CASE STUDIES ON DECENTRALIZATION: BANGLADESH

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Contents

1. Introduction

2. Process of Decentralisation in Bangladesh
   2.1 Strengthening Local Government Institutions
   2.2 Development Role of Municipalities and City Corporations
   2.3 Mandates and Functions
   2.4 Central-Local Relations
   2.5 A Review of First Decentralisation Efforts

3. Impact of Decentralisation Process on Rural Development
   3.1 NGOs in Rural Development Efforts
   3.2 Grassroots Level Experiences in Rural Development
   3.3 Decentralised Requirements for Rural Development

4. Conclusions and Recommendations
   4.1 Macro Interventions
   4.2 Policy Framework
   4.3 Administrative Reorganisations
   4.4 The Reform Agenda: Need for Consensus
   4.5 Improving the Policy Framework
   4.6 Informal Sector Policies
   4.7 Improving Food Security
   4.8 Target Group Oriented Policies
   4.9 Human Resource Development Policy
   4.10 Women in Development Policies
   4.11 Promoting Community Based Approaches

References
1.0 Introduction

With economic reforms and structural adjustments, the policy framework of the government in Bangladesh emphasises more on efficiency and effectiveness in implementing rural development and anti-poverty programmes. The Fourth Five Year Plan (1990-95) of Bangladesh, for instance, calls for harnessing the social dynamism to achieve the objectives of accelerated growth, poverty alleviation, employment generation through human resource development and increased self-reliance (Planning Commission, 1995). The Plan identifies people’s participation as a key element in the process and recognises that the role of the government should be to create adequate institutional structure at the local level to facilitate meaningful participation in development, particularly by the rural poor. The development approach seeks to promote local level institutions within a decentralised framework to steer a people-centred development process under which the rural people would be able to design local development programmes/projects by themselves for their own benefit.

2.0 Process of Decentralisation in Bangladesh

The process of decentralisation in Bangladesh has a long history. The origin of local government can be traced to the demand for self-government in British India. Initially, local government was developed by the British rulers to maintain law and order in the rural areas. The local elites were nominated in the local government institutions. Subsequently, as the demand for self-government increased, more functions were given to the local government institutions, e.g. provisions of feeder roads, basic health services and primary education. However, given the limited access to development funds by the local institutions, their development functions remained, at best, marginal. A more important development that followed was the gradual selection of local government representatives through election. No less significant was the fact that the local government institutions played an important role in training people’s representatives for higher political responsibilities.

After independence in 1971, the Constitution of Bangladesh in Article 59 stipulated that:

- Responsibilities of local government in every administrative unit of the Republic be entrusted to local bodies composed of persons elected in accordance with law;
- Everybody such as is referred to in clause (i) shall, subject to this Constitution and in accordance to law, perform within the appropriate administrative unit such functions as shall be prescribed by Act of Parliament, which may include functions relating to:
  1. administration and work of public officers;
  2. maintenance of public order;
  3. the preparation and implementation of plans relating to public services and economic development.
- In Article 60, the Constitution provided that for the purpose of giving full effect to the provision of Article 59, the Parliament shall by law confer power to the local government bodies referred to in the Article including power to impose taxes for local purposes, to prepare their budgets and maintain funds.

The Constitution thus gives enough opportunity to the law makers to develop viable self-governing local government institutions. However, as far as the implementation of the objective is concerned, the achievement is far from satisfactory. The reasons for failure of the local government institutions to grow as self-governing institutions, as envisaged in the Constitution, are both structural and functional.

In the initial phase (1973-75), the development of local self-government institutions was hampered primarily due to the inherent conflict of the western type of local government institutions with the
ideal of socialism. In addition, with the change in government in 1975, the initial idea was not pursued.

During 1976-82, through renaming the local government institutions as Union Parishad, Thana Parishad and District Parishad respectively, efforts were made to strengthen the system by setting up village based organisations known as Gram Sarkar. However, the organisation of Gram Sarkar did not get the required time for consolidation and further evolution because of change in government in 1982.

During 1982-90, the focus of attention shifted from the villages to the thanas which were upgraded as Upazilas to be headed by elected people’s representatives. The most important characteristic of the Upazila system was the retention of the regulatory and administrative functions by the central government, while the residual development functions were transferred to the Upazila Parishad. Further, the Upazila Parishads were given funds for development including the responsibility for preparation of five year plans and annual development plans.

The efforts introduced significant devolutionary changes to transform local institutions into self-reliant units. The aim was to bolster rural local bodies, to take administration nearer to the people through local government bodies, and to facilitate people’s participation in administration and development. As a part of the decentralisation programme, two Ordinances and five Acts were passed. Under these new schemes, three tiers of local government e.g. Union Parishad, Upazila Parishad and Zila Parishad (in 61 districts) and three Hill Tract District Local Government Parishads (equivalent to Zila Parishad) were created. However, no Palli Parishad which was supposed to comprise of one elected Pradhan and eight elected members and two women members were formed.

Under the respective Laws, each local government body was provided with a Council to act as repository of power and authority. A Union Parishad, composed of a Chairman and nine elected members, was elected for three years on the basis of adult franchise. There was also a provision for three women members nominated by the government. Under the decentralisation programme, the Thana Parishad was replaced by Upazila (sub-district) Parishad consisting of an elected Chairman as well as representative and nominated members. The Zila Parishad consisted of public representatives (e.g. members of Parliament, Upazila Parishad Chairmen and Pourashava Chairmen) of the respective districts as well as nominated members and officials.

In the urban areas, municipal bodies are called ‘Pourashavas’ and City Corporations. Although City Corporations are governed by specific statutes, the Pourashava Ordinance 1977, which governs the municipal bodies, defines the basic character of all municipal areas. While both Pourashavas and City Corporations are autonomous body corporates, the autonomy is limited by the fact that the government acts as the prescribed authority of the Pourashavas and has the authority to intervene in the affairs of the City Corporations. A Pourashava consists of an elected Chairman and Commissioners, both elected and nominated. The City Corporations have elected, nominated and official membership while the Mayors are elected through adult franchise.

The above decentralised structure came into operation in 1983, but was abolished in 1991 primarily on political considerations. Subsequently, under the Local Government Amendment Act 1993, the Union Parishads became the focal points for local level development and administration. Under the system, it was stipulated to set up Village Development Committees for helping village development and Thana Development and Coordination Committees (TDCC) for coordinating development activities at the Thana level. The Union Parishads would elect their chairmen and members directly,  

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while the post of chairman, TDCC would rotate among the elected chairmen of the Union Parishads. A new feature of this system was the provision for the local member of the Parliament to play an advisory role in the TDCC.

