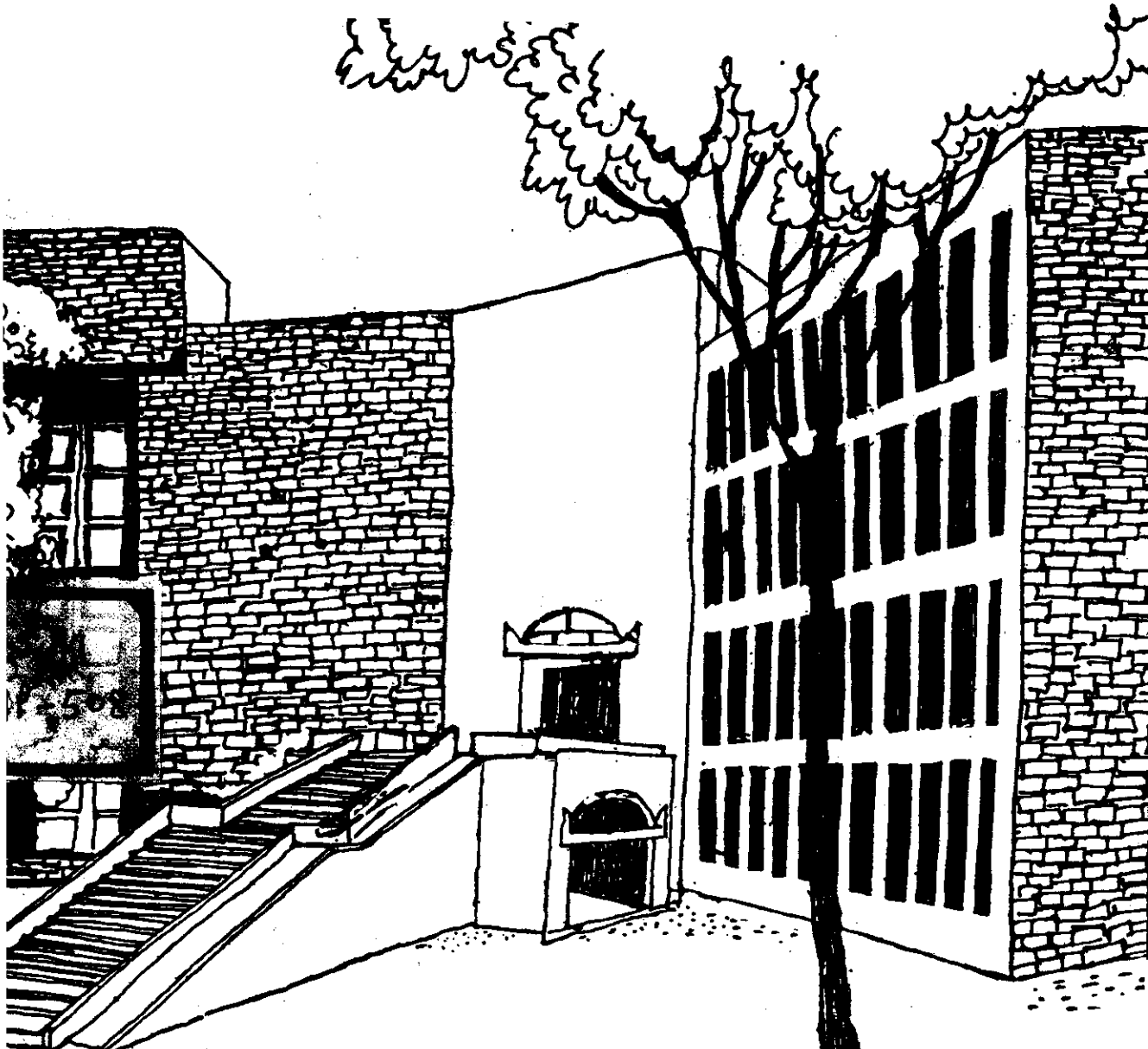




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Working Paper



MID-TERM APPRAISAL OF THE SIXTH
PLAN: WHY POVERTY ALLEVIATION
LAGS BEHIND

By

Samuel Paul

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Mid-Term Appraisal of the Sixth Plan:

Why Poverty Alleviation Lags Behind

Samuel Paul*

The introductory chapter of the Planning Commission document Mid-Term Appraisal of the Sixth Plan (hereafter referred to as MTA) offers an overall assessment of the progress of the Sixth Five Year Plan during its first three years.¹ The major conclusions presented in the chapter are three fold.

