

DISTRICT PLANNING

KAMTA PRASAD

The recent declaration by the Prime Minister to accord a pride of place to district planning, if implemented in its true form and spirit, would amount to a revolutionary change in the planning set up in this country. This declaration also gives an added significance to the deliberations of our annual conference this year. A number of questions do, however, arise when we start formulating our own viewpoint on the subject of immense national importance. Is this change desirable? If so, what does the new thrust mean and what are the conditions for its success? What has been the past experience? What lessons do we learn from this? And given all these, what are the chances of the success of district planning?

JUSTIFICATION

The desirability of the move is beyond question. District planning is a major step in the direction of decentralised planning, the case for which for a country of the size and diversity of India is too obvious to require much elaboration. Studies of India's centralised planning experience have thrown up numerous cases of planners giving uniform or stereotyped approaches and schemes not suited to the needs and resources of specific areas. This has been highly unproductive. India has now reached a stage of development where area specific approaches and solutions are called for. Decentralisation may also lead to a more equitable regional development since every district will receive a minimum quantum of attention and resources. This will be a marked improvement over the present system under which certain pockets tend to flourish at the cost of others some of which are completely neglected. It is true that, taking the nation as a whole, decentralisation need not always result in optimal solution. It may not result in the most efficient scale of production and the best possible location. However, this is not guaranteed even under centralised planning, if the objectives do not take into account the felt needs and preferences of the people and if

the data to be used are of doubtful reliability.

District level planning is expected to result in better planning because the local people have a better awareness of their needs and fuller information on the conditions and possibilities of their areas.

The district planners who have more intimate knowledge of the interdependence of activities in the district, would be in a better position to develop integrated programmes which would avoid duplication and can produce the maximum impact with minimum cost. Besides, there is scope for involvement of people in the planning process if the process is decentralised. Moreover, implementation may also be better as a result of more realistic planning and greater involvement of the people. Considering all factors, it seems appropriate to decentralise the planning process in the next few years.

Among the various levels below the State, the level most widely involved in the planning process is the district. This is the lowest level and nearest from the grassroot at which a viable administrative machinery already exists. Besides, a few States have already started the process of developing planning capabilities at this level. It is therefore, not surprising that decentralised planning in India has frequently been treated as synonymous with district planning. It may be said that the districts do not represent ideal geographical units for planning. Formed on the basis of considerations other than planning, the districts need not have homogeneous economic features. This disadvantage, however, is not very serious since no planning region howsoever defined and demarcated would be adequate for all planning purposes. On the other hand, the coincidence of planning unit with a well established administrative unit like the district has an advantage insofar as it would facilitate the establishment and operation of the machinery for planning as well as implementation and would also make it easier for people's representatives to be associated with the planning process. Further, the availability of data and information is better with respect to an administrative unit.

District planning would obviously become more meaningful if the process of decentralisation is carried forward to lower levels like the block, mandal and the village. However, it would take time before viable mechanisms at these levels can be created. Hence the focus of attention for the time being has to be on the district.

Before proceeding further, it may be emphasized that complete decentralisation of planning at the district or any one level in an

inter-dependent multi-regional economy like India is not desirable since it will result in inconsistencies between aggregate supply and aggregate demand as well as their composition. This will have adverse effects on the pace of development. Another limit on complete decentralisation of planning is imposed by the indivisibility of several economic entities. It, therefore, follows that district planning should be conceived within a framework of *multi-level planning* involving *iterative* planning process. As compared to purely centralised planning, this process may be expensive, time consuming and administratively problematic. However, ultimately a consistent plan should emerge if the planning agency at various levels of hierarchy: (a) adopt a flexible approach, with more than one variant of their plans to start with, and (b) respect the right of others to make certain decisions if such decisions are better made at a higher or lower level.

THE EXPERIENCE

The desirability and the declaration by the Prime Minister notwithstanding, one is sceptical of the extent to which a really significant step towards effective planning at the district level can be taken. It is not for the first time that the need for district planning has been stressed by our rulers. And yet nothing substantial has happened in this respect so far. Rhetoric and appearances apart, India's planning system has continued to be a centralised one. Some progress has no doubt been made but this cannot be considered significant. Other countries though starting later than India have made more rapid progress.

