

Unveiling Analytical Gaps: Recontextualizing BRGF Evaluation for Holistic Understanding and Effective Developmental Assessments

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Abstract

In 2007, Government of India, launched the Backward Regions Grant Fund (BRGF), to promote decentralized planning and address the regional imbalances. While, BRGF had the potential to strengthen participatory democratic sphere, it was discontinued in 2016. The major reason that led to the failure of BRGF was the lack of capacity-building at the grassroots. However, literature on BRGF attempts to evaluate the deficits based on the “gaps existing in the local infrastructure”. This discussion offers a critical and analytical perspective on the BRGF by reviewing a 2023 article titled ‘Do Policies Targeting Poor Districts Work? An Evaluation of Backward Regions Grant Fund Programme’ by Annmary Jose in the *Economic and Political Weekly*. The evaluation of the BRGF by Jose (2023) highlighted shortcomings in enhancing public good access in backward regions. This is in response to the author’s evaluation, acknowledging its methodological contribution yet addressing critical analytical lacunae. This discussion asserts that the author's study deviates from the BRGF's core intent of evaluating decentralized planning and grassroots government. It underscores the failure to analyse capacity-building, participatory planning, and local governance enhancement within the BRGF. Recommendations emphasize the need for a comprehensive analysis of BRGF's objectives, local capacity-building, and a nuanced evaluation methodology.

Keywords: BRGF, Capacity Building, Local Capacity, Participatory Democracy, Decentralized Planning, Regional Disparity and Developmental Interventions.

The paper by Jose (2023) evaluated the Backward Regions Grant Fund Programme (BRGF) by using covariate balancing propensity score-weighted matching method (CBPS-WMM) and concluded that the BRGF failed to improve public good access in backward areas which appeared in the 26 August 2023 issue of *Economic and Political Weekly*. We appreciate the efforts by Jose in evaluating the BRGF using the (CBPS-WMM). However, we would like to bring up some important analytical issues in the author's paper that have distorted the intended objectives of the BRGF in India as well as undermined the importance of such interventions by the government in addressing developmental challenges. The paper deviates from the core objectives of the BRGF that is in assessing the extent of decentralized planning, especially in measuring the involvement of grassroots level governments in planning. BRGF is an area development intervention programme aimed at promoting decentralized planning and development through yearly untied development and capacity building grants to 250 backward districts in the country. While the paper mentions about the "dual purpose of meeting the unfulfilled critical infrastructural (development) gaps and strengthening of the participatory development processes through decentralized planning and implementation", there is no detailed discussion from the perspective of "decentralized planning" as such. A critical evaluation on local capacity, capacity building, participatory planning, decision making involved in the process of implementing BRGF is missing. The paper by the author is solely focused on "bridging gaps in local infrastructure" which is only one among the objectives and in that respect the paper has attempted to completely distort the real intentions of the BRGF. The problem with the paper is that it exclusively looks at the development grant window and ignores the capacity – building perspective. There is no discussion on whether BRGF strengthened Panchayat and Municipality level governance with appropriate capacity-building, facilitated participatory planning, decision making, implementation and monitoring that reflected the local needs. The BRGF scheme was primarily designed for the preparation and implementation of plans by local governments at the rural and urban level in a participatory mode. Gram Panchayats are required to convene Gram Sabha and Municipalities to conduct Ward Sabha and assess the felt needs of the community. Prior to conducting the Gram Sabha/Ward Sabha, sensitization of the community had to be undertaken along with a baseline survey (CRM 2017) and this is where the importance of "local capacity" and the importance of "capacity building" emerges. The paper does not go into "capacity building process" and directly goes on to discuss that the BRGF did not ameliorate the living conditions of the people, neither provided an increase

in public goods access nor improved the living standards of households living in backward regions. While the paper attributes the poor performance to “low human capital, weak institutions, political instability, and social conflict emanating from caste, class, and ethnic division,” (Rasul and Sharma 2014), it fails to point out that “lack of capacity-building at the grassroots level/local government level” might also have resulted in the failure of BRGF as a whole.

The extent to which elected representatives and Panchayat functionaries have been trained under the component “capacity building of the programme” needs to be assessed especially in districts where the ineffectiveness of the BRGF was higher. The gaps in fund allocation might have been a problem but that alone contributing to the failure of BRGF is not a valid argument in itself. Without capable staff and effectively trained human resources at the local level, the generation of assets as well as its quality, utility and maintenance are not going to shape up in a positive framework. The paper vaguely points out the lack of capacity building and adds that “the ineffectiveness of the BRGF programme in achieving the stated objectives is in the very process of planning itself,” but does not specify that the deficit in planning at local level resulting from poor capacity as a critical factor in the failure of BRGF implementation.