- (1) On the basis of the performance so far, it is expected that Plan targets will be achieved in full or adequate measure in a number of areas. Special efforts will be required to improve performance in some infrastructure sectors.
- (2) In the aggregate, public sector investment has exceeded the Plan target. The real GDP growth rate over the three years is also equal to the Plan target rate. However, investment in certain sectors such as irrigation, coal, power and railways must be protected against short-falls by a shift of priorities in sectoral allocation, if necessary.
- (3) In relative terms, the economy seems to have made efficient use of resources. It is still necessary to improve the efficiency of utilisation of the investment in infrastructure and productive equipment.

Surprisingly, there is no reference at all in this overview chapter to the economy's performance with respect to poverty alleviation. Programmes for

* I am grateful to J K Satia, Ashok Subramanian and V. Venkatesan for the useful discussions I have had with them on the theme of this paper. They, however, are not responsible for the views expressed herein and the errors that remain.

1. Government of India, Planning Commission, Sixth Five Year Plan 1980-85: Mid-Term Appraisal, New Delhi, 1983.

the weaker sections constitute an important item in the agenda of the Sixth Plan. Nearly 40 per cent of the total public investment in the Plan have been allocated to sectors and programmes which cater to the weaker rural based segments of society.² Major organisational interventions and massive staff recruitments have been undertaken in support of their investments. This is not to imply that MTA has completely ignored this issue. Individual programmes are commented on in different chapters. A brief reference to poverty and employment has been made, for example, in Chapter 2 of MTA. It is claimed that the population below the poverty line has been brought down from 51.1 per cent in 1979-80 to 41.5 per cent in 1981-82. Chiefly due to the Integrated Rural Development Programme (IRDP) and the National Rural Employment Programme (NREP).³ Without going into the merits of this claim, it is pertinent to point out that there are several other programmes covered under the Sixth Plan which are also concerned with poverty reduction. What is conspicuous by its absence is an overview of the performance of the wide spectrum of Plan interventions which were designed to achieve the objective of reducing the incidence of poverty and meeting the basic needs of the weaker sections. MTA's overview conveys the impression that what matters is the performance and prospects of the economic sectors alone. This clearly is a major flaw in the MTA document.

The purpose of this note is to examine this neglected dimension of Plan performance. First of all, we shall comment on the state and quality of

2. This takes into account all the poverty alleviation programmes discussed in this paper and others which have a strong rural bias.

3. MTA, p.8

information disclosure in MTA. It would seem that the scope of published information on plan performance has been progressively curtailed over the years. This disturbing trend has obvious implications for those who wish to monitor and analyse Plan performance. Secondly, using available data, we shall investigate the progress and performance of the entire spectrum of poverty alleviation programmes and compare them with that of selected economic sectors and their programmes. The major conclusion of this paper is that the performance of our rural and poverty oriented programmes do not offer any cause for the kind of optimum expressed in MTA about the economy as a whole. The final section of the paper discusses the implications of this unsatisfactory performance for the prevailing methodology and process of planning and implementation.

I. Disclosure of Information

The monitoring of plan performance calls for three types of information: (i) data on inputs, (ii) data on outputs or outcomes, and (iii) information on the processes that facilitate the conversion of inputs into outputs/outcomes. Since there are multiple inputs with monetary costs attached to them, it is customary to report the expenditure incurred on the relevant inputs for a given project/programme as a summary measure on the input side. There are many plan activities whose outcomes/outputs cannot be stated in monetary terms. They could be stated in physical units, but then the addition of a diverse set of outputs corresponding to a given outlay may not be feasible. Anti-poverty interventions such as the Minimum Needs Programme adequately reflect these problems. In monitoring plan performance, insights into the processes that facilitate or impede the achievement of targeted outcomes would be most valuable. Such information, however, is necessarily

qualitative and often does not lend itself to being reported in the same manner as expenditure and physical outputs.

On the whole, the focus of monitoring in Indian planning has been on plan expenditure. Where outputs are readily quantified as in most economic sectors, monitoring of outputs is also practised. But where measures of performance are not easy to identify, a common practice has been to state performance measure in terms of intermediate indicators. For example, IRDP targets are stated in terms of the number of beneficiaries selected and the quantum of subsidies disbursed. These, however, are intermediate indicators whereas the additional income generated by the new assets and consequent self reliance acquired by the beneficiaries constitute the ultimate test of programme performance. In spite of these limitations, even partial or intermediate indicators of outputs are of considerable value in making inter-temporal and inter-state comparisons of the performance of projects/programmes/sectors.

It is instructive to examine the trends in the disclosure of information in the mid term appraisal documents over the past decade. An analysis of the types of information reported in MTA (Sixth Plan) reveals the following features:

(1) Plan expenditure and achievements have been reported by state for two sectors, irrigation and general education. Since states vary in their level of performance, the absence of this information on other sectors and programmes is a major handicap in analysing plan performance on a spatial basis and the factors underlying regional variations.