India has been among the first few countries to realise a need for micro level planning. This need has been reiterated in almost every Five Year Plan. Efforts to decentralise the planning process at the district level have also been made from time to time. In 1969 the Planning Commission worked out and circulated a guideline with detailed methodology for formulation of district plans. Thereafter, a few district plans were also prepared. But, in the absence of suitable planning machinery, it was not possible to follow the guidelines. Some of these district plans were nothing but a more collection of the felt needs of the people and the resultant demand for funds. Others were a collection of various departmental proposals often handed over to district from the State Headquarters without any integration. Under the circumstances, these plans were largely ignored. And in due course, the preparation of even these

district plans was gradually discontinued. Meanwhile, there took place a shift to centrally directed or administered strategy through special bureaucratic agencies sponsored by the Central Government like the CADA, the SFDA, the DPAP, and now the DRDA. Detailed instructions or guidelines relating to these came to be issued from New Delhi or from the State Headquarters. This left hardly any scope for district level planning except for decisions on location of minor projects which are often made on non-economic considerations.

There have, of course, been certain favourable developments like formulation of district credit plans by banks and preparation of annual action plans for the IRDP and the NREP. In 1982, Gujarat took the initiative in developing a suitable planning mechanism at the district level. This involved creating a separate planning machinery, making block grants to this machinery and allocating spheres of responsibility to it. Jammu & Kashmir is another state which had taken the lead in this connection. Similar patterns are now available in States like Maharashtra, Karnataka, U.P., Assam, Bihar and West Bengal. Very recently, Karnataka has taken a really revolutionary step in decentralised district administration and planning. The Union Planning Commission has also been assisting the decentralisation process through a scheme of partial financing of expenditure incurred on strengthening the district planning machinery. Started in the Sixth Plan period, this scheme continues during the Seventh Plan also.

And yet the progress made by district level planning is far from satisfactory. Several shortcomings of the district plans evolved so far have been highlighted most recently by the various workshops of District Magistrates held at the initiative of the Prime Minister. These are reproduced below:

- Objectives of the district plan are not formulated in concrete terms with reference to national objectives and the basic sectors of the economy;
- comprehensive data on resources, demography, agro-economic and socio-economic indicators, position of infrastructure and necessary sectoral information are lacking;
- strategic profile for the district and thrust areas are not explicitly worked out;
- analysis of existing programmes, need for modifications and justification for new programmes to reach stated objectives

- are not fully spelt out;
- hardly any effort is made to determine intra-district disparities or to suggest remedies;
- efforts to dovetail in an integrated manner resources from the Centre, State, local bodies, credit institutions and voluntary agencies are weak or non-existent; and
- employment programmes are not worked out with reference to manpower planning.

The above list is quite formidable. A few more shortcomings may, however, be added.

Integrated planning is absent in all the states including those like Gujarat which are ahead of others in district planning. At the time of deciding on budgetary allocations for different sectors at the district levels, the complementarities and linkages between schemes of different departments are hardly taken into consideration. Nor is their sequencing examined. This results in imbalances which become obvious later on at the state of implementation when not much can be done.

The district planning organization in almost all states is extremely weak specially with regard to the availability of full time qualified staff. According to the information obtained by the Planning Commission's Working Group on District Planning (1984) the number of purely technical personnel available at district level for planning arranged from 2 to 6 officers in 1984. Most often they come on deputation from other departments and do not possess any particular planning qualification. Because of this inadequacy of expertise, the so-called district planning teams deal mostly with routine operations like data and scheme collection and do not conduct studies or indepth analysis. Nor do they provide any integrated plan for the district. As regards the DRDAs preparation of a good plan is nobody's concern. The DRDA Director has very limited time for planning as he is busy with day to day problems of implementation of programme, supervision of administration and accounts, and attending a large number of meetings. The DRDA too does not have personnel with requisite qualification and experience.

