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BPR-002
Decentralized Planning and Panchayati Raj

Decentralized Planning: Concepts and Tools

1

"शिक्षा मानव को बन्धनों से मुक्त करती है और आज के युग में तो यह लोकतंत्र की भावना का आधार भी है। जन्म तथा अन्य कारणों से उत्पन्न जाति एवं वर्गगत विषमताओं को दूर करते हुए मनुष्य को इन सबसे ऊपर उठाती है।"

–इन्दिरा गांधी

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"Education is a liberating force, and in our age it is also a democratising force, cutting across the barriers of caste and class, smoothing out inequalities imposed by birth and other circumstances."

-Indira Gandhi

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BPR-002
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Block

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DECENTRALIZED PLANNING: CONCEPTS AND TOOLS

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INTRODUCTION TO THE COURSE BPR-002

Dear Learner,

The course **"Decentralized Planning & Panchayati Raj"** consists of three blocks. **First block** is on *Decentralized Planning: Concepts and Tools* deals with the objective of planning, different types of planning and also emphasizes on multi-level planning and its principles. It throws some light on data collection methods and finally touch upon the significance of data base for the decentralised planning. It also emphasises on the objectives and strategies to materialize them which play an important role in decentralized planning. We also discuss specific objectives of planning and strategies adopted in India over a period of time and different phases of decentralizing planning.

Block two is on *'Sectoral Planning'* deals with the concept of local planning and its objectives. The block is expected to discuss how a sectoral plan has to be analysed and the various steps involved and their integration in a spatial context. Since, in decentralized planning one has to work out specific methodology for each sector of development the block outlines an illustrative methodology relevant for decentralization in the agricultural and educational sectors. It then moves its Concept & Strategy and finally discusses Methodology, Technology and Procedures of Sectoral Planning achieved at each level. It also focus on production, social services and welfare, objectives and phases of sectoral planning & programmes, and how does panchayats help in making sectoral planning need based.

Block three is on *'Local Level Planning'* deals with the Survey of Resources and Mapping. In this block, you will have a look at the rationale for such a plan and its components in general. Thereafter, we shall identify the processes through which the resources available for local level planning can be surveyed and mapped, so as to facilitate the generation of a plan to utilize them and meet the requirements of the local communities in the best manner possible.

The gram sabha is envisaged to play a significant role in local level planning. We also discuss the role of gram sabha in detail, in different segments of the local planning process. In order to effectively link the villages with the planning process we also take a look at the integration of village plans with the plans at the GP and block levels. We also look at the integration of block level plans with the district plans and will also highlight the issues and challenges to be met in the process of district planning. There is a mechanism in place in every State in the shape of District Planning Committees, to consolidate the plans prepared by the panchayats and the municipalities in the district and to prepare a draft development plan for the district. Finally, in this block we discuss in detail the functions and responsibilities of the DPC in the decentralized planning process.

We hope that after going through this course, you will be well versed with the process of Decentralized Planning at the Panchayat/grassroots level and will be able to participate in the planning process effectively.

BLOCK 1 DECENTRALIZED PLANNING: CONCEPTS AND TOOLS

Block Introduction

This course on '' Decentralized Planning & Panchayati Raj" consists of three blocks. This is the first block on **Decentralized Planning: Concepts and Tools.** This block consists of four units. Unit one deals with **Multi-level Planning for Economic Development and Social Justice** In this unit you will have a look at the objectives of planning , different types of planning and we also emphasize multi-level planning and its principles.

In the second unit on '**Building up the Database'**, we are listing its characteristics, throwing some light on data collection methods and finally touching upon the significance of database for the decentralised planning. Objectives and strategies to materialize them plays an important role in decentralized planning.

In the third unit on **Setting Objectives and Strategies** we discuss specific objectives of planning and strategies adopted in India over a period of time and different phases of decentralized planning.

In the fourth and final unit on '**Project Identification, Formulation and Selection of Elementary Ideas'** apart from differentiating between projects, schemes and programmes we take a look at basic steps in Project Identification , Process of Project Identification and Analysis. We hope that after going through this block of this course, you will be well versed with the concepts and tools which will help you in studying and understanding of the planning process which will be unfolded in the subsequent blocks of this course.

UNIT 1 MULTI-LEVEL PLANNING FOR ECONOMIC DEVELOPMENT AND SOCIAL JUSTICE

Structure

1.0 Objectives

1.1 Introduction

1.2 Definition and Meaning of Planning

1.3 Objectives of Planning

1.4 Types of Planning

- 1.4.1 Authoritarian Planning and Democratic Planning
- 1.4.2 Perspective Planning
- 1.4.3 Medium Term Planning
- 1.4.4 Short Term Planning
- 1.4.5 Centralized Planning and Decentralized Planning
- 1.4.6 Sectoral Planning and Area Planning

1.5 Planning in a Mixed Economy

1.6 Multilevel Planning

1.7 Principles of Multilevel Planning

- 1.7.1 Principle of Function Sharing
- 1.7.2 Principle of Financial Decentralization
- 1.7.3 Principle of Administrative Decentralization
- 1.7.4 Principle of Public Participation
- 1.7.5 Interaction Principle
- 1.7.6 Principle of Nesting and Integration of Plans

1.8 Merits of Multilevel Planning

1.9 Operational Issues in Multilevel Planning

- 1.9.1 Administrative and Technical Organization
- 1.9.2 Planning and Co-ordination Mechanisms
- 1.9.3 Participatory Mechanism

1.10 Let Us Sum Up

1.11 References and Further Readings

1.12 Check Your Progress – Possible Solutions/Answers

1.0 OBJECTIVES

After studying this unit, you will be able to:

- define planning;
- describe the characteristics of planning;
- list the objectives of planning;
- identity the different types of planning;
- explain the concept of multilevel planning;

- state the principles of multi-level planning; and
- examine application of multi-level planning in economic development and social justice.

1.1 INTRODUCTION

The development functionaries have a role to play in shaping the destinies of their respective areas and the people living there. Any activity that has to take place in the future in a particular area has to be planned and planned carefully and development functionaries play an important role in achieving this. This is not an easy task, as we are concerned with *development*. Development refers to desirable ongoing activities or planned process of change

India is a *federation*. Originally, it was designed as a two-tier federation consisting of the Union or Centre and the States. The 73rd/74th constitutional amendments have added a third level of government to the Indian federal structure. Thus we have a multi-tiered federal structure. The third level is designed to create '*institutions of local self-governments*'. You know that the panchayats created as part of the 73rd amendment have three sub-state tiers viz: the gram, block and district panchayats. As per Article 243G of the Indian Constitution, the main purpose of these panchayats is to plan for '*economic development and social justice*' and implement the projects and programmes coming under the local plan. Basically, decentralized planning starts here at the village level and moves up. So, we have a multi-tier structure of federal organisation with a multi-tier structure of planning and public finance.. To start with, one needs to know about the basics of planning starting with the basic definition and meaning of planning and then the entire process of planning within the Multi-level Planning frame work for Economic Development and Social Justice. This is what this unit is aimed at.

1.2 DEFINITION AND MEANING OF PLANNING

Any activity that is to be made in a future time has to be planned. For example take the case of a journey. You should know the time, distance, money or resource available, choice of mode of transport, possible difficulties and so on. How to make the best out of these is the real question? Unlike planning for our personal travel, planning for a country like India is a complex activity, as it is concerned with planning for economic development in a multi-level federal country context

Planning is the process by which we make the best possible use of the available human and material resources in order to achieve certain predetermined goals within a specified period of time. Planning for a state or government, therefore, means a systematic utilization of available resources with a view to accelerating economic development. This type of planning had its origin in the former Soviet Union in the 1920s. Later on, the path of planning was chosen for economic development by several other countries. There are differences in the type of planning adopted in different countries but the basic characteristics of planning remain the same. They are:

a) **Predetermined goals**: Planning is undertaken to attain certain definite objectives or goals. Broadly speaking the objective of planning is economic development. In India for planning at the sub-state level government the given goal is 'economic development and social justice'. But practical considerations require setting up of specific goals or targets. This is needed for the purposes of monitoring, evaluation and mid-course correction.

b) **Time frame**: It is necessary that a time limit is set to achieve the goals specified. Therefore, planning process is always confined to a specified time frame, say, one year, five years or even seven years. The normal period is five years. India plans for a period of five years. We are currently in the Eleventh Five Year Plan.

c) **Central Authority**: As explained above, planning is a deliberate economic activity with a view to achieving certain well defined goals. There must be a central agency to initiate and supervise the planning process. In the former Soviet Union the objectives, priorities, allocation of resources and size of the plan were all determined by a central planning authority. In India this task is entrusted to the Planning Commission.

1.3 OBJECTIVES OF PLANNING

It is for the government concerned to set out the objectives of planning. Conventionally, the aim of planning was to step up economic development. The idea is optimum utilization of available resources for economic development. Economic development is generally measured as increase in per capita output in an economy along with structural changes. Economic development is understood as a dynamic process which would result in an increase in real national income. The dynamic process refers to those social, economic and technological changes contributing to greater economic welfare via an increase in real per capita income. If prices rise along with increase in output there will be no real increase in national income. We may explain the term per capita income. It is obtained by dividing the national income by the population. National income refers to the sum total of the value of goods and services produced. Of course here double counting is avoided by taking only the value added at every stage. Increase in per capita income does not mean increase in social welfare. It has to be equitably distributed.

Economic development will become meaningful only if social justice is ensured. Social justice implies that the gains of development should reach every one on an equitable basis. The interests of the weaker and marginalized sections in the community should get priority in developmental programmes. The social and institutional arrangements which deny equality of opportunity should be changed. Todaro's version of development given below has given special emphasis to this aspect. According to him "Development must beconceived of as a multi dimensional process involving major changes in social structures, popular attitudes and national institutions as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty" (Michael P.Todaro).

In recent times there is a distinct swing of the pendulum towards human development. Economic growth or development per se has no meaning unless it promotes human development. At best economic growth is only a means to promote human welfare promotion of literacy and education, health, increasing life expectancy, reduction of infant mortality and such goals become important. Equally important is increasing gender justice. The concept of human development occupies a central place in planning.

1.4 TYPES OF PLANNING

Planning was originally devised as a centralized mechanism. But it came to be modified to suit the conditions of the countries in which it was adopted. Consequently planning does not follow a uniform pattern in the countries where it has been chosen as an economic policy. The type of planning may vary according to the political system under which it is implemented, the time frame and the methodology adopted. On the basis of these considerations the different types of planning are discussed below.

1.4.1 Authoritarian Planning and Democratic Planning

Planning by direction or command is the basic feature of authoritarian planning. Such planning is possible only in an authoritarian regime where the authority of the state prevails over all economic activities. Free private enterprise will be completely absent. The planning process is fully under the control of the state and the targets and priorities are determined by the central planning authority set up by the government.

Democratic planning is basically planning by inducement. Freedom of enterprise and free play of market forces are essential features of a democratic system. Planning under democracy is possible only by putting the private sector under regulations and by managing the market. The private sector is made to fall in line with the policies and targets fixed by the planning authority. Fiscal and monetary policies and measures are the chief instruments used for the purpose. Indian planning is the best example of democratic planning.

1.4.2 Perspective Planning

The term perspective planning refers to long term planning in which the broad objectives are set for a longer period, say, 15 to 20 years. Examples of such broad objectives are full employment for all those who are in the working age group or doubling per capita income within a period of say, 15 years. The Planning Commission of India describes a perspective plan as "a blueprint of developments to be undertaken over a longer period". A perspective plan does not imply one plan for the entire period of 15 to 20 years. It is in fact, divided into several plans of shorter duration of four, five or six years. Efforts are made to achieve parts of the long term targets during the shorter periods.

1.4.3 Medium Term Planning

In medium term planning targets are generally fixed for a period of say, 5 years. For example, a target for food grains production or a target for increasing area under irrigation to be achieved at the end of a five year period may be fixed and plans for the same may be formulated. The goals fixed for a five year period will be more precise than those fixed for a perspective plan. The time frame of 5 years is adequate to monitor the progress, to effect modifications whenever necessary and to correct mistakes. It is in fact, possible that a perspective plan is divided into three or four medium term plans.

1.4.4 Short Term Planning

Short term plans are annual plans. Annual plans are designed in accordance with the budgetary provisions. The schemes included in a five year plan may be divided into five one year action plans. Necessary funds are earmarked in the union or state budgets. In fact, the annual plan of one year duration may be regarded as an extension of the government's budget to the whole economy. This practice is followed in India.

1.4.5 Centralized Planning and Decentralized Planning

Depending upon the methodology adopted planning may be centralized or decentralized.. In other words, all decisions relating to the planning process in the country are taken at the top level. Planning is focused more on strategies of development than on actual spatial potentialities and requirements. This may be called top down planning. Planning as implemented in the former Soviet Union is an example of centralized planning. In India also until the Panchayati raj legislations were adopted planning tended to be more centralized in approach and implementation. The 73rd/ 74th constitutional amendment is a clear watershed in the evolution of planning in India.

Decentralized planning is a mechanism under which the different tiers of government are involved in decision making. The objectives and targets of the plan are discussed and decided at different levels of administration. The planning process starts from the lower level and gets consolidated at higher levels. The local needs and potentials are taken into account in formulating development plans. This may be called bottom up planning. The planning process initiated from the Panchayat level in India is an example of decentralized planning. This results in the empowerment of the people through the empowerment of the Panchayats or more generally local governments.

1.4.6 Sectoral Planning and Area Planning

This classification of planning is based on the approach adopted in planning. Planning can be sector wise or area wise. Broadly speaking, an economy consists of three sectors - primary, secondary and tertiary. Each of these sectors consists of different sub sectors. For example, we may classify agriculture coming under primary sector into food crops, plantation crops, fisheries, dairying etc. Similarly, the Industrial sector may be classified as capital goods industries and consumer goods industries. Sectoral planning implies the division of the economy into different divisions of economic significance and formulation of plans for each sector. In the planning process in India allocation of resources are made sector wise and targets are fixed for each sector. Planning here is not bound by geographical limits but spreads into entire economy.

As against sectoral planning area planning implies planning for specified areas, say, a ward, a gram panchayat, a block panchayat or a district panchayat. The plans prepared are area specific irrespective of sectors. Allocation of resources are made area wise and targets are fixed for each area. The resources and needs of the areas concerned are taken into account in the area plans prepared.

Check Your Progress I

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What is the difference between centralized planning and decentralized planning?

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1.5 PLANNING IN A MIXED ECONOMY

Mixed Economy is a blending of capitalism and socialism. The basic characteristic of capitalism is absolute free enterprise. The means of production are owned by the private sector. The free play of market forces determines the direction of economic activity. On the other hand, socialism stands for an economic system dominated by state ownership and control of means of production. Private enterprise is totally absent. The market functions under the regulations imposed by the state. There is very little freedom of choice and enterprise.

Mixed economy is a compromise between capitalism and socialism. It is expected to be free from the evils of both the systems. The good features of capitalism and socialism are integrated in a mixed economy. Public sector and private sector co-exist. The public sector is under the direct control of the state which regulates its production and distribution. Defence, atomic energy, public utilities, strategic and

heavy industries are generally in the public sector. In other areas the private sector is permitted to operate. But the government retains the freedom to interfere and regulate the activities of the private sector. The presence of a government regulated co operative sector is an important feature of a mixed economy.

It is evident from the above that mixed economy can function only in a democratic system We have in India the best example of a mixed economy working in a democratic framework. It is through planning that the merits of capitalism and socialism are combined in a mixed economy. By its very nature planning in a mixed economy is democratic planning. Planning in mixed economy is subject to the freedom of the market. Individual freedom is not denied but regulated wherever necessary. Maximization of public welfare is the ultimate goal of planning in a mixed economy. With this end in view efforts are made to increase production but the interests of workers and consumers are protected. It has been the experience in India that the methods of planning have been reviewed and modified to suit the peculiarities of mixed economy over the years. In the process centralized planning has given way to decentralized planning in the country.

1.6 MULTILEVEL PLANNING

Multilevel planning is decentralized planning which extends over different tiers of government in a federal set up. Each tier is involved in the planning process with specific responsibilities and functions. Local needs and resources are taken into account in the formulation and execution of plans. Before discussing multilevel planning in detail we may review how the centralized approach in planning has given way to decentralized approach.

Development Planning underwent some basic changes in its orientation and approach during the middle of the last century. Many of the newly independent countries in Asia and Africa took to centralized approach for speedy economic development. This invariably resulted in top down planning in which the development strategy was designed in a macro economic framework. In the context of the various development constraints in the third world countries the top down approach has been helpful in accelerating development through a central agency. But experience has shown that top down planning is basically externally induced and does not take into account regional and area specificities. It is too inflexible and broad, less penetrating and less relevant to the sub area realities. The resulting development is spotty and uneven. In effect it tends to be more urban and industrial in nature. The projects tend to be large in nature, capital intensive and dominated by high technology.