(2) Though there are multiple programmes and subsectors in most sectors, the current practice is to report expenditure at the highest level of aggregation. Agriculture, education, and health, for example, have subsectors

and multiple programmes with their own budgets. Yet expenditures on subsector performance are not available. Such performance data, however, cannot be related to the relevant costs because of the non-availability of disaggregated cost data.

(3) There are cases where information on expenditure and outcomes/ outputs is reported to be available, but is not disclosed in MTA. Adult education, postal services and asset creation under IRDP, illustrates this point. For rural electrification, target achievement is reported, but not expenditure.

(4) There are numerous reference to centrally sponsored programmes in the text of MTA, but nowhere are they aggregated sectorwise and reported. As a result, it is difficult to assess their scope and relative importance vis-a-vis state programmes, for example.

These features highlight the somewhat ad-hoc and piecemeal style of information disclosure adopted in MTA. It cannot be argued that the required data are not being monitored. For instance, aggregate data cannot be assembled without first monitoring the state level data. In fact, a perusal of the Fourth Plan⁴ Mid Term Appraisal has confirmed that information disclosure was more comprehensive and systematic ten years ago. Disaggregated data by state, subsector and type of programme (central, centrally sponsored, state) were readily available for analysis a decade ago.⁴ That there is a progressive curtailment of information in the public domain on vital issues of plan performance is a matter of concern and reflects rather poorly on the state of planning in India. In view of this limitation, the analysis of plan performance presented below remains a partial exercise.

4. Government of India, Planning Commission, The Fourth Plan Mid Term Appraisal. New Delhi, 1971.

II. Performance of Poverty Alleviation Programmes

The Sixth Five Year Plan includes three categories of programmes with a sharp focus on poverty alleviation. They are rural development programmes, the Minimum Needs Programme, and special area programmes. There are, of course, several other sectoral and intersectoral investments and programmes which also are expected to make a strong impact on the productivity and quality of life of the weaker sections. The Command Area Programme (CAD), minor irrigation, and the Family Welfare Programme are examples of such interventions. We shall refer to the performance of both types of programmes in this section.

The major rural development programmes being implemented under the Sixth Plan are the Integrated Rural Development Programme (IRDP), the Drought Prone Area Programme (DPAP), the Desert Development Programme (DDP), and the National Rural Employment Programme (NREP). The Minimum Needs Programme (MNP) represents another major anti-poverty intervention and is not limited to rural areas. It has nine sub programmes or components, viz., rural health, rural water supply, rural electrification, rural roads, rural housing, elementary education, adult education, nutrition, and environmental improvement of urban slums.⁵ Special area programme includes programmes for hill areas and backward classes.

Data on both inputs and outputs/outcomes are essential for assessing the performance of the programmes referred to above. Programme expenditure could be treated as a proxy for the use of inputs/resources by a given programme. Such data are readily available on each major activity. The

5. Of these, adult education could not be included in the study as detailed data were lacking.

problem, however, is that the cost data for the three years are available only at current prices. Relating actual expenditures at current prices to targeted expenditure at constant prices does pose a serious methodological problem. On the other hand, since we are interested in a comparative analysis across programmes/sectors, our inability to present all expenditure at constant prices need not be treated as a major limitation.

The measurement of the outputs/outcomes of programmes and investments poses even more severe problems. First of all, the choice of appropriate measures of performance is by no means easy. The final impact of a programme cannot be achieved in its second or third year of implementation. On the other hand, where the gestation period is short, it is proper to look for identifiable outputs/outcomes halfway through the Plan period. Where a programme's target is defined in terms of building up specified infrastructural facilities, it is possible to use the progress of infrastructure creation as a measure of performance. However, if targets are not laid down at all, none of these measures will help. In the present study, for such cases, we have taken the growth of services/outputs over the first three years of the Sixth Plan as a measure of performance. Needless to add that many of the performance measures reported in MTA have serious limitations. Nevertheless, we have utilised them as alternative data were not readily available. It also makes sense to appraise the performance of poverty alleviation programme by reference to the same set of measures offered by the Planning Commission, at least to begin with.