The role of social audit in ensuring the success of programmes like BRGF is not discussed in the paper. It is not clear whether social auditing done in the selected districts/sub-districts were evaluated in the paper. The performance of local governments in the conduct of social audits has a close link with the performance of these institutions in planning, especially in convening Gram Sabha /Ward Sabha, planning process and trainings imparted to them to internalize the BRGF guidelines (CRM 2017). The absence of emphasis on capacity-building mechanisms, inadequate consideration of social audit roles, and insufficient empirical evidence further weaken the author's assessment.

We quote from the paper “*The critical contribution of this paper is to show that policies to tackle regional disparity can often fail under relatively weaker institutions and poor planning mechanisms*”. The objective of the BRGF is to enhance capacity in the local institutional set-up, meaning that the Government is already aware about the weaker institutional and planning

mechanism at the local level and therefore it introduced the BRGF. Author should have analyzed the effectiveness of local capacity building through the BRGF.

The lack of relevant data in the paper is a major drawback. The author solely relies on Census data from 2001 and 2011. The relevance of the variables used for the study is questionable. For instance in Table 3, the author used the census data on public goods to state that BRGF failed in the provision of public goods. It is important to note that the evaluation of the BRGF by the author should have assessed the overall benefits to the beneficiaries of assets (public goods) created under the BRGF, which the census data do not give.

The absence of empirical evidences and case studies is another major problem. The paper emphasizes the use of statistical techniques but has not given adequate importance to its empirical relevance. Economic models often rely on simplifying assumptions that might not accurately reflect the complexity of real-world situations. While statistical techniques are indispensable tools in economic analysis, it's wise to use them cautiously. It should be transparent about the assumptions and limitations, and consider both quantitative and qualitative aspects to ensure a well-rounded understanding of economic phenomena. The author of the paper tries to be perfect in applying the statistical techniques but failed to fit it in real-life situations which led to unrealistic conclusions.

The author tries to establish the effect of BRGF on income and consumption and concluded that it has not increased the income or monthly per capita household expenditure in poorer districts. It is common knowledge that infrastructural investments do not directly contribute to the income generation of poorer households, but over a long period, there may be overall improvement in standard of living including rise in household income due to the developmental impact of infrastructural investments.

Regarding the inadequacy of the grants, considering the issues of backward BIMARU states, the Planning Commission study has highlighted the inadequacy of grants under BRGF (Page 154, PEO 2014). For example, the Programme Evaluation Organization (PEO) report states that merely Rs. 48 per capita per annum development grant was received in the Gaya district of Bihar, the lowest among all the surveyed districts. Also, it was noted that the central government continues

to release the funds only after receiving the utilization certificate of the preceding year and the annual action plan. If the release of funds were not effected on time during the previous year, the implementing agencies find it difficult to produce the utilization certificate on time. Since the release of funds for the next year is based on the utilization of at least the first instalment of the previous year, the implementing agencies and local governments sometimes produce utilization certificates even without the actual utilization of the money (PEO 2014, page 162).

Again, from the PEO report we quote (Page 158) - "*The BRGF Guidelines are not very clear about the meaning of critical infrastructural gaps and leave it to the planning body to decide as to what constitutes a critical infrastructural gap. Thus, in the absence of a clear definition of critical infrastructural gaps, the programme has been reduced to a supplementary grant-giving programme.*" This means that before evaluating the success of the programme, one must make a critical analysis of the conception of the program and should judge whether such a program will be successful or not after implementation. Further, it was noted that the BRGF projects do not represent critical infrastructural gaps in a backward area, which means that such 'mean projects' in no way generate any multiplier effects in the rural economy. It is reported that crucial projects such as irrigation canals, big check dams, and hydroelectric or other power generation projects etc. that benefit the people of the area are not taken up under BRGF. This means that most of the work taken up under the BRGF has limited effects and localized benefits.

Backward districts are not homogeneous in India. Any researcher on the Indian continent should understand that the backward districts in India are not homogeneous lot. An analysis of district development by putting all the districts in the same basket may not reflect the reality in the field. The author did not consider the districts under Left Wing Extremism (LWE). Same way the author should have differentiated the backward districts based on development to arrive at any conclusions on the impact of development interventions on people's lives. The BRGF does not segregate the better-off and the backward blocks within a district, once the latter has been identified as a backward district. Since the overall allocation under the BRGF is small, it would be advisable to concentrate the total allocation to the most backward blocks, Gram Panchayats and Municipalities and crucial projects in these areas should be identified for implementation. The author has reviewed lot many articles (studies conducted mostly not in India) on regional or place-

based development initiatives. But what is the relevance of those studies to the BRGF? Since the objectives of the BRGF are different, we feel most of the literature cited in the paper is irrelevant. There author should have at least looked into India specific researches and evaluation of BRGF in India including the ‘All India Report on the Evaluation of Backward Regions Grant Fund (BRGF)’ which is available in the official website of Ministry of Panchayati Raj (MoPR). The author should also have constructed a BRGF performance Index based on critical parameters including a critical assessment of all objectives of BRGF and it could have given the paper a comprehensive approach and analysis.

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