It is now widely recognized that centralized planning cannot succeed unless there is a matching process of "planning and development from below." The bottom up approach makes maximum mobilization of an area's natural, human and institutional resources for the development of the area possible. To be more specific we may state that development from below have the following characteristics:

- It is basic needs oriented
- It is labour intensive
- It is small scale in nature
- It is regional/area resources based
- It is rural centred
- It is based on appropriate technology

The bottom up approach by its very nature is intended to make the beneficiaries active participants in development. They are made capable to generate and manage

their own development, instead of just receiving the benefits of development handed down from above.

"Top down planning" signifying planning at central level and "bottom up planning" signifying planning at the local level are not mutually exclusive concepts. Both are to be integrated in the planning process. If development planning is to be scientifically practised, it has to be done at least at three area levels; 1) National, 2) Regional and 3) Local. There are of course subtle differences among the three levels of planning in regard to the aim, approach, command, methodology, resources and nature of public participation; see table 1.1.

Table 1.1: Planning Levels and their differences

Planning Type	Aim	Approach	Command	Methodology	Resources	Popular Participation
National	Economic and Social	Sectoral	Top Down ↓	Quantitative	National Taxes & Foreign Aid	Minimal Indirect
Regional	Socio - Economic & Environmental	Spatio - Sectoral	↓ Integrative ↑	Quantitative & Qualitative	Regional taxes and Devolution from Centre	Maximum Indirect
Local	Socio - Economic Human Environmental Grass Root	Democratic Decentralized participatory approach	Bottom Up ↑	Qualitative & Consensus	1. Local Taxes 2. Devolution from National &Regional Governments 3. Community involvement.	Maximum Direct

Source: Adapted from R.P Misra (Ed): *Local-Level Planning and Development, Sterling Publishers, New Delhi, 1983.*

The planning process becomes more effective when the "top down approach" and "bottom up approach" are combined together. In this two - way planning process people and their elected representatives at each level have a role in decision-making. The local needs and potentials are well reflected in the plan documents. This is how multilevel planning works. Thus multilevel planning is a process that extends over different area levels - from the local to the national level.

We may now explain the multilevel planning in the context of the Panchayati Raj system prevailing in the country. The 73rd and 74th amendments to the constitution of India adopted in April 1993 brought about fundamental changes in the federal character of the country. A third stratum of government was added to the federal structure. The institution of local self government in the country came to have constitutional status. There are three sub state tiers, viz., gram, block and district panchayats for these local self government institutions. At the urban level we have municipalities and corporations. As per article243G of the constitution the main purpose of these panchayats is to plan for economic development and social justice and to implement the projects and programmes coming under the local plan. The implication here is that decentralized planning has to start from the Panchayat level

and move up. The gram sabha is an assembly of voters. In states like Kerala which have large sized panchayats, gram sabha is held at the ward level.

Article 243 ZD of the constitution (incorporated by the 74th amendment) provides for a District Planning Committee "to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole". Thus the planning process begins at the lowest tier and moves up to higher levels. Provisions are also made to consolidate and co-ordinate the planning process at the district level.

The different dimensions of integration have been discussed briefly in the planning guidelines for local bodies in Kerala as detailed below (also reported in Ministry of Panchayati Raj's **Report on Planning at the Grassroots Level).**

- **Spatial Integration**

This would mean integration of schemes such as roads that run through one or more panchayats. Such kinds of Multi Panchayat infrastructure projects could be taken up with proportionate contributions from the panchayats concerned, dovetailed into the funding available from above and entrusted to one local government for execution.

- **Sectoral Integration**

This relates to the integration that takes place within a sector. For instance an integrated approach to agricultural development would require the integration of several schemes relating to agriculture, such as horticulture, drip irrigation, high yielding varieties and integrated pest management.

- **Cross-Sectoral Integration**

To ensure maximum impact from different interventions, it is necessary to design approaches that draw resources from various schemes. For instance, a good approach to public health would require inputs from water and sanitation allocations and health programme allocation. Again, a typical watershed management programme would comprise of soil conservation, water harvesting, micro irrigation, bio-mass generation, fisheries, animal husbandry, agro processing and micro enterprise components, all properly sequenced. The schemes proposed under each of these sectors have to be integrated in such a way that the goals set for watershed development can be meaningfully achieved.

- **Vertical Integration**

This is based on the precept that District and Intermediate Panchayats ought to perform activities which have the advantages of scale and which cannot be done by the lower tiers of local government. This will require that Block Panchayats have a clear idea as to what the draft plans of Village Panchayat will contain. Similarly the District Panchayats would need to consider the approved plans of Village and Block Panchayats before finalizing theirs.

- **Integration of Resources**

There are several schemes both centrally sponsored and State sponsored which Panchayats can utilize, integrate into local plans and to which they can contribute additional resources. This would comprise of two aspects, as below:

- **Integration with State Plans**

There are several State Plans, which can be strengthened by increased allocation from Panchayat Funds. In some cases the component having a complementary

nature could be added to the State Plan Scheme. For instance, the drawing of electric wires to villages could be complemented by the Panchayat taking up the wiring of BPL houses.

- **Integration of Centrally Sponsored Schemes (CSSs) with Local Plans**

It is important that in the interest of efficient use of resources, there ought to be only one development plan for the local government prepared through a common planning process and not a set of separate plans prepared in accordance with the guidelines of each programme. Thus, once priorities and works are identified and prioritized through a single planning process, components pertaining to a particular sector could be taken up through schemes, including CSSs while still keeping within the guidelines of those schemes.

- **Integration with local resources**

Planning can provide local investments to be catalysed through local resources or initiatives. For example, village knowledge centers and rural business hubs could be catalysed by Panchayats. This is also possible by extending the concept of PURA to encompass the concept of rural business hubs. By this, we do not meant that Panchayats ought to run industry locally, but that it catalogs local skills and natural resource endowments and facilitates the development of business linkages.

It is evident from the above discussion that multilevel planning is decentralized planning which involves sharing of planning and policy functions at different sub national levels. There is ample scope for interaction between and among the different tiers of government. As a result there will be effective and meaningful participation of people in making the planning process harmonious and interdependent. Moreover, the plan document will be more relevant to the local conditions, authentic and implementable. Thus under multilevel planning, functions are assigned to the sub state tiers along with powers and responsibilities.

It is now possible to sum up the major features of multilevel planning as

- Decentralization of planning to several districts and sub national levels
- organizing a two-way planning process
- Building up of capabilities to plan and implement development functions at each one of the decision making levels.
- Managing planning and development with people's participation.

Check Your Progress II

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What does Article 243 ZD provide for DPC?

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1.7 PRINCIPLES OF MULTILEVEL PLANNING

The essence of multilevel planning is decentralization. As has been pointed out earlier it involves sharing of planning functions at different area levels. This calls for adherence

to certain basic principles which may be listed as follows (See K.V. Sundaram 1997).

a) Principle of function sharing
b) Principle of financial decentralization
c) Principle of administrative decentralization
d) Principle of public participation
e) Iteration principle (The relay and re -relay process)
f) Principle of nesting and integration of plans

These principles are elaborated below

1.7.1 Principle of Function Sharing

One of the first steps in the multilevel planning process is to divide with clarity and precision the planning functions among different area levels. This is necessary to avoid overlapping of functions among the partners at the different tiers in the planning process. The division of functions would also enable them to perform their responsibilities in a non-competing and mutually supporting manner. Function sharing does not mean that the activities at different area levels are totally independent of each other. There will always be some activities which are interlinked and interdependent. We may identify these linkages and make multilevel planning harmonious. Functional decentralization is thus a precondition for successful multilevel planning.

1.7.2 Principle of Financial Decentralization

Adequate financial resources should be made available to the sub state level organs to perform the functions assigned to them with reasonable degree of accuracy. The agency responsible for planning should have the required funds at its disposal. This means autonomy in the use of funds. In other words funds should be untied. This calls for channelising of funds directly to the area levels concerned. Financial decentralization also means disaggregation of financial resources from the central to state and sub-state levels. There should be appropriate division of taxing and non-tax revenue-raising powers. The allocation of resources should be guided by the principle of equity. Due weightage should be given to the backwardness of the areas concerned.

1.7.3 Principle of Administrative Decentralization

Decentralization will become effective only if adequate powers and responsibilities are assigned to different area levels. No hard and fast rules can be laid down for this purpose. However, the broad areas which need consideration in the context of multilevel planning are:

- Procedures for giving administrative and technical sanctions
- Procedures for release of funds
- Procedures in respect of inter-sectoral transfers and
- Powers of re appropriation and vital departures in the matter of personnel control.

1.7.4 Principle of Public Participation

The greatest advantage of multi level planning is the scope for peoples' participation in development activities. There are two views on public participation. One is called 'mobilizing view' which considers participation as mobilization of the people for the success of developmental projects. The other is empowering view in which people are empowered to make their own decisions on issues relating to developmental activity. It is this latter view which is relevant in multilevel planning. In the long run this approach would ensure involvement of people at the lower level in formulating and

approving the plans. There will be a direct association of the people in the development programmes for the local area. However, at the national or regional level participation will be more indirect in nature. At the local level participation should be viewed both as a tool and as a goal of development as it serves as a medium of social transformation and as precondition for authentic development.

1.7.5 Interaction Principle

Multilevel planning is not a single stroke planning operation. It is a relay and re-relay process of continued interaction at different area levels. This interaction is achieved through a vigorous flow of information, both top down and bottom up. The top down flow may consist of information pertaining to policies, priorities, targets, guidelines for planning, budgetary information, technical information, co-ordination directives, review of monitoring and evaluation of projects. Bottom up flow may consist of information on local needs and preferences, area priorities, area targets and problems and constraints faced at the local level. A hypothetical planning system showing levels, flows and interaction may be seen in Figure 1.1 given below.

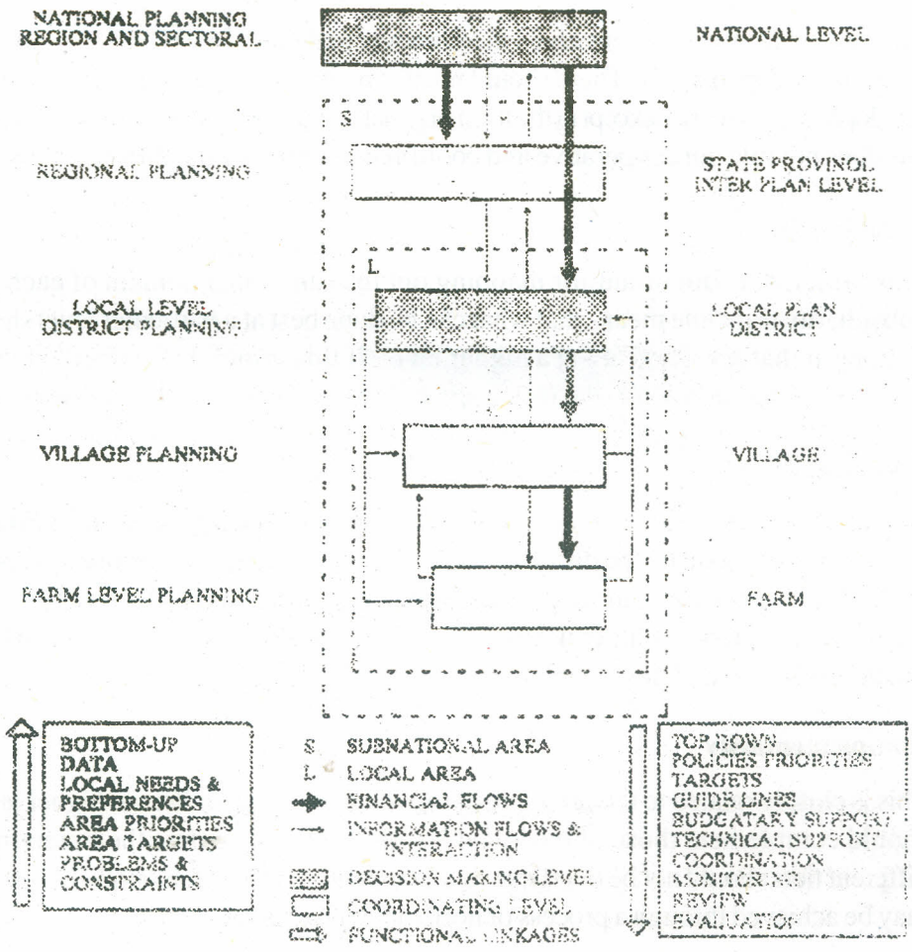

Figure 1.1: A Hypothetical Multi-level Planning System showing levels, flows and interactions.

Note: (i) Financial allocation flows directly from national to local level, bypassing the intermediate level.

(ii) Within the local area level, the interaction between district level, village and farm are in all directions.

Source: *FAO Economic and Social Development Paper 52: Towards Improved Multi-level planning for agricultural and rural development in Asia and the Pacific, Rome, 1985.*

At each one of the sub-national levels an appropriate planning machinery is required to ensure harmonized planning. This planning machinery has to prepare the plans for

each area level, organize the flows and interactions, both upward and downward. It is the efficiency of the planning apparatus which contributes to the success of multilevel planning.

1.7.6 Principle of Nesting and Integration of Plans

This implies integrating the planning process at different spatial levels into a unified pattern. This is necessary to ensure harmony in the implementation of plans at different area levels. The plans prepared for different area levels should fit into the national plan. Such harmonization can be achieved only through a continued interaction and effective flow of communication and information as explained above.

The Committee on Decentralization appointed by the government of Kerala in 1996 has spelt out some basic principles of decentralized planning. It is appropriate that we consider these principles along with those listed above as guidelines for multilevel planning. These principles are more supplementary in nature and not entirely different from what has been discussed.

Autonomy

Each layer of government involved in multilevel planning should be left to function freely and independently. There should not be any interference by the higher tiers in developmental activities except in the form of general and technical guidelines. However, this does not rule out cooperative and coordinated action by the different tiers.

Subsidiarity

This principle is important for mapping out the functional domain of each tier. Subsidiarity principle means that what can be done best at a particular level should be done at that level and not at a higher level. If this principle is adhered to then unnecessary interference in the functioning of the lower tiers can be avoided.

Role- clarity

Decentralized development implies unity of vision and diversity of means. This calls for a clear perception by the different levels of their role in the development process so that the sub systems can support each other and do not work at cross-purposes. There must be clarity at the conceptual and operational level about what each layer can do in each area of development.

Complementarity

This is closely related to the principle of role-clarity. The activities of higher levels should complement those of the lower levels. At the same time the functions of different tiers should not be overlapping and repetitive. An over all unity of purpose may be achieved through a process of horizontal integration.

Uniformity

This implies that the criteria followed in respect of selection of beneficiaries and in deciding priorities should be uniform for all programmes implemented by a given tier.

Accountability

Each layer of government should be made accountable to the people within their jurisdiction and in certain respects to the whole nation. This can be achieved by a continuing process of social audit in the gram sabhas and ward committees. Accountability to the nation can be ensured by statutory auditing.

Transparency

People should have access to the details of expenditure incurred on different schemes. They must have the freedom to know the amount earmarked on each project and the amount actually spent. Every decision taken has to be on the basis of a uniform criterion and social consensus.

People's participation

People's participation is the core of decentralized planning. It is necessary to involve the people fully in the development process so that the fruits of development reach the right and the deserving groups. As has been stated earlier genuine participation is ensured only when people are empowered and not merely mobilized.

1.8 MERITS OF MULTILEVEL PLANNING

The merits of multilevel planning may be summarized as follows:

a) Multilevel planning is participatory planning in which planning and development functions are shared among a number of actors at different spatial levels. This enables the actors at various levels to tackle the problems of their respective areas at sub national levels with greater understanding and perception.

b) Multilevel planning ensures efficiency and economy in the use of resources. For example, in the agricultural sector which is characterized by a diversity of agro climatic and ecological conditions, centralized planning cannot respond in a flexible and effective manner to the differing potentials, problems and needs of each area. Multilevel planning by its very nature is capable of meeting these requirements and could facilitate optimum and sustainable use of agricultural resources.

c) Multilevel planning is cost effective. Since the basis of multilevel planning is area planning the needs and potentials in each area can be easily identified, evaluated and economically used. The inputs for production and credit can be channelised to area specific requirements, i.e. according to where they are needed most and where production potentials are great. In another sense also multilevel planning is a cost effective approach. Multilevel planning with its proximity to an area has greater access to information. This makes decision making with relative ease, speed, authenticity and at a lesser cost. In brief, transaction costs will be minimum.

d) There is greater scope for equitable development under multilevel planning. In multilevel planning developmental efforts are confined to manageable areas and groups. Development projects can be implemented in such a way that inter regional and inter personal disparities are reduced. It is easier to assess the needs of the target groups and to devise programmes to increase their incomes and employment opportunities.

e) The most important advantage of multilevel planning is its ability to reach the people and to draw their effective participation in development. It is the best method of involving the people in the planning and development process. It brings the government nearer to the people.