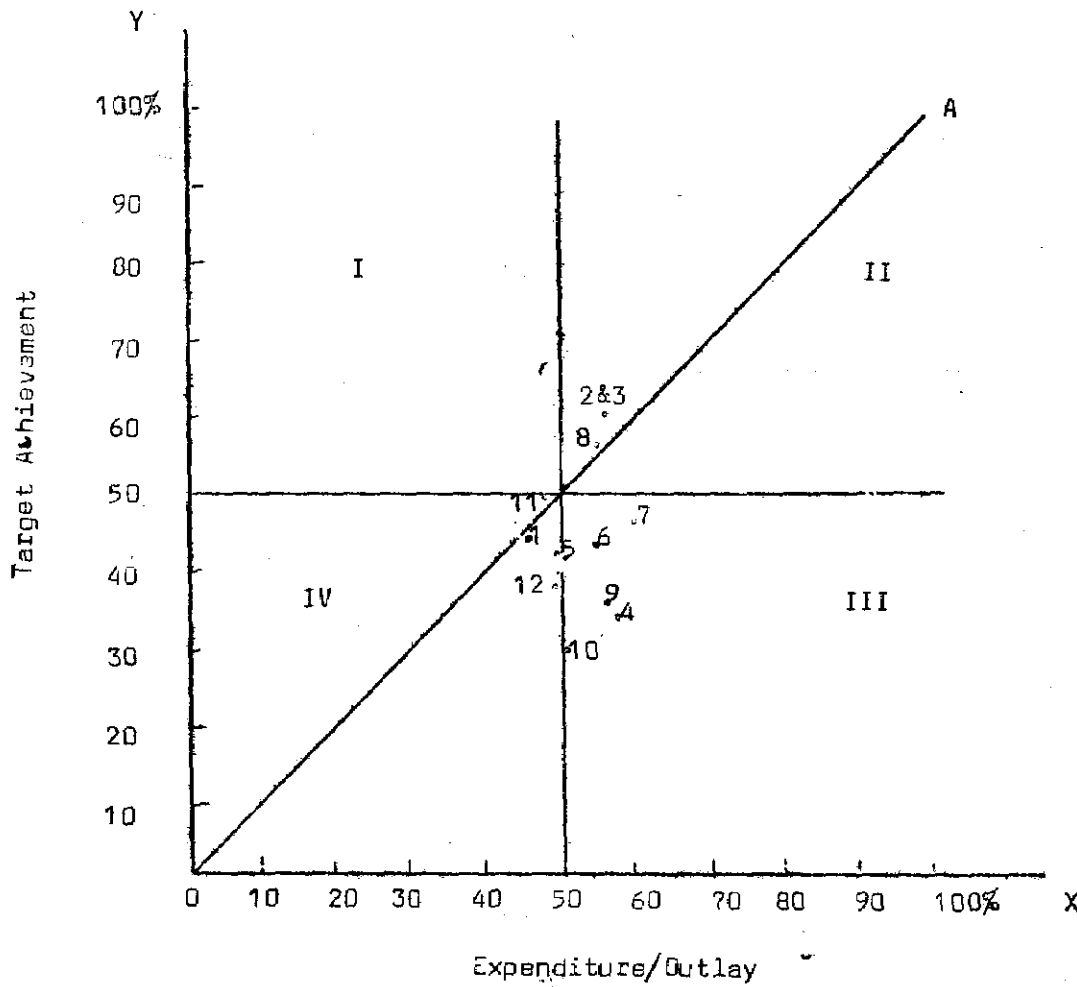
It is not possible in this brief note to describe the specific measures of performance used for each and every programme. Suffice it to say that

where multiple targets/indicators are given in MT4, we have used our judgement to derive a single measure either by averaging out multiple measures or choosing some which were considered to be relatively more important or critical. Thus, in rural health under MNP, data are given on the completion of sub centres and primary health centres (PHCs) and upgrading of existing PHCs. Of these, sub centres are clearly more critical to rural health delivery than upgrading of the larger centres. The measure of performance used therefore is an average of the achievement of the targets of PHCs and sub centres. In NREP, creation of different kinds of assets, as well as employment generated have been reported. We have decided to use the employment generated only as adding up physical assets was impossible.⁶

In Exhibit I, performance data on twelve programmes which have a direct bearing on poverty alleviation are presented. They include eight components on MNP, IRDP, NREP, CAD, and the Family Welfare Programme. Expenditure (1980-83) as a per cent of the Sixth Plan outlay for the programme is represented on the X axis. Target/output achievement of the programme (in percentage terms) over the same period is represented on the Y axis. If expenditure and target achievement are moving at the same rate, all programme would fall on the 45° line OA. Allowing for some delays in start up, it is reasonable to assume that at least 50 per cent of the expenditure and 50 per cent of the targets would have been achieved by the end of the third year of the Sixth Plan. Given the four quadrants

6. In this programme, employment creation is one of the two objectives. For physical assets, no targets are laid down, whereas for employment through NREP, there is a plan target.

Exhibit I
PERFORMANCE OF POVERTY ALLEVIATION PROGRAMMES
MID-TERM APPRAISAL VI PLAN 1980-83



- INDEX
- 1 CAD
 - 2 IRDP
 - 3 NREP
 - 4 Family Welfare
 - 5 Rural Health
 - 6 Rural Water Supply
 - 7 Rural Electrification
 - 8 Rural Roads
 - 9 Rural Housing
 - 10 Nutrition
 - 11 Elementary Education
 - 12 Urban Slum Development

in the diagram, it is possible now to classify the programmes into those which have performed best (Quadrant I, high on target achievement, low on expenditure) those which have performed reasonably well (Quadrant II), those which have under performed on both counts (Quadrant IV) and those which are low on target achievement, but high on expenditure (Quadrant III).