During 1994 and 1995, the Planning Commission, while preparing the draft Perspective Plan for the period 1995-2010 and District Perspective Plans, conducted an exercise in participatory planning at the local level. The central feature of this exercise was consultations held at the District Headquarters involving beneficiaries of development as well as various development actors, including elected representatives of the people. Through their participation, they provided inputs in three main areas: (i) more power and authority including resources in their favour to become more effective; (ii) institutional mechanism through which the bottom-up planning process can be promoted and sustained and (iii) concern for the poor with focus on linkages of the Union Parishads with the Government and NGO activities on poverty alleviation.

2.1 Strengthening Local Government Institutions

The present Government, in compliance with the principles of state policy and following the recommendations of the Local Government Commission, plans to establish four-tier local government institutions at the village, union, upazila and zila levels. These institutions will be known as Gram Parishad (GP), Union Parishad (UP), Upazila Parishad (UzP) and Zila Parishad (ZP). GPs will be established in each of the nine wards of every union of the country, while UPs, UzPs and ZPs will be established in every union, upazila and zila respectively except that, in the three zilas of the hill-tract areas, existing ZPs will continue to function. Composition of the local government institutions will be as follows:

- **Gram Parishad.** It will comprise of a chairman, twelve members, including three women members, with voting rights and additional members, without voting rights, representing, at the ward level, farm workers, health workers, family planning workers, members of co-operative societies, freedom fighters and employees of all government, semi-government and autonomous bodies, Ansars and Village Development Party (VDPs). Besides, one representative of the backward or neglected classes/vocations (e.g. fishermen, weavers, landless labourers, men and women in distress) will also be the member of Gram Parishad. The Ward member of the newly constituted Ward, elected through universal adult suffrage, will be the ex-officio chairman of the Gram Parishad. Members with voting rights will be elected/selected in a meeting of the adults of the respective Ward, without voting rights, will be selected on the basis of consensus.

- **Union Parishad.** It will comprise of a chairman, nine members from nine wards of the union and three women members, one each from three wards - all elected through direct universal adult suffrage. Besides, Union level ‘block supervisors’ engaged in agricultural extension works, health workers, family planning workers/doctors, workers of co-operative societies, freedom fighters, officers/workers of all government, semi-government and autonomous bodies and representatives of the backward or neglected classes/vocations will be members, without voting rights.

- **Upazila Parishad.** It will comprise of a chairman, one member from every Union under the Upazila and women members whose number will be at least one third of the total elected members – all elected through direct universal adult suffrage. The Chairmen of the Union Parishads and Pourashavas, freedom fighter commander of the Upazila and chairman of the Federation of Co-operative Societies will be ex-officio members of the Upazila Parishad. Besides, officers of various ministries/divisions/agencies and a representative of the NGOs will also be members of the Parishad. The executive officer of Upazila will be the executive officer of the Parishad. Only the elected chairman and members will have voting rights.

- **Zila Parishad.** It will comprise of a chairman, two members from each Upazila and women members, whose number will be one third of total elected members – all elected through direct universal adult suffrage. The Chairmen of all Upazila Parishads and Pourashavas will be ex-officio members of the Zila Parishad. One representative of the NGOs present in the Zila will
also be a member. The Chairman of Zila Parishad will be given the rank and status of a State Minister. The Deputy Commissioner will be the ex-officio member Secretary of the Parishad.

Each of the above local level institutions will have well defined functions to carry out. The Gram Parishads, for instance, will participate in the preparation of development programmes/projects to be undertaken for increasing production; maintenance of rural infrastructure (e.g. feeder roads, bridges and culverts); development of local natural resource base; supervision of primary schools, madrassas and maktabs and motivation of guardians to send their wards to schools; creation of awareness about health and health cares; implementation of drinking water supply projects, especially regarding the selection of sites from sinking tube-wells; establishment of co-operatives/associations for carrying out socio-economic activities; collection and preservation of vital statistics like dates of birth and deaths, marriages, maintenance of law and order in the locality; undertaking socio-economic surveys of households in all villages. The Parishads will keep the Union Parishads posted about their problems as well. The local government institutions in other three levels will be entrusted with similar functions at varying levels of responsibilities and authorities, including the authority to raise resources for financing local level development activities.

Standing Committees for such fields such as law and order; health and family planning; agriculture, irrigation and environment; education, social welfare, development of women and children; sports, culture and youth development; fisheries and livestock; and other fields as necessary will be established to assist the local government institutions at all levels in conceiving, designing, formulating and implementing local level development programmes/projects. Priority areas of development and resource mobilisation responsibilities and authorities have also been outlined for the local level institutions.

2.2 Development Role of Municipalities and City Corporations

In the context of the new vision of local government institutions, the government plans to entrust the municipalities and city corporations with enhanced development role in their respective areas of jurisdiction. In their existing role of providing civic amenities to the citizen, these bodies mostly depend on other agencies for building up infrastructural facilities and generation of utilities and other services. The government will encourage and empower the municipalities and corporations to undertake increasingly more development programmes/projects for catering to the needs of the citizen. They will be called upon to monitor and oversee educational institutions as well as health and family welfare service facilities. To enable them to meet their increasing financing needs, these bodies will be empowered to mobilise and raise additional resources through broadening the existing base of taxation and issue of innovative saving instruments, including bonds and debentures. They will also be given the role of co-ordinators of different service producers and providers. Towards these objectives, a substantial share of power and authorities of relevant ministries/divisions of the government will be delegated to the municipalities and corporations.

The above dimensions of development of local government bring in the concept of devolution as opposed to deconcentration of decision making power into the focus. Under the proposed system of decentralisation based on devolution, it is the decision making power that will be handed over to the local government institutions by the central government. This is expected to establish reciprocal and mutually benefiting relationship between central and local governments such that the local government units do not remain as subordinate administrative units but can exercise exclusive authorities in their areas and are able to interact reciprocally with other units of the government in the political system.

2.3 Mandates and Functions
A glance at the laws defining the mandates and the functions of the local government bodies suggests that all the local bodies (both rural and urban) are entrusted with a large number of functions and responsibilities relating to civic and community welfare as well as local development.

The 1983 Ordinance divided the functions of Union Parishads into five categories: civic, police and defence, revenue and general administration, development, and transferred functions. The adoption and implementation of development schemes included agriculture, forestry, fisheries, animal husbandry, education, health, cottage industries, communication, irrigation and flood protection as well as development of local resources. The Parishads were also entrusted to review the development activities of all agencies at the union level to make recommendations to the Upazila Parishads. Although the Union Parishads were prescribed to perform various functions, their activities were confined to selected ones due to resource and other constraints.

Under the decentralisation programme of the 1980s, Upazilas became the focus of administration. The functions at the Upazila level were divided into two categories: retained subjects and transferred subjects. The subjects which were retained by the central government at the Upazila level mainly covered law and order and matters of national importance. The functions which were transferred to the Upazila Parishads included: agriculture including extension, input supply and irrigation; primary education; health and family planning; rural water supply and sanitation; Rural Work and Food for Work Programmes; disaster relief; co-operatives and co-operative based rural development programmes; and fisheries and livestock development.

