environment as measured by some of the indicators of environmental degradation and per capita income, which is an important indicator of development. This means that environmental degradation is low initially when the per capita income is low, then it increases with increase in per capita income and, eventually, it declines with further increase in per capita income. The EKC is named after Simon Kuznets (1955) who proposed a hypothesis that the relationship between a measure of inequality in the distribution of income and the level of income is depicted by an inverted U shaped curve. The EKC hypothesis has been interpreted by many scholars to imply that economic growth will eventually redress the adverse environmental impacts of the early stages of economic growth and that continued growth will lead to further improvements in the quality of environment. The hypothesis has been criticised by many scholars on both theoretical and empirical grounds. But overall, the general consensus is that it holds for some but not all environmental indicators and that economic growth alone cannot solve all environmental problems.

In India, Common Pool Resources (CPRs), that is, resources used by people in common, play a very important role as sources of food, fuel wood, fodder and many other basic needs of rural people, particularly the poor. India has nearly 100 million hectare (mha) of common pool land, about 30 mha of common pool forests, and the bulk of its water resources and fisheries are also CPRs. One of the major causes of rural poverty in India is the lack of access of the poor to privately owned natural resources and natural CPRs. With the growing commercial exploitation of natural CPRs, the rural poor people find it difficult to meet their basic requirements. Depletion of CPRs of land, forests and water has increased the misery and drudgery of the rural poor, particularly women, who now have to spend a lot of their energy and time in fetching water, fuel wood and fodder from faraway places. Restoration and judicious management of natural CPRs is essential for improving the well-being of the rural poor, as also for improving the quality of the environment.
Both the size and quality of human resources play an important role in the process of development. The level of employment is best considered from the viewpoint of the long run and the short run. Over the long run, employment is related primarily to population growth. The correspondence between employment and population growth is especially close in societies where human beings enter the labour force at a young age, where much of the labour is utilised in agricultural pursuits, and is, therefore, likely to be utilised even if underemployed. The higher the rate of population growth, the larger will be the amount of labour used relative to the other factors of production.

Most development economists from the developed Western countries consider capital to be the key instrument of economic development. The Harrod-Domar model represents a typical example of this school of thought. In this model, capital accumulation plays a crucial role in the process of economic growth, as the rate of economic growth is expressed as the product of the savings rate and output capital ratio. Capital formation is, therefore, an important prerequisite of economic development. Much of new technology, such as high yielding seeds, chemical fertilisers and pesticides, tractors, combine harvesters and food processing plants, is embodied in capital. Increases in the capital stock lead to increases in the marginal productivity of labour which, in turn, generally enhances wage rates.

Capital can be classified in various ways. Long-term capital is embodied in improvements in land, machinery, equipment, basic infrastructure and other long-lived forms of capital, while operating capital exists in the form of seeds, fertilisers, fuel and the raw materials which are used up annually in the production process.

Moreover, capital may also be classified according to whether it is owned publicly or privately. Private capital is managed by the individual entrepreneur, and examples are those listed above in the examples of long-term and operating capital. Public capital, on the other hand, is the society's investment in infrastructure, such as roads, schools, hospitals, national defence and various government establishments. Private capital is, of course, acquired by individuals by their own decisions to consume less than they earn. Public capital, on the other hand, is produced by joint action through political processes, but can also come into being because the society earns more than it consumes. For promoting rural development, both private and public capital investments are necessary.

In all likelihood, technological advance is the most important factor that accounts for economic development. In many ways, it is the sine qua non of development, that is, it is development. Studies in the advanced countries have shown that increases in natural resources, employment and capital have accounted for less than one-half of the increases in output over time. The bulk of growth must, therefore, be accounted for by qualitative rather than quantitative increases in the factors of production. In essence, this is what technological advance is—an improvement in the processes of production, which produces increases in output per unit of input. It is improvements in knowledge and knowhow; it is improved skills; it is utilising better machinery and equipment, all of which combine to increase productivity. Schultz has argued that the transition from traditional to modern agriculture is essentially one of utilising modern inputs, which are defined as those that are technologically advanced. In Rostow's scheme, once the static stage of traditional life has been disturbed, society passes through the later stages of:
a. Establishment of the preconditions for growth; b. Take-off; c. Drive to maturity; and d. mass consumption.

With regard to organisations and institutions rural development is influenced by a multitude of factors, such as natural resources, human resources (labour), capital, technology, and institutions and organisations. Although the Classical and neoclassical economists emphasised the role of natural resources, labour, technology, and investment in economic development, they did not assign any significant role to institutions and organisations in the process of development. They assumed the institutional setup of the economy as a given (exogenous) and, hence, beyond scientific analysis. As a matter of fact, they even argued for minimising the role of the government in the process of development and advocated a policy of \textit{laissez-faire}. It was the institutional economists and Karl Marx who recognised the significant role that institutions and organisations play in the process of economic development.

The terms ‘organisation’ and ‘institution’ are often used interchangeably. We consider organisations as a subset of the broader set of institutional structures or arrangements. An organisation connotes coordinated acts or endeavours of two or more individuals. It is created to give effect to a certain institutional arrangement. The main function of an economic organisation is to provide signals that will guide the self-interested economic agents/entities to act in the interest of the larger community.

**Paradigms to Rural Development**

**The Modernisation Theory:**

The dominant arguments of the Capitalist School are embodied in what is known as the Modernisation Theory or the ‘Free World’ model of development. The Modernisation Theory was the justification for the US hegemony in the context of the Cold War. Scholars who contributed to the growth and development of this theory comprised economists, sociologists, historians and anthropologists, and the determinants of development identified by them included both economic and non-economic factors. The essence of the theory was the transfer of Western technology and rationality, without changing class structure as a means of development, and removal of all social and ideological obstacles to such a process. The Modernisation Theory was based on several assumptions, some of which are briefly stated here. Application of Western science and technology in order to increase production is essential for achieving development.

The process of development can be delineated into a series of stages, and all societies pass through those stages. In the process of development, traditional social and political institutions are replaced by modern ones. Traditional feudal forms of political power will be replaced by democratic forms of governance. In a nutshell, the Modernisation Theory presented the ‘American way of life’ as the epitome of modernity. In the context of rural development, the Modernisation Theory offers quite a few useful insights, such as the inevitability of the use of modern technology for increasing agricultural production and the need for replacing traditional feudal institutions by new democratic ones for a shift towards greater scientific temper, and secular values and norms. Though the American model approach towards development is not free from criticism, it has been going changes in the new neo-liberalised era by considering state is an entrepreneur for the sake of well being.

**The dependency theory of Marxist visionaries:**
The growing disenchantment with the Modernisation Theory, owing to its failure to explain growing inequalities, poverty, violence and military coups in the newly independent nations in Africa and Asia, forced development scholars to ask new questions and seek new answers, using an alternative paradigm. The intellectual foundation of the new paradigm was rooted in the ideas of Karl Marx, Friedrich Engels and other Marxist thinkers. Marx (1818–83) and Engels (1820–1895) were the contemporaries of the proponents of the Modernisation Theory, notably Emile Durkheim (1858–1917) and Max Weber (1864–1924). Marx and Engels believed that the process of social change was not gradual and evolutionary, as assumed by the Modernisation Theory. Instead, it was characterised by conflict of interests between classes in society, or in other words, class struggle. The Marxists saw class struggle as the engine of social change and development.

