

The Other India

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Last year, under the PM's vision for a new and vibrant India by 2022, to make "dramatic improvement in overall socio-economic development of backward districts", Niti Aayog came up with a list of 115 most backward districts of the country including 35 districts affected by left-wing extremist violence. It was not the first time that government's focus was directed towards backward districts; between 1960 and 1996, no less than 11 committees were appointed to study district backwardness. Besides these committees, there have been several other lists - like the No-Industries List of 1983, the Planning Commission's Worst 100 List of 1997. The states of Bihar, Rajasthan, Madhya Pradesh, Orissa and Uttar Pradesh didn't have a single entry in the best 100 districts of India in 2001. Along with West Bengal, they accounted for almost half - 49 per cent - of the worst performing districts. These states comprised the backward group of states of India in 2001; they remain so even in 2018, and these districts constitute the other India, eclipsed under a fast growing and modernising "shining" India. They are caught in a permanent time warp, deprived of any opportunity for growth and left in the periphery of development. Extreme deprivations bring extreme reactions - no wonder that these districts lay in the Naxal belt stretching from Bihar to Andhra.

The Planning Commission babudom had attempted to address the problem of backwardness in their typical way - through Committees and Working Groups which focused primarily on the methodology for identifying the backward districts rather than on the strategy to address backwardness. So the identifiers of backwardness became progressively sophisticated, without ever recognising that a backward district will qualify for backwardness by any criteria. Thus while in 1968, 'commonsense' parameters like per capita income, contribution of industry and mining, percentage of workers in factories, per capita electricity consumption, and lengths of surfaced roads and railways in relation to population were used, they were later refined to per capita food-grains/ crop production, percentage of agricultural labourers in population, per capita industrial output etc. Niti Aayog's list of 115 districts were also made on the basis of an elaborate methodology including 11 parameters like landless household dependent on manual labour, institutional delivery, anti-natal care, stunting/ wasting of children, elementary drop-out rate, adverse pupil-teacher ratio, households, households without water electricity or toilet, unconnected PMGY village etc. While nobody doubts the validity of any set of parameters, focus on strategy should have been given the utmost importance. This, sadly, appears to be missing.

Once the backward districts were identified, the Planning Commission mechanically prescribed fiscal and financial incentives like concessional finance from term-lending institutions and Central investment subsidy on capital investment for the promotion of industries etc. But entrenched structural weaknesses accumulated over centuries of deprivation and neglect cannot be addressed by such gimmicks like incentives and subsidies, and naturally these did not work. Planning Commission's own study revealed that Rs 1,394 crore spent between 1997 and 2002 in the Kalahandi-Balangir-Koraput region failed to make any dent upon poverty and deprivation.

Another Central scheme – the Backward Region Grant Fund (BRGF) was launched in 2007 for accessing central funding to address state backwardness by bridging the critical gaps in infrastructure. It covered 272 districts in 27 States, with each district receiving funds depending upon its population and area. During the 11th plan (2007-12), the total funds released under BRGF was Rs 21623 crore, and the allocation for the 12th Plan (2012-17) was Rs 29306 crore.

The 73rd Amendment to the Constitution in 1992 had made the Panchayati Raj institutions (PRIs) the principal arbiters in the development process. But PRIs lacked both capacity and resources and BRGF was designed for filling this developmental gap. However, there was no mechanism for coordination between the BRGF and the other schemes to assimilate the developmental requirements into an integrated package covering districts, blocks and villages within the backward states. A Planning Commission Evaluation Study on BRGF for 2007-2011 covering 31 districts had noted that the poorer a state, the less was the fund utilisation and consequently of the little funds coming to the states, a trickle reached the districts and only a third of the funds received were utilized. Only 5% of the sanctioned amount of Rs 2,840 crore was actually utilized in the final year of operation of BRGF, which was eventually delinked from Central budget support from 2015-16. The scheme failed primarily because the capacity of the districts to utilise funds productively could not be created, which was an institutional problem. The institutional capacity building still remains a distant dream.

Niti Aayog's list of 115 districts also include 97 BRGF districts. These districts have remained backward since colonial times, and share the legacy of this backwardness even now, despite the liberal financial support provided to them. Besides the Hindi heartland states of Bihar, Uttar Pradesh, Jharkhand, Chattisgarh and Rajasthan, these are in Assam, Odisha and West Bengal, which together account for 83 of the 115 Niti Aayog districts (72 percent) and 198 of the 272 BRGF districts (73 percent). The almost identical share of these states in the two lists corroborates the futility of the effort in improving the identifier methodology.

It is not that there has been no development in these districts, but the relative backwardness among the districts has not changed much over the decades. Even in 2018, by and large they still remain the most backward among India's 700 plus districts. The question is why their relative backwardness has not changed over the decades. The Hindi heartland states have dominated the political scenario of the country since independence and provided several prime ministers; Bihar, Uttar Pradesh, Jharkhand, Chattisgarh and Rajasthan together account for 199 of the 543 seats in Parliament (37 percent). So access to political power has not helped mitigate the problem of backwardness. The country still looks like a few islands of prosperity standing out in stark contrast in a surrounding, vast ocean of backwardness.

Backwardness is an incredibly complex issue –there are multitudes of causes of it cutting across historical, demographic, social, economic and political factors which are not easy to identify. Addressing backwardness cannot be reduced to identification of a set of parameters and designing a funding scheme. It is not easy to bring the backward regions and districts to the level of advanced ones, as successive governments have realised to their chagrin. Backward districts suffer from poor connectivity and are perennially vulnerable to natural calamities; SCs, STs and minorities who constitute the bulk of the backward population of India tend to be concentrated in these districts. They lack infrastructural and

institutional capacity to translate finance into investments and investments into growth; the cost of delivery of public services consequently remain pathetic in them and their people remain trapped in a vicious circle in which lack of infrastructure and economic activity feed each other. Today we are talking about delivery through increasing usage of technology, without realising that technology only magnifies both efficiency as well as inefficiency and cannot be a *panacea* to structural problems that need to be addressed structurally.

The universal Planning Commission approach to address backwardness by mere injection of funds did not take into account the uniqueness of a district in terms of its scale of backwardness, tradition, culture, habits and other ground variables as well as linkages that impact development and growth. A coherent strategy with the involvement of local people, local skill and local resources is needed, to strengthen delivery of existing local institutions and increase their capacity in a graded manner, with gradual scaling up of the scope and outreach of development projects - in short a well-formulated strategy in which finance would be just one component.

Details of the Niti Aayog strategy for miraculous and speedy development of these districts is not available in the public domain as yet, except some broad targets. Platitudes, rhetoric and jargons do not really provide much insight into the details of the developmental mechanisms to be adopted, and for achieving permanent results, details are essential. For any strategy to work and deliver optimally, it is also a prerequisite to first identify the reasons why the previous strategies have failed to deliver.

Since development has to be a process from bottoms up and not top-down that has hitherto been the centrepiece of our policy, local official and people must be involved to devise district-specific strategies for addressing the backwardness, using local resources and talent. There cannot be any centralised strategy - it should flow up from the grassroots, with the active involvement of Panchayats and local stakeholders. Each district must have its own unique plan based on local variables and constraints, drawing upon local resources, expertise and wisdom to address its own backwardness. Such transfer of real power to the people is yet to happen despite all our pretensions about decentralised democracy.