Civil Society Work on Pro-poor Budgeting in India: Lessons Learnt So Far

Nilachala Acharya

Centre for Budget and Governance Accountability
(www.cbgaindia.org)

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Structure of the Presentation

- CSOs’ work on Pro-poor Budgeting
- Strategies and Success in Budgeting for the Disadvantaged Sections of Population
- Strategies and Success in Budgeting for the Agriculture Sector
- Lessons learnt so far
I. CSOs’ Work on Pro-Poor Budgeting in India
Accountability of the Government for Budgets

• Strengthening the existing institutional mechanisms for accountability of the Government to people’s elected representatives

• Seeking accountability towards the people themselves

• Promoting ‘active citizenship’ by empowering people to ask relevant questions
Enhancing Budget Transparency

- Working towards enhancing the range and quality of budget information available to the public
- Increasing the accessibility of budget information for the non-technical audience
- Advocating for institutional measures to make locally relevant budget information available to the public (recent initiative by CBGA and its partner CSOs)
Participation in Budget Priority Setting

- Promoting people’s participation in different phases of budget cycle
- Increasing people’s participation in the process of setting up the priorities in Union Budget and State Budgets
- Working on strengthening budgeting processes at the level of local governments
II. Responsiveness of Budgets to Dalits
Why look at Budgets from the Lens of Scheduled Castes / Dalits?

• Civil society budget work in India rooted in a ‘rights-based’ framework

• Government policies and budgets often unresponsive to concerns of Dalits

• Benefits (for Dalits) from the general budgetary spending mostly ‘incidental’, not ‘direct policy-driven’
Causal Factors for Development Deficits of Dalits

• Scheduled Castes / Dalits constitute 16.6 percent of India’s population (2011)

• Among the most disadvantaged sections due to socio-economic exploitation and isolation over a long period

• Some of the major reasons for the continued exclusion of Dalits:
  (a) gaps in public policies for their development
  (b) gaps in budget allocations for the relevant policies
  (c) gaps in implementation of relevant programmes
Planning and Budgetary Strategies

• Scheduled Caste Sub Plan (SCSP) since 1978
• Funds to be earmarked for SCSP from Plan Budgets at least in the proportion of SC population to the total population
• In the ‘Detailed Demands for Grants’ (in State and Union Budgets), SCSP (with code 789) to be opened as a minor head wherever necessary
• Outlays for area-oriented schemes directly benefiting hamlets / villages having a majority of Dalit population to be included in SCSP
• SCSP funds to be non-divertible and non-lapsable
Poor Implementation of the SCSP

- Allocations and release of funds for SCSP have not been in proportion to the population of Dalits.

- A large amount of fund under SCSP has been ‘notional’ allocation in States as well as in the Union Budget.

- Most of the programmes / schemes for Dalits have been for survival, and not for development or empowerment (like entrepreneurship, employment and skill development projects).
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- Poor utilisation of the funds allocated under SCSP
- Funds meant for SCSP have been used for other sectors and purposes (due to the absence of programmes / schemes relevant for Dalits)
- Poor awareness of SCSP among Dalit community and no involvement in planning and implementation of the strategy (explaining the absence of relevant programmes)
Research Questions in *Dalit Budgeting Work*

- Have the state governments and the central ministries allocated SCSP funds at least in proportion to Dalit population in the states / the country?
- Have the central ministries and state governments formulated appropriate need-based programmes for Dalits and made financial and physical targets for them separately?
- Have the state governments and the central ministries adapted their existing programmes to suit specific requirements of Dalits?
Advocacy Strategies of CSOs

- Spreading awareness about the neglect of the SCSP strategy
- Popular mobilization by Dalit Rights Organisations (e.g. NCDHR)
- Use of existing laws and rights (e.g. RTI Act)
- Advocacy with Legislators, especially Dalit Legislators
- Advocacy through Media
- High Level Consultations
- Engaging with the Executive
Successes

• Cases of misappropriation / diversion of SCSP funds highlighted in media

• Union Govt. admitted that INR 7.4 billion of SCSP funds were diverted (in Delhi), which needed to be reallocated to SCSP

• Planning Commission set up a Task Force to review guidelines on SCSP

• Union Govt. opened the code (789) in budget documents of many of its ministries
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• Uttar Pradesh and Bihar introduced the code (789) in their budget documents

• Rajasthan, Tamil Nadu and Odisha - fulfilling the norm of earmarking funds for SCSP in proportion to Dalit populations

• Andhra Pradesh passed a legislation on SCSP

• A National Draft Legislation drafted by the previous Union Govt.
Challenges

• Problem of ‘notional’ allocations under SCSP has been widespread

• Senior govt. officials divided in their opinion about SCSP

• Governments not very receptive to civil society demands on SCSP

• No serious effort yet on designing programmes / schemes relevant for Dalits
III. Budgeting for Agriculture Sector
Not just the quantum; the container matters!

Even enhanced budgets in the present frame do not benefit rainfed areas.
Evidences Used

• Differentiated and Enhanced Investments

• In a relevant framework:
  Re-Frame the framework of public investments, at least for rainfed areas

- Recognize the agro-ecological diversity
- Decentralization alone won’t work, unless it is supported by adequate resources and flexibility
- Central priorities and programatic framework; but, local

(Reference: A. Ravindra: RRA Network, India)
Rainfed Agriculture has location specific drivers and needs.
Strategies

• Research on locating budget priorities: trends in allocations and utilization for the Sector and within the sector
• Emphasis on a differentiated policy approach
• Networking with the CSOs’ working on the Sector (e.g. RRA Network and RLN Network)
• Evidence based advocacy with policy making institutions (Planning Commission) - for a different policy framework
Successes

• Union Govt. recognizing the need for a differentiated approach to rainfed agriculture

• Sector got the boost in terms of budgetary allocations

• Focus on institutionalizing rainfed agricultural practices, emphasis given for channelizing resources (reprioritization seen in the Union Budget)
IV. Lessons Learnt So Far
Positive and Encouraging Developments

• A sizable number of CSOs in the country have adopted ‘budget work’

• Most CSOs engaging with policy advocacy processes are using info. generated by civil society budget work

• Improvements in transparency in govt. budgets

• Improvements in budget priorities for social sectors

• Media raising questions on budgets a lot more frequently

• Larger public discourse in India referring to budgets a lot more
Challenges confronting CSOs working on Pro-Poor Budgeting in India

- Limited access to detailed budget information in a number of sectors
- Government officials not too receptive to CSOs
- Limited interest of mainstream media in the work of CSOs on budgets
- Policy environment promoting a ‘growth’ perspective and neglecting ‘social inclusion and equity’ perspective
- Limited financial resources for such work by CSOs
What Has Worked?

• Appropriate research on budget issues to generate relevant information

• Evidence-based policy advocacy

• Identifying ‘champions’ with the Legislature and the Government and sharing information with them

• Mobilizing popular opinion on relevant issues

• Engaging with media in a strategic way

• Efforts sustained over years
nilachala@cbgaindia.org

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