The Marxists argued that imperialism, rather than being a benign political outgrowth of European civilisation (as argued by the Modernisation Theorists), was an exploitative system of economic, social and political relations. The system changed the colonised nations into sources of cheap inputs to production in the capitalist nations, as well as markets for their products. This arrangement always worked to the advantage of the imperial power. Such a view of the dynamics at work in the capitalist system meant a complete reversal of the logic of modernisation from the promise of development to impoverishment. This was the fundamental argument of the Marxist School of thought, which came to be known as the Dependency Theory.

The following are the main arguments of the Dependency Theory:

1. The developed countries (the First World) could not have achieved the level of development that they have, without the systematic exploitation of the developing countries (the Third World).
2. That the process of development passes through a series of stages is an illusion. Developing countries cannot attain development following the path adopted by developed countries, so long as the exploitative world system exists.
3. Countries that are now poor were not so to begin with; rather they have been forced into the stage of underdevelopment by a global system of capitalist exploitation.
4. Developing countries can develop only by snapping their links with the developed countries.

Though the Dependency Theory was very popular in the 1970s, in the 1980s, the theory lost much of its initial popularity, and was criticised as being ‘too deterministic’ and ‘too simplistic’. The basic argument of the theory that ‘underdevelopment’ in developing countries (the periphery) is the result of ‘development’ in developed countries (the core/centre), was falsified by the experience of the East Asian tigers. These tigers were initially dependent on the developed countries (that is, they were on the periphery), but in course of time they became highly developed and competitive, that is, they moved from the periphery to the core.

In the context of rural development, we could say that the theory provides a useful caveat that while identifying the determinants of rural development, we should critically examine various inter-sectoral linkages (both backward and forward) and interactions, and determine whether they are beneficial to rural people or not. If not, necessary policy measures should be taken to make the linkages and interactions beneficial to the rural people.

**Rosenstein-Rodan’s Theory of the ‘Big Push’:**

According to this theory, there is a minimum level of resources that must be devoted to a development programme, if it is to have any chance of success. Launching a country into self-
sustaining growth is a little like getting an aeroplane off the ground? There is a critical ground speed which must be passed before the craft can become airborne. The essence of this theory is: Proceeding ‘bit by bit’ will not add up in its effects to the sum total of the single bits. A minimum quantum of investment is a necessary—though not sufficient—condition for success. Rosenstein-Rodan identifies three different kinds of indivisibilities, which may be considered the main obstacles to the development of developing countries. These are:

a. the indivisibility in the supply of social overhead capital (lumpiness of capital),
b. the indivisibility of demand (complementarity of demand) and
c. the indivisibility (kink) in the supply of savings.

He argues that a big push in terms of a high quantum of investment is required to scale the economic obstacles to development created by these three kinds of indivisibilities, and the external economies to which they give rise. This implies that the development process is a series of discontinuous ‘jumps’ and each jump require a ‘big push’. Besides, there may finally be a phenomenon of indivisibility in the vigour and drive required for successful development policy. Isolated and small efforts may not add up to a sufficient impact on growth. An atmosphere of development may only arise after a critical minimum level of investment has been reached. The approach to rural development is not devoid of adversities, but pooling of local resources for making rural economy independent of other resource base, is addressed by this theory.

Leibenstein’s ‘Critical Minimum Effort Thesis’:

The central idea of Harvey Leibenstein's thesis is that in order to attain sustained secular growth, it is essential that the initial stimulant to development be of a certain critical minimum size. According to Leibenstein, economic backwardness is characterised by a set of interrelated factors, which have a certain degree of stability at their small equilibrium values. The actual values are different from the equilibrium values, because the economy is always being subjected to stimulants or shocks. The stimulants have a tendency to raise per capita incomes above the equilibrium level. But in backward economies, long-term economic development does not take place because the magnitude of stimulants is too small. In other words, efforts to escape from economic backwardness be they spontaneous or forced, are below the critical minimum which is needed for sustained growth. For small values of the stimulant, the generated income-depressing factors are, in the long run; more significant than the induced income-raising forces, but the reverse is the case with high values of the stimulant. Population growth may be cited as an example of this phenomenon. A small increase in capital through raising incomes will stimulate more than an equivalent increase in population, and a proportional decline in per capita income. Leibenstein's thesis is more realistic than Rosenstein-Rodan's ‘big push’ theory. Giving a big push to the programme of industrialisation all at once is not practicable in underdeveloped countries, while the critical minimum effort can be properly timed and broken up into a series of smaller efforts to put the economy on the path of sustained development. This theory is also consistent with the concept of decentralised democratic planning, to which India, and most developing countries, are wedded. Therefore, this paradigm provides good clues as to the quantum of investment that is absolutely essential to make a programme take-off.

Lewis’ Model of Economic Development:

W. Arthur Lewis' model is based on the fact that in many developing countries, there exist large reservoirs of labour whose marginal productivity is negligible, zero or even negative. This labour is available in unlimited quantities at a wage equal to the subsistence level of living, plus a margin sufficient to overcome the friction of moving from the ‘subsistence sector’ to the ‘capitalist sector’,
which may be called ‘subsistence-plus’ wage. As the supply of labour is unlimited, new industries can be set up and the existing ones can be expanded without limit, at the ruling wage rate. The capitalist sector also needs skilled workers. But Lewis maintains that skilled labour is only a temporary bottleneck and can be removed by providing training facilities to unskilled workers. Since the marginal productivity of labour in the capitalist sector is higher than the ruling wage rate, there results a capitalist surplus. This surplus is used for capital formation, which makes possible employment of more people from the subsistence sector. The increase in investment by the capitalists raises the marginal productivity of labour, which induces capitalist employers to increase their labour force till the marginal productivity of labour falls to a level equivalent to the ruling wage rate. This process goes on till the capital-labour ratio rises to the point where the supply of labour becomes inelastic.

Lewis’ model seems to provide a good framework to understand the process of economic development in labour-surplus developing countries like India. Its basic premise is that labour productivity in agriculture must increase substantially in order to generate surplus in the form of food to be used for development of the non-farm sector, and to release the surplus labour from agriculture for meeting the growing needs of the non-farm sector. However, the relevance of the model is constrained by a number of factors. First, labour unions may push the wage rate up as labour productivity increases, and keep the rate of profit and rate of capital formation lower than expected. Second, the capitalist employers may use the surplus for speculative or non-productive purposes instead of ploughing it back for development purposes. This is, in fact, what has been happening these days in India and other developing countries. Third, to meet their rising expectations, rural people may consume more and save less than predicted by the model, and thereby dampen the pace of development.

**Gunnar Myrdal’s Thesis of ‘Spread and Backwash’ Effects:**

Gunnar Myrdal highlights low levels of income in most of the non-Soviet countries in the world, and international disparities in income, wealth and investment. Myrdal finds the theoretical approach (automatic self-stabilisation) inadequate to grapple with the problems of inequality. In his opinion, in a normal case, a change does not call forth countervailing changes, but, instead, supporting changes which move the system in the same direction as the first change, but much faster—the principle of circular and cumulative causation. As a result of such circular causation, a social process tends to move faster. A social process can be stopped by introducing new exogenous changes in the system. He also emphasises the role of non-economic factors in development, and highlights the backwash effects of growth brought out by the free play of market forces. The clustering of labour, capital, goods and services in certain localities and regions leave the remaining areas, mostly rural, more or less in the backwaters and accentuate regional inequality. Concentration of firms, capital and talented individuals in certain localities (growth points) at the expense of surrounding areas (the backwash) lowers the level of economic development below what it would have been, if growth points had never emerged. Against the backwash effects there are, however, certain centrifugal ‘spread effects’ of expansionary momentum from the centres of economic expansion to other regions. Empirical evidence shows that backwash effects are neutralised by spread effects only at a high level of development. This is one of the reasons why rapid sustained progress becomes an almost automatic process once a country has reached a high level of development. At low levels of development, the spread effects are either very weak, or are just strong enough to cancel the backwash effects, and the result in both cases is poverty and stagnation.
The Human Capital Model of Development:

This model emphasises the importance of human capital investment in the process of economic and social development. By human capital, we mean acquired mental and physical ability through education, training, health care and pursuit of some spiritual methods like yoga or meditation. The acquisition of human capital is largely through the investment of human effort and money. The simplest and most important of this type of model is a schooling model, which relates economic development to schooling. The classical and neoclassical economists did not explicitly include the quality of human resources in their theoretical frameworks; labour was taken to include both physical and mental effort.