It is clear from Exhibit I that none of the programmes is found in Quadrant I and only three in Quadrant II. All others fall into either III or IV. Of the three in II, it should be noted that IADP's performance measure is the number of beneficiaries. If income created or viability of assets were the criteria, it is doubtful that the programme would fall into quadrant II. Evaluation studies could have shed some light on this issue. For some reason, evaluation results have not been reported at all in MTA, NREP's achievement is noteworthy and possibly reflects the strength of a programme with a simple strategy meeting a felt need. Nevertheless it should be noted that the employment generated under NREP has declined in the third year in comparison to the first year of the Sixth Plan. Rural roads, the third programme, is of an infrastructural nature and may have made good progress especially in conjunction with NREP. The target achievement of other programmes has varied from 29 - 49 per cent, while their expenditure ranged from 46 - 58 per cent.

The performance of programme for which targets have not been laid down or a single measure of performance is not available, on the whole, conforms to the above pattern. In DPAP, indicators such as employment generated, families assisted, and dairying have declined between the first and

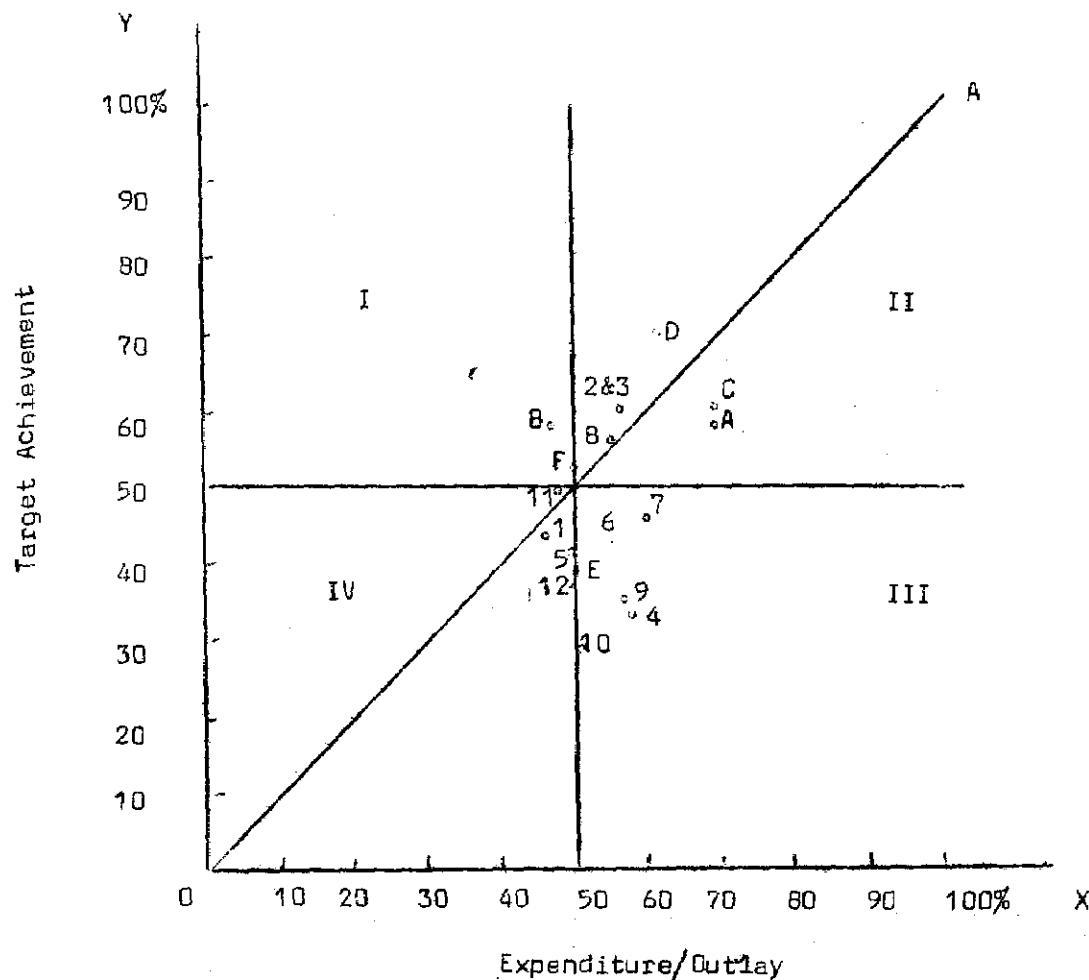
EXHIBIT II
POVERTY ALLEVIATION PROGRAMMES AND SELECTED ECONOMIC PROGRAMMES
MID-TERM APPRAISAL VI PLAN 1980-83

