

State Level Advocacy Workshop

Mainstreaming International Trade and National Development Strategy in India

Kolkata, July 05, 2008

A Report of the Proceedings

Introduction

CUTS Calcutta Resource Centre (CUTS CRC) in association with CUTS Centre for International Trade, Economics & Environment (CUTS CITEE) and with the support of the Royal Norwegian Embassy, New Delhi, organised this Workshop with government officials, people's representatives, members of different political parties, farmers and their leaders, CSOs, *panchayat* representatives and academicians.

The overall goal of the project is to establish upward and downward linkages between the grassroots stakeholders (*viz.* common villagers, *panchayat* officials, farmers, farmers groups and grassroots CSOs) and the policymakers – both at the local and national level – so as to integrate people's views and concerns on issues of linkages between international trade and human development into the policy making process.

In this regard, a study was conducted in two states, *viz.* Rajasthan and West Bengal, and comprised of a literature survey and information gathering, which led to the formation of the methodology of the survey and choice of research problems that were subsequently explored in the field survey. Agriculture sector was selected for its economic, political and social importance within the country. Moreover, the choice of the sector was influenced by the contention from many quarters that the impact of globalisation and liberalisation are most noticeable in livelihoods and economic security in the agriculture sector.

In West Bengal, 412 households spreading across four districts namely – Hugli, Jalpaiguri, Malda and Purulia were interviewed. Various stakeholders including government officials, people's representatives and farmers – both landed and landless – were interviewed. Since no person can be termed as apolitical in its true sense, their views also incorporated the beliefs and policies of diverse political parties as well.

The findings of the survey have brought out the need to undertake specific activities during the advocacy phase of the project that pertain to strengthening the process of dissemination of better information on government support programmes at the ground level and reinforcing the process of signaling demands from the grassroots.

Objectives

CUTS organised the State Level Advocacy Workshops – one in each state capital with the objectives of making the grassroots stakeholders aware of various aspects of international trade and its probable impact on the agricultural sector; and making them aware of the roles and responsibilities of the various *Panchayati Raj Institution* (PRI) representatives. The workshop also aimed at letting the people know about the various pro-poor schemes implemented through the *Gram Panchayats* with special emphasis on National Rural Employment Guarantee Scheme (NREGS) and *Swarnajayanti Gram Swarozgar Yojna* (SGSY).

They were to:

- emphasise on the necessity of applying social accountability techniques for better public expenditure outcomes;
- understand ways to incorporate development needs into political considerations; and
- emphasise the role played by CSOs in effective implementation of pro-poor schemes at the grassroots.

Participants

More than 30 participants comprising of state government officials, Members of Legislative Assembly (MLA), West Bengal, representatives from CSOs, academicians, representatives from the department of *panchayat* and media representatives participated in the meeting.

Inaugural Session

Keya Ghosh of CUTS CRC inaugurated the workshop by giving a brief overview of the project objectives and activities. Next, she introduced the key speakers to the participants along with their respective topics.

She said that though international trade is supposed to foster economic development of a country the grassroots realities are quite different from theoretical perspectives. In order to understand the grassroots realities and also to identify the channels of effective information flow (bottom up) and the decision flow (top down) in the present WTO regime, CUTS has undertaken this project, she argued. She also emphasised the importance of using Social Accountability Tools for evaluating various developmental projects at the grassroots.



Keya Ghosh delivering the inaugural address

Session 1

Arnab Ganguly, Research Associate of CUTS CRC made a presentation on “Is the Stage Set to Mainstream International Trade into National Development Strategy of India?” and explained the positive relationship between international trade and poverty reduction, highlighting the need for right complementary policies and associated institutions to be in place. He pointed out that though theoretically the trickle down effects of international trade can lead to development of a nation, in practice, existence of such a relationship is questionable. He informed that most of the existing literature which attempt to establish the positive linkage between trade liberalisation and poverty reduction was based on macro data. In this context, he emphasised the importance of this project, which attempt to analyse such relationships based on micro level data.

He said field survey of 412 agricultural households spread across four districts of the state has taken into account the views and concerns about the various government officials and people's representatives who are considered to be the key players for facilitating effective information and decision flow between the grassroots stakeholders and central policy makers.

After a brief explanation of the methodology of the study, he presented the major findings of the field survey. After pointing to the various gaps such as lack of awareness among the grassroots stakeholders about the size and contours of different government support programmes; lack of storage and marketing infrastructure; problem of "Elite Capture"; high incidence of illiteracy etc., he explained that there is a lack of awareness about the *gram sabha* meetings and the *gram sabhas* are still not responsive to local needs due to pre-determined budgetary allocations.