Multilevel planning is suited to discover and activate dormant resources and skills which remain unutilized or underutilized at different area levels in an economy. Its merits are derived from this fundamental attribute.

1.9 OPERATIONAL ISSUES IN MULTILEVEL PLANNING

Multilevel planning aims at improving the delivery of governmental policies, services, and developmental efforts through the local levels of administration. It also envisages grass root participation in the planning process and integration in the functioning of various departments at the local and regional levels. The basic task in decentralized multilevel planning is therefore to build up an organizational structure which would ensure successful implementation of plans at different area levels. The administrative structure so evolved should consist of:

a) The administrative and technical organization of the government
b) Planning and co-ordination mechanisms and
c) Participatory mechanisms.

1.9.1 Administrative and Technical Organization

Multi level planning is a two way process. On the one hand, the benefits of developmental projects should reach the right persons and groups. On the other hand people should have access to the agencies which are entrusted with the tasks of implementing the projects. The organizational set up designed under multi level planning should serve these two purposes. It is also necessary to define the relationship between line institutions/departments, local administration and parastatal organizations in all their dimensions such as control, accountability, appointments, promotion and co-ordination.

1.9.2 Planning and Co-ordination Mechanisms

The establishment of a planning machinery with co-ordination mechanism at all critical levels is essential for the success of multi-level planning. The planning mechanism should include a Planning Commission at the national level, regional planning forums at the regional levels and planning cells at the local levels including a village planning forum at the village level. An expert team of professionals capable of tackling the technical tasks of planning should form part of the system.

What is stated above is a theoretically ideal situation. In practice, in many developing countries there is a dearth of planning machinery, especially at lower levels. This is attributed to paucity of trained personnel. Training is therefore an essential component in building up the capabilities at the lower level.

Horizontal and vertical co-ordination of planning process is an essential step in multilevel planning. Horizontal co-ordination implies inter sectoral, inter ministerial and inter disciplinary co ordination at each level. Vertical co- ordination refers to co officials should be represented in committees constituted for effecting coordination.

1.9.3 Participatory Mechanism

An effective participatory mechanism is crucial to the success of multilevel planning. Two types of participations may be distinguished in a democratic decentralized system. The first one is participation by elected leaders and the second one is participation by various interest groups, functional groups and user groups in the community. In a multilevel planning system both these types of participation must be institutionalized and structured appropriately at various levels. The Table 1.2 given below depicts the organizational structure at different area levels in a multilevel planning system.

Table 1.2: Multi-level Planning System: Mechanisms

Area Level	Planning & Decision Making Mechanism	Coordination Mechanism	Participatory Mechanism	
			Democratic (Elected)	Community Based
National	Cabinet National Development Council, Planning Commission/Economic Development Board, Planning Cell in the Ministries	Ministry of Finance Inter-ministerial Committees Sectoral Policy Committees	Consultative Committee of Parliamen-tarians	Interest groups and other people's organizations e.g. Association of Farmers, Women, Backward Communities, Tribals etc.
Regional	Region/State/Province Cabinet/Executive Council; Regional Development Council; Regional/State Planning Commission/ Board; Sectoral Planning Cells.	Regional Budgeting Office Sectoral Planning Groups/ Committees/Task Forces Programme Coordination Division	Consultative Committee of Elected Leaders.	Interest groups/ People's organizations at the regional level (as above)
Local	Local (e.g. District) Development Council; Local Planning Office; Village Planning Forum, Village Council (Gram Sabha)	Joint Committee for planning; Subject Matter Committees	Association of elected leaders in the joint and subject matter committees	Interest Groups/ People's organisations at the local level; User groups/Joint Management Committees

Check Your Progress III

Note: a) *Write your answers in the space provided.*

b) *Check your answers with the possible answers provided at the end of the unit.*

1) List first three principles of multi-level planning.

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2) Under administrative decentralization, what are the broad areas which need consideration in the context of multilevel planning?

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3) What do you understand by 'Transparency' in the context of development schemes?

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1.10 LET US SUM UP

In this unit we discussed that planning is a systematic process by which we make the best possible use of the available human and material resources in order to achieve certain pre determined goals within a specified period of time. In the context of India, the primary objectives of planning is economic and social development of its people. You have also identified the different types of planning and emphasized multi-level planning and its principles. The various parameters required for the effective implementation of multilevel planning discussed in this unit are as follows:

- Determining the area levels in the country in which planning and decision making functions in a particular sector could be decentralized.
- Defining the appropriate planning and decision making functions in respect of each area level so that overlapping in planning functions among various area levels is avoided. Functional mapping should be based on the principle of subsidiarity.
- Matching planning functions with adequate allocation of financial resources to the various area levels. This also means equipping different tiers with revenue-raising powers, besides inter-governmental transfers.
- Equipping the area levels with properly staffed planning machinery to perform the designated planning and decision making functions.
- Training the personnel in the tasks of multilevel planning and development.
- Building up a suitable data base and information at the critical area levels to support the planning and decision making activities.
- Establishing suitable organizational structures for co-ordination as part of the overall mechanism for planning devised at the various area levels.
- Establishing linkages - downward, horizontal, and vertical - for integrated development.
- Establishing a two way communication network through hierarchical, expert group, status group and friendship group consultation for rapid exchange of information.
- Ensuring regular flows of top down and bottom up information.
- Delegating various administrative powers and authority to the lower levels to enable as well as to quicken the decision making process at these levels.
- Organizing monitoring on a decentralized basis with evaluation being centralized at appropriate levels.
- Organizing participation at various levels through formal and informal methods so that the needs and aspirations of the people are duly taken note of in the planning process.

1.11 REFERENCES & FURTHER READINGS

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1.12 CHECK YOUR PROGRESS – POSSIBLE SOLUTIONS/ANSWERS

Check Your Progress I

1) Under centralized planning the objectives, priorities, allocation of resources and size of the plan all are decided by the central planning authority. Decentralized planning, on the other hand is a mechanism under which the different tiers of government are involved in decision making.

Check Your Progress II

1) According to Article 243 ZD, the District Planning Committee is expected to consolidate the plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development plan for the district as a whole.

Check Your Progress III

1) The first three principles of multi-level planning are:
   a) Principle of function sharing
   b) Principle of financial decentralization
   c) Principle of administrative decentralization
2) The broad areas which need consideration in the context of multilevel planning are:
   - Procedures for giving administrative and technical sanctions
   - Procedures for release of funds
   - Procedures in respect of inter-sectoral transfers and
   - Powers of re-appropriation and vital departures in the matter of personnel control.
3) When people have access to the details of expenditure incurred on different schemes. It also implies that they must have the freedom to know the amount earmarked on each project and the amount actually spent.

UNIT 2 BUILDING UP THE DATABASE

Structure

2.0 Objectives

2.1 Introduction

2.2 What is Statistical Data?

2.3 Characteristics of Statistical Data

- 2.3.1 They must Relate to the Aggregate of Facts
- 2.3.2 They are Numerically Expressed
- 2.3.3 They are Affected by a Multiplicity of Causes
- 2.3.4 They should be Collected in a Systematic Manner
- 2.3.5 They must be Relevant to the Purpose
- 2.3.6 They should be Placed in Relation to Each Other

2.4 Collection of Data

- 2.4.1 Primary Data
- 2.4.2 Direct Personal Investigation
- 2.4.3 Merits of Direct Personal Investigation
- 2.4.4 Indirect Personal Investigation
- 2.4.5 Mailed Questionnaires and Schedules
- 2.4.6 Questionnaires to be Filled in by Enumerators
- 2.4.7 Secondary Data

2.5 Statistical Inquiries

- 2.5.1 Census Method
- 2.5.2 Sampling Method
- 2.5.3 Methods of Sampling
- 2.5.4 Random Sampling Method
- 2.5.5 Stratified Random Sampling
- 2.5.6 Systematic Random Sampling
- 2.5.7 Multi-stage Random Sampling
- 2.5.8 Convenience Sampling
- 2.5.9 Judgment Sampling

2.6 Database for Decentralised Planning

2.7 Resource Mapping

2.8 Let Us Sum Up

2.9 References and Further Readings

2.10 Check Your Progress – Possible Solutions/Answess

2.0 OBJECTIVES

After studying this unit, you will be able to:

- state the meaning of data;
- list the characteristics of statistical data;
- identify the data collection methods for primary and secondary data;
- use census and sampling methods statistical inquiry; and
- explain the significance of database for de-centralised planning.

2.1 INTRODUCTION

Among the developing countries, India can lay claim to have a well developed statistical system. The word 'statistics' can be used both as a singular and plural noun. As a plural noun it was taken to mean 'data' while as a singular noun it represented a method of study based on analysis and interpretation of data. Data and its interpretation plays an important role in the planning process. In fact entire planning process is based on the relevant data collected and available. In this unit , apart from defining statistical data , we will list its characteristics, discuss data collection methods and the significance of data base for the decentralised planning.

2.2 WHAT IS STATISTICAL DATA?

Webster has defined statistical data as, "classified facts representing the conditions of the people in a state... especially those facts which can be stated in numbers or in any other tabular or classified arrangements".

This definition emphasizes:

1. Facts, especially numerical facts. The non-numerical facts cannot be produced statistically.
2. Classification is an important tool in organizing data on a scientific basis. Classified facts are considered. Obviously a heterogeneous mass cannot be analysed and interpreted.
3. Emphasis given in the definition of facts representing conditions of the people in a state restricts the appreciation of statistical data to human sciences. But it is not unusual to make use of it in natural sciences also.

Since statistical data occupies an important place in economic planning, features/ characteristics of such data are to be examined.

2.3 CHARACTERISTICS OF STATISTICAL DATA

2.3.1 They must Relate to the Aggregate of Facts

A single fact, even though numerically stated cannot be called statistical data. For instance, a road accident cannot reveal anything unless such information is collected for a period and for different roads. Data so collected can be used for comparison overtime or over places.

2.3.2 They are Numerically Expressed

The facts to be called statistical data must be numerically or quantitatively expressed. Qualitative characteristics such as intelligence, beauty etc. cannot be included in statistics unless they are quantified by assigning scores.

2.3.3 They are Affected by a Multiplicity of Causes

Economic phenomena are influenced by a large number of forces internal and external. Statistical data helps in finding the most proximate and most potent causes out of the many that affect the phenomenon. For example, statistics on crop production is affected by several factors such as soil condition, rainfall, use of fertilizers, method of cultivation etc. If all the relevant data are collected and analysed, it is possible to determine the causes for change in the production of the crop.

2.3.4 They should be Collected in a Systematic Manner

A haphazard collection of figures may lead to erroneous conclusions. A good deal of caution is necessary on the collection of data. Data collected carefully and systematically for a well defined purpose alone can be considered as statistical data.

2.3.5 They must be Relevant to the Purpose

The scope and purpose of inquiry should be made clear before collecting the data. For example, data on physical personality will be irrelevant for considering the ability of a person for an intellectual work. Moreover, data should be collected with a reasonable standard of accuracy.

2.3.6 They should be Placed in Relation to Each Other

The main objective of collection of facts and figures is to facilitate a comparative or relative study. So statistical data should be capable of comparison.

2.4 COLLECTION OF DATA

The collection of data refers to the purposive gathering of information relevant to the subject matter of the study. The method of data collection is influenced by the nature of object and scope of inquiry. Availability of resources, cost to be incurred and time also influence the scope of data collection.

Depending upon the nature of data and mode of collection, statistical data may be classified into primary and secondary.

2.4.1 Primary Data

The data gathered by actual observation, measurements and count and direct recording during the course of an investigation is called primary data. There are several ways of collecting primary data.

2.4.2 Direct Personal Investigation

Direct personal investigation can be made either through observation or by conducting interview in which the investigator personally approaches each informant and gathers first hand information. Under the observation method, the investigator personally observes and records the behaviour of the person rather than asking questions. This method is very useful in studying consumer behaviour or personal data relating to a particular disease and so on.

2.4.3 Merits of Direct Personal Investigation

a. Due to personal touch, people tend to co-operate better

b. Due to direct contact of the investigator the data collected is likely to be more reliable.

c. Investigator can clear up doubts and misunderstandings on the spot.

But this method is not suitable when the number of persons to be interviewed is very large. This is a costly and time-consuming method. Sometimes personal bias may vitiate the results.

2.4.4 Indirect Personal Investigation

This method is used in cases where it is not possible or desirable to approach people directly for information or data. Under this method the investigator interviews several

third party informants also known as witnesses who are supposed to possess information on the problem under study. All enquiry committees appointed by Governments adopt this method. The success of this method depends on the following aspects:

a. The representative character of the witnesses who are interviewed.

b. Knowledge of the witnesses interviewed.

c. The prejudices and desires of the witnesses about supplying information.

d. The ability of the interviewer to draw out information from the witnesses.

e. The experience and honesty of the investigator.

Following are the merits of this method:

a. A wide area can be covered.

b. This method may save money, time and labour.

c. Prejudices of people when approached directly can be avoided.

Major drawback of this method is, sometimes witnesses are influenced by certain considerations and it may deliberately twist the results of the study.

2.4.5 Mailed Questionnaires and Schedules

Under this method, questionnaires with questions pertaining to the subject under study with blank space for giving answers will be prepared and sent by post to the individuals who should be approached for collecting the desired information. The respondents are asked to return the same with in a specified period. An assurance is usually given to the respondents that the answer given by them will be kept strictly confidential.

The success of this method depends on:

a. The ability with which the questionnaires are drafted.

b. The degree of response from the informants.

c. The ability and knowledge of the informants.

Following are the merits of this method:

a. It is possible to cover vast area where informants are spread over.

b. The procedure is cost effective.

c. Information given by the respondents could be free from the bias of the investigator.

But this method suffers from certain limitations also. This method cannot be used among illiterate population. It is not flexible. In case of inadequate/incomplete answers it is difficult to obtain supplementary information. Moreover, several respondents may not return the questionnaire.

2.4.6 Questionnaires to be Filled in by Enumerators

Under this method a team of enumerators or investigators is selected. They are provided with the questionnaires to be filled up by them. Specific training and instructions are given to them regarding the way the information be collected and schedules be filled.

Following are the merits of this method:

a. This method can be employed even in the case of illiterate population.

b. Information given by the respondents can be checked on the spot by cross

examination and supplementary questions. So the data collected by this method is more reliable and accurate.

Demerits of this method are:

a. This method is the costliest of all for collecting primary data.

b. The quality of data collected mainly depends upon the personal qualities and unbiased attitude of the enumerators.

2.4.7 Secondary Data

Secondary data is one which is collected by some earlier agency but is used and analysed by any other for its own use. There are various sources of secondary data. Such sources of secondary data may be divided into two broad categories such as published statistics and unpublished sources.

The chief sources of published statistics are, Government Publications and reports of trade associations and chambers of commerce, journals and newspapers, research work in Universities and institutions and publications of international bodies like UNO, IMF, ILO, World Bank etc. A separate statistical department is attached to almost all the main ministries at the state and central levels.

Check Your Progress I

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What is difference between quantitative and qualitative characteristics of statistical data?

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2) What are the merits and demerits of direct personal investigation?

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2.5 STATISTICAL INQUIRIES

By 'inquiry' we mean a search for knowledge. Statistical inquiry means a search conducted according to statistical techniques. Before we conduct an inquiry its purpose and scope should be clear. The inquiry should be carefully planned to ensure that what we measure has a relationship with what we want to study.

In statistics, the term 'population' is used to mean the totality of cases (items) in investigation. For instance, if we wish to study the family incomes in a certain region, the population will comprise of all the households in that region.

Statistical inquiries can be broadly classified into two types: Census Method and Sampling method.

2.5.1 Census Method

According to this method information is collected from each unit consisting of the population. For instance, an investigator studying the agricultural income of a village may ask every agricultural family in the village the income derived from agriculture and add them. Census method has merits and demerits.

Merits of this method are:

1. Data collected through census method are more accurate and reliable since information is sought from each item comprised in the population.
2. This is an extensive study. Many facts relating to the problem may be brought out. For example, population census gathers information not only in numbers, it also collects information on age, marital status, education, employment, income etc.

Demerits of this method are:

1. Census method would require a large number of enumerators and other staff. This method is expensive and time consuming.
2. This method is useless in case the results are urgently required. It is likely that by the time the data are available, the conditions might have changed completely.

2.5.2 Sampling Method

In a sample enumeration, the inquiry is based on a small lot representative of the whole, which can help arriving at a fairly reliable estimate of the characteristics of the population. Suppose, it is proposed to carry out an enquiry into the spending habits of students in an university, each and every student will be approached while in sampling method a small number of students will be selected and the spending habit of these students will be studied.

The advantages of sampling method include reduced cost of the survey, saving of time, administrative convenience and the possibility to conduct detailed inquiry. It is considered that sampling is more scientific and the results are more reliable. However, selection of a sample which is not representative will lead to wrong conclusions. Organisational problems and personal bias of the investigator are some of the other problems of sampling technique.