9a

INDEX

- 1 CAD
- 2 IRDP
- 3 NREP
- 4 Family Welfare
- 5 Rural health
- 6 Rural Water Supply
- 7 Rural Electrification
- 8 Rural Roads
- 9 Rural Housing
- 10 Nutrition
- 11 Elementary Education
- 12 Urban Slum Development

- A Railways
- B Central Roads
- C Coal
- D Petroleum
- E Communication
- F Minor Irrigation



third years. Minor irrigation and afforestation show a positive trend. In DDP, indicators of rural electrification, animal husbandry and agricultural activities have similarly declined. Under special area programme, the Hill Area Development Programme's performance appears dismal in most of its critical components. Five out of seven indicators have declined between the first and third years of the Sixth Plan. It is not clear whether these trends reflect a genuine performance problem or the diversion of focus to other programmes. For example, it is possible that the spotlight on IRDP has meant a lower priority to DPAP tasks. In either case, there is a serious performance problem in the entire spectrum of poverty alleviation programmes.

It might be argued that poor performance is not unique to the poverty alleviation programmes and that it merely reflects a more widespread malaise. The overview of the economy in MTA, however, presents a different picture. To test this hypothesis, a similar analysis was done of a selected set of key economic sectors/programmes. The results are reported in Exhibit II, which permits a comparison of the record of the poverty alleviation programmes alongside a set of economic sectors. The economic sectors/programmes included here are railways, roads (central), coal, petroleum, communications, and minor irrigation. Five out of six economic sectors fall into quadrants I or II. Only communications show a poor record. In the communications sector, 50 per cent of the outlay was earmarked for rural, tribal and semi-urban areas. It is possible that the rural coverage which involves more complex environment was a contributory factor to poor performance. Other economic sectors/programmes have not been included in this analysis either because performance measures were difficult to obtain

or their long gestation periods rendered their analysis less relevant. But the six subsectors examined here do represent major areas of investment in the Sixth Plan.

In view of the evidence presented in Exhibit I and II, we conclude that the performance of the Sixth Plan's poverty alleviation programmes taken together is unsatisfactory and a cause for concern. The conventional economic and infrastructural programmes have performed far better, relatively speaking, than this important spectrum of programmes. Five out of six major economic sectoral programmes qualify as better than average performers whereas only three out of twelve of the poverty alleviation programmes fall into the same category. Given the high priority attached to the goals of poverty alleviation and rural development, it is important to understand the causes of this phenomenon and its implications for national planning and implementation.

III. Why Poverty Alleviation Lags Behind

What conclusion can we draw from the foregoing analysis? Exhibits I and II seem to imply that the infrastructure related and centrally planned and managed programmes and sectors (central roads, petroleum, coal, railways, etc.) perform better than the people oriented, social development programmes, which though centrally sponsored for the most part, are managed in a decentralised manner. Some would conclude from this that increased central control over poverty alleviation programmes is the need of the hour. They would argue that if other central programmes have fared better, it is because of the greater administrative capacity and commitment to action at the Centre in the ministries, Planning Commission, etc.⁷ It is further argued that those at the

7. Centre here refers to the Government of India

scene of action such as state and district level authorities are not only weaker in terms of capacity, but less committed to the cause of poverty alleviation. Increased centralisation is thus justified on the grounds that the Centre is better endowed in terms of both capacity and commitment.

This is an attractive, yet fallacious argument. It seems attractive because a superficial reading of the situation does make it sound plausible. There are three reasons why the basic argument is fallacious and illogical.

(1) Even if the Centre has greater administrative capacity and commitment, it cannot possibly be efficient and effective in directly managing poverty alleviation programmes, given the vast size and diversity of the country. Increased centralisation will simply create a system overload in terms of information processing and decision making at the top.

(2) Increasing central control over programme through more rigid guidelines which are enforced uniformly across the country will make local adaptations and responses extremely difficult. The local initiative and drive which are so necessary for the success of these programmes will be discouraged under the circumstances.

(3) It must be noted that the Centre's relative success has been in sectors and programmes characterised by known technologies, adequate demand for their services and limited transactions with the people at large, especially the poor. Thus, infrastructure facilities can be built with the aid of available and standard technologies. They do not call for constant interactions with masses of beneficiaries unlike poverty alleviation programmes. The technologies relevant to the social and economic development of the poor, on the other hand, are yet to be evolved and most certainly cannot be

standardised across the country. Those who are good at building infrastructure facilities need not necessarily be good at developing human resources which is at the heart of poverty alleviation. The nature and requirements of the tasks involved are thus different. Centralised management which is good for infrastructure building may turn out to be dysfunctional in the context of poverty alleviation.