The most important function of the Upazila Parishad was, however, planning, promotion and execution of development programmes within the Upazila. The Parishads were assigned with the responsibility of promotion of the local economy; fostering industrial and agricultural growth; and creation of employment opportunities. Besides, integrated socio-economic and cultural development emerged as the responsibility of the Upazila Parishads. The development fund of the Upazilas came mostly from block allocation of the central government under its Annual Development Programme (ADP). Elaborate guidelines and functional instructions were issued for preparation of five year and annual development plans. This was in contrast to the past practice wherein sufficient autonomy was not granted at the Upazila (earlier known as Thana) level to plan and implement development programmes. Every Upazila was required to prepare a multi-sectoral Annual Upazila Development Plan (AUDP) to ensure proper planning and effective implementation of Upazila development programmes.

The most important functions of Zila Parishad was planning, promotion and execution of development and welfare programmes within the district. The important compulsory functions included the scrutiny of development efforts, undertaking of socio-economic and infrastructure projects, and rendering assistance to the Upazila Parishads.

In the urban areas, the Pourashavas/City Corporations were empowered to perform a variety of socio-economic and civic functions. In practice, these were constrained to perform all stipulated functions due to shortage of funds.

In general, the sources of income of the local bodies consist of taxes, fees and charges; rents and profits of properties; contributions from institutions/individuals; government grants; returns from investment; loans and proceeds from sources of income placed at their disposal. All levels of local government are empowered to generate revenue from their own sources in addition to central government grants. The most important source of revenue for the local bodies, however, is the central government grant.

2.4 Central-Local Relations
Although the local government bodies enjoy some degree of operational autonomy, these are not independent of the central government or of the administrative hierarchy in the country. As such, there exist a number of areas of interaction covering legal, operational and financial issues resulting in control and supervision of the central government. The territorial jurisdiction, functions and revenue/expenditure patterns of different tiers of the local government are determined by central legislations and their activities are guided and supervised largely by the departments/agencies of the central government. This suggests the existence of a patron-client relationship between the national and local governments. Apart from enacting legislations, the central government formulates rules and procedures and retains the power to give direction to local bodies through the Ministry of Local Government, Rural Development and Co-operatives.

In broad terms, the means of control exercised by the central government cover three areas – institutional, financial and administrative. The institutional control is exercised through powers to set territorial jurisdictions, composition of local bodies, election procedures, staffing patterns, functional jurisdiction and through adjudication and settlement of inter-institutional disputes. In the case of finance, the central government supervision and control remain stringent and comprehensive. The central government regulates the income of the local bodies through prescribing the sources of income, particularly in respect to grant-in-aid. Although the central government is under statutory obligation to provide these grants, it can exercise a considerable degree of control over the local level institutions by varying the amount or by making their release subject to fulfilment of conditionalities. With a high dependence of the local bodies on central government grants, such measures often emerge as effective weapons of central government control of local institutions.

2.5 A Review of Past Decentralisation Efforts

In Bangladesh, the process of decentralisation has been guided by the major concerns. First, the failure of the centralised approach to meet the needs and demands of the development imperatives and initiate rapid growth. Second, an increasing realisation of the complexity of local issues and the inability of the central government structure to deal with such problems. Third, the need for people’s participation to ensure effectiveness, efficiency and sustainability of rural development efforts.

In the past, the central government entrusted the local level institutions with a large number of functions but without sufficient autonomy to plan and implement development projects in the concerned areas. The task for preparing development projects was largely retained by the central government and the responsibility of the Union Parishad was to help the central government to execute the centrally prepared projects. Even under the Upazila system, when the responsibility for preparing a five year plan at each Upazila was given to the concerned Upazila Parishad, the Upazila was authorised to approve the plans and projects but the development plans were to be approved by the government. Further, the government provided block allocations as development assistance for financing Upazila Parishad projects but imposed limits on the allocation of the block funds to different activities. There is, therefore, a need for clearly defining the autonomy of the local government institutions in respect of preparation of the plans and utilising government funds vis-à-vis the central government.

Usually, the local government representatives avoided the utilisation of even the limited taxing power that were given to them for fear of becoming unpopular with the voters. Therefore, local taxes and non-tax revenues could hardly finance the revenue expenditures of the local government institutions let alone meeting the demand for funds for development.

The central government retained indirect control on the representatives of local government through the Ministry of Local Government, Rural Development and Cooperatives and the concerned Deputy Commissioner. The Ministry could retire the local government representatives on a number of grounds. There was hardly any effort to build up the accountability of the local government representatives to their electorates.
In essence, effective decentralisation in the context of Bangladesh needs to take, as its central objective, alleviation of poverty and employment generation; and the public sector development plan should play the role of a catalyst in involving the poor in the rural development process. This requires that the decentralisation process be based on a mechanism under which people at large would provide inputs to the rural development programmes and the people at the grassroots level would get the scope to determine the local needs and priorities and are able to integrate them into the overall development thrust through their elected local bodies.

The role of local government institutions in the process of rural development, therefore, should focus on (i) how these institutions can be made participatory so that they can enable the people to provide inputs for future development; and (ii) how a process of bottom-up planning at the local level could be integrated with the development projects/programmes at various tiers of the local government.

3. Impact of Decentralisation Process on Rural Development

Along with the pursuit of traditional macro-growth strategy, the Government has pursued, with varying degrees of emphasis and success, a number of approaches and programmes for rural development and poverty alleviation in Bangladesh. These include, among others, expenditure directly targeted to the poor, income transfer to supplement consumption, measures to provide access and/or ownership to income generating assets, and creation of employment opportunities with reasonable wage rates. One of the notable features of the Government’s approach has been its increasingly wider involvement in targeted development. The list of such projects covers a wide range of activities, with some showing considerable success and innovation. For example, the use of food aid to establish safety nets for the poor (e.g. Food-for-Work, Vulnerable Group Development, Test Relief), creation of rural infrastructure (e.g. innovative programmes by Local Government Engineering Department), rural development programmes by the Bangladesh Rural Development Board (e.g. RD-5, RD-9, RD-12), primary and girl education programmes, financing NGOs’ microcredit programmes (e.g. through the Palli Karma Shahayak Foundation), and several other programmes under different ministries (e.g. Ministries of Land, Agriculture, Social Welfare, Women Affairs, Youth and Sports, Disaster Management and Relief, Local Government Rural Development and Cooperatives, Industries) have contributed positively to rural development efforts of the Government. Several of these programmes also have the potential to widen their impact.