2.5.3 Methods of Sampling

There are various methods of sampling. The choice of the method will be determined by the purpose for which sampling is made. The method of sampling can be broadly classified into (1) Random Sampling Method and (2) Non-Random Sampling Method.

2.5.4 Random Sampling Method

A random sample is a sample selected in such a way that every item in the population has an equal chance of being included. To ensure randomness in the selection of items in the sample either lottery method or table of random numbers is used. Under lottery method, the various units of the population (universe) are numbered on small and identical slips of paper which are folded and mixed together in a drum thoroughly. A blindfold selection is then made, of the number of slips required to constitute the desired size of sample. Following are the other important random sampling methods.

2.5.5 Stratified Random Sampling

This method consists of classifying population units into a certain number of groups called strata and then selecting random samples independently from each group or

stratum. This method of sampling ensures more representatives, greater accuracy and administrative convenience.

2.5.6 Systematic Random Sampling

This method is popularly used in cases where a complete list of the population from which sample has to be drawn is available. Under this method if 100 items have to be selected from a population of 1000 items, every 10^{th} item will be selected.

2.5.7 Multi-stage Random Sampling

Under this method, the random selection is made of primary, intermediate and final (ultimate) units from a given population. For example, suppose a socio economic survey has to be conducted in a region where a complete list of all households is not available but the list of villages is readily available. In such a situation, first a sample of villages may be selected and then a sample of households may be selected from each selected village after making a complete list of households therein. This is a case of two stage sampling.

2.5.8 Convenience Sampling

This method is used when selection is made from an available registration records etc. It is done so because it is convenient to use these records. The reliability of the analysis based on these documents depends on the purpose of enquiry.

2.5.9 Judgment Sampling

Under this type of sampling there is a deliberate selection based on the judgment of the person entrusted with the job. It is also called 'deliberate sampling' or 'purposive sampling'. Under proper controls and safeguards, this system can prove useful. This is a less expensive and less time consuming method.

2.6 DATABASE FOR DECENTRALIZED PLANNING

India is one among the developing nations which can lay claim to have a well developed statistical system. But the major weakness of our data base is that, to a greater extent it is not suitable for the requirements of decentralized planning. The present data base is primarily prepared to suit the needs of development planning at the national level and to some extent at the state level. It has very little use at the panchayat level to formulate development plans. It happens so because the data management institutions and practices in the country were evolved to suit the requirements of a highly centralized system of administration and planning.

Most of the national level data are ultimately collected from localities. But the centralized system of planning and administration does not require that these data be made available in printed form at the local level. Moreover the administrative offices of the line departments in every locality act as independent units. The information collected by each department may be sufficient for the day to day operations. For that they do not require data from other departments. But the comprehensive area plan, which the decentralized planning is attempting to draw up requires comprehensive data base for every locality. You should have data regarding soil structure, water sources, cropping pattern, livestock, transport, health and education status and so on. Every household in a locality counts because it is on its economic, social and cultural well-being that you build the local development. For this purpose we have to

collect the unpublished data available in the various registers and files of various local level government departmental offices, besides all published statistics.

An alternative that may be suggested to build up the data base for decentralized planning is a socio-economic census of the panchayat. But this method cannot be implemented in the short run. It is time consuming. Moreover, the data collected through socio economic census would not provide sufficient information on various aspects of developmental activities that are required for planning. It is not easy to make a comprehensive listing of the register, available in each of the local offices. The type of registers and the quality of information would change from state to state. The chart given below briefly touches upon the major sources of information with reference to the local government offices in Kerala. This is an illustrative list valid for other states as well.

Local Government Offices in Kerala and Registers from which Secondary Data were collected

Government Office	Name of Selected Registers	Name of Data
Panchayat Office (23 Registers)	Annual Administration Report Annual Financial Statement Demand Collection Balance Statement Budget Estimate Building Tax Assessment Register Professional Tax Assessment Register Institution Register Road Register Minor Irrigation Register Well, Pond Register Puramboke Register Birth/Death Register Marriage Register Grant Register Special Grant Register Auction Register Register for Grants from other depts. D & O Register Traders list Register Street Lamp Register Water Tap Register Still Birth Register	• Accurate information on the following Receipts and Expenditure of the panchayat-Number of Roads by type and length-Number of public taps-ponds and well by ward-Number of street lamps-Number of buildings and houses- Number of voters. • Information regarding type of building, types of institutions and traders.
Village Office (14 Registers)	Settlement Register Basic Tax Register Temporary Register Register for Trees in Govt. Land Plantation Register Land Transfer Register Register for Land that can be Assigned Ayacut Register Land Acquisition Register Land Reform Register Pension Register Litho Map Register	• Accurate Information on Land ownership by patta-land transactions – land distributed under land reforms- Land area and puramboke land. • Broad land use, cropping pattern - extent of irrigated land. • Revenue land classification.

Krishi Bhavan (8 Registers)	Basic Data Register Land Register Crop Register List of Fertilizer and Pesticides sales Depot Register Irrigation Register Seed/Seedling Distribution Register Mini-kit Distribution Register Integrated Coconut Dev. Program Register Subsidy Distribution Register Paddy subsidy Distribution Register Natural Calamity Register Soil Sample Survey Register	• Informed estimates on the following: Cropping pattern- Production and productivity- Fertiliser and pesticide use- Soil quality- Irrigation- Distribution of farmers by land size.
Veterinary Hospital (6 Registers)	Out patient Register Artificial Insemination Register Birth Register Innoculations Register Medical Stock Register Sample examination Register	• General Morbidity pattern • Trends in artificial insemination • Data from live stock census.
Soil Conservation Office (8 Registers)	Maps/Registers for 8 types of Schemes related watershed Development Land Side protection Reclamation of water log area Western Ghat Development Programmes etc.,	• Soil quality • Watersheds • Environmental problem areas
Minor Irrigation Office (4 Registers)	Estimate Register Progress Report Register Action Plan Register Map Register	• Irrigation schemes and Ayacut areas • Irrigated area
Primary Health Care Centre (7 Registers)	Administrative Report Register Family Health Register Communicable Disease Register Inpatient, Outpatient, Disease Classification Register Eligible Couple Register Sterilization Register Anti-natal and Infant Register Micro Planning Report Register	• General morbidity pattern • Prevalence of family planning methods.
Anganwadies (8 Registers)	Child Welfare Health Card Growth Chart Register Immunisation Register Reference Slip Survey Register Food Stock Register SNP Register for Pregnant & Lactating Women Dairy-Visitors Register	Nutrition status of children, Pregnant women and lactating mothers-extent of immunization
School Offices (19 Registers)	Admission Register Attendance Register for Students & Teachers TC Register	• Number of teachers and students – education facilities – standard of

	Removal Register Staff Statement Fixation Statement Register Furniture Register Laboratory Stock Register Library Stock Distribution Register Mother Gathering Register PTA minutes Report Register Progress Card, Mark Register SSLC Registers Mid-day meal Register Economic Benefit Register Allotment/Expenditure Statement Register Stagnation Register SC/ST/OBC Register Log Book	education by exam results – wastage and drop out.
Electricity Office (7Registers)	Service Connection Register Street Light Connection Register Minimum Guarantee Register Tribal Colony Electrification Register Out of Turn Priority Register Own Tour Electric connection Register Electricity Map	• Extent of Electrification
Block Office (13 Registers)	IRDP Survey Register List of TRYSM Trainees Social Forestry Register List of DWCRA Unit List of beneficiaries of house, latrines, RAP etc.	• Incidence of poverty and list of poor households.
Civil Supplies Shop	Ration Card Intent Forms	• Ration off-take

The most important data source of the local government in Kerala is the Panchayat Office itself. The Annual Administration Report of the panchayat provides a number of key information. The Building Tax Register provides information in not only the number, but also the types of buildings. It helps us to know the housing conditions in the panchayat and to formulate housing programmes to better the living standards of the poor people. This is also a major source assessing building tax revenue which is the major source of income to the gram panchayats. There are registers for institutions, roads, ponds, minor irrigation etc. Data on panchayat finance are also ready available in the panchayat office.

Village office is the next important source of information. Basic Data Register in this office provides information regarding present land ownership pattern-whereas past settlement registers provides information on land quality, ownership and even broad cropping pattern. Information about public land, plantation tax etc. are also available in this office. Registers of various pension distributed by the revenue department are also available at the village level.

Krishi Bhavan is another source of information. Basic Data Register in this office provides the details of land use, cropping pattern, productivity and certain facilities of importance to agriculture. Records related to various subsidies and agricultural programmes carried out by this department are also available here.

Primary Health Care centre is the key source for health statistics. The Family Health Register contains general information about every household. Apart from that, information regarding sanitation and drinking water is also available here. Details of the morbidity pattern in the village and details of the incidence of epidemics is also available in PHC. Records regarding family welfare programmes are also maintained here.

Livestock census and information about the morbidity pattern among them is available in the veterinary hospital.

The most important data source regarding the poor is IRDP register maintained in the block office and village level extension offices. The details of the beneficiaries under various poverty alleviation programmes implemented by the Rural Development Department are available in these offices.

General information regarding the number of schools, anganwadis, colleges and other educational institutions are available in the panchayat. Data regarding industrial units, financial institutions, co-operatives, ration shops and public distribution system are also maintained at the panchayat office.

The above discussion throws some light regarding the unpublished information available in the different government offices. But these are not exhaustive. Even so, they are important sources. Other very valid and vital secondary data sources are also available. The most important among them is the census reports. From the National Information Centre, Panchayat Primary Census may be obtained. Forty three items of information are available from this source. Panchayat level information is provided by the Land Use Board and Government Statistical Agencies. The department of Economics and Statistics publishes Panchayat Level Statistics for each district.

By properly using both published and unpublished sources of information a data base for panchayat level planning can be built up. Now that computer facilities are readily available, storing and retrieval is very easy. Every local government office should have a computer.

Check Your Progress II

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) Name various methods of sampling and define random sampling method.

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2) What is systematic random sampling?

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2.7 RESOURCE MAPPING

Without a comprehensive understanding of the local geography and specific features, land, water and other resources, proper area planning is not possible. The Panchayat Level Resource Mapping Programme is the ideal participatory methodology for the study of local geography and resource. This method enables us to build up a strong data base which includes both qualitative and quantitative data. People's Resource Mapping Programme attempts to gather information on the land, water and vegetation from each plot of land on a village revenue map by trained local volunteers. Maps

are more user friendly than questionnaire. It gives an immediate visual display of the relevant information which ordinary people can understand. Since the collection of data involves direct interaction with every household, the data collection process itself is an awareness campaign of local land and water resources. Participatory Rural Appraisal (PRA) with the participation of local population also enriches our knowledge - regarding the local resources. For this Rapid Rural Appraisal (RRA) and the transect walk are two techniques that can be used. You will learn more about some of these techniques later. All these methods do not require the assistance of experts from outside the locality to build up the data base. The decentralized planning during the People's Plan in Kerala successfully used these tools to build base.

2.8 LET US SUM UP

In this unit, you have learnt the characteristics of statistical data, the methods used for collection of both primary and secondary data, their merits and demerits and the existing data base particularly, at the local levels, to facilitate multilevel planning. We discussed that data are facts expressed in numerical numbers, and statistical facts should be related to causes and reasoning. There are two types of data: primary and secondary. Each of these has different ways to data collections. However, the predominant data collection methods for primary data are use of census and sampling methods that make use of statistical inquiry. Towards the end of the unit, we also discussed the importance of database in de-centralised planning and resource mapping.

2.9 REFERENCES AND FURTHER READINGS

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2.10 CHECK YOUR PROGRESS – POSSIBLE SOLUTIONS/ANSWERS

Check Your Progress I

1) Quantitative statistical data is one which can be numerically or quantitatively expressed, while as qualitative characteristics such as intelligence, beauty etc cannot be included in statistics unless they are quantified by assigning scores.

2) The merits of direct personal investigation method include that people tend to co-operate better, the data collected is likely to be more reliable and the Investigator can clear up doubts and misunderstandings on the spot. The demerits in clued that the method is nt suitable if the sample is large and that it is costly and time-consuming.

Check Your Progress II

1) The method of sampling can be broadly classified into (1) Random Sampling Method, and (2) Non-Random Sampling Method. A random sample is a sample selected in such a way that every item in the population has an equal chance of being included.

2) This method is popularly used in cases where a complete list of the population from which sample has to be drawn is available. Under this method if 100 items have to be selected from a population of 1000 items, every 10th item will be selected.

UNIT 3 SETTING OBJECTIVES AND STRATEGY OF PLANNING

Structure

3.0 Objectives

3.1 Introduction

3.2 Objectives of Planning

3.3 Strategy of Indian Planning

- 3.3.1 Pre-Mahalanobis Strategy (1951-56)
- 3.3.2 The Mahalanobis Strategy (1956-69)
- 3.3.3 Deviation from Mahalanobis Strategy (1969-85)
- 3.3.4 The New Development Strategy (1985 onwards)
- 3.3.5 Decentralised Economic Planning

3.4 Efforts at Decentralised Planning in India

3.5 Phases of Decentralised Planning

3.6 Let Us Sum Up

3.7 References and Further Readings

3.8 Check Your Progress – Possible Solutions/Answers

3.0 OBJECTIVES

After studying this unti, you will be able to:

- list the principal objectives of Indian planning;
- identify and discuss the salient features of different development planning strategies adopted in India;
- describe the efforts towards de-centralised planning in India; and
- explain the phases of de-centralised planning in India.

3.1 INTRODUCTION

Objectives and strategies of planning depend on the type of development a country may choose. Nazi Germany's goals and strategies differ from that of Soviet Russia. Strategies depend on the objectives. In sum all these are historical and contextual. Economic Planning as an instrument of development was adopted in India in 1951, but the need for planning was felt much earlier. During the pre-independence period a few unofficial development plans were prepared. (E.g. Bombay plan, People's Plan, Gandhian Plan). These plans were not put into practice due to several reasons, mainly the indifferent attitude of the British towards our developmental needs. But these plans reflected the developmental aspirations of the people during the British period. The Planning Commission was set up in India in 1950 and the First Five Year Plan was started in 1951. By now India has completed 10 five year plans. In this unit, we will discuss the specific objectives of planning and the strategies adopted in India for planning at different times of the history. We will also discuss about the de-centralised planning and its phases.

3.2 OBJECTIVES OF PLANNING

The long term objectives of economic planning in India have been stated in various plan documents. Broadly speaking the principal objectives or goals of Indian Planning are the following:

a) Economic Growth

b) Full Employment

c) Self-reliance

d) Social Justice (Equity)

e) Modernisation

a) Economic Growth

In all less developed nations, the basic problem of under development has been signalled through a low level of national and per capita output. The foremosf objective of our economic planning is also to raise national and per capita output by a given percentage. The realization of other objectives are very much linked with the realization of growth objective. Growth often enables a country to become self-reliant, create more employment opportunities, eliminate poverty and also reduce income inequalities. Some experts take a different view. They hold that trickle down via growth is not enough. Direct policies and actions are needed to fight poverty.

b) Full Employment

Chronic unemployment and under employment is a major problem confronting backward countries. Unemployment problem in India deserves particular attention. Its solution is directly linked with the eradication of poverty. In recognition of this fact full employment has always remained as an objective of Indian planning, though it never received the priority it deserved. In almost all five year plans except the Seventh plan, employment programmes were linked with investment targets. Employment generation has been treated as a direct focal point of policy during the Seventh plan.

The National Sample Survey distinguishes between three types of unemployment such as chronic unemployment, where a person has been looking for employment for long (say for more than 6 months in a year); weekly status unemployment, where a person did not work even for one hour during a week preceding the survey and daily status unemployment, where the daily record of work done during the preceding week is prepared and an estimate of the extent of under employment is made. The objectives of full employment envisage a situation where full utilization of all natural and human resources take place. The essence of full employment Experiences of different nations prove that fulfillment of this objective is very difficult.

c) Self-reliance

Self-reliance means that the country must be independent in the matter of generation of sufficient resources needed for planned development. In other words, dependence on foreign aid, foreign technology and imports of strategic goods should be progressively reduced or should be minimum. Self-reliance does not mean self-sufficiency. No country can be self-sufficient in everything. There was not much emphasis on self-reliance in the first two five year plans. It was in the Third Plan that the objective of self-reliance was first stated prominently. The Fourth plan concretized the goal of self-reliance. The Fifth Plan went a step further and laid down zero net concessonal aid from abroad by the end of the plan period as an objective. The

tendency particularly since 1991 has been to abandon the goal of self-reliance in favour of an open economy and free trade.

d) Social Justice (Equity)

The equity objective of planning has two dimensions (1) the reduction of poverty and (2) the reduction of inequalities. In the earlier plans in India social justice was sought to be achieved through the trickle down mechanism i.e. the percolation of benefits of public sector programmes to the poor. The major policies implemented to reduce poverty and inequality were: the development of a large public sector, the provision of basic necessities like food for work, employment, public health, sanitation and housing, adoption of measures to curb concentration of economic power and monopoly, adoption of land reform measures, adoption of progressive taxation measures and creation of institutions such as co-operatives, panchayats and community development organizations.