If these arguments are valid, it follows that increasing central control is not the answer to the unsatisfactory performance of poverty alleviation programmes. The only viable alternative is to strengthen the capacity and commitment at the state and local levels so that the task of poverty alleviation is facilitated through their active participation. The basic question is whether the process and orientation of national planning can be restructured to achieve this goal. While macro projections, allocations/for a reversal of the processes in vogue for planning and managing poverty alleviation programmes. /and controls are necessary for planning, the proposed restructuring would call

The major changes required in the orientation and process of planning are fourfold:

(1) The Centre should play a leadership role in problem identification, consensus building on the issues and areas for intervention and setting of priorities in poverty alleviation. This rather than the design of specific programmes with detailed guidelines for operation should be the essential central role.

(2) The Centre should ask each state to propose and design its own programme with respect to the problem areas identified as indicated above. An obvious concomittant of this approach is that in any given dimension of poverty alleviation such as employment generation, nutrition, or adult education, twentytwo different programmes may emerge rather than a single uniform national programme. However, this outcome is to be welcomed rather than discouraged as it is more likely to fit the special needs and conditions of the diversity of regions in the country.

(3) The Centre should not only encourage states in initiating programme ideas, but also assist them actively in formulating and designing specific programmes and organisational support. Allocation of funds is only one form of assistance. For example, central teams of experts and consultants should be available to work with state government officials in the process of programme design and train them in technical, organisational and economic matters. Clearly, states differ in the degree and types of assistance they need. Some may not need much technical assistance at all. Others may require special consultants to be attached to their programme agencies and departments on a long term basis to supplement local manpower or until the local officials are fully trained.⁸ Central assistance could also be a conduit through which knowledge and experience from the states which are performing better in poverty alleviation could be passed on to the lagging states. Careful monitoring and evaluation of ongoing programmes will be an aid to this process.

8. This does not mean that only central government staff are the most qualified people to perform these tasks. Experts could be drawn from states, private organisations etc.

(4) The Centre can play a useful role in strengthening states commitment to poverty alleviation. Here the problem is both political and administrative. In a democratic society, the political party in power must persuade its leadership at local levels to work for the party's agreed upon programme of action. If such political support is lacking, there is little that a bureaucracy can do to create the necessary commitment. The argument that politicians and bureaucrats at the Centre are pro-poor and that their counterparts at the grass roots are anti-poor is at best a partial truth. Distance from the scene of action does moderate unholy pressures. Unfortunately all local leaders cannot be transported to the Centre! The remedy lies in the assertion and use of political clout in favour of the poor by those who lead the Government, so that local leaders and bureaucrats act in harmony with stated policies.

On the administrative front, the challenge is to identify alternatives which seem most conducive to the success of poverty alleviation programmes. Some people believe that bureaucracy is the most effective instrument for managing such programmes. Others argue that local participation holds the key to the success of poverty alleviation. The tendency of local elites to appropriate programme benefits has led most state governments to limit the role of panchayats in rural development activities. Does this mean that the concept of local participation has little relevance in our country? The issues involved deserve to be debated more intelligently than has been done so far. The task of planners is not merely to

bargain with states and sectors on the allocation of funds, but also to pose the choices involved and propose administrative options and institutional innovations which are likely ^{/to} contribute most effectively to poverty alleviation. Analysis of past experience both in India and elsewhere and some measure of experimentation are pre-requisites for the generation of new ideas in this area.

In IRDP, for instance, bureaucratic agencies under government auspice have been given the task of assisting poor beneficiaries to cross the poverty line through the creation of economic assets. However, the task involved is such that only "intermediary organisations" with a capacity to create and sustain the necessary market and technical linkages are likely to succeed in this mission. Dairy and poultry cooperatives, handloom corporations, etc., are examples of viable intermediate organisations set up under private or public auspices. It is no surprise that district rural development agencies which do not act as intermediary organisations in the above sense are unequal to the task of many states. To take another example, social forestry schemes have been handed over to Panchayats in some states. In communities with high inequality, this has merely led to the powerful in the villages appropriating the benefits and the poor getting a raw deal. Organisations of the poor or committed voluntary agencies might have performed better under these conditions. The capacity and commitment to accomplish the tasks involved are not identical in different alternatives such as the Panchayat system, voluntary agencies intermediary organisations and government departments.

An important role the Centre should play is in assisting states to identify and create strategically managed organisations to plan and implement their poverty alleviation programmes. Helping states and local government to analyse their environments and ecological conditions, and design organisations capable of coping with the local inequality and program vulnerability to such inequality is a form of assistance only the Centre can provide in view of the perspectives and experiences of its personnel who deal with a diversity of regions and states. It is, of course, much simpler to prescribe a standard organisation for poverty alleviation for all states. But then, will the same organisational alternative perform equally well in Bihar and Kerala which vary significantly in terms of community inequality and programme vulnerability? In the complex area of poverty alleviation, the focus should be shifted away from mechanistic "programming" and "targeting" to the creation and support of viable and effective organisations, and experimentation to discover new alternatives.