On the issue of NREGS, he said that the scheme is one of the most visible and arguably the most successful development programmes being implemented at present. However, in spite of the various positive impacts at the grassroots, the major shortcomings of the scheme as revealed during the field survey are that:



Arnab Ganguly making the presentation

- Often discretion is applied while distributing job cards and such discretions depend on various socio-economic and political factors.
- A sizeable number of stakeholders pointed out that they did not receive the stipulated wage at all.
- A large percentage of the respondents seemed to be completely unaware of their rights to demand compensation in case the *panchayat* fails to provide employment within 15 days of submission of application.
- There is a lack of technical expertise to identify and design projects to be undertaken under the scheme.

He argued that at the grassroots inadequate capacities of the peoples' representatives in understanding and executing complex government programmes often results in inefficient delivery of various developmental schemes. Respondents especially in the backward villages pointed out that MPs and MLAs visit the area only at the time of elections. Also, MLAs coming from the backward districts often do not get chance to put forward their views in the Legislative Assemblies.

Based on the findings from the field survey, he put forward the following advocacy points:

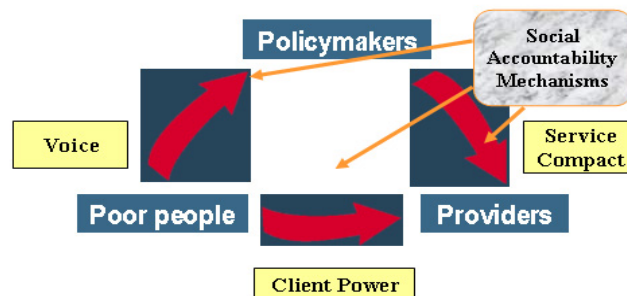
- At the national level, there is a pressing need to strengthen the capacities of the Central Government in mainstreaming the local inputs on concerns related to livelihood and development in policy making.
- Use of Social Accountability Tools should be made mandatory to judge the quality of service provided at the grassroots.
- Development Decisions should be made free from political biases.
- Raising awareness at the local level on the rights and privileges of the various stakeholders under the *Panchayat Raj System* is must.
- There is a need to reduce transaction costs and ensure faster execution of development decisions.

George Cheriyan, Director of the CUTS Centre for Consumer Action, Research & Training said: “One third of the people living below the poverty line in India paid bribes up to Rs. 863 crore last year for getting their fundamental entitlements and available basic services such as access to health care, education, water and other basic facilities which includes getting a ration card for Public Distribution System, getting registered under the NREGS etc.”

These were the words which set the stage for his presentation entitled “Improving Public Expenditure Outcomes through Social Accountability Approaches: Field Experiences from Rajasthan on Mid Day Meal Scheme (MDMS) and National Rural Employment Guarantee Scheme (NREGS)”.

With reference to the above data he was of the opinion that such corruption can be curbed only through introducing participation, transparency, accountability and probity in administration. A very special feature of Social Accountability Tools is that they are demand driven and operate from the bottom up. These tools also include many actions and tools that citizens, NGOs and media can use to hold public authorities accountable, he reasoned. It is especially important in ensuring good governance, citizen’s empowerment and development effectiveness.

Framework for Social Accountability Mechanisms



He explained the framework for social accountability with the help graphic presentation. At the top there are the policy makers which include the local legislators, MPs and MLAs, who are involved while framing laws, Acts and Bills which create the basis for service delivery in the country. At the bottom of the triangle while there lay the service providers at one corner, at the other there are the users of such services. Social Accountability is a mechanism which allows the users to give their feedback to the service providers as well as to the policy makers about their quality of services received. This will be helpful in making the service providers aware of the needs and demands of the consumers and enhance the latter’s voice.

The various tools of Social Accountability are:

- Social Audit
- Budget Analysis
- Right to Information
- Participatory Budgeting
- Citizen’s Charter
- Public Hearing
- Citizen’s Juries
- Public Expenditure Tracking Survey (PETS)
- Citizen’s Report Card (CRC)
- Community Score Card (CSC)

He went on to explain PETS, CRC and CSC which were used in Rajasthan for evaluation of NREGS and Mid-day Meal Scheme (MDMS), which are explained below.

PETS: It is a very comprehensive tool in understanding the degree of effective utilisation of funds allocated for undertaking development projects at the grassroots. It takes into account the financial allocation made by the centre to the states: when it came to the state governments; when it reached the districts; how much of it had gone to the blocks; how much of it had gone to the *gram panchayats*; and whether there was any delay. Thus, it helps track the whole accountability line of cash and material flows.