Even in 1970s we have realized that the trickle down mechanism will not work properly. So attempts were made to attack poverty and inequality directly by making specific provisions for the same in the plans. The new economic reforms introduced in the late 1980s and 1990s which emphasized the need for privatization and liberalization have raised serious doubts about their potential in achieving social justice and equity. Statistical evidences prove that even though the percentage of people below poverty line has been declining in the country, the actual number of poor are increasing. Moreover, the income inequalities are also increasing. Most often in the centralized planning process the problems of the small villages are not adequately attended. Locally specific wants and needs are not given priority. The basic rationale of the 73rd/74th Constitutional Amendments is derived from their capability to cater to the immediate needs of the people. To a greater extent, decentralized planning can help in reducing poverty and improving the quality of life of the people. But it is doubtful to what extent it can help in reducing the extent of income inequality. That is primarily a macro goal set at the union level and depends on a wide variety of policy choices.

e) Modernisation

Modernisation was adopted as an objective for the first time in the sixth plan. In common usage, the term modernization means technological upgrading. But, for the economic planner, it is used in a much wider sense. To quote the Sixth plan document, "The term 'modernisation' connotes a variety of structural and institutional changes in the framework of economic activity. A shift in the structural composition of production, diversification of activities and an advancement of technology and institutional innovations have all been part of the drive to change a feudal and colonial economy into modern and independent entity". Even though the term modernisation is defined in a broad sense, the actual approach of the planners and policy makers has been mainly restricted to technological advances.

From the Sixth plan onwards, efforts have been made to modernize all sectors of the economy. In agriculture, though certain targets were not realized, considerable technological advances were made during the Sixth plan period. During this period more significant advances have been made in industrial and infrastructural sectors also. Importance was given to technological changes particularly during the 1980s and after. In the era of globalization now well underway, modernization is greatly emphasized.

Check Your Progress I

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What is the basic objective of economic planning in India?

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3.3 STRATEGY OF INDIAN PLANNING

Strategy of planning refers to the basic long-term policy of realizing certain objectives. In its broader sense, strategy incorporates the entire plan frame - the objectives, the priorities, the investment pattern, the resource mobilization, the fiscal and monetary policies etc.

We may try to explain the concept of strategy of planning using Indian Planning as an illustrative case. The development strategy adopted in the Five Year Plans has the following main phases:

(1) Pre-Mahalanobis Strategy (1951-56)

(2) The Mahalanobis Strategy (1956-69)

(3) Deviation from the Mahalanobis Strategy (1969-85)

(4) The New Development Strategy (1985 onwards)

(5) Decentralised Economic Planning (1997 onwards)

3.3.1 Pre-Mahalanobis Strategy (1951-56)

In the First Five Year Plan, no specific long-term strategy for development was adopted. The plan gave emphasis to solve the immediate economic problems created by the Second World War (1939-45) and the partition of the country at the time of independence. Along with the priority to rehabilitate the war and partition-torn economy, some attempts were made for future development also. The first plan laid emphasis on the development of agriculture (including irrigation and power) and infrastructure (mainly transport and communication). This was considered very essential to ensure self-sufficiency in food grains and to increase the availability of raw materials to encourage the industrial development.

3.3.2 The Mahalanobis Strategy (1951-69)

During the Second Five Year Plan a clear-cut strategy of planning largely based on Russian experience was formulated by P.C. Mahalanobis. This strategy gave top priority to investment in basic, heavy and capital goods industries to promote rapid industrialization of economy. Importance given to industrialization is justified on the following grounds:

(a) The Indian economy was highly unbalanced at the time of independence, being primarily dependent on agriculture. In order to correct this situation and accelerate economic development, setting up of new and basic industries and revival of traditional and small-scale industries were needed.

(b) The productivity of labour is low in agriculture, but it is high in industries. So it was expected that industrial development would lead to overall improvement in

labour productivity. Moreover, transfer of surplus labour force from agriculture to industries is also possible when industrial development takes place.

(c) Agriculture and Industry are complementary. Agriculture provides raw materials and a growing market for industrial goods. Industry provides modern inputs like machinery, fertilizers and pesticides to agriculture.

(d) Industrialization encourages the development of other sectors of the economy. For example, the development of infrastructure like transport, communication and power is closely related to development of industries.

The importance given to basic and heavy industries during the Second Plan was continued in the Third Five Year Plan and the period of three annual plans ending in March 1960. In addition to the basic strategy mentioned above, other aspects of development strategy during this phase were the following:

3.3.2.1 Importance to Public Sector

The development strategy assigned a dominant role to public sector. This was mainly due to (a) high investment required in basic and heavy industries (b) too long gestation period for the heavy industries (c) low profitability of these industries (d) need to increase government control in developmental activities especially those with commanding significane and (e) the desire to establish a socialist pattern of society to prevent private monopolies.

3.3.2.2 Role of Small Scale Industries

Importance was given to small scale and cottage industries which are the source of basic consumer goods. It was felt during this phase that greater marketable surplus of consumer goods was essential to increase the chances to promote investment in heavy industries and to control inflation. Moreover, to meet the requirement of the growing population for consumer goods, small scale and capital light - industries should be promoted.

3.3.2.3 Employment Generation

Development strategy which gives priority to heavy industries implied capital-intensity. This naturally came in conflict with the employment objectives of plans. So during this phase, a policy of encouraging labour-intensive techniques in consumer goods industries was envisaged. But the achievement in employment generation during this period was not satisfactory.

The adoption of Mahalanobis strategy gave rise to certain problems. Firstly, the neglect of agriculture resulted in slowing down of agricultural growth and consequent shortage of raw materials and consumer goods. Secondly, the programme of large scale industrialization was badly affected by low rate of capital formation. Thirdly, the setting up of heavy industries led to large scale import of capital goods and this had aggravated a foreign exchange crisis. Finally, the overemphasis of heavy industries resulted in the neglect of small scale and consumer goods industries. This has adversely affected the scope to generate employment opportunities also. In short, the Mahalanobis strategy made planning process unbalanced and growth oriented rather than balanced and employment oriented.

3.3.3 Deviation from Mahalanobis Strategy (1969-85)

The Mahalanobis strategy which was effective in the beginning ran into difficulties towards the end of the Third Plan. After the Third Plan, long term planning was resumed in the form of Fourth Five Year Plan, which laid emphasis on growth with stability.

During the Fourth Plan, some deviations were made from Mahalanobis Strategy. This plan gave special emphasis to agriculture and primary production activities. A new agricultural strategy was formed by Prof.D.R.Gadgil. This strategy comprised a package programme (involving high yielding variety of seeds, plant protection measures, adequate use of fertilizers etc.). Apart from this importance given to agriculture, importance was given to light consumer goods industries in the place of heavy industries. The Mahalanobis strategy was criticized by the World Bank economists like H.B.Chenery and K.Griffin. They have remarked that the major problem of the Third World countries like India was the high incidence of poverty and growth alone was not enough to alleviate it. So Fifth Plan preferred 'removal of poverty' to 'growth' as its primary objective. The major slogan was 'garibi hatao'. The plan strategy gave highest priority to the Minimum Needs Programme comprising drinking water and medical care in rural areas, nutrition programmes, housing for landless labourers, slum cleanness etc. The strategy also emphasized on agriculture and production of consumer goods. In short there was a marked shift in strategy in favour of consumer goods and consumption-based problems.

As a part of the new strategy, special emphasis was given to employment generation. Specific action programmes like Integrated Rural Development Programme (IRDP), National Rural Employment Programme (NREP) etc. were launched to remove poverty and unemployment

3.3.4 The New Development Strategy (1985 onwards)

With the launching of the Seventh Five Year Plan (1985-90), a new development strategy which took into account the objective conditions in the economy and the possible development over the next 15 years was launched. More precisely, the new development strategy has four substantive elements of change.

a. It gives priority to increasing agricultural production through greater reliance on new technology.

b. It undermines the role of public sector and encouraged private sector development.

c It aims at improving the efficiency of the manufacturing sector through liberalization of imports.

d. Shift of emphasis in planning and administrative matters from regulatory to facilitatory procedure.

The new strategy with greater stress on agriculture shows that it is oriented to wage - goods model expounded by Vakil and Brahmananda as against Mahalanobis model oriented towards capital goods industry. However this strategy suffered from certain drawbacks. The strategy failed to maintain a balance between the public and private sector. It over emphasized the role of private sector and tried to reduce the state to the level of a facilitator. Finally, it is argued that, in the absence of internal pressure and competitive spirit among the domestic producers, the important liberalization policy may only result in destruction of our institutions.

3.3.5 Decentralised Economic Planning

The history of decentralized planning in India may be traced back to the first discussions in planning in the country. Shri.Vishsveshwaraya, who was one of the pioneers of Indian Planning, conceived a four-tier planning system for Mysore in his study in 1942 called District Development Scheme - Economic progress by Forced Marches. For Gandhian School of Planners, local-level planning was to be the basis of the entire planning process. In economics, the most influential arguments in favour of decentralised planning was drawn from the theory of fiscal federalism.

According to Musgrave three basic functions of fiscal policy are allocation, redistribution and stabilization. Among them to a greater extent redistribution and stabilization can be served properly by a central agency, but allocation function is exercised most optimally at the local level. This enables it to fashion public services to correspond to the preferences that vary among groups of consumers. The most famous theorem on fiscal decentralization was put forward by Oates in 1972. According to him, "each public service should be provided by a jurisdiction having control over the minimum geographic area that would internalize the costs and benefits of such provisions".

The major arguments put forward in favour of decentralization in India are the following:

- Decentralized planning facilitates the formulation of more locally- relevant programmes with reference to natural endowments and felt needs of the public. The standardized packages of central planning cannot cater to the local specificities.
- Centralization leads to narrow departmentalization, fragmentation and duplication. Only through decentralization and by making the department officials accountable to the elected representatives at the local level can integrated programmes and linkages are ensured.
- Decentralized system facilitates the participation of ordinary people in the planning process. People's participation will help to mobilize local resources and to prevent the misuse and leakage of resources. It helps to have efficient implementation and social monitoring of the programmes.

Check Your Progress II

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) When was the new development Strategy launched and what were its main elements?

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3.4 EFFORTS AT DECENTRALISED PLANNING IN INDIA

Efforts at outlining decentralized planning commenced with the First Five Year Plan which recognized the need to break up the Planning exercise into National, State, District and Local Community levels. The plan failed to spell out how this was to be operationalized.

As recommended by the Balwant Rai Mehta Committee (1957), Village, Block and District level panchayat institutions were established in many states in the early 1960s. But elected institutions were not given any meaningful role. Resources were also not given any place in the planning framework.

400 (500)

The Administrative Reforms Commission in its Report of 1967 highlighted that district planning to be focused in those areas where local variations in the pattern and process of development were likely to yield quick results in terms of growth.

In 1969, the Planning Commission has formulated guidelines and detailed the concept of the district plan. The methodology of drawing up such a plan in the framework of annual plans, medium term plans and perspective plans was also formulated.

A Working Group on Block level planning headed by Prof.M.L.Dantwala in 1978, constituted by the Government of India, identified the remoteness of planning agencies at the district level from actual scene of action as the cause of mismatch of financial allocation with local specific needs. They recommended Block as the appropriate sub-state planning level for proper appreciation of the felt needs of the people. The Asok Mehta Committee on Panchayati Raj recommended in its report (1978) that Panchayats ought to be strengthened into agencies capable of undertaking local planning.

The Working Group on District Planning headed by C.H.Hanumantha Rao (1984) brought out the fact that planning from below was undermined by different streams of funding the district plan. For meaningful district planning, the working group put forward the following suggestions:

- Powers and finances need to be decentralized. States should outline the sharing of functions with districts.
- Each district plan must reflect the basic objectives of national plan. The plan outlay to districts to be distributed on the basis of population, area and level of development.
- District planning bodies consisting of Chairman, Member Secretary and about fifty members in which the district collector is the chief coordinator should be set up. The planning body should be assisted by a Chief Planning Officer, Block level officers and technical experts from various disciplines.

The G.V.K.Rao Committee (1985) recommended that district panchayat should manage all development programmes. It stressed the need for administrative arrangements for rural development. We may now sum up the details of various committees and the ideas and concepts suggested by them in the following Table:

Decentralization - Chronology of Attempts and Committee Reports

Year	Item	Ideas and Concepts
First Plan 51-56	Community Development Blocks	To break up planning exercise into National, State, District and Local Community levels.
Second Plan 56-61	District Development Councils	Drawing up of village plans and popular participation in planning through the process of democratic decentralization.
1957	Balwant Rai Mehta Committee	Village, Block, District Panchayat institutions established.
1967	Administrative Reforms Commission	Resources to be given / local variations accommodated, purposeful plan for Area.
1969	Planning Commission	Formulated guidelines-detailed the concept of the district plan and methodology of drawing up such a plan in the framework of annual plans, medium term plans and perspective plans.

1978	Prof.M.L. Dantwala	Block level planning to form a link between village and district level planning.
1983-84	Centrally Sponsored Scheme / Reserve Bank of India	Strengthen District Plan / District Credit Plan
1984	Hanumantha Rao Committee	Decentralization of function, powers and finances-Setting up of district planning bodies and district planning cells.
1985	G.V.K. Rao Committee	Administrative arrangements for rural development-district panchayat to manage all development programmes.

Source: *Planning at the Grassroots level, Report of the Expert Group, New Delhi March 2006*

Another Committee since 1985 that considered decentralized planning was the Sarkaria Commission. The Sarkaria Commission on Centre-State relations highlighted the need for participation of people's representatives in the planning and administrative machinery at the local level. It recommended for the creation of a body akin to the Finance Commission at the state level for transfer of resources to the districts on an operational and objective basis.

The 73rd and 74th Amendments to the constitution gave constitutional status to local self governments. They have provided a new, more politically underpinned, universalized platform for decentralized planning from below. Efforts to make economic planning more and more decentralized and paticipative were made in different states in India. In all states Gram sabha is the basic unit of decentralized planning. The different phases of decentralized planning with active people's participation in Kerala are widely recommended for adoption.

3.5 PHASES OF DECENTRALISED PLANNING

The People's Campaign for Decentralized Planning in Kerala which was formally inaugurated on 17th August 1996 was organized in a phased manner. Decentralised Planning in Kerala involves six phases with clearly defined objectives for each phase.

Identification of the felt needs of the people was the first step in the decentralized planning exercise. It was accomplished by convening the Gram Sabha - the first phase of the programme. In Gram Sabhas maximum participation of the people, especially women and weaker sections of the society were ensured in order to discuss the local development problems. In the Urban areas ward conventions were organized for the purpose.

After the identification of the felt needs in Gram Sabha, the next step in the planning process (Phase II) is to make an objective assessment of the natural and human resources of the locality. This is done by using secondary data and by collecting primary data whatever necessary. All these are formulated into a situation analysis that helps to outline the development strategy. The approach to planning had to be such as to secure a judicious blend of local needs with local resource availability. Development seminars are to be organized in every local government unit for this purpose. Discussions at the development seminar are also organized in small subject-wise groups (Working Groups), with groups coming up with the recommendations as to the projects to be drawn up.

In Phase III, sector wise Task Forces/Working Groups are constituted. Task Forces are supposed to projectize the recommendations and suggestions which emerge

from the development seminar. On an average 12 task forces are constituted in each local body to cover various development sectors. The Chairperson of the task force will be an elected representative. An officer from the concerned department will be the Convenor. Working Groups prepare projects.

On the basis of the recommendations of the working group, development reports will be prepared for each five year plan. These reports are discussed in the development seminar. Concrete suggestions for different schemes/Projects emerge from the suggestions made in the development seminar. While examining the development reports of some of the LGs, it is observed that these reports are prepared in a set pattern. It is mainly confined to a brief review of the history of the LSGI and the present status of the production, infrastructure and service sector. These reports do not contain a critical evaluation of the achievements and failures of the previous plans. Moreover, these reports are not prepared on the basis of the resource endowments of the locality. However, a list of schemes/projects to be taken up in different sectors is included in the development report.

Phase IV involves Annual Plan finalization. With the presentation of the annual state budget, the plan allocation to each local body will be announced. Broad guidelines regarding sectoral allocation to be made by the local bodies will also be furnished. In Phase V, annual plan of higher tiers such as Block and District panchayats are prepared. They do it only after Gram panchayats had drafted their plans. Every block has to prepare a printed Development Report on which the problems identified in the Development Reports of Gram Panchayats in the block area and the type of projects included in their plan were integrated for each sector. In the final phase, plan appraisal takes place. The evaluation is made not for selection or rejection of the projects. It is actually intended to rectify the technical and financial weaknesses of the project proposals. Retired technical experts and professionals were encouraged to enter themselves as volunteers to appraise the projects and plans of the local bodies.

The above analysis details an actual planning process that happened and continues to happen (9th and 10th plans are covered) in Kerala. This could be easily made into a stylized decentralized planning methodology for other States as well.