The Bangladesh Rural Development Board (BRDB) is a specialised public agency designed to promote rural development and to contribute to the Government programmes for alleviating poverty. In addition to its agricultural co-operative programmes, the rural poor, marginal farmers, and women are also mobilised into cooperatives and informal groups, which allow them to engage in income generating activities, and improve standards of living. The core of the BRDB efforts is the design and implementation of a series of integrated rural development (RD) projects, focused on poverty alleviation e.g. RD-5, RD-9 and RD-12, and a Rural Poor Cooperative Project (RPCP). The landless men and women, marginal and small farmers constitute the target population of these projects. The membership of the Rural Poor Program (RPP) of BRDB is restricted to persons with family ownership of less than 0.5 acres of cultivable land.

3.1 NGOs in Rural Development Efforts

Along with the Government, NGOs have emerged as one of the most effective institutions in rural development interventions in Bangladesh. Starting with their relief and rehabilitation role after independence in 1971, NGOs have vastly expanded their programmes and proved to become effective change agents in the society. These organisations now form an integral part of the institutional structure for addressing poverty alleviation as well as rural development, gender equality,

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environment protection, disaster management, human rights and other social issues. In order to support social and economic empowerment of the poor, along with a rapid increase in the number, their range of activities has also widened to include group formation, microcredit, formal and nonformal education, training, health and nutrition, maternal and child health, family planning and welfare, women’s development, agriculture, fisheries, forestry, poultry and livestock, environment, water supply and sanitation, advocacy, human rights, legal aid, land and asset distribution and other areas. Within the broad spectrum, the NGOs have pioneered and successfully experimented with a number of innovative approaches to poverty alleviation in the country. Some of the notable examples include the following:

- **Group-Based Mobilisation and Beneficiary Participation**: A group-based or target group mobilisation strategy to (i) ensure economic improvement through direct targeting and beneficiary participation, and (ii) social and institutional development through strengthening the organising capability of the poor. Such group mobilisation is considered as a key element in ensuring the success of credit programmes through strengthening financial discipline and peer responsibility;

- **Micro-Credit**: The identification of credit as a critical need and the design of efficient and cost-effective credit delivery mechanisms (e.g. Grameen Bank and other NGO models of micro-credit);

- **Targeting Women as Beneficiaries**: Successful targeting of women as the principal beneficiary group;

- **Access to Common Property Resources**: Innovations, which allow the poor to access land in non-traditional ways in the fields of social forestry and formation of landless, and irrigation groups. In the former, government-owned lands (commonly referred to as ‘khas’ lands), in particular roadside strips, are accessed by NGOs for various afforestation programmes with landless groups. In the latter, landless people are organised and given assistance to own modern irrigation equipment to emerge as a stakeholder in the water market in agriculture. Landless groups are also organised to collectively lease ‘khas’ lands and dry river-beds for fish cultivation, protect the fish released into the open water, production of seedlings in village-based nurseries;

- **Health Education**: Promotion of primary health-care concerns, notably immunisation and diarrhoea control, and effective dissemination of health messages through innovative media campaigns;

- **Non-Formal Primary Education**: Introduction of a system of satellite primary schools based on non-formal education principles with parent and community involvement;

- **Non-Traditional Agricultural Extension**: Innovative programmes of technology transfer e.g. ground-breaking farm-level innovations in fertilizer-use and pest-management, training of local people and national advocacy campaign, and extension system for appropriate technology transfer to homestead agriculture;

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3 Since 1961, more than 19,000 NGOs have registered with the Department of Social Welfare (DSW). But DSW registration does not reveal the number of active NGOs as it does not involve periodical renewal of registration. Till August 1997, the number of foreign funded NGOs registered with the NGO Affairs Bureau was 1,176. These can be regarded as active NGOs. In December 1995, 754 NGOs were listed as members of the Association of Development Agencies in Bangladesh, which is the apex body of local, national, and international NGOs engaged in development activities in Bangladesh.
• **Development of Appropriate Irrigation Technologies**: Low-cost irrigation technologies through research and experiment e.g. treadle pump and bamboo tubewell, Rower pump, and Tara pump to extract water from deeper aquifers.

As mentioned earlier, a large number of NGOs operate in Bangladesh with their unique dimensions in development. The NGOs are mostly involved in design and implementation of direct action-oriented projects at the grassroots level, often combined with research, training and other components. Their target population is the poor. Despite variation in perceptions of the problems and resultant thrust of the programmes, the NGOs mostly follow the target-group strategy where the poor with similar socio-economic interests are organised into groups to achieve their objectives. However, despite the success and the rapid growth of rural development and poverty alleviation programmes both by the Government and NGOs, such interventions are yet to attain a critical mass to create a perceptible improvement in the poverty scenario in Bangladesh.

### 3.2 Grassroots Level Experiences in Rural Development

The grassroots level experiences in rural development suggest that group formation at the local level can emerge as an effective instrument in mobilising the rural poor for ‘self-development’. The process is effective since the approach provides the poor with an independent support system which acts as a leverage in enhancing their bargaining power within the rural society. The group process can also be used as an efficient channel in providing the necessary human development inputs through education, training and measures for enhancing awareness and capabilities.

It should, however, be emphasised that access to microcredit does not necessarily create a virtuous circle or empower the poor. Poor economic conditions and practical difficulties arising from low income, limited asset base, constant crisis, and lack of marketing linkages often make productive use of microcredit prohibitive and problematic. Since the poor are not a homogenous group, differentiation in terms of household socio-economic and other characteristics seem to determine, to a large extent, the flow of benefit.

Despite the progress achieved during the recent years, the problems of the poor remain endemic and their participation in economic activities are low. The poor are unlikely to be integrated into the development process unless they are developed as a class. This requires not the mere formulation and implementation of specific programmes and projects in selected problem areas, but rather, initiation of measures to give them the opportunities to realise their full potentials. Many of the recent changes in the rural areas have touched the lives and options of the poor. The experiences of the government and NGO efforts demonstrate that the poor can become successful entrepreneurs if provided with necessary access to credit, skill, and human development training. The need is to integrate the poor with the mainstream of development and strengthen the rural institutions to render them more effective in reaching the poor and become sensitive to their needs, realities and demands.

Over the past few decades, widespread social and economic changes have created the necessary pre-conditions for significant advances in the status of the poor in Bangladesh. Nevertheless, for the majority, low levels of education and skills, lack of access to resources and essential services still remain as effective constraints on their participation in the development process. The period has also witnessed the emergence of innovative approaches to lead the poor to strengthen their capacity to survive, meet their social needs, acquire access to credit, mobilise savings, and enter into income generating activities for improving socio-economic conditions. The Grameen Bank, BRAC and other Government and NGO initiatives have, in some form or another, successfully utilised homogeneous organisations, participatory processes going beyond ‘targeted’ approaches, catalytic support from sensitive facilitators or change agents and other mechanisms to generate a new social response with respect to the problems of disadvantaged groups.
The current Government and NGO efforts within the targeted approach are, however, attempts of a more partial nature to address the exclusion of the poor from mainstream efforts of development. Such a strategy of creating ‘add-on’ programmes within the mainstream institutional processes is not likely to be fully effective in the long run in compensating for the pervasive exclusion that the poor face, especially in community decision-making processes and preclude them from effective participation in the markets. In view of the multiplicity of factors that condition the successful involvement of the poor in generating and pursuing viable livelihood strategies, it is important to identify the ‘processes’ which create impact on their lives including basic survival needs as well as well-being, security and autonomy.

