

# **BUDGET ADVOCACY IN INDIA: WAYS FORWARD**

## **A National Level Consultation**

13<sup>th</sup> July, 2012

Odisha Budget and Accountability Centre (OBAC)  
CYSD, Bhubaneswar, Odisha

## *Summing up...*

### **Key Challenges:**

- Lack of collective initiative on budget advocacy in India
- Budget work yet to make government accountable on the budget issue
- A missing link between budget work and people's movement
- Seldom work in decentralized governance like Panchayat and Municipal governance
- Methodological challenge in the district and further lower level of governance and in some sectors
- Technical illusions in budget work through shifting of majority provisions under non-plan sector, lack of transparency, myth of budget surplus, vacant posts even after enactment of FRBM Act etc
- Unavailability of data on allocation/ spending in case of budgeting for the special groups such as children, women and dalits. In addition, budget work is yet to be seen from the lens of the disabled and the religious minorities.
- No convergence between planning and budget making. Planning structure is different from the budgeting process of the state.
- Budget groups are not spread across all the states of the country and there are states having no budget groups
- Budget groups yet to be capable enough to make the government accountable i.e. calculating the percentage of budget meant for societal welfare and resolving the issues of people's movement.
- Missing qualitative aspect although quantitative figure data are available in budget work
- Assessment of quality spending is still missing in the budget analysis
- Resource for budget work to dry up in the next 4 to 5 years ( Ford foundation is a major and the only donor for budget work in the country)

## A Future Roadmap...

- The need of a knowledge getaway for all budget groups
- Grassroots Budget Transparency Movement
- Building up a knowledge network with university students by awarding them with incentives in form of research fellowship.
- Preparation of Budget Accountability Index
- Organized and continuous Media collaboration for spreading budget literacy
- Organize regular meetings with various budget groups on effectiveness of present action and future planning
- The need of a winning combination of strong advocacy groups spread across the country
- Plurality among the budget groups and in-form networking
- Building a resource base by staff training and capacity building
- In the sectoral budget analysis and advocacy for the primitive tribal groups must also be made visible.
- Popular and community friendly advocacy and communication materials must be prepared in local language for grassroots permeation.
- Communication advocacy to be made through popular campaigns like 'Nine is Mine', 'Wada Na Todo Abhiyan' etc.
- Quality spending to supersede mere resource allocation and the former to be measured through community score cards, social audits etc.
- All the learning of content, process and campaigns need to be well documented for future reference.

CYSD has been analyzing Odisha's state budget and its pattern of spending on the social sector from the year 2003. The process has given birth to a number of public education documents/materials etc. Some of these documents have been immensely useful in creating a wider citizenry discourse in the state on different aspects and implications of the budgetary provisions. Further, an exclusive centre called Odisha Budget and Accountability Centre (OBAC) also came into being in the year 2010. The centre aims to create a space for the Citizens to provide inputs at different stages of the State Budget making process for making it participatory and pro-poor.

Looking at the changing contours of the governance process, there is a need to rethink new strategies of budget advocacy so as to enlist more active engagement of policy makers and legislators, identify the key areas of concerns, and devise innovative programmes in such a manner that benefits will actually percolate to the common masses of the state. This requires critical reflection on the past work on budget advocacy as also rigorous deliberations for weaving a clear vision and roadmap for the future work.

With this backdrop Orissa Budget and Accountability Centre (OBAC), CYSD had organized a Consultation on 'Civil Society Budget Advocacy: Ways Forward' on 13th July 2012 at 09.30 A.M. at CYSD. Budget Experts, Policy Analysts, Eminent Economists and media persons from different parts of the country and the state had participated in the consultation.

Mr. P.K. Sahoo, Chairman of CYSD, welcomed the guests and set out the agenda of the meeting or 'mini conclave' as he referred to. He outlined the budget advocacy process carried out by CYSD and eventually the genesis of Odisha Budget and Accountability Centre (OBAC). Prof. Anup Dash, Member Secretary, CYSD, gave an opening address that comprised of key challenges faced by democracy and simultaneous issues concerning budget advocacy process in India. He mentioned about the missing demos in democracy and the importance of evolving new strategies that would help in making the voices of the masses heard.

Post the inaugural session, the guests introduced themselves and the plenary sessions commenced.

