Engaged Governance for Human Development

A Case Study of Sub-National Human Development Reports in India

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Background

The Country Context

India is constituted as a union of twenty-eight states. Each state government has certain powers and responsibilities that are constitutionally mandated through a division of subjects between the center and the states. In particular, implementation of programmes in the social sectors is the responsibility of the state governments, though the center extends financial support to the states in specified areas for specific objectives.

The country as a whole has been making steady progress over the last decade towards meeting the goals of human development, as reflected in the all round improvement of social indicators. However, statistics on critical development indicators such as female literacy, life expectancy at birth, child mortality and incomes also serve to show how far there is to go. An illustrative balance sheet of progress made and remaining gaps had been drawn up in UNDP's Common Country Assessment for India of 2002 (see Annexure I.)

There are large differentials in the levels of human development across the states. For instance:

- The state of Maharashtra has a per capita income nearly four times that of Bihar (1999-2000).
- In 2001, Kerala reported a literacy rate of 91%, which was 43 percentage points more than the lowest placed state.
- In 1999-2000, some 6% of Punjab's population lived below the income poverty line, as against 47% in Orissa.
- The infant mortality rate per 1000 live births in Madhya Pradesh in the year 2001 was nearly four times that of Mizoram.

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Much of the poverty and low indices of human development are to be found in a contiguous geographical region comprising the heartland states of Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Bihar, Jharkhand, Rajasthan, and Orissa. Any effort to address the issue must therefore be focused on these states. The experience of planning has been that traditional approaches to development based on Government as the sole driver have had limitations, as brought out in the Mid-Term Appraisal of the Ninth Five-Year Plan. There is therefore a strong need and relevance of engaged governance for human development expressed in terms of a more inclusive, people-oriented and state specific approach to human development.

The Global Human Development Report

The United Nations Development Programme (UNDP) launched the first global Human Development Report (HDR) in 1990. The Report was to become the first in a hugely successful annual series of publications, a series that has defined the image of UNDP in the last decade of the twentieth century and beyond, and changed forever the discourse on the paradigm of development.

The ripple effects of UNDP's HDR were felt in India. Set out below is the case study of one of these states (Madhya Pradesh), which quickly and enthusiastically picked up the development message and potential of the HDR paradigm, and sought to apply it to its own situation in a trend-setting model of engaged governance for furthering human development objectives. The experience of two other states (Karnataka and Sikkim) that followed up this initiative is also touched upon in this section.

Madhya Pradesh: A Case Study of Engaged Governance

Madhya Pradesh is a large state (the largest Indian state until its division into Madhya Pradesh and Chhattisgarh in 2000) that till the nineties was known as one of four central Indian states with amongst the poorest social indicators amongst all the states. With the state assembly elections in 1993, a new government headed by chief minister Digvijay Singh was elected to govern the state for a five-year term. One of the early declarations of the chief minister was that the state would prepare a state human development report (SHDR) on the pattern of the UNDP's global HDR.

Human development is recognized as both an end and a means of progress, meeting human needs today as well as enabling higher levels of growth in the future. It was a philosophy particularly relevant for the state of Madhya Pradesh, which had historically been tagged along with three or four other Indian states as being at the bottom of the heap in terms of social indicators. For the people of the state, these low social indicators translated into things like lack of opportunities to be educated, lack of access to health care and low levels of living. It therefore made very good sense for an initiative for prioritizing and focusing attention on human development to be taken up in this state

MPHDR: The Process

The Madhya Pradesh Human Development Report (MPHDR) was the first sub-national human development report brought out anywhere in the world. It was intended to be from the outset, as indeed it was, a credible and independent Report, which would put together a baseline study on human development in the state. MPHDR 1995 contained a thematic analysis of fiscal, education, health, gender and livelihood issues. It also brought out comparative district[3] indices of human development.

The political mandate for preparation of the Report was clear: MPHDR had to be a independent, credible, policy advocacy document, laying bare the true state of human development in the state, thereby assisting in bringing human development to the forefront of the political agenda of the state and facilitating transparency, inclusiveness and greater rationality in resource allocation decisions.

The MPHDR project was financed entirely from the state budget; no assistance was drawn from any external agency. This again was a conscious decision, to underline both the commitment of the state as well as the independence of the Report. Overall guidance and financial approvals were accorded by an empowered committee of the state government. Political priority was accorded by the support of the chief minister, who did not however attempt to exercise any editorial influence.

[3] A district is the basic unit of sub-state level administration; there were 45 districts in the state of Madhya Pradesh.

The MPHDR 1995 was completed within the time frame of six months, and released publicly by Manmohan Singh, the then finance minister of India. The Report was widely disseminated. It was immediately distributed to all the legislators and heads of local bodies in the state. Political reaction was initially intense, but then as the message sunk in, the reaction became more studied. Academicia, the media and non-governmental organizations working at the grassroots level responded most positively, recognizing the pioneering nature of the effort, and its value to their work.