The human capital approach to rural development is based on the following three assumptions, which have been ignored in the classical theory of development:

1. Human physical and mental capabilities are partly inherited and partly acquired, and they vary from individual to individual, that is, the classical assumption of a homogeneous labour force does not hold.
2. Human capital directly contributes to development through its positive effect on productivity and through reduction in resistance to the diffusion of new technologies in the economy, especially in the rural sector.
3. Human resources are inexhaustible and are available in plenty in all developing countries of the world, including India. If properly developed and utilised, human resources can contribute significantly to development.

This model seems most appropriate for labour-surplus developing countries like India, where a lot of underdeveloped human resources having high potential for development exist. Besides, human resources are renewable and, hence, inexhaustible. Therefore, human capital can be substituted for exhaustible non-renewable physical capital in the process of development, and thus relax the constraint on development imposed by the inadequacy of physical capital to a large extent.

The Gandhian Model of Rural Development

Mohandas Karamchand Gandhi, popularly known as Mahatma Gandhi, played the leading role in securing for India political independence from the British Raj, through organising and mobilising Indian people from all walks of life in a peaceful and nonviolent manner. He is, therefore, rightly called the ‘The Father of the Nation’. Gandhiji’s approach to India’s rural development was holistic and people-centred. It was rooted in his conviction in the tenets of truth, non-violence and the goodness of human beings. Influenced as he was by Tolstoy, Ruskin and the teachings of The Gita, he placed more emphasis on moral and spiritual values than economic motives as a means of overall development. Some of the salient features of the Gandhian model are;

Values and Premises Underlying the Model-

a. Real India is found not in its cities, but in its villages.

b. The revival of villages is possible only when the villagers are exploited no more. Exploitation of villagers by city dwellers was ‘violence’ in Gandhiji’s opinion.

c. Simple living and high thinking, implying voluntary reduction of materialistic wants, and pursuit of moral and spiritual principles of life.
d. Dignity of labour: everyone must earn his bread by physical labour and one who labours must necessarily get his subsistence.

e. Preference to the use of indigenous (swadeshi) products, services and institutions.

f. Balance between the ends and the means: Gandhiji believed that nonviolence and truth could not be sustained unless a balance between the ends and the means was maintained.

Principal Components of the Gandhian Model:

1. Self-Sufficient Village Economy
2. Decentralisation
3. Khadi and Village Industries

These components can be implemented through self sufficient village communities (Grama Swaraj). Gandhiji prescribed the following institutional structure and instruments for implementing his strategy, namely, panchayati raj, cooperatives, trusteeship, and Nai Taleem (New Education).

Gandhiji envisaged that each village in India would be a republic, where the village panchayat would have the full power of managing its affairs, including defence. He expected the panchayat to perform the legislative, executive and judicial functions necessary for a smooth functioning of the village economy. Various developmental activities such as education, health and sanitation would also be taken up by the village panchayat. It is good, and in conformity with Gandhiji's views, that India now as made panchayati raj institutions statutory bodies by passing the 73rd and 74th (Constitution) Amendment Acts. It is hoped that Gandhiji's dream of local self-governance through village panchayats would now be fulfilled.

Gandhiji saw a great virtue in cooperation as an instrument of rural development. He assigned specific roles to cooperatives in the field of agriculture, commending the promotion of cooperative farming and thereby preventing further fragmentation of landholdings. He also advocated the establishment of other types of cooperatives, such as credit cooperatives, weavers and spinner’s cooperatives, and dairy cooperatives. In this matter also, we have perhaps lived up to the expectations of Gandhiji. India now has the world's largest network of cooperatives, which occupy an important place in India's rural economy. The Operation Flood (OF) programme is a living example of what cooperatives can do to promote agricultural and rural development in India.

Gandhiji considered trusteeship as an instrument of transforming the capitalist order of society into an egalitarian one. In his opinion, all the land belonged to God, that is, the community and, therefore, he advocated that land and other natural resources should be collectively owned by—and operated for—the welfare of the community.

Landlords should merely be trustees of land and other natural resources and capital assets. He saw in the principle of trusteeship a non-violent method of persuading landowners to donate their land voluntarily for community welfare purposes, and of avoiding class conflicts.

Gandhiji had no faith in modern education, which emphasised only literacy and acquisition of information. In his opinion, modern education was ‘debauchery of the mind’. Hence, he developed a new system of appropriate education and training which he called Nai Taleem. He believed that Nai Taleem would help develop the full potential of children and adults, through full development of their bodies, minds and spirits. He wanted to see Nai Taleem to be self-supporting and practice oriented. It is unfortunate that India has not yet geared its education system to the needs of the country, and that
is why its human resources remain underdeveloped and less productive as compared to other countries that have given the highest priority to education and training.

**Co-operatives in Rural Development**

India has been a land of village communities. Rural development is, therefore, a sine qua non of overall development in India. The term, rural development, is a subset of the broader term —development, which is a subjective and value-loaded concept and hence difficult to define. Howsoever we define it, development is a universally cherished goal of individuals, families, communities and nations all over the world. The term ‘rural development’, connotes overall development of rural areas as revealed in improved quality of life of rural people. In this sense, it is a comprehensive and multidimensional process and phenomenon. It encompasses the development of agriculture and allied activities, village and cottage industries and crafts, socio-economic infrastructure, community services and facilities, and, above all, the human resources in rural areas.

Generally speaking, development can be conceptualised as a non-decreasing set of desirable societal objectives such as increase in real per capita income, improvement in income distribution (equity), political and economic freedom, and equitable access to resources, education, health care, employment opportunities, and justice.

Organisations affect rural development in many different ways including provision of production inputs and services, reduction of transaction costs, enhancement of bargaining power of rural producers vis-à-vis those to whom they sell their produce and from whom they buy production inputs and services, facilitating investments and savings and bringing the two together, and so on. There are many forms of organisations such as public (government) agencies, sole proprietorships, partnerships, companies, co-operatives and charitable trusts that can and are, in fact, serving the needs of rural people in India. Government intervention in the rural sector in India can be traced to the last quarter of the 19th century. Since then, the government has expended thousands of crores of rupees on agricultural and rural development programmes and is, by all accounts, the biggest agent of rural development. Co-operatives also have played an important role in promoting agricultural and rural development in India, particularly in the field of credit, processing, and marketing. The dairy co-operatives of Gujarat and sugar co-operatives of Maharashtra are good examples of co-operatives that can promote and sustain rural development. Gandhiji saw a great virtue in co-operation as an instrument of rural development. He assigned specific roles to co-operatives in the field of agriculture commending the promotion of co-operative farming and thereby preventing further fragmentation of land holdings. He also advocated the establishment of other types of co-operatives such as credit co-operatives, weavers‘and spinners‘co-operatives and dairy co-operatives. Pandit Jawaharlal Nehru wanted India to be —convulsed with the co-operative movement. Sardar Vallabhbhai Patel, the first Deputy Prime Minister and Home Minister of India, had great faith in co-operation as a means of promoting farmers‘ wellbeing. He was the prime source of guidance and assistance for the Kheda District Co-operative Milk Producers ‘Union Limited, popularly known as AMUL, which later became a model of co-operative dairy development in India.