## Session I: Budget Advocacy-Genesis and Future Ahead

Sri M.D Mistry gave the keynote address on the genesis and the entire trajectory of the budget advocacy process in India. According to him, budget should be looked at from the perspective of social issues and people's development. The trigger was that, if the government is collecting public money in the form of tax then, why is it not spending equally which would enhance the standard of living of the poor and marginalized. When the process had began, the crux idea was to unite all the isolated organizations for advocacy work as well as create models such as:

- Creation of organization for budget advocacy,
- Creation of an exclusive state resource base and
- Linking numerical figures with people's issues.

He even mentioned that though it was well known that the budget was a powerful financial and political document, it was hardly securitized. But in present times the emphasis has shifted towards transparency and budget literacy. However, he also pointed out that no one (individual/agency) is fully equipped to challenge the government's spending for any policy or programme i.e. calculating the percentage of budget meant for societal welfare and resolving the issues of people's movement.

**Response:** In response to Sri. Mistry's address, Mr. Jagadananda also echoed in a similar fashion that budget work must be linked with the daily struggle of the people and the latter's priorities be reflected in the budget document. In addition he pointed out that in contemporary times, the research should not limit itself to budget tracking only, but also be on quality spending.

If and when required, the collective groups working on budget and related issues must propose the government about the new untapped resources i.e. about their generation and spending. He advocated a serious concern about the mismatch between (actual and existing) priorities of the people and the policy level interventions of the government. Hence, he gave some key solutions comprising

- Timely intervention (budget wise) holds significance to bring a transformation in the life and livelihood of the rural and the marginalized
- The process of budget tracking must move from state to district to panchayat level
- Such a process should not confine itself to being just a mere academic exercise.

**Discussion:** The first session was followed by an open discussion round where the other participants gave their respective opinions. Mr. John Samuel stressed for the need to document the entire process of budget tracking and advocacy since its inception. Mr. Bishnu Mohapatra elaborated on the fact that mere budget allocation should not be the tool to study the budget priority, but more emphasis should be given to redefine the entire craft as well as by clinically monitoring the Comptroller and Auditor General (CAG) reports. Though on a positive note, he viewed that although budget is more of a political intervention, but in due course of

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time its grammar has improved and people have started accepting the same. Mr. Amitabh Behar prompted two very important questions i.e. a) how to improve budget literacy and b) how budget transparency can be used as an accountability tool.

## **Session II: Emerging Areas in Sectoral/ Group based Budget Work**

At the outset Mr. Amitabh Behar (moderator of the session) triggered the session by asking raising issues with regards to decentralized budget advocacy process, identity politics versus transformative politics etc.

Manu Alphonse propounded that budget around caste, gender and children have already been treated for. It is high time that budgets should be seen from the lens of religious minorities and disability. Focus should also be made on intra-sectoral budget making process i.e. budget on dalit women, education of disabled children etc. He made a striking point that civil society advocacy process is suffering due to crisis of politics. He also gave three (3) areas of crisis or also could be termed as opportunities:- a) what is the alternate politics around rights and equities, b) link between advocacy and research with people's movement has broken c) critical methodological queries should be addressed i.e. taxes, MoU's with MNC's etc. He thus, highlighted on social equity budgeting.

Ms. Yamini Mishra highlighted on 'Gender Budgeting' and the various issues and facets surrounding the same. She pointed out various concerns comprising the following:-

- Problem of availability of disaggregated data and priority on purposive planning rather than mere resource allocation

- Too much emphasis on quantitative approach has the potential to cover up the merits of qualitative approach
- There has been a perennial binary division between male and female without any mentioning of the transgender. Even there has to be an intra-sectoral approach within the female category i.e. dalit women, disabled women etc.
- In order to have a clearer approach on the implementation aspects, the various schemes (central or state) and head of the institutions must be well defined.
- Gender architecture should be well crafted, mandate must be clear and adequate staffing are some of the key pre-requisites.
- Ministry of Women and Child Development should play the role of a proper convener.

### **Response and Discussion:**

The discussion that followed the presentation underlined various deliberations on gender responsive budgeting and how the women movement almost got sidelined at a time when dalit and tribal movement were more prominent. In order to gauge the performance of the government (expenditure as per outlay) outcome budget does exist but the outcome monitoring is not happening in the manner that it could provide the picture of governmental priority. In the end, the prime question that boggled many was about overstretching of expectations from different budget groups.