The Report had a strong external demonstration effect: it effectively marked the beginning of the building up of a country wide human development constituency. The initiative was quickly picked up by a number of other states: Karnataka, Tamil Nadu, Rajasthan who declared that they were going to prepare their own human development Reports. Further, commencing with a joint UNDP-GoMP sponsored national conference on SHDRs held in Bhopal in 1996, brought together senior officials and experts from more than fourteen States to discuss issues pertaining to the methodology and modalities of preparing SHDRs. The process was carried forward in other states in subsequent years by the Planning Commission along with the UNDP New Delhi office through the DESA's SHDR initiative.

MPHDR: A Trail-Blazer

It is now more than six years that the first Madhya Pradesh Human Development Report (MPHDR) was first brought out, in 1995. Since then, a second Report and a third Report have been brought out, in 1998 and 2003 respectively. Nobel Laureate Amartya Sen, who personally applauded the effort, associated himself with the release of the second edition in 1999 in New Delhi.

Looking back, MPHDR proved to be a trailblazer in engaged governance for human development (much before the term "engaged governance" entered the development lexicon). It served to mobilize public opinion towards the new agenda of according the highest priority to human development goals. It received wide acclaim within and outside the country, not only because it broke fresh ground, but also primarily because it became, as indeed it was intended to, an instrument of state policy.

As brought out above, the human development paradigm was especially relevant for the state of Madhya Pradesh, with low social indicators. It therefore made very good sense for an initiative for prioritizing and focusing attention on human development to be taken up in this state. The MPHDR projected this paradigm, and brought human development to the forefront of the political agenda; so much to the forefront, in fact, that there was no room for retreat. Once it was picked up and its findings quoted by leading figures in both the ruling party and the opposition, there was no going back.

MPHDR advocated a "new kind of politics", which instead of being shrouded in secrecy and forever promising a rosier future, took people into confidence, shared information on the realities, and sought to be held accountable against defined benchmarks. It recognized that top-down policies targeted at "solving" the problem of the poor had not worked and were unlikely to work. It was recognized that poor people were not the "problem", but that working with people was the solution.

This new agenda, for example, constituted the foundation of the hugely successful Education Guarantee Scheme (EGS). The EGS followed the realization first highlighted in MPHDR 1995 and reaffirmed through follow up surveys that willingness or poverty of the parents in sending children to school was not the critical factor, access was. Consequently, when the state promised under the EGS to provide, with contribution in kind of the community, primary education within one kilometer to any habitation with 40 school going children not going to school, the response was enthusiastic. By 1999, universal access to primary education had been brought about in the state. The central government later picked up the essential elements of the scheme in its country wide Sarva Shiksha Abhiyan (Campaign for Education for All) being now implemented in the Tenth Five-Year Plan (2002-07) of the country.

The Report reinforced the social sector thrust of the state government, and rapidly became a point of reference for the government's intentions and programmes. The share of education and health in the state development ("plan") budgets started going up, as may be seen from the table below.

Table 1: Share of education and health sector outlays in total plan outlays: Madhya Pradesh, Ninth Plan period

	1997-98	2001-02
Health sector outlays as a % of total plan outlays	2.51	3.71
	1997-98	2000-01
Education sector outlays as a % of total plan outlays	13.55	18.22

Source: Planning Commission

Districts with low human development indices (HDIs) were targeted for special attention by the government, with the stated intention of bringing about a rise in the indicators.

The 2001 Census of India figures provided an independent report card on the success of this agenda, indicating demonstrable improvement in key human development indicators in the state, much beyond historical rates as well as all-India averages. For example, the literacy rate in the state went up by 20 percentage points in the decade, from 44.2% to 64.11%, as against a countrywide increase of 13 percentage points, from 52.2% to 65.38%. Maternal mortality rates dropped between 1993 and 1998 from 1038 to 498 as against the reduction in the national averages from 572 to 407. Clearly, in working with the people for human development, the state government was doing something right. The

people thought so too; the Digvijay Singh government was reelected for a second successive five-year term in 1998.

On another level, it was a document that was read and used by people involved and interested in the development of the state. By transparently laying bare the district rankings of comparative progress on a number of fronts, it provoked public debate and interest, encouraged rational thought and made it more difficult to justify arbitrariness in resource allocation decisions.

Later Reports recognized that governments do not have the luxury of merely documenting the status (in human development) but are required to act to make things better. The third Report documented the action taken and the progress made in widening and deepening human development in the State by an inclusive strategy using the power of democracy for development.