Robert Owen of England, Charles Fourier of France, and Herr F.W. Raiffeisen and Herr Franz Schulze of Germany are considered as the founding fathers of the modern co-operation. In most developing countries including India, co-operatives were promoted by their governments as instruments of rural development. In India, thanks to the British legacy, the co-operative form of organisation was born in 1904 consequent upon the enactment of the Co-operative Credit Societies Act. Subsequently, a more comprehensive act, the Co-operative Societies Act, was enacted in 1912. This Act provided, inter alia, for the creation of the post of Registrar of Co-operative Societies,
registration of co-operative societies for various purposes, and audit. Under the Montaque-Chelmsfort Reforms effected in 1919, co-operation became a Provincial Subject and the provinces were authorised to make their own co-operative laws. Under the Government of India Act 1935, co-operative societies were treated as a State Subject. In order to facilitate the establishment of co-operatives having membership from more than one Province, the Government of India enacted the Multi-Unit Co-operative Societies Act, 1942. Later a more comprehensive Central legislation, the Multi-State Co-operative Societies Act, 1984, was enacted by Parliament with a view to consolidate different laws governing the same types of co-operative societies.

After India attained Independence in August 1947, co-operatives assumed greater significance as an instrument of socio-economic development and became an integral part of India’s FiveYear Plans. The All India Rural Credit Survey Committee Report, 1954 recommended an integrated approach to co-operative credit and emphasised the need for viable credit co-operative societies by enlarging their area of operation, encouraging rural savings, and diversifying their business. The Committee also recommended that the government should contribute to the share capital of the co-operatives. In 1958, the National Development Council (NDC) adopted a Resolution on National Policy on Cooperatives. Subsequently, in January 1959, the Working Group on Co-operative Policy set up by the Ministry of Food and Agriculture, Government of India, recommended a blueprint for implementing the NDC’s Resolution. The process of privatization and liberalization of the economy was initiated in 1990. With a few Committees having put their minds to find solutions to various cooperative issues, there was a growing concern about cooperatives and the need for them to be given a level playing field if they were to compete with the private sector. The Brahm Parkash Committee, appointed by the Planning Commission to suggest future directions for the cooperatives and finalize a Model Bill, submitted its report in 1991, which along with the draft Model Cooperative Law, was circulated to all State Governments for their consideration and adoption. In tune with the changed scenario, the Eighth Five Year Plan laid emphasis on building up the cooperative movement as a self-managed, self-regulated and self-reliant institutional set-up.

From the Ninth Plan onwards, there has been no important mention about cooperatives as a part of the Plan. In 2000, the Government of India also enunciated its National Cooperative Policy to ensure cooperatives functioning as autonomous, self-reliant and democratically managed institutions, accountable to their members. The Multi-State Cooperative Societies Act was modified in 2002, in keeping with the spirit of the Model Act. Rural India is always experimented with a number of programmes and projects. It is not the non availability of projects but the implementation and its monitoring is the matter of concern and analysis. After the 73rd and 74th constitutional amendments, villages become legitimate and constitutional centres where local needs are addressed and mitigated. They are independent of state governments. More financial devolution will help the panchayats to become more independent.
Module V

Rural Development Practices

The Rural Development Division looks after the following programmes being implemented by the Ministry of Rural Development (MoRD):

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

The MNREGA was launched on February 2, 2006 and the first full year of operation was 2006-07 covering 200 districts. The programme was expanded to 330 districts in 2007-08 and covers the whole country from 1.4.08. The MGNREGA aims at enhancing the livelihood security of the people in rural areas by providing guaranteed wage employment through works that create durable assets and strengthen the livelihood resource base of the rural poor. The choice of works suggested addresses causes of chronic poverty like drought, deforestation and soil erosion etc. The MGNREGA thus provides a social safety net for the vulnerable groups and an opportunity to combine growth with equity. The implementation of Act ensures that local employment is available to every rural household for at least 100 days in a financial year.

Swarnjayanti Gram Swarozgar Yojana (SGSY)/ National Rural Livelihood Mission (NRLM):

Swarnjayanti Gram Swarozgar Yojana was launched in April 1999 following the restructuring of the erstwhile integrated Rural Development Programme (IRDP) and its allied programmes along with Million Wells Scheme (MWS). The objective of SGSY is to bring the poor families (swarozgaris) above the poverty lines by organizing them into self-help groups (SHGs) through the process of social mobilization, their training and capacity building and provision of income-generating assets through mix of bank credit and government subsidy. The SGSY programme is conceived as a process-oriented programme for the poor with emphasis on social mobilization and formation of SHGs. Funding pattern is 75:25 between Centre and States and 100% central assistance in case of UTs.

The SGSY has been restructured as National Rural Livelihoods Mission (NRLM) renamed as Aajeevika to implement it in a mission mode in a phased manner for targeted and time bound delivery of results. Aajeevika will support creations of strong institutions of the rural poor and will also support them in increasing their incomes through improvements in their existing livelihoods and also diversifying into new livelihoods. In order to ensure a holistic approach towards income enhancement of the rural poor, Aajeevika will focus on four streams of livelihoods which would be as follows:

- coping with vulnerabilities – debt bondage, food insecurity, migration, health shocks
- existing livelihoods – stabilizing and expanding, making them sustainable
- self employment - micro-enterprise development
- skilled wage employment - opportunities in growing sectors of the economy

Key Features of Aajeevika include Universal Social Mobilization, Promotion of Institutions of the poor, Training, Capacity building and skill building, Revolving Fund and Capital Subsidy, Universal Financial Inclusion, Provision of Interest Subsidy, Infrastructure creation and Marketing support and Skills and Placement Projects.
Indira Awaas Yojana (IAY)

The Indira Awaas Yojana (IAY) is a flagship scheme of the Ministry of Rural Development to provide houses to below the poverty line (BPL) families in the rural areas. It has been in operation since 1985-86.

The funding of IAY is shared between the Centre and States in the ratio of 75:25. In the case of UTs, entire funds of IAY are provided by the Centre. However, in the case of NE States, the funding pattern has been changed and at present is in the ratio of 90:10. The ceiling on construction assistance under IAY is Rs. 70,000/- per unit in the plain areas and Rs. 75,000/- in hilly/difficult areas. In addition, all nationalized banks have been instructed to include the IAY houses under the Differential Rate of Interest (DRI) scheme for lending upto Rs. 20,000/- per housing unit at interest rate of 4% for SC/ST beneficiaries. For upgradation of kutcha houses, the financial assistance is Rs. 15,000/- per unit.

National Social Assistance Programme (NSAP)

NSAP was launched by Government of India on 15th August, 1995 with the aim to provide social assistance benefit to poor households in the case of old age, widows, disabled and death of primary breadwinner of the BPL households. The programme supplements the efforts of the State Governments with the objective of ensuring minimum national levels of well being and the Central Assistance is an addition to the benefit that the States are already providing on Social Protection Scheme. With a view to ensure better linkage with nutrition and national population control programmes, the maternity benefit component of the NSAP was transferred to the Department of Family Welfare, Ministry of Health and Family Welfare from the year 2001-02. NSAP, at present, comprises of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFBS) and Annapurna Scheme.