*The consensus was also on the fact that unlike in SCSP/TSP, there is no minimum benchmark for gender budget. It was adjudged that to know the amount of money spent exclusively for women is difficult to delineate. Apart from these, there are also questions that were discussed regarding larger burden on budget advocacy, an actual presence of sectoral rights within the larger gamut of universal rights and if only 'numbers' have the potential to evade discrimination.*

### **Session III: Budget Work in a Federal System- New Possibilities Ahead**

Mr. Vinod flagged off the third session on federal system and how decentralization at times creates traps. Sri Panchanan Kanungo, viewed that there is a formidable link between the budget, political system and the constitution. The budget making process should involve the three tier system of the government and there should be inherent

structural change in the budget (i.e. separate heads should be made for the neglected groups). He made some important observations like shifting of majority provisions under non-plan sector, lack of transparency, myth of budget surplus, vacant posts even after enactment of FRBM Act etc. He, however, suggested that as budget is a combination of money and fiscal policy, and hence, budget formulation as well as result tracking must be given specific significance. Transparency should be well maintained with proper sanctioning of the government and debt should be shifted from capital to revenue side. Prof. Bhagabat Patro also stressed on transparency factor and suggested that effective monitoring cells should be created to track the implementation of schemes.

*Concerns were raised on terminological issues of grant and loan, defective federal policies blocking any significant transformation in the condition of the backward states, politics of plan grants and dearth of specific research institutions on budget tracking and advocacy.*

#### **Session IV: Budget Advocacy in India in a changing scenario**

The fourth session began with the Mr. John Samuel's viewpoints in the changing scenario in India with regards to budget. According to him, in the current scenario, rights based governance holds significance but it should also be founded upon a logical argument. There has been an eventual shift from charity work to advocacy. There has also been a change in the content of the governance wherein lesser people are getting involved in active party politics. But he also drew attention to the fact that politics and economic powers operate upon a nexus that often adversely affects the policies. In such an arena, elitism has taken over the social movement of the poor and the needy. Such an exercise has not only put politics in deep crisis but lack of organized political power with the marginalized sections of the society has limited their capability of bargain.

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Mr. Amitabh Behar cited few questions related to budget making process and advocacy that's revolved around issues like dealing with the new media and still continuing with budget analysis, lack of interaction between budget and non-budget groups across the country and a holistic approach to budget making process from the perspective of implementation, capacity building etc. He gave in some serious thoughts as to why there is a dearth of donor agencies to fund/ support budget advocacy process, how to bracket out budget making process from state centric issues and how to converge groups from newer states.

**Response and Discussion:** In response to the above presentations, the discussions followed suit that ranged from various issues related to the transformational scenario in the country. In today's society, the common man expects more from the state whereas he lacks proper mobilization skills. In addition, the budget advocacy groups need to raise funds for budget work and network with the academic research. As citizens of a democratic state, people should know the principles or logic that governs the budget making process as the later is eminently teachable as well as learnable. As Indian politics is gradually becoming regionalized, hence, when its altering then it's crucial to know about the new spaces for budget work i.e. with data, rational arguments etc. The basic matters of choice in current times revolve around funds (who should provide money for budget work), advocacy (with activist orientation) and content analysis. Someone else pointed out that there are limited advocacy groups to carry forward the budget advocacy work to the appropriate stakeholder or authority. The need of the hour is to also have a dependable and strong methodology to track the community expenditure as well as the setting up an alert monitoring system that would keep a vigilant eye on public spending.

### **Session V: Road Ahead for the Budget Groups in India**

The final session was apparently a summing up session of the entire day's proceedings and deliberations made by various speakers. The idea was to bullet mark the gaps and challenges faced by budget advocacy process in India and at the same time provide relevant suggestions that could be taken up in future for bettering the process.

Mr. Pravas Mishra pointed out that the twins processes of research and advocacy need to be looked at, where the former needs a framework for community level tracking, methodology to calculate the polities and acts, the later should entrust into translating community demands into budgetary policies. Budget advocacy process should be collective in nature. The budget groups need to think to sharpen methodologies and

refining advocacy asks which will influence appropriate stakeholders to reprioritize the budgetary spending. He also raised concern over the current budgetary systems in states and country which is a deterrent factor to track quality of public expenditure at the ground level.

Prof. Bhagabat Patro pointed out that universities should be adequately aided for budget advocacy as the later should be carried out by excellent knowledge products.

Mr. Bishnu Mohapatra stated that various advocacy materials should be prepared for different groups and the entire discourse of budget advocacy process must be influenced rather than just one policy.

Ms. Yamini Mishra stressed on investing more on home grown experts and every budget formulation must be preceded by proper planning.

Mr. Bibhu stated that budget advocacy could be well achieved through creation of local bodies, training the youth at university level and grassroots level training to at least one organization at the district level.

Mr. Pravas Mishra gave a vote of thanks in the end of the meeting and congratulated the participants for their collective endeavor in bringing forth the major issues concerning budget advocacy in India.