MPHDR remains unique in that it embodies a grand vision, an open commitment to a philosophy of action. This commitment seeks to improve the lives of the poor in the state by carrying the people along in a determined effort to step up progress in human development. As a result, today "human development report" has become a definitive part of the development lexicon of the state, and the Madhya Pradesh experience a shining pioneer of engaged governance in the country.

Experiences in Other States

The relatively more developed southern Indian state of **Karnataka** became the second state to bring out a SHDR in 1999. The Karnataka Report was again an in-house effort that however benefited from the experience of the Madhya Pradesh team, as well as advice, though not financial assistance, from the team at the UNDP India Country Office.

Of the other states that followed, especially notable was the third of the SHDRs to be brought out was by the tiny, Himalayan state of **Sikkim**. This SHDR was prepared with the assistance of the Human Development Resource Center (HDRC) of the UNDP India Country Office in New Delhi, and it was the first of the SHDRs to be brought out by the HDRC. The Sikkim HDR exercise was also strongly backed by the political leadership headed by chief minister Pawan Kumar Chamling. As a signal of its commitment to the HDR exercise, at the request of the chief minister, the Report was formally released upon completion by prime minister Atal Bihari Vajpayee in 2001.

The recommendations of the SHDR regarding the education sector have served to generate a debate amongst policy makers and think tanks in the State. Guided by the SHDR, the State Government is reflecting on the need to target education related subsidies and to rationalize the structure of the education system in the State.

Most significantly, the SHDR directions and findings were incorporated formally by the state government into the planning process of the state. The Tenth Five Year Plan (2002-

2007) of the state declares that " the long term objective of the Tenth Plan will be to accelerate eco-friendly sustainable development with equity and social justice…the overall emphasis will be on a steady improvement of all the human development indices." Key targets of human development to be achieved in the Tenth Plan period have also been set out. Along with a Vision Document with a long-term perspective, the Sikkim HDR 2001 has set out the development objectives of the state. As mentioned in the Tenth Plan document of the state, along with the vision document, the Sikkim Human Development Report 2001 …"projects the goals which the state should be heading towards in the coming years, indicate the directions of further change and prescribe the required nature of policy interventions."

In 2002, the major states of **Rajasthan** and **Maharashtra** became the fourth and fifth Indian states respectively to release state level HDRs.

Widening Impact: The National Human Development Report, 2001

Recognizing the value of the human development framework developed and refined by the UNDP over the last decade, and taking note of the growing momentum at the sub-national level for the preparation of state human development reports, the Planning Commission felt the need to build up this approach at the national level. The initial reaction was to support states that wanted to prepare SHDRs. Since 1998-99, the Planning Commission started allocating Additional Central Assistance (a financial mix of 70% loan and 30% grant) to state governments for preparation of SHDRs, without however attempting to set out an overall framework of its own at the national level. This assistance to states did not however achieve the desired results in many cases.

At the same time, it was felt by the planners that for any approach or development framework to be meaningful and effective in directing public policies and programmes, it has to be anchored in a social context. More importantly, it should reflect the values and development priorities of the society where it is applied. It was therefore necessary for a country like India to develop a contextually relevant approach to human development, identify and devise appropriate indicators to help formulate and monitor public policy. This is more so keeping in view many unique concerns and development priorities — in some sense tied with India's stage of development — as well as her social and economic diversity. Accordingly, the Planning Commission took upon itself the task of preparing a National Human Development Report (NHDR) for India. The NHDR, which was a largely in-house effort that nevertheless benefited from wide interaction with those with experience and expertise in the field, was brought out in 2001.

The National Report put together an extensive database for at least two and in some cases three points of time since 1980, covering nearly 70 distinct social indicators on various aspects of the quality of life and wellbeing of the people. It was recognized that in India there is a considerable difference in the level of attainments of people depending on their place of residence, whether it is in rural or urban areas, and on the sex of the person. The Report highlights these concerns by estimating the 'Gender Gap' and the 'Rural-Urban Gap' in all indicators where the data was available. A core set of composite indices, namely the Human Development Index and the Human Poverty Index, and a Gender Equality Index were constructed.

The Report sought to outline the human development agenda ahead, and identify instruments that needed to be pursued for improving governance in the country. Just as happened with the State-level Reports, this Report became a fulcrum around with initiatives of engaged governance for human development began to revolve. The Report has already aroused considerable interest in the subject in the country. A significant beginning has been made to integrate this work fully into the planning framework in the framing of the Tenth Five Year Plan (2002-07).

Programme of Action: The Tenth Five-Year Plan

Since 1950, India has been putting together the medium-term development philosophy and framework, macroeconomic and sectoral objectives and priorities for five-year periods in the form of Five Year Plans. These Plans guide set out directions, and indicate the supporting public sector and private sector financing needed to realize the development goals, and are hence important economic policy and programme documents for the country. Historically, Five Year Plans had focused on broad macroeconomic targets such as the rate of growth of real Gross Domestic Product.