REASONS FOR SLOW PROGRESS

The reason for the slow progress in district planning can be summarised as follows:

1. For quite some time, there has been an inadequate appreciation of the conditions necessary for the success of such planning. Even now these are not fully understood in several states.
2. Monitoring of progress of plan schemes at the district and lower levels is done with respect to such characteristics as amount spent on the number of beneficiaries and not with reference to the quality of schemes or the impact of their programmes. Hence, there is no pressure to prepare good schemes. As a result, no compelling need is felt for a planning machinery.
3. The very role of planning is not realised by many bureaucrats and politicians. The widely held view that it is implementation rather than planning which is important in development, also hinders the setting up of a suitable planning machinery. Consequently any expenditure on planning organisation is considered a waste.
4. Central schemes carrying subsidy strike at the root of local level planning. These provide a temptation to the State governments to adopt these schemes regardless of their suitability for specific areas, so as to obtain the funds associated with them and thereby exercise some patronage at the local levels. Further, the taking over of several functions by State level corporations which function independently of local level institutions, has further reduced the scope for decentralised planning.
5. Planning reduces the scope for arbitrary action and discretionary authority. At the micro level, this would imply reduction in patronage with respect to specific individuals and locations. As such, there is a natural tendency on the part of local level authorities to avoid it as far as possible.
6. Decentralised planning is a difficult task within the prevailing administrative system characterised by strong vertical integration. Departmental officers at the district and lower levels look only to their Heads of Departments at the State level for guidance. Area planning at the local levels, however, implies bringing about both vertical and horizontal coordination of the programmes formulated at different levels. Achieving such a coordination at the district or block level would involve "a restructuring of the administrative apparatus aiming at strengthening of the

horizontal linkages and loosening of the vertical (departmental) commonly line".

7. In the absence of any constitutional measures, there has been a reluctance on part of the State leadership to delegate powers to the lower levels. Accountability of the State Government to the State legislature for all activities in the State List provides a good pretext for concentrating all powers at the State headquarters.
8. Finally, it is a question of administrative tradition and attitudes. The age-old centralised bureaucracy has created a tradition of orders flowing from the higher levels to the lower levels instead of encouraging free discussion. In the case of planning itself, the well established tradition has been one of centralisation. The concept of planning as originally evolved was centralised in nature. It was advocated as a cure for the ills of the market mechanism which could be regarded as one form of the decentralised decision-making system. Analytically, the case for centralisation of planning derives immense support from planning techniques, most of which have been based on macro models, whether aggregate or multi-sectoral. Planner and technocrats working with these models, therefore, have a natural bias towards centralisation specially as it gives them power and prestige.

PRE-REQUISITES, ISSUES AND OPTIONS

Clear Demarcation of Planning Responsibilities

Future prospects in this respect would depend upon the extent to which the difficulties mentioned above are removed by suitable policy measures, designed to create conditions essential for the success of district planning. There should, first of all, be a clear demarcation of responsibilities to be carried out at this level. Before the districts are asked to prepare plans, they should have a precise idea of the activities that would come within their purview. In our country, a statutory demarcation of responsibility exists between the Centre and the States. But there is no such provision with respect to demarcation at the district level. Hence, there is a need for identifying and demarcating the fields of activity where planning body at the district level should have exclusive and concurrent responsibilities.

This task unfortunately is not attempted because of its inherent

difficulties. It is not easy to indicate a neat division of responsibilities because of complex heterogeneity associated with various developmental activities. The distinctions become even more blurred in practice because of the tendency on the part of the authority at any level to have as many responsibility as possible and to be reluctant to part with any of the existing ones. Take for example the case for agriculture and rural development. An analysis of constitutional provisions and more so the actual practice would indicate that the Centre practically does everything that the States do even though agriculture and rural development are supposed to be State subjects. Some allocations of activities at the district and even the block level have been indicated from time to time by a few national level bodies and some State governments. These are, however, not very illuminating. The fields mentioned are in general terms like agriculture, livestock, fisheries, forestry, etc. Further, the relative importance of a particular level for any activity is not indicated. Consequently, the higher levels get involved with almost every activity. Whenever there is an overlap at different levels, it is the authorities at the higher levels who have an upper hand in view of the vertically integrated administrative system and financial dependence of lower level authorities on higher levels.