## Annexure-I: Programme Agenda

<b>09.00-09.30AM</b>	Getting together & Registration
<b>09.30- 10.00AM</b>	Welcome address : <i>Mr. P.K. Sahoo</i> Opening address : <i>Prof.(Dr.) Anup Dash</i>
<b>10.00- 10.40AM</b>	<b>Budget advocacy- Genesis and Future ahead</b> : Key note address by <i>MD Mistry</i> Response : <i>Mr. Jagadananda</i>
Tea Time	
<b>10.50- 12.00PM</b>	<b>Emerging areas in Sectoral/Group based budget work</b> <i>Mr. Manu Alphonse</i> <i>Ms. Yamini Mishra</i> Moderation and summing up: <i>Amitabh Behar</i>
<b>12.00-01.30PM</b>	<b>Budget work in a federal system: New possibilities ahead</b> <i>Dr. Vinod Vyasulu</i> <i>Mr. Panchanan Kanungo</i> <i>Prof. Bhagabat Patro</i>  Summing up: <i>Mr. Subrat Dash</i>
Tea Time	
<b>02.30- 04.00PM</b>	<b>Budget advocacy in a changing governance scenario: Pointers for the future</b> <i>Mr. John Samuel</i> <i>Mr. Amitabh Behar</i>  Moderation and summing up: <i>Prof. Bishnu Mohapatra</i>
<b>04.00-05.30PM</b>	<b>Road ahead for the budget groups in India</b> Open discussion Moderation and summing up/closing remark: <i>Mr. Jagadanand</i>

## Annexure -II: Programme Participants

<b>Sl. No.</b>	<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>
1	Dr.Ambika Prasad Nanda	State Programme Officer,UNDP
2	Dr.Vinod Vyaslu	CBPS,Bangalore
3	Mr.M.D.Mistry	Founder, DISHA, Gujrat
4	Mr.Amitabh Behar	Executive Director,National Foundation of India, New Delhi
5	Mr.Bibhu Prasad	Secretary, YSD,Berhampur
6	Mr.John Samuel	Democratic Governance Advisor ,UNDP
7	Mr.Manu Alphonso	Social Watch,Tamilnadu
8	Ms.Dharitri Pattnaik	Head, India Programme Office,BVLF
9	Ms.Yamini Mishra	GRB Specialist, Unifem ,New Delhi
10	Mr.Onkarnath Tripathy	CCS, KIIT, Odisha
11	Prof.(Dr.) Anup Das	Member Secretary,CYSD
13	Prof.(Dr.) Bhagabata Patro	Prof.in Economics, BerhampurUniversity
14	Prof.(Dr.) Bimal Mohanty	Retd. Prof in Economics,Revenshaw University
15	Prof.Bishnu Mohapatra	Visiting Fellow,National University Of Singapore
16	Shri Dillip Bisoi	State Correspondant, Financial Express
17	Shri dillip Satpathy	Odisha Bureau Chief, Business Standard
18	Shri Jagadananda	Information Commissioner,Odisha
19	Shri iPanchanan Kanungo	Former finance Minister,Odisha
20	Shri Prafulla Kumar Sahoo	Chairman,CYSD
21	Shri S.P. Rath	Under Secretary .Finance Department,Odisha
22	Shri Subrata Das	Executive Director,CBGA
23	Shri Tusar Ray	State Head,Plan India
24	Ms. Sneha Mishra	AAINA,Odisha
25	Shri Dillip Biswal	Programme Manager,AAINA
26	Ms.Preti Prada	Communication Specialist,BVLF
27	Shri Sandeep Pattnaik	NCAS,Bhubaneswar
28	Shri Pravas Mishra	Programme Manager, CYSD
29	Shri Prafulla Rout	APM,CYSD

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<b>30</b>	Shri Basanta Nayak	Researcher,CYSD
<b>31</b>	Shri Prakash Kumar Barik	Advocacy Officer,CYSD
<b>32</b>	Ms.Uppali Mohanty	Researcher,CYSD
<b>33</b>	Shri Surendra Sahoo	Researcher,CYSD
<b>34</b>	Ms.Subrata Satpathy	Consultant
<b>35</b>	Ms.Nilima Priyadarshini Mishra	Researcher
<b>36</b>	Ms.Kadambini Biswal	Researcher
<b>37</b>	Shri Santosh Kumar Padhi	SPM, CYSD
<b>38</b>	MS. Reetarani Das	CYSD
<b>39</b>	Shri Binay Kumar Rout	CYSD

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