The funds under NSAP were released as Additional Central Assistance (ACA) till 2013-14 by the Ministry of Finance on the recommendation of MoRD, as NSAP has been transferred to State Plan w.e.f. 2002-03. From 2014-15, NSAP is a Centrally Sponsored Scheme under Ministry of Rural Development and funds are routed through the consolidated fund of State.

The components and scale of Central Assistance under NSAP is as follows:

- **Indira Gandhi National Old Age Pension Scheme (IGNOAPS):** Rs. 200/- per month per beneficiary to BPL persons who are in the age group of 60-79 years and Rs 500/- per month to 80 years and above.

- **Indira Gandhi National Widow Pension Schemes (IGNWPS):** Rs. 300/- per month per beneficiary who are BPL and in the age group of 40-79 years.

- **Indira Gandhi National Disability Pension Scheme (IGNDPS):** Rs. 300/- per month per beneficiary who are in the age group of 18-79 years.

- **National Family Benefit Scheme:** Rs. 20000/- to the bereaved household in case of the death of primary bread winner of the family. The eligibility criteria are BPL person who is primary bread winner of the family and in the age group of 18-59 years.

- **Annapurna Scheme:** 10 kg of food grain (wheat or rice) per month per beneficiary to those who are not covered under IGNOAPS.
National Land Records Modernization Programme (NLRMP):

For modernization of land records system in the country, a modified programme, viz., the National Land Records Modernization Programme (NLRMP) has been formulated by merging two Centrally-sponsored schemes of Computerization of Land Records (CLR) and Strengthening of Revenue Administration and Updating of Land Records (SRA&ULR) in the Department of Land Resources (DoLR), Ministry of Rural Development. The NLRMP was approved by the Cabinet on 21.08.2008.

The integrated programme would modernize management of land records, minimize scope of land/property disputes, enhance transparency in the land records maintenance system, and facilitate moving eventually towards guaranteed conclusive titles to immovable properties in the country. The major components of the programme are computerization of all land records including mutations, digitization of maps and integration of textual and spatial data, survey/re-survey and updation of all survey and settlement records including creation of original cadastral records wherever necessary, computerization of registration and its integration with the land records maintenance system, development of core Geospatial Information System (GIS) and capacity building. Detailed Guidelines and Technical Manual for better implementation of the NLRMP Manuals have been prepared after obtaining inputs from the leading technical agencies as well as from the field experience of States.

The main objective of the NLRMP is to develop a modern, comprehensive and transparent land records management system in the country with the aim to implement the conclusive land-titling system with title guarantee, which will be based on four basic principles, i.e., (i) a single window to handle land records (including the maintenance and updating of textual records, maps, survey and settlement operations and registration of immovable property), (ii) the mirror principle, which refers to the fact that cadastral records mirror the ground reality, (iii) the curtain principle which indicates that the record of title is a true depiction of the ownership status, mutation is automated and automatic following registration and the reference to past records is not necessary, and (iv) title insurance, which guarantees the title for its correctness and indemnifies the title holder against loss arising on account of any defect therein.

The Pradhan Mantri Gram Sadak Yojana or PMGSY is a nationwide plan in India to provide good all-weather road connectivity to unconnected villages.[1]

This Centrally Sponsored Scheme was introduced in 2000 by the then Prime Minister of India Shri Atal Bihari Vajpayee. The Assam Tribune has reported that the scheme has started to change the lifestyle of many villagers as it has resulted in new roads and upgrade of certain inter-village routes in Manipur. It is under the authority of the Ministry of Rural Development and was begun on 25 December 2000. It is fully funded by the central government.

The goal was to provide roads to all villages (1) with a population of 1000 persons and above by 2003, (2) with a population of 500 persons and above by 2007, (3) in hill states, tribal and desert area villages with a population of 500 persons and above by 2003, and (4) in hill states, tribal and desert area villages with a population of 250 persons and above by 2007.[6]

In order to implement this, an Online Management & Monitoring System or OMMS GIS system was developed to identify targets and monitor progress. It is developed by e-governance department of C-DAC Pune and is one of the biggest databases in India. The system manages and monitors all the phases of road development right from its proposal mode to road completion. The OMMS also has separate module to track the expenses made on each road. Based on the data entered by state and district officers, OMMS generates detailed reports which are viewable in citizens section.
Integrated Watershed Management Programme (IWMP) is a modified programme of erstwhile Drought Prone Areas Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP) of the Department of Land Resources. This consolidation is for optimum use of resources, sustainable outcomes and integrated planning. The scheme was launched during 2009-10. The programme is being implemented as per Common Guidelines for Watershed Development Projects 2008. The main objectives of the IWMP are to restore the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover and water.

The outcomes are prevention of soil erosion, regeneration of natural vegetation, rain water harvesting and recharging of the ground water table. This enables multi-cropping and the introduction of diverse agro-based activities, which help to provide sustainable livelihoods to the people residing in the watershed area.

The salient features of IWMP are as below:

a. Setting up of Dedicated Institutions with multi-disciplinary experts at State level - state Level Nodal Agency (SLNA), District level - Watershed Cell cum Data Centre (WCDC), Project level - Project Implementing Agency (PIA) and Village level - Watershed Committee (WC).

b. Cluster Approach in selection and preparation of projects: Average size of project - about 5,000 ha.

c. Enhanced Cost Norms from Rs. 6000 per ha. to Rs.12,000/ha. in plains; Rs.15,000/ ha in difficult/hilly areas

d. Uniform Funding pattern of 90:10 between Centre & States.

e. Release of central assistance in three installments (20%, 50% & 30%) instead of five installments.

f. Flexibility in the project period i.e. 4 to 7 years

g. Scientific planning of the projects by using IT, remote sensing techniques, GIS facilities for planning and monitoring & evaluation.

h. Earmarking of project funds for DPR preparation (1%), Entry point activities (4%), Capacity building (5%), Monitoring (1%) and Evaluation (1%).

i. Introduction of new livelihood component with earmarking of project fund under Watershed Projects i.e. 9% of project fund for livelihoods for asset less people and 10% for production system & micro-enterprises

j. Delegation of power of sanction of projects to States.

Prime Minister Rozgar Yojana

Prime Minister of the India announced on August 15, 1993 a scheme for giving self-Employment to learned jobless Youth in the country. This program is to give self-employed breaks to one million jobless educated adolescents in the country. This scheme is known as Prime Minister Rozgar Yojana. Officially the Scheme has been started on October 2nd 1993 in the country.

Objectives: The PMRY has been intended to give employ to over million People by starting seven lakhs micro ventures by the jobless educated youth. It recounts to the starting of self-employment
schemes through commerce, service & business means. The proposal as well seeks to link presumed non-governmental associations in execution of PMRY scheme particularly in the assortment, guidance of entrepreneurs & homework of plan report.

**Coverage:** The scheme aims to take urban regions only in the year nineteen ninety three to ninety four & entire country starting by ninety four to five. After 1994-95, the current self-employment Scheme for the Educated Unemployed Youth (SEEUY) will be included in PMRY.

**Eligibility:** Any jobless learned person residing in any region of the country whether rural or urban satisfying the subsequent circumstances will be entitled for aid. Though, during 1993-94, the proposal would be function in urban regions only.