3.3 Decentralised Requirements for Rural Development

In the case of rural development (RD) programmes in Bangladesh, two major mechanisms may be identified that should underlie their operations: (i) address the basic needs of the poor directly through delivery of services; and (ii) improve the capabilities of the poor in meeting such needs. In either case, an essential pre-requisite of success is that the projects should be designed and implemented such that (i) they meet the needs and demands of the poor, and (ii) the benefits reach the intended poor through an effective delivery mechanism. In order to ensure that there is no leakage, the consideration of the receiving mechanism of the poor is also important which guarantees that the poor are organized and able to derive the benefits.

The general observation on the RD programmes suggests that if these are designed and implemented following conventional procedures, they are less likely to achieve their targets, will be poorly implemented and are not likely to be sustained. For success in rural development, it is necessary to ensure that the selection, design, implementation and subsequent operation of the programmes conform to the needs and demands of the poor and to the social, economic, cultural and physical environment in which they live. Successful RD programmes need to be (i) flexible in design and implementation; (ii) well-targeted to the beneficiaries; (iii) in conformity with the needs and demands of the poor; (iv) participatory at all stages; (v) monitored and evaluated continuously during and after implementation; (vi) experimental with more reliance on learning-by-doing in terms of choice of technology, financing mechanism, management and operation; and (vii) multidimensional in component requirements requiring intensive and rigorous coordination and supervision.

The introduction of flexibility in design and implementation of RD projects requires effective adoption of the ‘process’ approach rather than the ‘blue-print’ approach in their design requiring substantial creativity and innovation. Along with flexibility, the critical importance of beneficiary participation needs to be recognized. Beneficiary participation is more than conducting social surveys and consultations. It is a process leading to community management of the programmes ensuring effectiveness, efficiency, and sustainability and catalyzing further initiative by the communities themselves. The participation needs to be ensured at all stages and activities including decision making, implementation, benefit sharing and monitoring and evaluation (M&E). The beneficiaries will feel a sense of ownership to ensure intended outcomes only if they are involved from the very beginning. The objective should be empowerment through which the beneficiaries would be self-organized to decide the goals, plan the projects, and implement and manage them. The beneficiary participation aspect, therefore, needs to emphasize on developing and sustaining the development capabilities of the communities through capacity building efforts, training, and social preparedness of the beneficiaries.

In the case of sustainability, the RD programmes have several dimensions e.g., technical, financial, economic, social, institutional and ecological. As contributors to long term viability, efficiency and sustainability, these are also functionally related. While cost effectiveness is a necessary economic condition, a project without adequate beneficiary participation and inconsistent with local conditions is unlikely to be sustainable despite economic success. Building of local capabilities for self-management and self-reliant operation of activities should be a major goal if sustainability is a
criterion of success. The mechanism for beneficiary participation and for institutionalizing participation through effective beneficiary organisation is the priority. The approach of creating user and beneficiary groups mainly to absorb predetermined inputs or services can have only limited success.

The success of RD programmes as such calls for the pursuit of a well-coordinated approach with actions at the policy, sectoral, programme and project levels. Along with political commitment, the policy environment must also be conducive. The supportive institutional and administrative structures need to be flexible and responsive to the interests of the poor. Above all, the poor must be made the decider and active actors in the programmes not the passive recipients of benefits and services. The structure of the local level governments and the underlying decentralisation process are needed to promote and institutionalise efforts to achieve these features within the RD framework of the country.

4.0 Conclusions and Recommendations

The review of the decentralization process and the associated macro- and other policy dimensions in Bangladesh points to a number of aspects that need to be accommodated within a comprehensive decentralization agenda in the country. Any piecemeal effort is unlikely to gather the required momentum to initiate a process of cumulative causation that could accelerate rural development and poverty alleviating growth in the country. The identification of the major elements of such a process and their implications are important in the context of evolving an adequate decentralization framework in Bangladesh.

4.1 Macro Interventions

In Bangladesh, over the last few decades, the major focus of development efforts in the asset-based formal sector and associated institution-building could not bring the poor within the mainstream of such efforts. The centrally focused institution building could not generate the resources and produce the orientation and sensitivity to effectively reach and involve the poor. It is evident from the micro efforts that attention to the development of the institutional capacity of the poor and establishment of effective and sustainable link between the macro efforts of the government and the poor are necessary. This, more importantly, can succeed in tapping the latent human resources of the poor.

The macro support to the development of local-level institutions can be instrumental in developing the institutions that live and work closely with the poor. This proximity is a critical factor in enhancing their capacity to identify the development potential and the constraints. It also improves the capacity of the organizations to develop technical packages which are amenable to effective implementation by the poor. The micro-level experiences in poverty alleviation efforts suggest that, for successful poverty alleviation, institutional mechanism should have certain elements e.g. proximity, trust, commitment, flexibility and responsiveness. The macro-policy, therefore, must be geared to promote these elements within the institutional structure of the country.

It is widely emphasized that, in order to promote rural development, contribution to self reliance of the poor is necessary. Transfer of resources to the poor through exclusive focus on the delivery side is unlikely to succeed without first ensuring their absorptive capacity. The initial efforts are needed to focus on detailed objective analysis of the targeted poor and the design of appropriate strategy to strengthen and expand their absorptive capacity. The policy efforts must be directed to the creation of village level infrastructures to sustain the efforts. The commitment to self reliance, and therefore sustainability, has to be based on a detailed objective analysis of the poor and of the strategies necessary to achieve their goals. The underlying assumption must be that the poor can move toward self reliance only within the support of their own organizational structure. At the grassroots level, successful experiments exist in Bangladesh in developing strategies both for ensuring the participation of the poor and for institutionalizing participation through creation of beneficiary organizations. It
should be stressed that the approach, based on the principle of group formation, represents a strategy that is general enough to be replicated in rural development programmes at the macro level. A strong empirical basis is available to suggest that the existence of effective local-level organizations is a necessary condition for improving productivity and welfare of the poor.