Check Your Progress III

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What was the main recommendation given in the Administrative Reforms Commission Report of 1967 ?

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3.6 LET US SUM UP

In this unit we discussed the specific objectives of planning and the strategies adopted in India for planning at different time of the history. We started with discussing principal objectives or goals of Indian Planning, highlighting economic growth, full employment, self-reliance and more importantly social justice. Then we moved to strategy of

planning where the basic long-term policy of realizing certain objectives were highlighted. Thereafter, we touched upon the development strategy adopted in the Five Year Plans and discussed its main phases which included Pre-Mahalanobis Strategy (1951-56); the Mahalanobis Strategy (1956-69); Deviation from the Mahalanobis Strategy (1969-85); the New Development Strategy (1985 onwards) and Decentralised Economic Planning (1997 onwards. Finally an example of ,' the People's Campaign for Decentralized Planning in Kerala which was formally inaugurated on 17th August 1996 was discussed in detail and it was contended that this could be easily made into a stylized decentralized planning methodology for other States as well.

3.7 REFERENCES AND FURTHER READINGS

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Government of India (2007), *Second Administrative Reforms Commission,* Sixth Report, (Local Governance).

3.8 CHECK YOUR PROGRESS – POSSIBLE SOLUTIONS/ANSWERS

Check Your Progress I

1) The basic objectives of economic planning in India are economic growth, full employment, self-reliance and social justice. It also aims at raising national and per capita output by a given percentage.

Check Your Progress II

1) It was with the launching of the Seventh Five Year Plan (1985-90),that a new development strategy was launched. Its main elements included priority to increasing agricultural production; encourage private sector development; improving the efficiency of the manufacturing sector and shift of emphasis from regulatory to facilitatory procedure in planning and administrative matters.

Check Your Progress III

1) The Administrative Reforms Commission Report of 1967 highlighted that district planning to be focused in those areas where local variations in the pattern and process of development were likely to yield quick results in terms of growth.

The G.V.K.Rao Committee (1985) recommended that district panchayat should manage all development programmes. It stressed the need for administrative arrangements for rural development

UNIT 4 PROJECT IDENTIFICATION, FORMULATION AND SELECTION OF ELEMENTARY IDEAS

Structure

4.0 Objectives

4.1 Introduction

4.2 Projects, Schemes, Plans and Programmes

4.3 Types of Projects

- 4.3.1 Projects which are Directly Productive
- 4.3.2 Projects which are Indirectly Productive
- 4.3.3 Projects which are Basically Welfare Oriented

4.4 Project Planning Sequence

- 4.4.1 Projects have to be Identified
- 4.4.2 Projects Need to be Well Prepared
- 4.4.3 Projects Require Appraisal
- 4.4.4 Projects would need to be Designed for Implementation
- 4.4.5 Projects have to be Organized for Implementation
- 4.4.6 Projects need Monitoring and Progress Reporting Device
- 4.4.7 Projects Require Evaluation Mechanism

4.5 Identification of Projects

- 4.5.1 Basic Steps in Project Identification
- 4.5.2 Investment Opportunity Study
- 4.5.3 Prefeasibility Study

4.6 Sources of Projects

4.7 The Process of Project Identification

- 4.7.1 Top down Approach
- 4.7.2 Bottom up Approach
- 4.7.3 Participatory Approach

4.8 Screening of Projects

- 4.8.1 Choice of Technology
- 4.8.2 Size of the Project
- 4.8.3 Location of the Project

4.9 Pre-feasibility Format

- 4.9.1 Introduction
- 4.9.2 Purpose
- 4.9.3 Activities and Specifications
- 4.9.4 Inputs and Requirements
- 4.9.5 Estimates of Costs and Benefits
- 4.9.6 Justification
- 4.9.7 Data

4.10 Let Us Sum Up

4.11 References and Further Readings

4.12 Check Your Progress: Possible Solutions/Answers

4.0 OBJECTIVES

After studying this unit, you will be able to:

- differentiate between projects, schemes and programmes;
- identify and list the characteristics of different types of projects;
- state the project planning sequence;
- describe the basic steps in project identification;
- enumerate the types of project identification processes; and
- describe the factor affecting screening of projects.

4.1 INTRODUCTION

Projects are instruments of change. Systematic project planning is vital to economic and social development. How to plan, prepare and select projects that will help in accomplishing various development goals and objectives is a crucial issue in decentralized planning. Selection of the right kind of project is an essential pre requisite for local development. In this unit, we will discuss different types of projects and their process of identification and screening.

4.2 PROJECTS, SCHEMES, PLANS AND PROGRAMMES

It is appropriate that we begin this section with a definition of project and distinguish the term from related terms such as schemes, plans and programmes.

By a project we mean any scheme or part of a scheme for investing resources which can reasonably be analyzed and evaluated as an independent unit (I.M.D Little and J. A Mirrlees). According to Morris L. Solomon, "a project may be defined as the smallest unit of activity that can be separately planned, analyzed and administratively implemented". It may be described as a specific activity, with a specific starting point and a specific ending point intended to accomplish specific objectives. In this sense a project has definite objective, limited location and specific time frame.

It is necessary that we distinguish a project from a scheme. A scheme may be defined as a developmental activity that is drawn up from above and implemented uniformly in all localities as per specific norms and guidelines. In contrast a project is part of a scheme and has a definite timeframe. Separate projects may have to be drawn up at the local level for implementing a scheme launched by the central or state government. Thus when a central or state scheme is included in a Panchayat's plan, separate projects will have to be prepared for its implementation. For example, the Rural Employment Guarantee Scheme is a scheme sponsored by the Central government and implemented at the local level by the gram panchayats as a project.

A plan includes both schemes and projects with a specific time frame. Therefore, a plan may be defined as the total of projects and schemes implemented within a particular time period. For example 100 projects and schemes taken up by a panchayat or municipality for a five year period may be described as a plan. I.M.D. Little and J. A. Mirrlees explain the difference between a project and a plan in the following words: "Projects are building blocks of an investment plan. All investments are planned by someone; factories and canals do not just happen. The plan cannot be good if its constituent parts are faulty…some investment plans may consist of a single project; but often there are many projects more or less interrelated".

The term programme falls at the intermediate level between a project and a plan. A programme consists of a number of interrelated projects within a sector or across sectors conforming to a specific objective.

4.3 TYPES OF PROJECTS

Projects can be classified into three categories on the basis of their output characteristics. They are:

4.3.1 Projects which are Directly Productive

Such projects generally belong to agriculture, fisheries, mining, industry and similar sectors. The output of such projects are quantifiable and hence can be measured or valued in terms of money. Projects in material production sectors fall in this category.

4.3.2 Projects which are Indirectly Productive

There would be projects in social and economic services such as schools, health centers, sports facilities, rural and urban low cost housing and public utilities such as construction of drains and infrastructure facilities, etc. Projects under this category produce services, create conditions that may encourage productive activities or may improve the general environment of the area. It is difficult to measure the output of these projects strictly in terms of money. Projects in service and infrastructure sectors may be included in this category.

4.3.3 Projects which are Basically Welfare Oriented

These are projects designed especially for the economic and social upliftment of the weaker sections of the society, such as women, children and other marginalized groups. This category would also include projects designed specially for the development of backward and depressed areas.

The project design for the directly productive projects has to be different from the design for indirectly productive projects. The type of financial analysis required for the viability of the former will be different from that required for the latter. Welfare projects do not lend themselves to the kind of financial assessment needed for productive or infrastructural projects.

Projects may also be classified on the basis of their time frame as long term and short term. The financial and technical analysis of a long term project will be different from that of a short term project. Another basis of classification of projects is the nature of beneficiaries i.e. whether the beneficiaries are individual households or groups of households. The project format has to be flexible to accommodate these variations.

Check Your Progress I

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What is difference between a scheme and a Project?

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4.4 PROJECT PLANNING SEQUENCE

The success of a project depends on how skillfully it is planned. We may explain the planning process with a specific example. Let us consider the case of an agricultural officer working in a Krishi Bhavan in a Village Panchayat. Obviously he would be interested in utilizing the budgetary allocation in the best possible manner. He would allocate funds to those projects which would, in his opinion, contribute most for the realization of the objectives and targets set for the agriculture sector. Before finalizing the project he would undertake studies and surveys on the local requirements and resources. He would also look into the social aspects of the projects. This would include a study of the beneficiaries, the employment potential and impact on income disparities. With these ideas in mind, the agricultural officer would be able to identify projects most suited for the local area and to make sound investment decisions. It provides him with a methodology of comparing the costs and benefits of alternative project proposals and deciding on the best alternative.

The local level planners are also responsible for placing the projects in a wider economic and social perspective. The projects selected must fit into the overall programme of local development .It means that project planning is part of the larger planning process and not independent of it. The inseparability of project planning from the overall planning process needs special mention in the context of two separate views on the relationship between project planning and planning process. One view is that the search for 'projects' should begin only when a 'plan' has been prepared. The other view is that a 'plan' should be finalized only after the 'projects' have been identified and selected. Instead of viewing the two processes as independent of each other, the two should be treated as closely intertwined.

Little and Mirrlees have pointed out the necessity of viewing the two processes together in their book *"Project Appraisal and Planning for Developing Countries"*. They write: "Good realistic plans can hardly be formulated in the absence of a great deal of project planning and without proper economic appraisal of projects. But, it is also true that the best economic appraisal of projects cannot be made without a plan. To choose the right projects, one must have an estimate of the demand for the product. But how can one estimate the domestic demand for any product unless one has some idea of how the economy will develop. And how the economy develops in turn depends on the long range plans and policies of the government."

From what has been stated above about project planning, we may suggest that all projects have to pass through certain stages which may be listed as follows:

4.4.1 Projects have to be Identified

For this, the existing situation in the local area, its resources and constraints should be analyzed. On the basis of the analysis, a pool of projects for the area should be prepared. By a proper screening of the pool, the projects suited for the area may be identified. A pre-feasibility study would establish whether the projects are worthwhile or not.

4.4.2 Projects Need to be Well Prepared

The following factors should be seriously considered while preparing a project. The feasibility of the project should be clearly examined with respect to its scale of operation, technology required and its location. e.g: If the project pertains to construction of a road, the length of the road, say 20km or 10km should be decided first. The technology to be used in the construction of the road has to be decided depending on its use. The question of location pertains to whether the project is meant for say, village A or

400 (500)

village B. The objectives of the project should be clearly defined. Firm estimates of the costs and benefits have to be made. Institutional and social aspects of the projects have also to be clearly examined.

4.4.3 Projects Require Appraisal

Whether the project is worth in terms of the investment made is an important question to be considered. This stage is particularly relevant for projects seeking external assistance. Before agreeing to fund a project, the agency concerned would like to make their own appraisal about the rationale of the project.

4.4.4 Projects would need to be Designed for Implementation

The design of the project is the blueprint which explains the sequence in which the various activities concerning the project are carried out. Each single activity connected with the project, particularly the most critical ones should be identified and programmed.

4.4.5 Projects have to be Organized for Implementation

This refers to the procedures and lines of authority with respect to the implementation of a project. Each part of the work should be entrusted to someone and the responsibility fixed. There should also be an effective control mechanism to ensure the proper implementation of the project.

4.4.6 Projects need Monitoring and Progress Reporting Device

Decision on what aspects of the project will be monitored, the information required for the purpose and the persons entrusted with the task should be made. Arrangements should be made to report the progress of the project at specific intervals.

4.4.7 Projects Require Evaluation Mechanism

This pertains to the evaluation of the project with respect to the objectives. The indicators used for the purpose and persons responsible for evaluation should be determined.

The different stages of project evaluation may be summarized as follows; see Figure 4.1 given below.

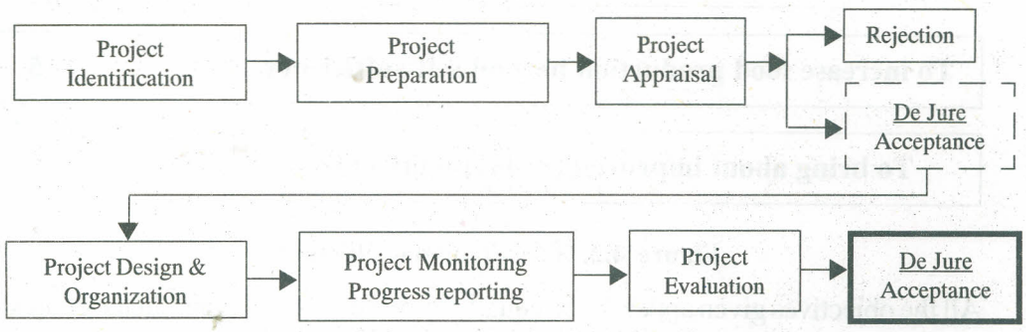

Figure 4.1: Stages of Project Planning

The sequence or stages of project planning discussed above may be treated as common to all types of projects. All projects - large or small, regional or local - have to traverse the entire sequence, although the details dealt with at different stages may vary. As shown in Fig.1.projects can be accepted at least in de facto sense, once they have passed the feasibility and appraisal tests. A final decision (de jure acceptance) may be made only after they have been designed for implementation and their organizational, monitoring and evaluation details have been worked out.

Consideration ot such details in advance of the de jure acceptance would help planners to make better decisions

A project becomes ready for de facto acceptance only after it is cleared in the first three stages of project planning. Let us now discuss these three stages in detail.

4.5 IDENTIFICATION OF PROJECTS

Identification of projects is one of the most crucial tasks in project planning exercise. The success of development planning for a local area depends on the selection of the right kind of project. Experience has shown that the planners at the local level face several difficulties in identifying new projects.

First, in a federal set up the local government functions within a larger system in which there may be one or more layers of governments at the higher level. For example, in India the local authorities have to function within the constraints imposed by the policies and guidelines of the state and central governments. In other words, the local areas are not autonomous in their functioning. They may find it difficult to choose projects disregarding the priorities set by the state or central government.

Secondly, there is considerable uncertainty about the development objectives in a developing country. Sometimes the goals and objectives set for development planning may become incompatible. There is often the possibility of trade off among them. In the absence of a clear vision about priorities, proper identification of projects become an exceedingly difficult task. As an example let us consider the different development goals listed for a local area; see Figire 4.2.

Objectives	Projects
To accelerate the pace of economic development	**1**
To equitably distribute income, resources and opportunities for better social justice	**2**
To expand opportunities for gainful employment	**3**
To attain a higher degree of self reliance	**4**
To increase food production beyond self-sufficiency	**5**
To bring about improvement in quality of life	**6**

Figure 4.2: The Planners' Dilemma

All the objectives given appear to be equally important and relevant. In the context of the resource constraints and conflicting interests it may not be possible to take up projects pertaining to all objectives. How to choose from among these objectives and identify projects is really a dilemma for the local level planners.

Thirdly, in most developing countries which have adopted the system of mixed economy, development planning is a blend of market forces and governmental intervention. For some sectors the government relies on its own assessment to make appropriate resource allocation. In other spheres, it relies on private sector and consequently the resource allocation becomes the task of market forces. Being a mixed economy, public as well as private sector is involved in the planning process in

India. Identification of projects in a mixed system rquires a proper balance between government intervention and private initiative. The task of achieving this balance is yet another problem which the planners at the local level have to handle.

Fourthly, a local area operates on limited information. In many of the newly independent countries, information does not flow easily either among the constituent local units or between units at various spatial levels. This lack of information grossly inhibits the capacity of local level functionaries for identification of projects. For example, if a particular gram panchayat plans to take up a project for cultivation of vegetables, it should have adequate data regarding the demand for vegetables within the panchayat and in the neighboring areas. This is necessary to ensure the successful implementation of the project. In the absence of reliable market data, project identification in such cases becomes difficult.

Fifthly, identification of projects for local areas is constrained by the conflicting interest of pressure groups. Projects identified for a certain region may not be suitable for other regions. In some other cases certain groups benefit from a project while others bear the cost. For example, an upstream irrigation project may bring benefits to the farmers in the immediate neighbourhood but its effects on farmers living downstream may be disastrous. It becomes the responsibility of the local level officials to reconcile such conflicting interests and identify projects most suitable for the area, which is not an easy task.

Finally, the process of project identification is made difficult by the very nature of the local areas that are, in most cases, inhabited by people, who are hard to reach and hard to help. They are typically unorganized, inarticulate, often sick, generally hungry and dependent on local patrons. They are less educated and less in contact with other areas. In most cases they live in areas far off from urban centers. They often do not get the attention of urban based officials. The identification of projects in such a setting requires an altogether different approach from what we are usually accustomed to.

4.5.1 Basic Steps in Project Identification

Before an idea matures and attains an identity of its own, it passes through several stages of examination and consideration. An idea is first born; it incubates for some time, and then it begins to take shape. It is almost in a similar fashion that project ideas develop.

Project ideas are generated by local level functionaries and other groups of people. These are screened in a preliminary fashion to weed out the obviously bad or impractical ones. Then a more systematic analysis is undertaken for projects that pass the screening test. This process consists of four steps which may be discussed under two captions - the investment opportunity study and pre feasibility study; see Figure 4.3.