One would like to adopt some criteria before working out specific allocations of responsibilities. One such criterion could be defined in terms of the command area of an activity or a project. This criterion is easy to apply in the case of location specific activities such as soil and water conservation, land levelling, land shaping, and infrastructural facilities and not for goods and services which are liable to be transported outside the boundaries of the district or State. The compulsions of competition along with economies of scale reduce the scope for divisibility of an activity even if physical divisibility is possible. Indivisibilities restrict the scope for decentralisation. This consideration gives rise to concurrent responsibility. Their scope should, however, be minimum so as to land some precision to the allocation of responsibilities between the different levels.

We may, therefore, follow a stages approach. In the beginning, allocation of planning responsibilities should be made with respect to the command area criterion only. Later on, with the growth of planning expertise and depending upon the availability of export-import data, planning for the export sector may also be taken up at the district level.

Further, we may note that it is not always convenient to transfer a specific sector or subsector as a whole to a particular level. For example, agricultural research and education should be at the state level even though agriculture may be decentralised at the district or even at the block level. Sometimes, allocation in terms of scale of effort measured by financial outlay or some physical dimension may be more useful. The precise financial or physical limits can be worked out on the basis of field level data.

Guided by the considerations mentioned above, I have made a detailed analysis of the suitability of different activities under agricultural and rural development at different planning levels in India. The resulting allocation suggested is given below as an illustration. This is markedly different from the current practices in our country.

A suggested allocation of Planning Responsibilities at Different Levels of Planning for Agricultural and Rural Development

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| 1. Centre | price policies for agricultural products and fertilizer, buffer stocking of foodgrains, foreign trade in agriculture; |
| 2. Centre and State | formulation of content of programmes of crop development and rural development, multiplication of improved seeds, fertiliser and pesticides, multi purpose projects and large irrigation projects, major/inter-state flood control works, major works of soil conservation in upper catchments, agricultural research, agricultural economics and statistics, dairy development, agricultural credit; |
| 3. State | medium irrigation projects, command area development, minor flood control works, land reclamation, production and supply of agricultural implements and machinery, higher level agricultural education, land reforms policy, price policies for canal irrigation and electricity; |
| 4. State and District | planning for distribution of improved seeds, fertilizer and pesticides, drainage and anti-water logging, agricultural extension and |

- farmers' training, livestock, dairy development, agricultural economics and statistics marketing, storage and warehousing;
5. *District* minor irrigation projects (deep tubewell and river lift irrigation works), training for agricultural implements and machinery, lower level agricultural education, pricing of tubewell irrigation;
6. *District and Blocks* salocation and adoption of programmes of crop development and rural development, minor works of soil conservation, farmers' education, agricultural economics and statistics, livestock, dairy development, marketing, storage and warehousing;
7. *Block* manures, minor irrigation projects (shallow tubewells, pumpsets, small tanks), repair workshop for agricultural implements and machinery.

Comprehensive List of Responsibilities

<i>Centre</i>	1	+	2		
<i>State</i>	2	+	3	+	4
<i>District</i>	4	+	5	+	6
<i>Block</i>	6	+	7		

Organisation

An appropriate organisation for planning at the district level is another essential condition for the success of district planning. This has several aspects of which the most important ones relate to people's participation in planning and availability of qualified planners.

There should be no disagreement with the view that the district planning organisation should have an adequate degree of people's participation since it is this participation that provides the most important justification for decentralisation. It is also obvious that people's participation at the district level can take place only through their representatives. Direct involvement of the people as a whole is possible only at the level of the village or the Mohallas of bigger villages and towns. People's participation in planning at the district level, can, of course, become more effective when it is supported by people's participation in planning at the village level.