For rural development, local level organizations must not only be created but also be institutionalized. The macro-level issue that is important to address in this context is: Can the government effectively reach and mobilize the poor? In principle, there is no reason why the government should not be able to carry out the task of group-based community development provided it acquires the necessary expertise and applies the strategy in its rural development efforts. In reality, however, a number of formidable obstacles need to be resolved, particularly relating to the bureaucratic structure of project/programme implementation with a common attraction to centralized, budget-driven, large-scale and technical oriented blue-print solutions to rural problems. The two major requirements in this respect relate to: (i) decentralization to permit decision making that can adapt the activities to field level conditions; and (ii) reorientation of the government agencies in operational procedures to bring about a supportive atmosphere of working cooperatively and with responsiveness to the local institutions. Such government initiatives, to be successful in supporting the development of the poor, have to be characterized by committed leadership, narrow group focus and necessary freedom from the normal centralized departmental functions.

The government efforts to organize the poor into groups should be supported by measures to foster their horizontal and vertical linkages to strengthen the potential for poverty alleviation as well as to act as a pressure group to promote poverty sensitive macro policies. The macro policy efforts should be designed to create an environment which channels resources and technical assistance to the poor.

4.2 Policy Framework

The effective participation of the poor in rural development requires a policy framework to promote such participation. This depends on identifying specific programme components which lend themselves to targeting (locality and/or socioeconomic groups) and on adopting appropriate participatory modes. Along with ensuring sustained economic growth and the 'trickle-down' benefits to the poor, an important element of the policy framework is to enhance the direct distribution of benefits to the poor through targeted programmes. This also requires the decentralization of the rural administration with priority to the activities that offer productivity gains and essential services to the poor.

The above also requires the decentralization of rural development planning procedures in order to establish closer links with the local communities. In this respect, macro policy efforts should focus on (i) removing the manpower constraints inhibiting such efforts; (ii) providing necessary training to acquire the ability to assist the local communities to articulate their needs and translate such needs and demands into coherent programmes; (iii) developing local institutional structures (e.g. local government) with adequate representation of the poor to ensure their involvement; and (iv) creating a systematic approach to the development of self reliant groups to improve the capacity of the poor to take advantage of the government programmes. At the macro-level, the relevant policy issues include:

- A significant commitment by the government to increase beneficiary participation in rural development programmes;
- Decentralization of the rural administration structure and mechanism to improve its capacity to integrate with the local communities;
- Recognition of the importance of the development of self reliant groups to improve the
access of the poor to government delivery mechanism of services and inputs;

- Initiatives to improve the government's manpower and skills in community development;
  and

- Development of procedural, legal and financial systems/incentives to encourage the private sector to further involve in rural development efforts.

Since the poor, particularly in the rural areas, depend on agriculture and related activities, dynamising the rural sector requires fundamental changes in policy and resource allocation: macropolicies must aim to stimulate the rural economy, agricultural policies must be directed to increase production and productivity, and institutional arrangements must ensure that the poor have a voice and access to resources. The issue is to take into account the constraints of the agro-based economy in promoting poor-friendly macropolicies. The decentralization and transformation of the public sector efforts from a directive to a facilitating role could contribute substantially to the creation of a favourable environment for the poor: by devolving appropriate functions to the private and community organizations, the government can divert resources, both human and financial, to building infrastructure, correcting the failures and shortcomings of the market, providing services to the very poor, and ensuring effective implementation of legislations to create conditions for the people-based organizations to operate efficiently in the service of the poor. The social safety net programmes should emphasize entrepreneurship development, training, technological improvement, credit, marketing and similar other activities to create sustainable poverty reduction impact. The reform agenda should be designed in a participatory mode with conditionalities of a self-imposed nature so that the underlying policy package is sensitive to the limits of political tolerance.

4.3 Administrative Reorganization

During the past, a number of attempts were made to reform the bureaucracy and improve the efficiency of public administration. However, these attempts have not as yet brought about the desired results. While the issues relating to administrative reorganization are wide and complex, the poverty alleviation related issues involve service delivery, social equity, growth, transparency and accountability. Service delivery is of critical importance for improving the living conditions of the poor. The issue of balancing social equity with growth should form the basis for formulation of macro policy and its implementation. For encouraging appropriate decisions, it is necessary to emphasize transparency and openness about the processes and results of government activities with the establishment of mechanisms for promoting responsible and accountable behaviour.

For efficient and effective rendering of public services to the poor, it is necessary to put in place the mechanism for continuous monitoring and evaluation (M & E) of performance and needs. The specific areas to address include appropriateness of the existing market environment of public service, mechanism and processes to enhance participation, transparency to improve delivery and accountability, tailoring the system to the needs of the poor, and inculcate a philosophy of service delivery within the bureaucracy. In this respect, effective devolution of power is a critical element in raising the efficiency of the public administration system. Devolution, as opposed to decentralization, would transmit responsibility and accountability to the local level of the hierarchy. Attempts to evaluate public delivery system without taking into account the perspectives of the poor could be misleading and counter-productive.

4.4 The Reform Agenda: Need for Consensus

In Bangladesh, a strategy for growth through increased competitiveness within a market-driven economy is broadly accepted. However, a lack of consensus exists on the pace and specifics of the reforms, and the instruments of achieving the objectives. This calls for achieving some degree of
consensus on the reform agenda along with the broad policies to be employed for its implementation. While total consensus on such policies may not be feasible since different socioeconomic groups have conflicting interests, the balancing of the gainers and the losers is a pre-requisite for success in the reform process. In this respect, the macro framework should take into account the limits imposed by the agro-based nature of the economy, unstable market for the exports, and increasing international competition facing the weak industrial base and the farm economy.

The macroeconomic policies pursued in Bangladesh and their poverty alleviation impact point to a number of stylized propositions. First, there is a strong positive impact of economic growth on creating the enabling conditions for poverty alleviation through expansion of employment opportunities, basic services and infrastructure that can potentially benefit the poor. Second, growth itself does not necessarily alleviate poverty since the process is not sufficiently equitable. Thus poverty alleviation in Bangladesh cannot be left to be accomplished by the ‘trickle down’ process. For poverty alleviation, policy interventions for improving the distribution of assets and income and provision of HRD and basic services along with creation of conditions for accelerated economic growth is necessary. Third, there is no inherent trade-off between growth and poverty alleviation in Bangladesh. It is possible to design and implement macropolicies that can simultaneously promote growth and alleviate poverty. Fourth, high economic growth can be achieved if the potentials of the poor are properly harnessed since the poor are efficient.

Within the above context, the approach to macropolicy for poverty alleviation in Bangladesh needs to be comprehensive covering a number of areas. The institutional policies should focus on redistribution of land and other assets to facilitate asset accumulation by the poor. The macroeconomic policies using monetary, fiscal, trade and investment channels should be geared to creating conditions for accelerated and efficient economic growth and expansion of employment opportunities for the poor. The sectoral policies, dealing with output, price and technology, should aim to make the economic structure more efficient and compatible with the comparative advantage of the country, support economic growth and enhance employment level and consequently consumption and nutrition of the poor. The social sector policies, having both short- and long-term effects on poverty alleviation, should focus on provision of health and family planning, education, housing and social welfare. These services, apart from providing basic needs, are also important investments in HRD of the poor which significantly enhance their productivity and income-earning capacity. In addition, the target-group oriented policies and programmes should be strengthened since they have a direct bearing on the incidence of poverty through asset creation, employment and provision of basic needs.