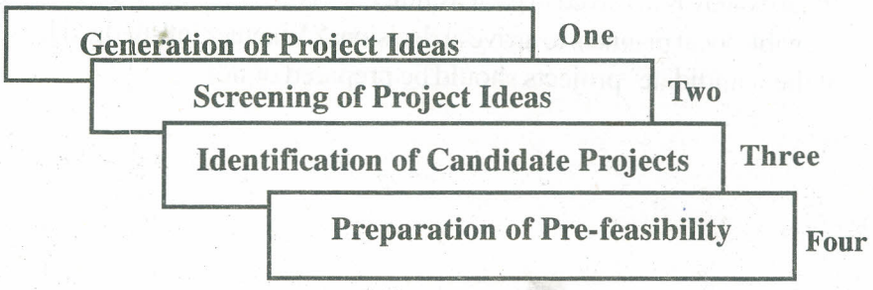

Figure 4.3: Steps in Project Identification

4.5.2 Investment Opportunity Study

The first two basic steps of project identification constitute the Investment Opportunity Study. They are the generation and the screening of project ideas. Obviously what is done at this stage is to generate and screen project ideas by examining the potentials, problems and the needs and aspirations of the people in the concerned local area. It is in fact, a study of the external and internal environment with a view to identify the factors that are likely either to favour or impede development. It is an attempt to explore the development opportunities of the area concerned. The Investment Opportunity Study is intended to provide planners with a choice of projects from which they may make the selection. Not all projects may be suited for serious consideration. The projects under consideration are screened and evaluated on the basis of certain criteria prior to their being qualified for additional tests of feasibility.

4.5.3 Prefeasibility Study

This stage involves identification of 'candidate' projects and a prefeasibility analysis of the project. The prefeasibility study examines the technical, financial and other aspects of the projects which qualify the investment opportunity study. Such projects are called 'candidate' projects. The purpose of prefeasibility study is to determine in general terms whether there is sufficient justification to undertake full fledged feasibility study of 'candidate' projects. If it is found that the project is likely to encounter problems of technical, financial or other nature, it is dropped at this stage.

A prefeasibility study is an intermediate stage between an investment opportunity study and a detailed feasibility study - the difference being primarily about the details of the information required. This stage is important in project planning as it helps in determining whether–

1. The investment opportunity is so promising that an investment decision can be taken on the basis of the information obtained at the prefeasibility stage.
2. The project concept justifies a detailed analysis by a feasibility study.
3. Any aspects of the project are critical to its feasibility and necessitate in depth investigation through studies such as market surveys.
4. The information is adequate to decide that the project idea is not either a viable proposition or attractive enough for potential investors.

We have in the preceding paragraphs discussed four basic steps in project identification. These steps can be further elaborated by addressing the following three questions:

1. Who generates projects? What is their source?
2. How are projects generated? What kinds of studies and surveys are necessary?
3. What exactly is involved in prefeasibility brief or study? How are data presented to enable local planners to arrive at decisions? Whether full-fledged feasibilities of the 'candidate' projects should be prepared or not.

Check Your Progress II

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) Why is project appraisal necessary ?

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2) List the basic steps involved in project identification.

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4.6 SOURCES OF PROJECTS

Projects are generated through complex interactions among number of agencies. They include the government agencies, credit institutions, non governmental organizations and the people; see Figure 4.4:

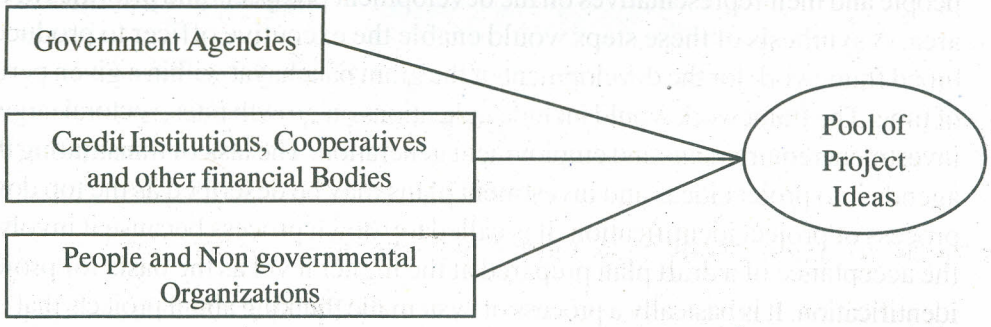

Figure 4.4: Sources of Projects

The government which decides the development priorities and planning strategies in a country has been considered as the most important agency capable of generating project ideas. They have the machinery for conducting surveys and for ascertaining the needs of different areas. They have access to information that can provide the data support for project ideas. Of late, this particular source is being supplemented by the credit and financing institutions and cooperatives. In developing countries these institutions have been called upon to play an active role in advancing credit to small and marginal farmers and other disadvantaged groups. Consequently they have been conducting surveys and studies to find out potential investment opportunities, thereby adding to the pool of project ideas.

More recently, the role of the people and non governmental organizations in identifying project ideas has been widely recognized in different countries. In the context of decentralized planning there is an increasing realization that people have better and more intimate knowledge of the problems and opportunities in their areas. Their knowledge of the situation at the grass root level should be made use of by the governmental agencies in generating relevant projects. Different methods have been

employed to directly involve them in the project identification process in developing countries. The provision for gram sabhas in each ward of the panchayats in the country provided by the 73rd amendment to the Constitution is a step in this direction.

The purpose of mobilizing various sources is to obtain a cross section of ideas on projects. All sources need to be tapped so that the pool is large as well as reflective of the people's needs, aspirations and potentials. It is this pool that provides the basis for local planners to begin a systematic identification of projects.

4.7 THE PROCESS OF PROJECT IDENTIFICATION

Project generation and identification can be described as a two way process - the first one is referred to as top down process and the second one as bottom up process. To these may be added a third process which is more relevant in the context of decentralized planning - the participatory approach.

4.7.1 Top down Approach

Top down process of project identification can be explained with reference to the situation in a gram panchayat. Let us assume that the executive officer of the gram panchayat has been entrusted with the task of preparing a development plan for the area. For this the executive officer would take several steps. First, he would look into the national development plan and the relevance of various parameters in the development of his panchayat. Second, he will make a quick assessment of the development problems and potentials of the panchayat. He might for the purpose make a quick study of the important sectors. Third, he would elicit the views of the people and their representatives on the development prospects and priorities of the area. A synthesis of these steps would enable the executive officer to produce a broad framework for the development of the gram panchayat within a given period of time. The framework would include indications on growth rates, sectoral targets, investment requirements and employment generation. The task of transmitting this agenda into project ideas and investment plans may be described as the top down process of project identification. It is called top down process because it involves the acceptance of a draft plan prepared at the higher level as the basis for project identification. It is basically a process of systematic thinking about projects that can contribute to the development of the local area in line with the development goals set at the national level; see Figure 4.5 for an illustration of the top down process of project identification.

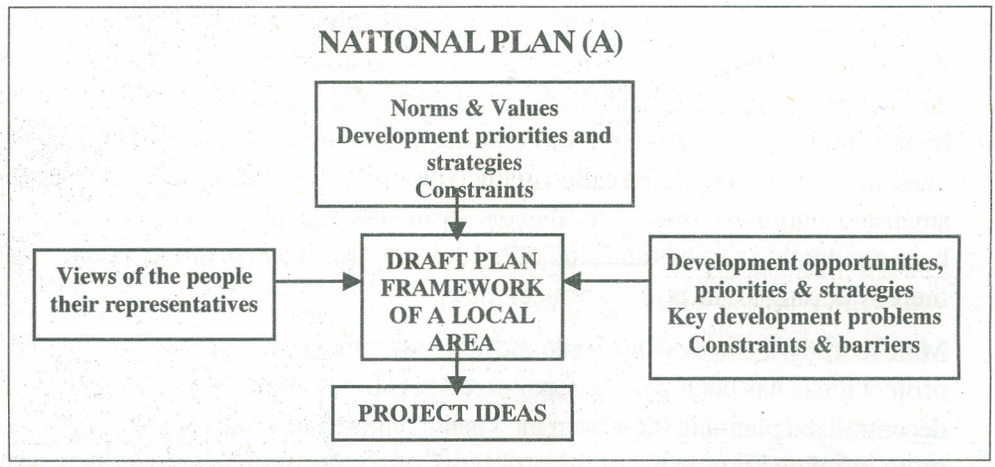

Figure 4.5: Top down Process of Project Identification

4.7.2 Bottom up Approach

In contrast to the top down approach where project ideas emerge from the top, the bottom up approach relies on the situation at the grass root level; i.e. the resources, needs and requirements of the local area concerned. This approach helps in locating exactly where in the concerned local area a specific need or problem exists. It provides information on the geographical distribution of the area's resources and potentialities; say, for example which part of the area is suited for what crops? Is the area endowed with specific skills? What areas have the largest number of landless and unemployed? Does the area suffer from inadequate infrastructure? In brief, the bottom up approach provides disaggregated information on the area and provides a spatial dimension to project identification; see Figure 4.6 for an illustration of the bottom up process of project identification.

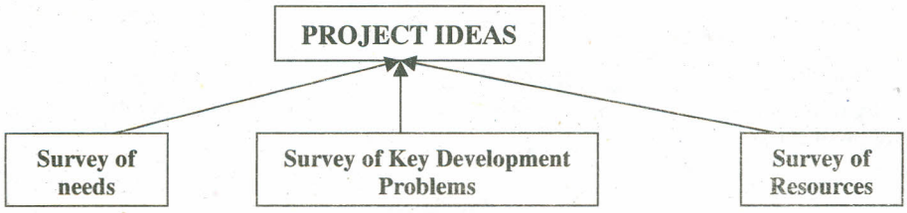

Figure 4.6: Bottom up Process of Project Identification

4.7.3 Participatory Approach

The basic idea underlying this approach is that at the local level it is more meaningful and productive for various groups - the governmental machinery, credit institutions, non governmental organizations and the people to jointly determine the area's development objectives, strategy and projects. It is a process by which all groups that have an interest in the development of the area are made to jointly participate in the exercise of project identification. This approach has been noted for the following special features:

- It is a low cost device
- It is likely to be more realistic in terms of problems and prospects
- It helps in building consensus on key development issues
- It facilitates implementation of programmes and projects with peoples' co-operation

A pre requisite for this kind of approach is the selection of the spatial unit. Too large an area may not allow a frank discussion on the area's most pressing needs. Likewise, too small a unit may not be able to generate enough ideas for development of the area. As mentioned earlier, the gram sabhas can play an important role in making the participatory approach in project planning effective.

The three approaches discussed above are not mutually exclusive. Given the time and resources an appropriate mix of the three can be used for generation and identification of projects, an illustration of such an integrated process of project identification is given below; see Figure 4.7.

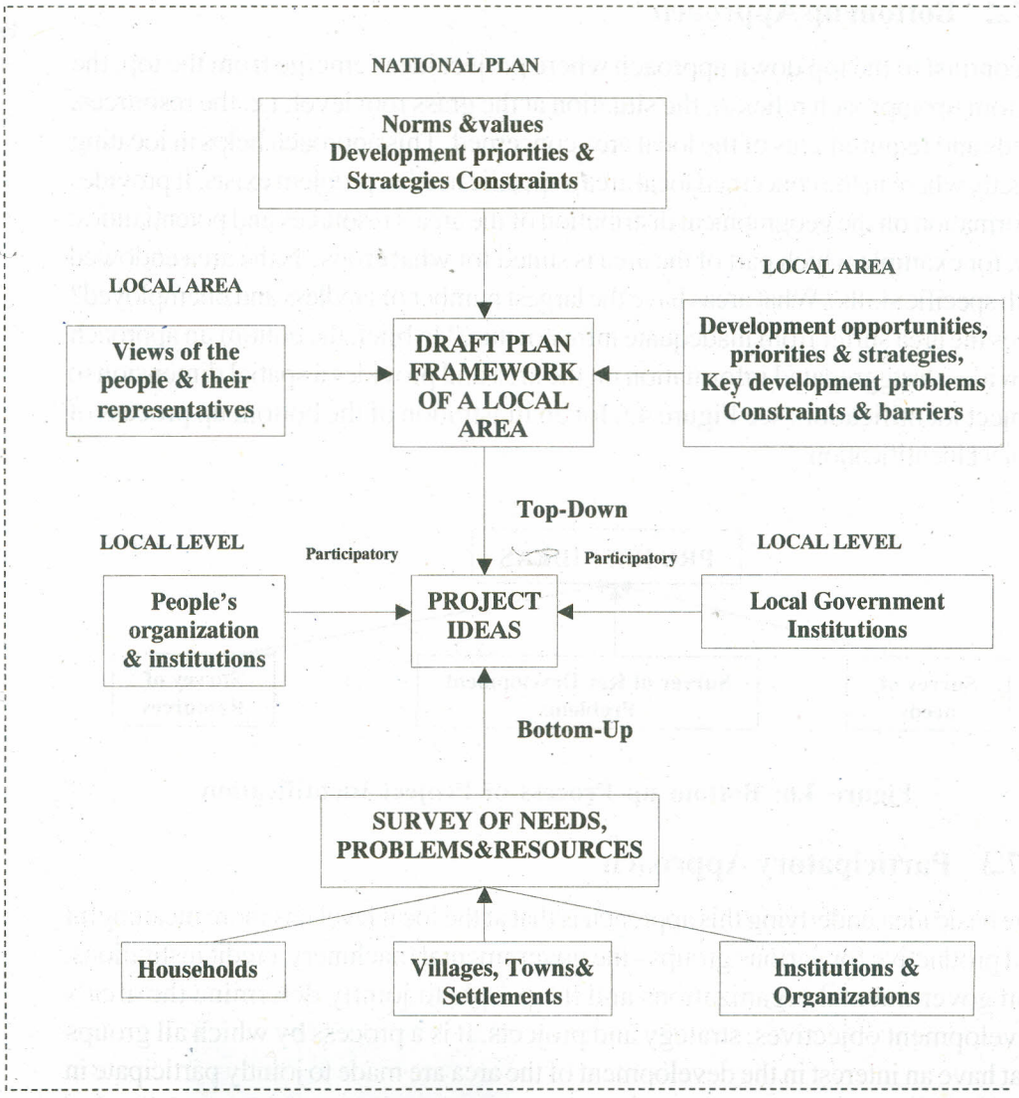

Figure 4.7: An Integrated Process of Project Identification

A reliable database- both quantitative and qualitative - is an essential prerequisite for the identification of the right kind of project (see unit 1.2 for a detailed discussion on database). Quantitative data refers to statistical data pertaining to the objectives of local level planning. People's views on local problems and priorities, though qualitative in nature, are extremely useful in identification of suitable projects. The data required for identification of local level projects fall into two categories.

The first type would consist of data that are external to the local area. (see block A in Figure 4.5). These relate to the development goals and strategies of development planning at the national level which would provide the necessary guidelines in the preparation of local level projects.

The second type of data would comprise of all data internal to the area concerned as shown on block B and C in Figure 4.5. Statistical surveys in the concerned area at three different levels need to be conducted to obtain such data. The three different levels to be chosen are (i) Households (ii) Villages/ Settlements and (iii) Development Institutions.

The purpose of the household surveys is to obtain a clear understanding or the needs, aspirations and capabilities of the people. Information pertaining to standards of living of the people in the local area - their income levels, employment structure, holdings and assets, access to services and facilities, and their social status - can be obtained through household survey. The survey can also provide useful information regarding those who are sidelined in the development process.

400 (500)

The village level surveys are intended to provide the data relating to the resources (land, water, fisheries and animal stock), their present levels of utilization, the availability and accessibility of economic services (markets, banks, storage facilities and nurseries), social facilities (health, education and family welfare) and infrastructure (road, culverts, bridges, canals and irrigation channels). A survey of development agencies intended for specific groups such as women, youth, fishermen, marginal farmers etc. can provide planners useful data to generate projects.

Project ideas are generated through such surveys. The entire exercise requires considerable skill in conducting surveys, analyzing data and compiling them for the use of planners.

Check Your Progress III

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What is 'Bottom up approach' in the context of project identification?

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4.8 SCREENING OF PROJECTS

The projects generated in this fashion are to be subjected to a screening process with respect to their priority to the local community. What is most important for this stage of project identification is to develop a set of criteria for the screening process. The criteria evolved have to be consistent with the development priorities of the area concerned. It is useful also to extend the screening procedure for finding out problems which are likely to arise during project implementation in securing the various inputs such as raw materials, manpower and finances or finding out markets for their products.

It is to be pointed out that the screening criteria are essentially soft and qualitative in nature and are meant to eliminate low priority project and admit that are meant for further consideration. It is a substitute for detailed examination of each and every 'candidate' project.