Age: Between eighteen to forty years (SC/ST – forty five years).

Qualification: Matric (conceded or failed) or ITI conceded or having done Govt. funded technical classes for a least period of six months.

Residency: Permanent occupant of the region for minimum of three 3 years Document such as Ration Card would comprise enough evidence for this intention. In its deficiency any other certificate to the approval of the Task Force ought to be shown.

Family Income: Maximum Rs.40, 000/- yearly. Family would signify spouse & parents of the recipient & family earnings would comprise earnings from all resource, whether, salary, pay, retirement fund, farming, business, lease etc.

Defaulter: person must not be a nonpayer to any national bank/fiscal organization/co-operative store.

**Reservation:**

Inclination should be set to weaker segment counting women. The system foresees 22.5% reservation for SC/ST & 27% for Other Backward Classes (OBCs).

**Sampoorna Gramin Rojgar Yojana:**

Sampoorna Grameen Rozgar Yojana (SGRY) was started on September 25, 2001 by amalgamation of the on-going program of EAS & the JGSY. It is done with the aim of offering extra earnings employment & food safety, besides making of sturdy community possessions in rural regions. The program is self-aiming in character with provisions for particular stress on women, scheduled tribes, scheduled castes, & parents of kids inhibited from dangerous professions. While inclination is provided to families BPL for giving wage employment in SGRY, deprived families over the poverty line may as well be given employment every time NREGA has been started.

The yearly expend for the scheme is Rs.10, 000 crore and it comprises investment on food grains as of 50 lakh tones. The money part is mutual among the Centre & the States. The ratio of that is 75:25. States/UTs are given food grains without any cost. The reimbursement of food granule is done straight to FCI at financial price through the Centre. Though, State Governments are accountable for the price of moving of food granules from FCI stock site to work-place/PDS shops & its allocation. Minimum salary is paid to the staff by a combine of bare minimum 5 kg of food granules & at least twenty five percent of pay in currency.

The plan is executed through every 3 level of Panchayat Raj organizations. Every tier of Panchayat is a sovereign component for making Action Plan & implementation of the scheme. Assets are dispersed amongst District Panchayat, Intermediate Panchayats & the Gram Panchayats. 20:30:50 will be the ratio.
The Gram Panchayats may obtain any job with the sanction of the gram sabha according to their felt require and inside the available finances. 50% of the finances allocated for the gram panchayats are required to be used for infrastructure growth facility in SC/ST areas. Twenty two point five per cent assets must be exhausted on personality recipient schemes intended for SCs/STs from the asset allocation of District Panchayat & Intermediate Panchayats. No contractors are allowed to be a part for carrying out the least of the works & no middlemen/intermediary organization may be a part for implementing works in this scheme. This is a very useful aspect of the scheme to avoid any type mis handling of the funds. It also ensures proper distribution. The scheme is being assessed by impact studies carried out by famous institutions & organizations funded by the State/Central governments.

**Rajiv Awas Yojana**

The scheme has been approved by the Cabinet Committee on Economic Affairs to be launched as a Centrally Sponsored Scheme or CSS. Implementation of Rajiv Awas Yojana (RAY) will be done as a mission to be accomplished during the time frame from 2013-2022. The aim of the scheme is to remove all the slums from India by 2022. For this, shelter or free housing will be provided to all the people living in the slums. The scheme is currently being run as a pilot scheme and soon it will be launched in mission mode. Rs 32,230 crore has been allocated by the government for this scheme. It will be implemented during the fifth five year plan. Around one million people will be benefitted under Rajiv Awas Yojana.

**Objectives**

- To provide and improve housing facilities along with basic civic infrastructure and other social amenities in arbitrated slums.
- To bring modifications tackling some of the root caused that lead to creation of slums.
- To expedite an environment that supports growth of formal credit linkages for the poor people living in urban areas.
- To make strong the official and human resource capacities at city, state and municipal levels by complete capacity building and firming resource networks.

**Development Of Women And Children In Rural Areas (DWCRA)**

The special scheme for Development of Women and Children in Rural Areas (DWCRA) aims at strengthening the gender component of IRDP. It was started in the year 1982-83, on a pilot basis, in 50 districts and has now been extended to all the districts of the country. DWCRA is directed at improving the living conditions of women and, thereby, of children through the provision of opportunities for self-employment and access to basic social services. The main strategy adopted under this programme is to facilitate access for poor women to employment, skill up gradation, training, credit and other support services so that the DWCRA women as a group can take up income generating activities for supplementing their incomes. It seeks to encourage collective action in the form of group activities that are known to work better and are more sustainable than the individual effort. It encourages the habit of thrift and credit among poor rural women to make them self-reliant.

The programme also envisages that this target group would be the focus for convergence of other services like family welfare, health care, nutrition, education, childcare, safe drinking water, sanitation and shelter to improve the welfare and quality of life of the family and the community.
Swavalamban Yojana
The Pension Fund Regulatory and Development Authority (PFRDA) have presented the National Pension System-Lite or (NPS-Lite) which is in effect from 1st April 2010. NSDL e-Governance Infrastructure Limited has been appointed as Central Recordkeeping Agency (CRA) by PFRDA for this pension system. This agency will be the first agency in India to perform the functions of maintaining records, administrating and customer service to all the beneficiaries under NPS-Lite.

NPS-Lite has been formed mainly for the people who are not very strong financially. It aims to give such people a secure future. To accomplish this effort the NPS Lit system has been developed by NSDL on a low charge structure. The services are offered based in group servicing. A group of low income people is made and people coming in this group will be shown as aggregators by their organizations and will be facilitated in registration of the subscriber, subscriber maintenance functions and contributions related to pension transfer. The age group for the subscribers to join NPS is 18-60 years.

Eligibility Criteria
- There is a need to open Permanent Retirement Account.
- Minimum contribution of Rs.1000 per financial year and maximum contribution of Rs.12000 per year.

Aajeevika - National Rural Livelihoods Mission (NRLM):
It was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011. Aided in part through investment support by the World Bank, the Mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services.

NRLM has set out with an agenda to cover 7 Crore rural poor households, across 600 districts, 6000 blocks, 2.5 lakh Gram Panchayats and 6 lakh villages in the country through self-managed Self Help Groups (SHGs) and federated institutions and support them for livelihoods collectives in a period of 8-10 years. In addition, the poor would be facilitated to achieve increased access to their rights, entitlements and public services, diversified risk and better social indicators of empowerment. NRLM believes in harnessing the innate capabilities of the poor and complements them with capacities (information, knowledge, skills, tools, finance and collectivization) to participate in the growing economy of the country.

Rural green initiatives - Development cum Sustainability:
Poverty reduction and economic growth can be sustained only if natural resources are managed on a sustainable basis. Greening rural development can stimulate rural economies, create jobs and help maintain critical ecosystem services and strengthen and strengthen climate resilience of the rural poor. Conversely, environmental challenges can limit the attainment of development goals. The Approach Paper to the Twelfth Five Year Plan notes that “as the economy gains the capacity to grow rapidly, it will come up against the constraint of limitations of natural resources and then need to exploit these in a sustainable manner”. Recognizing the national and global imperatives for regenerating natural resources and conserving ecosystems, the Ministry of Rural Development requested UNDP to examine the environmental implications of its schemes and assess the potential of these schemes to deliver green results. The Report defines ‘green’ outcomes for major RD schemes, reviews the design and evidence from the field to highlight potential green results and recommends steps to improve green results.
Greening rural development refers to five broad green outcomes:

1. Improved natural resource conservation,
2. increased efficiency of resource use,
3. reduced negative environmental impacts,
4. strengthened climate resilience of communities and;
5. contribution to climate change mitigation.