With regard to the organisational form at the district level two models are emerging, one of which can be best described by the Karnataka model where the popularly elected Zila Parishad acquires full responsibility for district level planning. The other model represented by Gujarat, Maharashtra and few other states is one of creating a District Planning Board with which people's representatives like MLAs, MPs and functionaries of Panchayati Raj Institutions are also associated. The District Planning Boards, however, are essentially bureaucratic organisations with a semblance of a participative approach. While the participative model of the Karnataka type seems to be ideal, it is doubtful whether it would be feasible in the present socio-political context in the country. The bureaucracy plays an important part at all levels of administration; so a planning framework which assigns a purely a subsidiary role to the bureaucracy is not likely to be effective. What seems feasible in the immediate future is to put a little more emphasis on the participative approach by restructuring district planning boards so as to provide better representation to the elected representatives of the people who are accountable to the concerned local population. At this stage, it is also relevant to examine the rationale for including MLAs and MPs in these bodies. Further, the Karnataka model, though attractive in terms of public participation suffers from a major organisational deficiency namely complete separation between developmental and revenue administration. The model can be made more effective by making the District Collector in integral part of the planning machinery since it is he who has traditionally occupied a central position in the administrative hierarchy of the district.

While laying emphasis on the participative approach it should not be forgotten that planning is also a technical exercise. Hence planning machinery should be such that has the capability to plan for all activities taken together in a scientific and integrated manner and without being influenced by the vested interests of sectoral departments and agencies. The machinery should also be well equipped to perform the required technical tasks such as analysis of data and information, formulation and appraisal of projects, working out linkages, determination of priorities and formulation of strategies. The secretariat of the planning organisation should, therefore, consist of full time specialists in planning from relevant disciplines like economics, statistics, agriculture, animal husbandry, fishery, rural industries, etc. In addition, the district level heads of

various developmental departments as well as Lead banks, should be actively associated as part time members of this planning team. All proposals related to planning from different government departments, agencies, members of the public and others should be sent to this body for its examination and recommendations. Before considering the views of the public, the comments of this planning team should also be obtained. This could ensure that public participation does not result in the plan becoming a mere list of uncoordinated demands. The plan prepared by the planning team would, of course, be subject to approval by the Planning Board of Zila Parishad as the case may be.

The planning team at the district level which is being recommended here would not be a substitute for the existing departments/agencies but would be supplementary to them. Work related to detailed formulation of specific schemes and projects and the preparation of sectoral plans will continue to be done by the concerned departments. But unlike the present system, the plan prepared by the departments would not be final in the proposed system. It may undergo a change in the light of plans prepared by other departments, requirements of intra-sectoral linkages and overall priorities and strategies of the district plan. Thus, instead of being a mere compiler of departmental schemes and projects the planning team would become an integrator. In the process, it should make an assessment of resources, determine priorities, formulate strategy and work out linkages between various areas, programmes and schemes so as to produce the maximum impact in terms of income and employment and other objectives.

Much of the success of the district planning team would depend upon the extent of cooperation that it can receive from other departments/agencies. It should, therefore, have a leading position in the hierarchy of the district administration so that other departments/agencies should have little reservations in handing over a part of their planning functions to it. Since the District Collector has a central position in the administrative hierarchy of the district, it would be better if the planning team works directly under him. He should be designated as part time Chairman of the planning team. Creation of machinery of the type suggested above, would fill up a great vacuum in district planning and will make the district planning exercise really fruitful.

The above proposals related to the technocratic planning team can be feasible only if suitable personnel for the purpose are

available. This can be made possible by launching a massive programme of training. Unlike other planned economies, India has not given due importance to training in methodology of planning. This needs to be rectified. The State governments and banks should prepare a time bound programme for providing training in different aspects of local level planning. Training would also be needed for public representatives associated with planning. The Government may also consider the possibility of creating a cadre for planners with adequate avenues for in-service promotion. This would provide an opportunity to officers to develop expertise in the difficult art of planning. Many of the planned economies of the world have such a cadre and it is really surprising why India has not done anything in this respect despite more than 30 years of planning. Members of this cadre, should man planning Secretariat not only at the district level but also at the State and Central.

Finance And Budgeting

Another pre-requisite relates to availability of funds. No meaningful decentralisation of planning at the district level can take place so long as a district depends entirely upon the mercy of State level authorities for funds and that too tied to specific schemes. It is only when districts are assured of required funds and have complete control over their disposition that they will take interest in formulating plans in the light of local considerations. Decentralised planning would also imply the need for district budgeting. Generally speaking, the State budgets make only sectorwise and not districtwise allocations. In order to introduce district budgeting, it may be necessary to have a close look at the accounting classifications under the major heads of account.