CRC: It is a participatory survey that solicits user feedback on the performance of public services. This is used in situations where demand side data, such as user perceptions on quality and satisfaction with public services is absent. This tool had originated from India, and was developed by the Public Affairs Centre, an NGO in Bangalore had first used this tool. At present the Delhi Government has signed an assignment with the Public Affairs Centre for evaluating the services of seven its important departments. Such evaluation carries along with it a *RANK* to the department thereby ushering competition among the government departments themselves.



George Cheriyan making the presentation

CSC: It is a hybrid technique among all the Social Accountability Tools. It is also very instrumental in extracting social and public accountability and responsiveness

from service providers. It takes into account user perceptions on quality, efficiency and transparency. Further, this can be used to assess any small unit of service delivery.

He emphasised the importance of mobilising the community towards participation, i.e. community gathering in the process of evaluating a developmental project using Social Accountability Tools. As in Rajasthan, he explained, after the community gathering was done (which included the ward members, the *sarpanch* and the local villagers), the next step was input tracking, i.e. how much resources had gone into construction of a road (say) under NREGS. After input tracking was done, the community, which included the common villagers as well as the elected representatives and the service providers, put marks (in a 10-point scale) for each and every aspect of this service delivery, e.g. the work, location of the road, length of the road, quality of the road etc. The most important feature of this exercise was that each one in the community has to show proper reason for putting their marks, he argued. Finally, an interface meeting was conducted among the two stakeholders – service providers and users. The interface meeting was aimed at preparing a constructive plan of action as to how the service providers can improve service delivery, he added.

He shared his experience of working with some of the Social Accountability Tools in Rajasthan where two of the various developmental schemes which were evaluated using the social accountability tools were:

1. Mid Day Meal Scheme (MDMS)
2. National Rural Employment Guarantee Scheme (NREGS)

For evaluating MDMS in Rajasthan a combination of PETS and CRC was used. While PETS was used in gathering information regarding budget allocations, budget transfers and expenditures, CRC was used for assessing citizen's perceptions and satisfaction levels on MDMS, he informed. It was found that 79 percent schools receive funds with delays ranging from two to six months (against mandatory 15 days) affecting meal quality and supply adversely. About 95 percent of the schools were reported to suffer from lack of basic infrastructure like kitchen shed, separate store room etc.

After identifying the key bottlenecks of service delivery an advocacy dialogue was organised at the District Magistrate's office where the District Magistrate himself participated. At the advocacy meeting the gaps in the implementation of the scheme along with the major recommendations were presented before the District Magistrate. This whole effort resulted in some major policy and institutional changes including:

- Release of sufficient amount for three months in advance;
- School grant facility extended to construct kitchens, food grain storage rooms;
- Conversion rates increased from 0.5 Paisa to R. 1;
- Food grains supplied after thorough checking and proper weighing;
- Faster redressal complaints; and
- Reduced burden on teachers leading to availability of more time for teaching.



A view of the participants

Cheriyam He went on to inform that similar to the evaluation exercise of the MDMS in Rajasthan, CUTS used a combination of CRC, PETS and CSC for evaluating NREGS in the Sirohi District of Rajasthan. While CRC and CSC were used for qualitative feedback and to assess beneficiary perceptions and satisfaction levels, PETS was used for the quantitative assessment of funds flow, fund utilisation etc. The survey revealed some striking results: a majority of the respondents accepted that NREGS had helped in not only increasing the bargaining power of the labourers also it has been instrumental in women empowerment and arresting migration, he explained.

However, despite these salient features, major shortcomings of the scheme lay in lack of awareness among the people about their entitlements, non-availability of Form 6 and no dated receipt, anomalies in wage payment, absence of social audit as per the provisions of NREGA etc. Since CUTS CART has undertaken this initiative only very recently so any major policy change is yet to take place. However, a few primary successes are as follows:

- District Level Authorities have issued orders to ensure amenities at work sites are made available.
- Forms are now available in all important places of the village.
- Work done is measured on a daily basis in the presence of the beneficiaries who have been provided with a measuring tape.
- Dissemination of information about entitlements and *gram sabha* meetings is more widespread.

He concluded the session by pointing to the various development and institutional outcomes of the Social Accountability Tools which are as follows.

Development Outcomes

- Improved quality of service delivery;
- Programme redesign and resource reallocation to improve programme effectiveness and public expenditure efficiency; and
- Improved governance through demand side approaches in governance.

Institutional Outcomes

- Institutionalisation of continuous user feedback mechanisms;
- Formation of community-public-private partnerships for implementation of development programmes; and
- Stronger linkages between local governments and civil society.