The reorientation proposed above would imply a radical redefinition of the role of the Centre and its ministries in respect of poverty alleviation. First of all, the planning process should encourage initiatives from below. The present practice of designing poverty alleviation schemes at the centre and asking states to implement them is the antithesis of what is being proposed. Needless to say, like the Centre, state governments in turn design and pass on their own schemes and projects for implementation at the district level, all in the name of decentralised planning. A reversal of this approach is in order. Secondly, planning has to move away from the "control mode" towards what may be termed the "assistance mode". If initiative from below is to be nurtured, increased assistance

of the kind discussed above must be provided to those operating at state and local levels. The control mode simply reinforces past practices and inhibits initiative. Thus, if block or district level planning is ushered in with fanfare, but with little assistance to sustain the new efforts, it is not surprising that neither capacity nor commitment gets built up. The mode of operation of central ministries will have to change radically under the assistance mode. Creation of centrally conceived schemes, prescription of uniform guidelines, reporting and monitoring on files, etc. will have to yield place to field missions to assist programme/project design in the states, training, monitoring through field visits, evaluation and transfer of knowledge and experience from one region to another and other assistance oriented practices. This will undoubtedly call for a reorganisation of ministry structures and the induction of new skills.

Most people know intuitively that in a community with high inequality it will be an uphill task to manage a vulnerable programme in the interests of the poor by a panchayat type of organisation.⁹ Locally elected representatives are likely to be influenced by elite power groups and hence might exclude the poor from programme benefits. Under these conditions, it may be necessary to create organisations of the poor as part of the strategy to protect their interests. On the other hand, if inequality and programme

9. Development programmes which focus on private economic goods and services (eg. agricultural inputs, credit, housing, etc.) can be highly vulnerable to inequality. Programmes which deal in public or quasi-public goods (eg. preventive health, literacy, etc.) are generally less vulnerable to inequality in the sense that the elites cannot possibly exclude others from enjoying the programme benefits or may not even be interested in these benefits.

vulnerability are low, the panchayat system may turn out to be an effective alternative to implement the programme. Under certain conditions "intermediary organisations" which create market and processing linkages could be the most suitable vehicle to implement poverty alleviation programmes. It is therefore, important to analyse programme vulnerability to inequality and community inequality together in relation to the properties of organisational alternatives as a basis for choosing the most appropriate option in a given context.

CONCLUSION

The analysis of the Mid Term Appraisal presented in this paper lends considerable support to the view that the poverty alleviation programmes of the Sixth Plan have on the whole performed poorly. While many factors may have contributed to this outcome, we have argued that the role played by the prevailing orientation and process of planning in this regard deserves special attention. A superficial reading of the Indian experience with poverty alleviation programmes may lead one to the conclusion that increased central planning and control of these programmes are urgently required. A careful analysis, however, would show that a move in the opposite direction is in fact the need of the hour. The specific changes proposed in the paper on the role of the Central Government in planning and poverty alleviation are the following:

(a) The Centre should play a leadership role in problem identification and consensus building on issues pertaining to poverty alleviation, while leaving the task of designing specific programmes and detailed guidelines to the states.

(b) The Centre should assist states in the design process through technical support, funds, training and other relevant inputs. Building

technical and administrative capacity at other levels should be a major Central concern.

(c) The Centre should play an active role in strengthening the commitment of states to poverty alleviation. This calls for both political and administrative action. The existence of capacity and commitment at the Central level cannot compensate for their lack at the state and local levels.

The implications of these changed roles for planners and planning are threefold. First of all, the planning process should encourage initiatives from below. This would be readily agreed to by many, but without a proper appreciation of how to make it work. Decentralised planning cannot be institutionalised through an issue of guidelines. It calls for systemic changes including the restructuring of Central ministries, and the inculcation of new skills and attitudes. It may well slow down the pace of plan progress to begin with, but will lead to more enduring outcomes in the long run. Secondly, planning must move away from the "control mode" of operation towards what we have termed the "assistance mode". Initiatives from below cannot be sustained without systematic assistance to strengthen capacity and commitment at lower levels. Thirdly, careful attention must be given to the choice of organisational alternatives to achieve the task of poverty alleviation when inequality at local levels and programme vulnerability to such inequality tend to vary. Different configurations and coalitions of organisations need to be designed and supported under these conditions. The choice of appropriate organisations to spearhead poverty alleviation is a macro-level policy issue which deserves more attention than it has received so far.