Selection of Technology, Size & Location

This step in project identification relates to making choices with respect to:

1. The level of technology, i.e. the proportion in which machines(capital) and labor should be combined for the project in question
2. The size and scale of project; i.e. should a project for a health clinic be designed to serve a population of 5000 or 10,000
3. The location of the project; i.e. where should the project be located, in village A or village B of the local area.

4.8.1 Choice of Technology

The choice of technology involves a decision on the proportion in which units of capital and labor should be combined. Whether to have 5 units of capital with 20units

of labor or 10 units of capital with 5 units of labor for a given project is the kind of decision that is involved in technology selection.

In a broader sense, it may be stated that the most important determinant of technology is the resource endowment, i.e, the relative proportion in which labor, capital, and natural resources are available in the area concerned. For an area where there is shortage of capital and relative abundance of labor it will be preferable to choose a technology that uses more labor and less capital. This is the situation that prevails in most developing countries which opt for labor intensive technology.

What is more advisable to developing countries is the choice of appropriate technology, i.e., a technology suited for the local situation. But this concept is still not popular among economists and engineers in developing countries. Often there are pressures and compulsions of various kinds in developing countries that force them to adopt technologies that may be incompatible with their interest and resource endowments.

In this context it is appropriate that we consider a set of criteria for technology selection in a study titled *'Technologies for Basic Needs'* by the International Labor Organization.

Admitting that the criteria for technology selection must be different for countries with different resource endowments, development goals and levels of development, the study suggests that the technology should be selected in such a way as to:

1. Have a high employment potential
2. Have a high productivity per unit of capital and other scarce resources
3. Maximize the utilization of domestic materials
4. Be suitable for a scale of production warranted by the local markets which are usually small and fragmented
5. Have a low running cost together with cheap and easy maintenance

The above set of criteria offers a reasonably simple guideline for identification and selection of technology for local level projects.

4.8.2 Size of the Project

Size of the project is the 2nd factor that influences its costs and benefits .As an example, let us consider the case of an irrigation project or a primary school project in a local area. Should the irrigation project cover an area of 500 ha or 700 ha or the entire village? Should the primary school project cater to 100 children or 200 children? Local level functionaries would be required to take decisions on such questions.

There are at least two basic considerations that need to be looked into in determining the size of the project. They are :

1. The type and nature of the demand expected to be met by the project: One of the factors in determining the size of the project is the time element; i.e. is the project aimed at meeting the existing or the future demand or both? The example of the primary school project may once again be taken up to elaborate the point. The education officer entrusted with the task may prepare a project that would meet the existing demand for a primary school in the area. Assume that there are 100 children of primary school age (5-11 years) who are deprived of schooling because there is no school in the locality. The project may be designed to fulfill this need. Alternatively he may think of the future , say, 4 or 5 years and prepare a project in a way that it will have a capacity of admitting 100 children now and say, another 100 children over the period of next 4 or 5 years. The first option takes account of only the existing

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demand whereas the second option takes note of the demand likely to arise in the near future.

The future demand for the service expected to be provided by the project can be estimated either on the basis of the past trends or on the basis of household budget studies. The former is found effective in estimating demand for projects involving roads, water supply, education and similar service sectors. The latter method is more effective for products that enter into the consumption basket of the household and whose demands are directly linked to household income or prices.

2. The behaviour of cost in relation to size of the project: This refers to the economies of scale that may arise due to change in the size of the project. If there is a substantial decrease in unit cost when the size of the project is increased, a large sized project with provision to meet future demand is justifiable. If the difference in unit cost is just marginal, it is not advisable to go for a large sized project. As a general guideline, it may be stated that the tendency to go for large sized projects at the local level is likely to block scarce capital and should be curbed. It is, therefore necessary that the demand for the project is realistically assessed before determining the size of the project.

4.8.3 Location of the Project

The third factor that influences the cost of the project is its location. The issue here is almost the same as in the case of technology or size. Location choices confront planners for most projects and it is not always clear which of the choice present a 'least cost' option. Let us consider the case of a tannery project. Raw materials such as hides, skins, tannin and other chemicals required for the project are to be transported to the proposed location. Similarly, its 'outputs' (finished skins and hides) have to be taken to the market. There is a cost involved in the transportation to either direction. The transportation cost will differ with locations and hence will affect the project's costs and benefits. Obviously, the planner's job is to find out a location where the cost per unit calculated on the basis of available data would be the lowest.

There are many projects where the transportation cost as a proportion of total production cost is insignificant. In such cases the project will have no location bias and the cost of the project will not appreciably affect whichever be the location chosen. These projects would be of 'footloose' types. There are also projects that have a very strong location orientation. Quarrying is one such example. The nature of the project and the transportation cost involved are therefore crucial in determining the location of a project.

The three factors discussed above -technology, size and location - are extremely important in the preparation of local development projects. The local level functionaries have to carefully review these aspects with reference to the alternative choices available. Projects which emerge successfully from the screening process have to be subjected to prefeasibility study before finalization.

4.9 PRE-FEASIBILITY FORMAT

It has been stated earlier that prefeasibility study is a systematic examination of those projects that emerge successful from the screening process. It is a stage when projects are more concretely defined in terms of their purpose and main activities under them. The costs and benefits of the projects, their input requirements, their potential contribution to the area and the main ground for their justification are all analyzed at this stage. It constitutes a step forward towards decision making - to reject projects or prepare feasibility studies. What is important in preparing such briefs is that the

key information for the project should be organized in such a manner that planners can see, almost at a glance, whether the project fits into their development framework or not. There are several ways of organizing the information required for a prefeasibility brief; whatever be the method adopted it should consist of the following details:

4.9.1 Introduction

The title of the project, the sector/sub sector to which the project may belong, approximate date of its commencement and the expected period within which the project may become operational are all given in the introduction. The introduction should also include an appropriate location for the project.

4.9.2 Purpose

The objectives of the project should be clearly stated in this section. It is ideal that the objectives are categorized as long run/short run and general/specific. It is important that the objectives are specific and wherever possible, quantifiable. Otherwise a proper appraisal of the project would be difficult. This section should deal with questions such as: what is the aim of the project? Whom will the project benefit? who are the target groups or the expected beneficiaries? How many people will benefit from the project? This section should be dealt with as much precision as possible.

4.9.3 Activities and Specifications

All activities under the project, small or big should be clearly identified in this section. For example, if the project relates to the construction of a primary school in a local area, the details such as the number of class rooms, number of pupils to be accommodated in each class room, the open area required etc. should be specifically stated and explained.

4.9.4 Inputs and Requirements

This section should contain details of the estimated requirements of materials (cement, bricks, steel, machines, doors, tables etc.) and manpower (labour, supervisors, engineers, teachers etc.) for the project. For most projects, the estimate will be of two types. The first type will be a one time requirement, say, for instance, bricks, cement, steel and timber required for the construction of a school building. The second type will consist of recurring requirements which the project needs for its operation and maintenance. The institutional and organizational arrangement required for the implementation of the project also should be given in this section.

4.9.5 Estimates of Costs and Benefits

This section should contain the best approximation of the total investment costs of the project as well as estimates of the total benefits, i.e. the value of the expected output. As in the case of the inputs, the investment costs of the project should be shown under two heads, namely: 1) the one time costs usually referred to as capital or fixed costs and 2) recurring costs, i.e. those costs that recur repeatedly. Recurring costs will be required to be shown on a year to year basis. This section should also give quantitative estimates of the benefit of the project on a yearly basis. Where it is not possible to impute money values, a description of the expected benefit should be provided.

4.9.6 Justification

This section should explain the principal justification for the project. This can be done by explaining the urgency of the project as far as the target groups are concerned

and by listing the benefits likely to be derived by them. The possible adverse effects on the target groups if the project is not implemented also may be explained. Wherever possible the justification for the project should be given by relating costs with benefits in measurable terms. It is necessary that the justification is stated as clearly as possible so as to provide the planners a basis for making decisions regarding the launching of the project.

4.9.7 Data

The preparation of prefeasibility brief of a project requires different types of data. First of all, it requires technical data. Depending on the type of project, the nature of technical data required would vary. For example, for projects involving construction of a school building, it would be necessary to ascertain the type of machines and labour required. Other details such as the thickness of walls, material used for roof, timber and steel required, the proportion in which cement, metal and sand should be used for concrete etc. are essential for most projects. Without these details it would be difficult to assess the cost of the project. Let us consider another project, say, poultry rearing for disadvantaged group of women to raise their income. In this project it would be essential to obtain data on various aspects of poultry farming such as the quality and quantity of feeds required, time interval of feeding, measures to prevent infectious diseases and so on. The type of technical data required for the preparation of a project varies sector wise and therefore, assessment of technical requirements can best be done by experts in the respective sectors.

Secondly, manpower data are required for preparation of prefeasibility brief. These consist of the number and categories of manpower (professional, technical, skilled and unskilled) for the different operations of the project.

Thirdly, the preparation of prefeasibility brief requires data relating to cost. The cost of each activity under the project has to be prepared as realistically as possible. A real picture of the cost involved is necessary to plan its successful implementation. It is also important for planners to make separate estimates of capital costs and recurring costs. The failure to make adequate provision for recurring costs will make proper upkeep of the buildings constructed for the project difficult. Separate estimates of each of the cost items are therefore, essential as well as useful.

Finally, data on output side of the project have to be estimated. If output is measurable in terns of money the estimated value may be given. If it is not measurable it is necessary that a description of the output is given (for example, the number of students likely to attend the school or number of patients expected to be treated at a health centre). In making estimates of output, the planners have to be realistic as there is a tendency to overstate the output in order to get the project approved.

The above sets of data are essential for prefeasibility study. It is with these data that the local planners are able to take the process of project selection closer to final decision.

A systematic identification of projects involving studies, surveys, data collection etc. may not be necessary under all situations. There are two such situations that can be stated here.

One is when the need for a project is obvious enough. For example, let us take the case of a village or group of villages that have no access to health centers or health clinics within a radius of 30 -40 kms. The need for a health centre/clinic in the area is so obvious that there is no need for a detailed project planning exercise.

A second situation is when a contingency arises and merits immediate attention. At the local level we often encounter contingencies of various types such as flood,

drought, break down of communication system, failure of crops and epidemics. Projects have to be identified on an emergency basis under such situations. Utilizing the available data on the situation, magnitude of the problem and the effectiveness of the alternative solutions, the local level functionaries must be able to take up projects to tackle such situations. It is a contingency situation and need to be tackled accordingly.

Not every local project needs extensive data or the preparation of prefeasibility format. At the same time there is no substitute for a systematic examination of project's feasibility before the government commits scarce resources for the project.

Check Your Progress IV

Note: *a) Write your answer in the space provided.*

b) Check your answer with the possible answer provided at the end of the unit.

1) What are the two basic considerations that need to be looked into in determining the size of the project?

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2) How can a project be justified?

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4.10 LET US SUM UP

In this unit, apart from differentiating between projects, schemes and programmes we had a look at basic steps involved in the process of project identification and analysis. We began this unit with a definition of project and distinguished the term from related terms such as schemes, plans and programmes. We also came to know that the Projects can be classified into three categories on the basis of their output characteristics. We were made to realize that the success of a project depends on how skillfully it is planned

Then identification of projects as one of the most crucial tasks in project planning exercise received our attention. The success of development planning for a local area depends on the selection of the right kind of project. We then moved to basic steps involved in project identification and discussed investment opportunity study and prefeasibility study. Subsequently, we discussed screening of projects and prefeasibility format.It was stated earlier that prefeasibility study is a systematic examination of those projects that emerge successful from the screening process. We concluded the unit with a realistic note saying that there is no substitute for a systematic examination of project's feasibility before the government commits scarce resources for the project.

4.11 REFERENCES AND FURTHER READINGS

Note: The illustrations given in this unit are adapted from Om Prakash Mathur (1985)

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4.12 CHECK YOUR PROGRESS – POSSIBLE SOLUTIONS/ANSWERS

Check Your Progress I

1) A project may be defined as the smallest unit of activity that can be separately planned, analyzed and administratively implemented, while as a scheme may be defined as a developmental activity that is drawn up from above and implemented uniformly in all localities as per specific norms and guidelines.

2) The three categories of projects are: i) Projects which are directly productive; ii) Projects which are indirectly productive; and iii) Projects which are basically welfare oriented.

Check Your Progress II

1) The project appraisal is necessary to know as to whether the project is worth in terms of the investment made. It becomes particularly relevant for projects seeking external assistance. Before agreeing to fund a project, the agency concerned would like to make their own appraisal about the rationale of the project.

2) The basic steps involved are: a) Generation of Project Ideas; b) Screening of Project Ideas; c) Identification of Candidate Projects; d) Preparation of Pre-feasibility

Check Your Progress III

1) The bottom up approach relies on the situation at the grass root level; i.e. the resources, needs and requirements of the local area concerned. This approach helps in locating exactly where in the concerned local area a specific need or problem exists.

Check Your Progress IV

1) The basic considerations to be kept in mind in determining the size of the project are the type and nature of the demand expected to be met by the project and the behaviour of cost in relation to size of the project

2) .This can be done by explaining the urgency of the project as far as the target groups are concerned and by listing the benefits likely to be derived by them.

BPR-002 : Decentralized Planning and Panchayati Raj

Block-1: Decentralized Planning: Concepts and Tools

Unit-1 Multi-level Planning for Economic Development and Social Justice
Unit-2 Building up the Database
Unit-3 Setting Objectives and Strategy of Planning
Unit-4 Project Identification, Formulation and Selection of Elementary Ideas

Block-2: Sectoral Planning

Unit-1 Sectoral Planning and Spatial Planning
Unit-2 Sectoral Programmes Under XIth Schedule
Unit-3 Making Panchayats the Focal Point of Coordination
Unit-4 Integration with Local Level Plans

Block-3: Local Level Planning

Unit-1 Survey of Resources and Mapping
Unit-2 Preparation of Village Level Plans
Unit-3 The Role of Gram Sabha
Unit-4 Integration with Block Levl Plans
Unit-5 Integration with the District Plans
Unit-6 Role of District Planning Committee

About the Project

IGNOU through the Ministry of Panchayati Raj and under the sponsorship of United Nations Development Programme (UNDP) undertook a project on **'Capacity Building of PRIs Through a Multi-Mode Training Intervention'** as an attempt at empowering and capacity building of elected members of *Panchayats* and development functionaries. It also aimed at institutionalizing mechanisms to strengthen this capacity building intervention. The Project covered six northern states including **Bihar, Haryana, Madhya Pradesh, Rajasthan, Chhattisgarh** and **Uttarakhand** with the **Indira Gandhi National Open University (IGNOU)** as the implementing agency. The Project envisaged joint action by Government established institutions (SIRDs) and NGOs engaged in Capacity Building of PRIs.

In terms of strategy it involved developing a **suitable learning package through a balanced mix of distance learning and conventional training**; adapting the materials to local requirements and implementing the capacity building intervention through distance mode for the elected members of Panchayats and train associated development functionaries through face to face mode through a network of SIRDs and NGOs.

In terms of activities and output of the Project, the Project has been able to prepare a multi-media package consisting of 11 self-learning booklets and six video programmes for distribution among the *Panchayats*; undertook capacity building of Collaborating Institutions (CIs); published of local Governance updates in each participating state; conducted BDOs Symposia and orientation programmes for development functionaries. One of the major activities taken up by the above CIs was to undertake hardware mapping of *Panchayats* in 4 Districts in each participating State. The Diploma in Panchayat Level Administration and Development, planned and developed as a part of academic activities of the School of Continuing Education, was also sponsored under the above Project.

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About IGNOU & SOCE

The **Indira Gandhi National Open University**, established by an Act of Parliament in 1985, has emerged as the largest Mega University in the democratic world. The University offers 486 Certificates, Diploma, Degree and Doctoral programmes through its 21 schools of Study, 12 Divisions, 14 Centres, 61 Regional Centres, over 3,000 Study Centres, 67 Partner Institutions spread across 35 countries. Additional help is also sought from about 6,000 experts from conventional universities and other organizations, and about 45,000 part-time academic counselors.

IGNOU caters to learners from rural and tribal areas, disability groups, jails and rehabilitation centres, government and non-governmental organizations, parents and home-makers, the employers and the employed.

One of the mandates of the University is to reach out to the disadvantaged by offering programmes in all parts of the country at affordable cost. IGNOU, the National Resource Centre for Open and Distance Learning with international recognition and presence, is expected to provide seamless access to sustainable ***and learner centric quality education, skill upgradation and training*** to all by using innovative technologies and methodologies and ensuring convergence of existing systems for massive human resource required for ***promoting integrated national development*** and global understanding.

The **School of Continuing Education (SOCE)** one of the oldest Schools currently has four disciplines assigned to it by the Academic Council. These include***: Rural Development, Nutritional Sciences, Child Development and; Home Science***. The School has currently on offer Ph.D programmes in three discipline areas, two Master's Degree level programmes, one Post Graduate Diploma, two Diploma Programmes, four Certificate Programmes and four elective and application oriented courses in the above mentioned disciplines.

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