4.5 Improving the Policy Framework

The focus of agricultural development policy needs to be specific to achieve poverty alleviation. For the purpose, some key areas need to be emphasized. Undoubtedly landlessness is a major cause of rural poverty in Bangladesh but it is also clear that land under cultivation cannot be substantially increased in the country due to physical limitations and without a serious and irreversible threat to the environment. Achieving economically viable holdings for all the farmers through distributive land reform is also not a viable option due to increasing rural population and lack of alternative employment opportunities. It is, therefore, clear that the problem of rural poverty in Bangladesh is unlikely to be solved only within the context of agricultural development. Under the circumstances, reforms aiming at rationalizing land rent and tenancy conditions can improve the income of the poor tenant farmers. To be effective, tenancy reform needs to be supported by efforts to organize the poor tenants to negotiate better terms with the landowners. Many poor farmers subsist on cultivating khas land for which regularizing such encroachments is necessary. Under rainfed farming, the poor farmers are the worst sufferers. Assuring reliable water supply through small scale and supplemental irrigation can increase their productivity and incomes. Equally important in these areas is the promotion of farming systems that are more remunerative and ecologically sustainable.
The landless labourers constitute an important group among the rural poor in Bangladesh. They work under insecure conditions with low wages. Their earnings and working conditions can be improved through appropriate macropolicies that improve agricultural terms of trade and increase labour productivity. This would also be facilitated if the labourers are organized like their counterparts in the formal manufacturing sector. The NGOs can play a supportive role in such organizational development of the landless labourers and to create organized pressure groups to enforce legislations to protect their rights.

The government efforts at providing credit and other services have not benefited the rural poor and the small farmers to the desired extent due to limited access even under target group oriented programmes. The shortcomings in the government organizations implementing these programmes and weaknesses in mobilization of the rural poor have been largely responsible for such failures. While efforts are needed to remove these bottlenecks, the structural adjustment policies have also reduced state interventions in making farming more profitable. This has created adverse impacts on rural poverty and requires a careful review.

4.6 Informal Sector Policies

In Bangladesh, the emergence of a dualistic economic structure is evident where a small segment of the population participates in the formal sector, while the majority subsist in the informal sector with low productivity and incomes. The informal sector has emerged as a reservoir for the poor. The rapid expansion of the sector reflects the inability of agriculture, modern manufacturing and other sectors to absorb the expanding labour force and provide them with adequate incomes. While innovative and durable solution to the problems of the informal sector are called for to alleviate poverty, the government's short-term concerns in macro-policy need to focus on introducing measures to enable the poor in the informal sector to bargain for favourable terms and provide the small entrepreneurs with access to credit, training, and appropriate technology. The macropolicies, in this respect, need to take into account the diversity and complexity of the sector. In Bangladesh, a well-targeted support programme to the informal sector under a conducive macropolicy can emerge as a cost-effective mechanism to alleviate poverty. The policy environment should be designed to create and sustain the linkages needed for its integration with the rest of the economy.

4.7 Improving Food Security

Food security exists when the population is assured of a constant access to safe and balanced food. On a national level, this implies that the country has a stable supply of adequate food that is available to all the households. For this, there should exist a guarantee of physical and economic access for all the households (and of individual members of the households) without undue risk of losing such access.

For the poor in Bangladesh, the consequences of food insecurity boils down to adverse impact on individual's work ability and nutritional status. The issues in ensuring food security involve (i) household's access to quantity of food in relation to its effective requirements; (ii) allocation and intake of food within the household; and (iii) individual's subsequent physiological utilization of nourishment. This means that at the policy level, health, sanitary, educational, economic, social, cultural and other factors have important implications in ensuring food security for the poor. The household as well as individual-level processes are governed by elements at the meso (market/regional) and macro levels. Another policy issue of importance to the poor is the existence of differences between poor households who purchase most or all of their food from the market and those that depend mostly on own production. When food is purchased, food security becomes linked to monetary entitlement and purchasing power of these resources. Although the manifestation of such entitlement is essentially financial (e.g. wages), its distribution is influenced by social, cultural and political factors. As for macropolicy, the poor who directly produce a substantial portion of their food requirements, the noneconomic processes tend to affect food security more directly. On the other hand, for the poor whose activities are mediated mostly through the market, the meso-impact of macro
policies becomes more important in the household's decisions governing food security. In relation to the macropolicy, these are important elements to consider in promoting food security of the poor in Bangladesh.

4.8 Target Group Oriented Policies

The success cases in target group-oriented approach in Bangladesh suggest that such programmes must involve people's participation at the grassroots level. The lessons point out that these programmes cannot be imposed by the outside agents; they can play a catalytic role in successful adoption and implementation of the programmes by the poor themselves. The macropolicy focus in this respect involves two major dimensions. First, the policies must create the scope of replication of the successful experiences. This warrants careful analysis of the replicable elements of these programmes. Second, macropolicies need to promote the complementary and collaborative efforts of the government agencies and the NGOs in replicating these programmes. To support such efforts, the policy focus needs to promote the technical competence of the concerned agents to implement successful replication of participatory programmes.

4.9 Human Resource Development Policy

In Bangladesh, investment in human resources of the poor is one of the most effective strategy for increasing their participation in development. The implementation of the policy is also likely to generate fewer contradictions compared to the redistributive policies that aim to increase their ownership and access to physical assets. Moreover, in Bangladesh, human resource development and poverty alleviation are complementary goals: focus on human development implies a stress on poverty alleviation.

The framework of human resource development for poverty alleviation should accommodate the adaptation and dissemination of new technologies in both farm and non-farm sectors. In Bangladesh, this requires more technical and vocational education rather than a continuation of the traditional stress on general education. The attainment of universal primary education and literacy is a necessary pre-requisite for enhancing such human resource potential of the poor. The three major macro policy issues that require stress in this respect include: priorities among different levels and types of education; women as a target group; and reorientation of the education system to create necessary human skills to take advantage of the emerging technologies.

The manpower policies should facilitate structural adjustments in the labour market and minimize the costs to those adversely affected by the transformations in the economy. At the micro-level, the management of human development of the poor requires balancing the efforts to enhance their productivity and working conditions. An appropriate human resource development strategy for the poor in Bangladesh could be derived from the following propositions:

♦ The poor are aware of the opportunities to improve their quality of life and the existing institutional mechanisms are inadequate to support their efforts;

♦ The poor are economically rational, however, they are constrained by the availability of resources;

♦ The poor need a flexible combination of formal and informal mechanisms to exploit the opportunities of enhancing their productivity and incomes;

♦ Under the existing socioeconomic structure, organizing the poor is a key factor in developing their human resources;

♦ A package approach to human development of the poor is necessary which includes
elements to enhance their labour productivity;

♦ The human development efforts of the poor at the micro level need supports of a conducive macro-economic environment; and

♦ Human development efforts of the poor need to address the specific requirements of the heterogeneous poor groups particularly the women and the youth.