These outcomes can be delivered by Rural Development schemes by

a. investing in regenerating natural resources,
b. mobilizing and developing the capacities of community institutions to utilize natural resources in a sustainable manner and
c. aggregating ‘small initiatives’ in several locations to improve natural capital on a macro scale.

The rationale for greening rural development emerges from the Twelfth Five Year Plan (2012-17) strategy of faster, sustainable and inclusive growth for poverty alleviation and MoRD’s (Ministry of Rural Development) mandate to reduce rural poverty and ensure a better quality of life especially for the poor:

1. Greening rural development will contribute to inclusive growth by:
   a. Enabling the target growth rate of agriculture of 4 percent, which is important due to agriculture’s multiplier effects and due to the continued dependence of 58 percent of India’s rural population for livelihoods on agriculture,
   b. regenerating common land and water bodies, which offer sustenance to the rural poor through provisioning of goods and ecosystem services,
   c. ‘crowding in’ private investment in green businesses: renewable energy generation, organic input chains and advisory services, green product supply chains, production of environment-friendly construction materials.

2. Greening rural development is essential for ensuring the environmental sustainability of economic growth: RD schemes can contribute significantly to conserving water resources, soil quality and biodiversity. RD schemes such as MGNREGS, IWDP and the source sustainability component of NRDWP can help arrest and even reverse the decline in groundwater levels in critical regions. This is particularly useful for hard-rock regions where groundwater depletion is at its most acute. Soil conservation works are a large part of MGNREGS and IWDP activities. Soil fertility enhancement is a key objective of the MKSP (Mahila Kisan Sashaktikaran Pariyojana) and sustainable agriculture components of NRLM. MGNREGS, IWDP and NRLM activities can play a major role in conserving India’s biodiversity which is so essential for providing the country with ecological and livelihood security.

3. Green outcomes from rural development schemes can help increase climate resilience of production systems, livelihoods and habitats: RD schemes can help reduce the impact of meteorological droughts by conserving soil moisture, slowing down water runoff and increasing water storage in surface reservoirs as well as aquifers. It can also improve vegetative cover in common lands, making more fodder and fuel wood available during droughts. Resilience in the face of floods can be provided by improving drainage.

4. Green outcomes will help making public expenditure more effective: RD schemes can strengthen livelihoods security for the rural poor thereby reducing demand for work under MGNREGS. Investment on source sustainability will result in greater longevity for drinking water supply systems and will reduce the number of ‘slipped-back’ habitations. MGNREGS
and IWDP can help bridge the gap between irrigation potential created and irrigation potential utilized, for small and micro irrigation projects.

The MoRD website states, “This Ministry’s main objective is to alleviate rural poverty and ensure improved quality of life for the rural population especially those below the poverty line.” Towards this end, it sponsors scores of development programmes, big and small, influencing various spheres of rural life and activities, from income generation to environmental replenishment.’ A small number of programmes of the two ministries – MoRD and MDWS, however, account for a substantial share of the expenditure on rural development. Primarily, these include the following:

a. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS): This aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. (Budgetary allocation in 2012-13: INR 33,000 billion)

b. National Rural Livelihoods Mission (NRLM): The basic objective of the National Rural Livelihood Mission is to create efficient and effective institutional platforms of the rural poor that enable them to increase their household incomes through sustainable livelihood enhancements and improved access to financial services. It plans to cover 70 million households living below the poverty line (BPL) in rural India. (Budgetary allocation in 2012-13: INR 3,563 billion).

c. Integrated Watershed Development Programme (IWDP): The main objectives of the IWDP are to restore ecological balance in a watershed by harnessing, conserving and developing degraded natural resources such as soil, water and vegetative cover, and thereby, help provide sustainable livelihoods to the local people. (Budgetary allocation in 2012-13: INR 2,744 billion)

d. Indira Awaas Yojana (IAY): This scheme provides financial grants to rural BPL families and the next of-kin of defence personnel killed in action for construction of houses and upgradation of existing unserviceable kutcha houses. (Budgetary allocation in 2012-13: INR 9,966 billion)

e. National Rural Drinking Water Programme (NRDWP): The goal of this scheme is to provide adequate safe water for domestic uses on a sustainable basis. (Budgetary allocation in 2012-13: INR 10,500 billion).

f. Nirmal Bharat Abhiyan (NBA): The Total Sanitation Campaign, now renamed as the Nirmal Bharat Abhiyan, assists Gram Panchayats to achieve comprehensive sanitation coverage. (Budgetary allocation in 2012-13: INR 3,500 billion)

The major schemes listed above can potentially make a significant contribution to sustaining and regenerating natural resources and ecosystem services.

Some examples are:

- A vast majority of the works under the MGNREGS are linked to water, soil and land. The list of ‘permissible’ works provide environmental services such as conservation of water, groundwater recharge, reduced soil erosion, increased soil fertility, conservation of biodiversity, reclamation of degraded crop and grazing lands, enhanced leaf manure, fuel wood and non-wood forest products supply.

- Watershed Development programmes (IWDP) are focused primarily on ecological restoration by reducing soil erosion, increasing water storage (in-situ moisture conservation, surface
water bodies and groundwater recharge), improving vegetative cover, particularly on fallow lands and strengthening related livelihoods. IWDP can also encourage sustainable natural resource use particularly in watershed projects’ consolidation phase.

- Under **NRLM**, the guidelines for non-timber forest produce-based livelihoods under the Mahila Kisan Sashaktikaran Pariyojana (MKSP) identify regeneration and sustainable harvesting of NTFP species as key objectives; similarly, increased soil health and fertility to sustain agriculture-based livelihoods is an objective under the sustainable agriculture component of the MKSP.

- The **NRDWP** guidelines have earmarked 20 percent of the NRDWP funds for sustainability of water supply, including long-term source sustainability. If water supply schemes under NRDWP include components to ensure water source sustainability, NRDWP will have a significant green impact. The scheme, with its commitment to safe water quality, is expected to invest in water treatment facilities to address contamination. The scheme could further invest in safe disposal of the sludge from such water treatment to augment green results.

- **Nirmal Bharat Abhiyan**—formerly the Total Sanitation Campaign (TSC)—is by its very nature a green programme. In recent years, its scope has been extended beyond the eradication of open defecation to comprehensive sanitation. Due to this expansion in scope, ten percent of the project funds is earmarked for solid and liquid waste management. NBA, thereby, can ensure that such waste does not contaminate the water system.

### Tribal Development Program

1. **Constitutional Provisions and Safeguards:**
   
The Constitution of India provides for the special provisions relating to Scheduled Tribes. Article 342 lays down that the President may by public notification, specify the tribes or tribal communities or part of or groups within tribes or tribal communities or parts which shall for the purpose of this Constitution deemed to be Scheduled Tribes….“. According to this provision, President of India has specified these communities through Constitution (Scheduled Tribes) order, 1950 S.R.0.570 Article 164 provides for a Ministry of Tribal Welfare in each of the State of Bihar, Madhya Pradesh and Orissa which have large concentration of Scheduled Tribes population. These Ministries are required to look after the welfare of the Scheduled Tribes in their respective States. Article 244 provides for the inclusion of a Fifth Schedule in the Constitution for incorporating provisions for the administration of Scheduled Areas and Tribes of the States which have sizeable tribal population (other than those of Assam) Article 275 provides for the grant of special funds by the Union Government to State Government for promoting the welfare of Scheduled Tribes and providing them with a better administration.