Session 2

Sanjeev Chopra, Secretary, Department of Agriculture, Government of West Bengal spoke on the topic “*How can Development Needs be Better Integrated into Political Decision Making?*”

At the outset, he praised the study carried out by CUTS and also the importance to employ Social Accountability Tools for evaluating development projects in the context of India’s democratic setup. He pointed out that in planning phase it is not always possible to look at each and every aspect of the implementation phase. As a result, though the schemes are framed with a very positive outlook effective implementation at the grassroots cannot always be guaranteed due to diverse socio-economic and political reasons, he argued.



Sanjeev Chopra making his presentation

Chopra He pointed out that it is not justified to blame the government for all of its activities as its greatest success lies in successfully carrying out elections at regular intervals. One of the major reason why elections are a success because the target set before the government officials are specific and supported by sufficient financial and physical resources. Thus given specific targets and sufficient resources, implementation of development schemes should not be problem, he reasoned.

In case of NREGS and other developmental schemes the administrative expenses are often very meager thereby affecting the quality of service delivery at the grassroots. For example, if one expects the Agricultural Development Officer to visit various parts of his block daily then a large financial allotment is required, which may not be economically feasible. On the issue of incorporating development needs into political decision-making he pointed out that elements of development are always embedded in the political process. As an example, he pointed out the recent government policy of loan wavier, which was a major development demand, but this demand was never put forward in a formal manner before the government. In general the political process looks forward to instant results that may not always be feasible in the long run.

Citing the same example of loan wavier he pointed out that this move of the government may have benefited the nationalised banks but had adversely affected the cooperative sector by threatening their capacities to provide loans in the future. Moreover, many of the farmers who had already repaid their past loans protested against this move. Under these circumstances, as he pointed out, Andhra Pradesh had set an example before other states in resolving this clash of interest. Very recently the Government of Andhra Pradesh has introduced a scheme by which the farmers who had timely repaid their past loans were provided an incentive of Rs. 5,000 on their next loans. While loan wavier was a political decision, providing financial incentive to the deserving farmers was a development demand, otherwise default on past loans would have the common practice, he added.

In his concluding remarks, he went back to the issue of election and pointed out that the way the government officials and the peoples representatives were given training before the elections, such intensive training is required to be given to the various officials representing different government offices across the different tiers of governance to facilitate effective implementation of development schemes.

Prabhat Mahato, Member of the West Bengal Legislative Assembly from Baghmundi constituency in Purulia praised CUTS for visiting his area, which is a very remote place to understand the problems faced by the local villagers. As pointed out by him the prime requirement for successful implementation of any schemes is sheer goodwill to make things happen. It is the duty of the CSOs to bridge the gap among the various political parties and unite them on issue related to human development.

Tarun Das, Secretary, Communist Party of India, Malda district unit pointed out that a major reason why most of the development scheme of the government could not be implemented is because of the corruption taking place mainly at the *panchayat* level. This is why awareness on various issues along with the use of various Social Accountability Tools is even more important in evaluating developmental projects.

Naushad Mallik, Secretary of Hiranyabati Gramin Silpa Niketan, a voluntary organisation, pointed out the constraints and non-cooperation faced by the grassroots CSOs in carrying out various social welfare programmes. He reasoned that until and unless the people's representatives, the government officials and the CSOs do not work in harmony effective implementation of developmental schemes at the grassroots is never possible.

Alok K. Bhowmik, Reader, Department of Economics, Rabindra Bharati University, requested CUTS to chalk out a plan of action for the agricultural sector in the light of the present WTO regime. He opined that as an advocacy group CUTS should produce the document before the local legislators, MPs, various ministers, member of different political parties, bureaucrats etc., and discuss ways for effective implementation of sector specific developmental schemes.

Sanchayan Pan, Capacity Building Coordinator, Strengthening Rural Decentralisation (SRD) Cell, Government of West Bengal pointed out that effective implementation of development schemes at the grassroots requires a coordinated set of action by the various stakeholders. Such coordinated action is often missing because of a communication gap among the stakeholders. According to him effective implementation of development schemes at the grassroots requires that the key stakeholders are sufficiently aware of the objectives and provisions of the various schemes implemented through *panchayats*.

Closing Session

Keya Ghosh spoke on the role of CSOs in Effective Implementation of Developmental Schemes at the Grassroots. According to her, the major roles and responsibilities are as follows:

- There is a need to build capacities of the various grassroots CSOs on economic and trade related issues.
- The CSOs should identify their key strength areas and specialise in their respective fields so that the issues taken up by one CSO is different from that of the other.
- There is a need for the CSOs to involve media as well in their activities to ensure effective dissemination of grassroots realities and the changes taking place as a result of their intervention.
- It also necessary to carryout development dialogue with the government officials and peoples representatives to know their views about the role of CSOs.