The preparation of functionally integrated plans would require a more flexible arrangement with respect to financial appropriation at the district level. The district level authorities have no powers to make changes in allocation from one department to another, say from road building to irrigation, in case irrigation is considered more useful or has better linkage with other activities in a particular district. Very recently attempts have been made in some states to deal with this problem but being half-hearted, these have not resulted in any significant change. In Maharashtra, for example, the DPDCs have been given freedom to recommend re-appropriation of savings within the district itself, subject to certain limitations, relating to the programmes in the core sector. However, the

re-appropriation proposal must be sanctioned by the State Government. In Jammu and Kashmir, the District Planning Body is authorised to make its own intra-sectoral transfers, as may be desired. But inter-sectoral transfers need the sanction of the State Government. In other states in this respect at the district level. It would, therefore, be desirable to empower the district planning authority to make re-appropriation within certain limitation, or to keep an adequate quantum of free or untied funds at their disposal.

Information System

Availability of data and information is another requirement of district planning. Various planning functions like formulation of objectives, determination of strategy, fixation of targets, formulation of projects, etc., require a solid base of data and information. Of course, plans can be and are prepared even if the data base is inadequate. However, planning, to be efficient, must have sound information system with a good data base and a suitable analytical framework for converting the data into useful information. Absence of accurate data results in guess work and unrealistic planning. It may be said that a considerable volume of data already exists in our country. However, the statistical system of India has been designed primarily for providing data on an All India basis. Data at the lower levels are not easily or quickly available. The gaps are conspicuous with respect to the set of overall economic data like income, consumption, pattern, employment and investment. Another data deficiency relates to economic aspects of industries, services and infrastructural, e.g., size of investment, output, value added, profit and manpower.

NEED FOR CONSTITUTIONAL AMENDMENT

It can be seen from the above that most of the conditions necessary for effective planning at the district level are yet to be fulfilled in our country. Considerable preparation, therefore, is needed before the idea of district planning can be fully operational. The crucial bottlenecks relate to organisation and attitude. Creation of a suitable organisation manned by appropriate personnel is a time consuming process. No state government has taken the initial steps of creating a cadre and developing a training infrastructure. Ensuring adequate degree of public participation is also not an easy task. The question of attitude is even more difficult to handle. The reluctance to decentralise power both at the political and administra-

tive levels is too obvious to require much elaboration. Those at the helm of affairs are often afraid that decentralisation would reduce their power, prestige and control. Very few of us have the Gandhian spirit even though we all swear by Gandhi.

What is the way out? One approach is to go by the recommendations of the Working Group on District Planning appointed by the Planning Commission in September, 1982 which submitted its report in May, 1984. The Group has advocated a stages approach towards introduction/strengthening of district planning. The first stage will be a phase of 'initiation', involving the evolution of planning procedures, disaggregation of outlays between the State and the district sectors, working out criteria for the allocation of funds amongst the districts and improving the planning capabilities at the district level. The second stage will be one of "Limited Decentralisation". Under this, planning for certain sectors/activities/programmes like agriculture and allied activities, special programmes for poverty alleviation and the Minimum Needs Programme will be brought within the purview of district planning. This stage will involve increasing delegation of powers to the district level. The third and final stage will involve planning for all district sector activities. This will involve devolution of wide ranging powers at the district level and a high level of people's participation in planning. The Working group had envisaged that all the states in the country would reach the final phase by 2000 AD.

Four years have passed since the Committee gave its recommendations. But hardly any progress has been made even though the recommendations were accepted by the Planning Commission and formed part of the Seventh Plan strategy in this respect. The present author is of the view that substantial progress in this field is not possible without a constitutional amendment recognising district as a separate administrative entity in the Constitution of India, allocating sufficient powers and funds to it and above all ensuring a viable planning organisation that timely elections for district level representative institutions are held. It will then be easy to have at this level with a proper mix of popular participation and technical expertise. A time bound stages approach can then be adopted to ensure orderly progress.