4.10 Women in Development Policies

In Bangladesh, women contribute both directly and indirectly to the social production processes. Although statistics are still inadequate to capture the full scope and depth of women's economic activities, it is evident that the poor households rely on labour resources of all the members for survival - men, women and children. It is also recognized that the poor women are more constrained in terms of access to resources, credit, technology and education compared to their male counterparts. The poor women are dually handicapped - originating in gender as well as in poverty.

The policy framework to promote the poor women's productivity in Bangladesh needs to focus on the following operational approaches: (i) appropriate macropolicies, legal framework and socio-institutional arrangements to remove constraints and provide opportunities for women to participate in development activities; (ii) gender analysis in all projects/programmes and remedial measures to facilitate equal access to women; (iii) projects/programmes exclusively targeted to the poor women for generating employment and income earning opportunities; and (iv) delivery of social services with favourable access to the poor women. In this respect, the policy interventions should be conceived in terms of two type of needs of the poor women-strategic and practical. The strategic needs of the poor women relate to their subordinate socioeconomic status and efforts in this direction should lead to their empowerment and emancipation. The poor women's practical needs emerge from their perceived necessity of survival requiring urgent attention. The two types of needs, however, are closely related. While access to education and employment fulfills the practical needs of the poor women, it also contributes to increased social status both within the household and in the society. The short-term concerns of the macropolicy need to focus on the poverty-alleviating aspects of the poor women, while the long term priority should be to ensure equal access to opportunities and resources for both men and women. The women can only be expected to contribute fully to social development if gender inequities in social structures, in socio-economic mobility and in family and social status are not reproduced and reinforced.

4.11 Promoting Community-Based Approaches

The micro-level experiences in Bangladesh suggest that community participation in itself can contribute effectively to rural development. More specifically, the following elements of such an approach play a decisive role in rural development:

♦ Income generation particularly through self-employment;

♦ Improvement in supply and distribution of food, drinking water and sanitation facilities;

♦ Improvement in conditions necessary to facilitate housing and other infrastructural facilities serving the poor;

♦ Improvement in health, nutrition, family planning and MCH and health care facilities;

♦ Improvement of access to basic education, skills and training; and

♦ Improvement in crisis-coping capacity and survival strategies through reduction in
vulnerability and other socio-economic instability.

The macropolicies need to recognize that given the opportunities, the poor are capable of solving their own problems. If rural development programmes are designed to support their priority needs, the poor are motivated to organize themselves and play the central role in their implementation and subsequent O&M. For community participation to work within the macro framework, it is necessary to ensure that:

♦ The government acts as the facilitator rather than the provider;
♦ The poor are effectively organized;
♦ Strong linkages are established between the community organizations and the government;
♦ The strengths of the community organizations and their role are recognized;
♦ The NGO activities are integrated; and
♦ Effective community leadership is created and sustained.

The challenge is, therefore, for both the micro-level participatory and the NGO efforts to transmit the requisites to the macro-level so that the macro-policy environment can support the grassroots programmes. This requires participation and micro-level inputs to the formulation of macro policy to promote the interests of the poor. For realizing this, the specific strategies of influencing the national decision makers and the political leadership need to be devised. While effective mechanisms of achieving such an integration requires time to evolve, the micro-level experiences can be utilized to strengthen such capacity. Since the grassroots level interventions of the Government and the NGOs have, to a certain extent, succeeded in creating favourable impact on the poor, it is necessary to examine their underlying processes, e.g., how these models have sought to address the interlocking disadvantages of the poor at the grassroots level, how alternative forms of group organisation have been used as strategies in building their sense of solidarity, community and political participation; and how accessing and using of credit, education, information and consciousness raising and awareness building have been used to promote collective interests in community life. The successful processes can provide appropriate entry points to build up management and other skills among the poor leading to their asset creation on a sustained basis and closing the gaps with the mainstream institutions. Since the mainstream institutions have evolved around a distinctly asset-owning and literate clientele, identifying the successful elements of grassroots level interventions are likely to offer important lessons and play an effective catalytic role in designing innovative strategies to challenge deeply held prejudices against the rural poor and disadvantaged groups.

The process can be reinforced by taking several measures within the decentralization efforts in the country:

♦ Identify the constraints in the evolution of self-governing local government institutions in the past;
♦ Realize that the declaration of a specific tier (e.g. Union Parishad) as the focal point of local government institutions is necessary but not sufficient for promoting bottom-up rural development planning. It is also necessary to:

   i) promote devolution of decision making power in favour of the local government institutions and making them accountable to their electorates;

   ii) support the process through a system of social development efforts that would enable the people at the grassroots to prepare and implement the bottom-up plans based on participation of the people and community organizations;
iii) provide a mechanism through which the process of preparing and implementing the bottom-up plan can be linked/integrated with different tiers of development administration so that the local level development plans can be integrated with the national plan.

♦ Provide increased financial allocations to the reoriented local government institutions from development budget with focus on human resource development and poverty alleviation;
♦ Reorient financial institutions and relevant government and NGO projects/programmes in favour of the poor;
♦ Implement effective training programmes for government officials, people’s representatives and others in participatory bottom-up planning;
♦ Strengthen the process of local level participatory planning by linking micro with macro policies to facilitate achieving short term stabilization and long term growth;
♦ Institutionalize the process of conflict resolution particularly in important fields e.g. top down versus bottom up processes of planning; deconcentration versus devolution of power in favour of the local government institutions; allocation of development funds; and incentive structures and growth with social integration. To ensure the process, the issues of civil liberty and good governance beginning from the grassroots through self-reliant local government institutions assume crucial importance.

In order to address the above issues, actions are needed in three broad areas:

- **System of Decentralisation**: Identify the processes through which a local level structure and a system of decentralised planning structure can be institutionalised that are consistent with national concerns and priorities and support effective decision making towards sustainable rural development. The above requires the design of a framework to achieve sectoral, spatial and operational balances in the context of integrated rural development;
- **Processes of Planning and Implementation**: Develop mechanisms for efficient and effective operation of the decentralised system. For the purpose, enhancing planning capabilities at the local level is a critical element that requires training, resources, institutional and human development;
- **Monitoring and Evaluation of Impact of Decentralised Framework on Rural Development**: Evolve a framework of M&E mechanism taking into account the impact of all tiers of the decentralised system for continuous and regular feedback on status and impact.
References