2. **Representation in Legislatures and Panchayats:**
   
The Constitution of India prescribes protection and safeguards for Scheduled Tribes with the object of promoting their educational and economic interests. Under Article 330 and 332 of the Indian Constitution, seats have been reserved for Scheduled Tribes in Lok Sabha and state Vidhan Sabhas. Following the introduction of Panchayati Raj, suitable safeguards have been provided for proper representation” of the members of the Scheduled Tribes by reserving seats for them in the Gram Panchayats, Block Panchayats, District Panchayats etc.

3. **Reservation in the Service:**
   
   Government has made provisions for their adequate representation in the services. To facilitate their adequate representation certain concessions have been provided, such as:
(i) Exemption in age limits,
(ii) Relaxation in the standard of suitability
(iii) Inclusion at least in the lower category for purpose of promotion is otherwise than through qualifying examinations.

4. Administration of Scheduled and Tribal Areas:

‘Scheduled Areas’ have been declared in the States of Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Maharashtra, Orissa, Himachal Pradesh and Rajasthan. The scheme of administration of Scheduled Areas under the Fifth Schedule visualises a division of responsibility between the State and Union Governments. The State Governments have been given the responsibility of screening the legislations which are unsuitable for extension to the tribal areas. They are also responsible for framing rules for the prevention of exploitation of the tribals by the money-lenders. They implement schemes for the welfare of the tribals living within its boundary.

The Union Government provides guidelines in regard to the administration of Scheduled Areas. It also provides necessary funds that are required to raise the standard of administration and for the improvement in the quality of life of the tribal communities. The Union Government also has the power to give directions to the State Governments about matters relating to the welfare of the Scheduled Tribes.

5. Tribes’ Advisory Council:

The Fifth Schedule of the Constitution provides for the setting up a Tribes’ Advisory Council in each of the States having Scheduled Areas. According to this provision, Tribes’ Advisory Councils have been set up so far in the states of Andhra Pradesh, Bihar, Madhya Pradesh, Orissa, Punjab, Rajasthan and West Bengal. The duty of these Councils is to advise the Government on such matters concerning the welfare of Scheduled Tribes and development of Scheduled Areas. Advisory Boards for the Scheduled Tribes have been set up in Assam, Kerala and Mysore to advise the State Governments. Tribes’ Advisory Committees have also been formed in the Union Territories of Andaman and Nicobar Island, Himachal Pradesh, Manipur and Tripura.

6. Commissioner for the Scheduled Castes and Tribes:

Under Article 338 of Indian Constitution a Commissioner has been appointed by the President of India. The main duty of the Commissioner is (i) to investigate all matters relating to the safeguards for Scheduled Castes and Scheduled Tribes under the Constitution and (ii) to report the President on working of these safeguards.

7. Welfare Department in the States:

Under Article 164 (i) of the Constitution there is a provision of Welfare Department in the States of Indian Union. In Bihar, Madhya Pradesh and Orissa, Welfare Departments in the charge of a Minister have been set up. Welfare Departments have been set up in these States as well as in Andhra Pradesh, Assam, Kerala; Tamil Nadu, Karnataka, Punjab, Rajasthan, Uttar Pradesh, West Bengal, Himachal Pradesh, Manipur and Tripura.

8. Educational Facilities:

Measures to provide educational facilities have been taken by the Government. Emphasis is being laid on vocational and technical training. According to these measures, concessions,
stipends, scholarships, books, stationery and other equipments are provided. Residential schools have been set up for them.

9. Scholarships:

The Central Government awards scholarships to deserving students for higher studies in foreign countries. Seventeen and half per cent of the merit scholarships are granted by the Centre, to deserving students of lower income groups.

10. Economic Opportunities:

A large number of tribal people practice shifting cultivation. This problem is in acute form in the States of Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Orissa, Manipur and Tripura. A scheme to control shifting cultivation has been started.

Besides this, Andhra Pradesh, Bihar, Tamil Nadu, Orissa, Uttar Pradesh have launched schemes to improve irrigation facilities to reclaim waste land and to distribute it among members of the Scheduled Castes and Tribes. In addition, facilities for the purchase of livestock, fertilizer, agricultural equipment, better seeds are also provided to them. Cattle breeding and poultry farming are also being encouraged among these people.

The Governments of different States are encouraging the development of cottage industries by providing loans and subsidies through various schemes. Multipurpose co-operative societies which provide credit in cash and kind to the Scheduled Castes and Scheduled Tribes have been established in various States such as Andhra Pradesh, Bihar, Tamil Nadu and Orissa etc.

11. Tribal Research Institute:

Tribal and Harijan Research Institutes, which undertake intensive studies of tribal arts, culture and customs have been set up in Bihar, Madhya Pradesh, Orissa, Rajasthan and West Bengal.

The Indian Constitution has made important provisions for the welfare of Scheduled Tribes. The Central Government and State Governments have made incessant effort in the direction of tribal welfare. Special programmes for their welfare and development have been undertaken in the successive Five Year Plans.

The primary objective of Community Development Programme was to achieve rural development. This was envisaged by making available the required services at the doors of people. But there were remote inaccessible areas and there was almost total absence of additional infrastructural facilities. Therefore, special efforts and greater financial investment were required to extend the services available under the Community Development Programmes to tribal areas. Initially 43 such blocks were selected for the purpose soon it was realised that it would not be possible to sustain such an intensive development approach for a long.

The Tribal Development Blocks were introduced for the developments of tribal areas. These Tribal Development Blocks were expected to have their role in matters of economic developments, education, health and communication. By the end of Third Five Year Plan there were more than 500 such Tribal Development Blocks serving around 40 per cent of the total tribal population, in the country. But no further expansion of the TDBs to other areas of tribal concentration took place after the Third Five Year Plan.
In the Fourth Five Year Plans, a series of programme such as Small Farmers Development Agencies (SFDA), Marginal Farmers and Agricultural Development Agencies were conceived and implemented.

The above mentioned programmes were introduced on an experimental basis in tribal areas. The Tribal Development Agencies were identified on the same pattern as that of the Small Farmers’ Development Agencies. Each Tribal Development Agency covered a group of Tribal Development Blocks.

During Fourth Plan, six Tribal Agencies were started and another two were added during the Fifth Plan. These Agencies were expected to incorporate elements of economic development, social services and other progressive measures. In actual practice the TDAs could not do anything other than agricultural development and construction of roads. But the experience gained from the TDAs provided valuable means for evolving better policies and programmes for the development of Scheduled Tribes.

The approach and strategy for tribal development was, revised comprehensively on the eve of Fifth Five Year Plan. It was thought as recommended by the Shilo Ao Committee that Tribal Development Blocks as an instrument of tribal development were unsuitable to tackle complex tribal problems. Besides, the situation in tribal areas in terms of resources, target groups, local priorities were different from non-tribal areas. Even within the tribal areas, problems faced by all the tribal people are not uniform in nature.

To tackle the complex and diverse tribal problems effectively, a comprehensive programme of development known as Tribal Sub-Plan was prepared under the Fifth Five Year Plan. Accordingly, all areas with more than 50 per cent tribal population were treated as Sub-Plan areas. A development block was taken as the smallest unit of development under this new strategy. This unit is known as the Integrated Tribal Development Project (ITDP).