The Tenth Plan document includes a major section entitled "Human and Social Development" that covers the policies, programs and financial commitments for the sector as a whole. The Plan also incorporates for the first time specific monitorable targets covering economic, social and environmental dimensions of human development. These targets are set out below. As may be seen, these targets are focused on various parameters of human development, and the directions indicated are by and large consistent with the UN Millennium Development Goals.

Table 2: Statement of Indicators of Human Development Specified as Monitorable Targets in the Tenth Five Year Plan 2002-07

- Reduction of poverty ratio by 5 percentage points by 2007 and by 15 percentage points by 2012;
- Providing gainful high-quality employment to the addition to the labour force over the Tenth Plan period;
- All children in school by 2003; all children to complete 5 years of schooling by 2007;
- Reduction of gender gaps in literacy and wage rates by at least 50% by 2007.
- Reduction in the decadal rate of population growth between 2001 and 2011 to 16.2%;
- Increase in Literacy rate to 75% within the Plan period;
- Reduction of Infant mortality rate (IMR) to 45 per 1000 live births by 2007 and to 28 by 2012;
- Reduction of Maternal Mortality Ratio (MMR) to 2 per 1000 live births by 2007 and to 1 by 2012;
- Increase in forest and tree cover to 25% by 2007 and 33% by 2012.
- All villages to have sustained access to potable drinking water within the Plan period;
- Cleaning of major polluted rivers by 2007 and other notified stretches by 2012.

Source: Tenth Five-Year Plan Document, Planning Commission, Government of India

The Tenth Plan also set out the parameters for new governance arrangements and processes that are regarded vital for achieving these targets, as also new strategies, tools and institutional arrangements that are conducive to mainstreaming poverty reduction

agenda within the overall planning and policy strategies of the government. In a separate section on "Governance and Implementation", the Plan advocated increased public engagement in the process of governance including greater people's participation, decentralization of powers to self-governing grassroots entities, right to information, civil service reforms. These were all reflective of the evolving culture of engaged governance within the country.

The Tenth Plan was approved by consensus by the highest political body on development matters in the country (the National Development Council; the Council is headed by the prime minister and consists of all the cabinet ministers of the central government and all chief ministers of the states) on 21st December 2002. This was a significant milestone in that it reflected the broad consensus all over the country on the human development paradigm and set out specific targets backed by a concrete action plan based on participatory governance models with the intent to move towards the achievement of human development goals. With the approval and operationalization of the Tenth Five-Year Plan, the focus on engaged governance for human development and the "monitorable targets" listed above have been endorsed by all states controlled by elected governments of different hues right across the political spectrum. This marks a significant step towards the adoption of the human development paradigm and internalization of the culture of engaged governance at a national level.

The Tenth Five Year Plan is presently under implementation, and the directions of reform set out therein are guiding the process of change and the discourse on economic development in the country.

ANNEXURE I

Balance sheet of human development

Achievements	Shortfalls
Health	
• Life expectancy at birth has doubled to 61 years between 1950-97. • Infant mortality has been halved between 1960-98 to 71 deaths per 1000 live births. • Guinea worm has been almost eradicated. • Significant gains have been made in the control of communicable diseases, and in the eradication of polio. • An extensive public health and medical system has been put in place.	• Close to 2 million children annually die before reaching the age of one – and most of these deaths are avoidable. • Maternal mortality remains high – 437 deaths per 100,000 live births. Maternal mortality accounts for 20% of the world's deaths from pregnancy and pregnancy related causes. • Only 35% of children between 12-23 months were found to be fully immunized in 1992-93. • Quality of public health care leaves much to be desired.
Education	
• Literacy rates have gone up from 18% to 52% between 1951-91. • Significant gains have been made in the field of higher education – in medicine, technology, and management. • Some 95% of villages have a primary school within walking distance of one kilometer.	• Some 69 million children between 6-14 years of age are out of school. • Against the Constitutional requirement of ensuring free and compulsory education for 8 years, the average years of schooling is only around 2 years • Discrimination on the grounds of caste, class and gender continues to deny children equal access to good quality basic education.
Water and sanitation	
• Some 90% of urban population has access to safe drinking water. • Nearly 87% of rural population has access to safe drinking water	• Water contamination by arsenic, fluoride and other chemicals pose a serious threat. • Indiscriminate drilling has led to rapid depletion of water in many parts. • 20% of rural population has access to latrines.
Income poverty	
• Between 1973-74 and 1993-94, the proportion of rural population below the poverty line has come down from 56.4% to 37.3%. • Between 1973-74 and 1993-94, the proportion of urban population below the poverty line fell from 49% to 32.4%.	• There were 321 million people below the income poverty line in 1973-74. By 1993-94, the number had come down to 320 million. • In 1993-94, there were 244 million people in rural areas below the income poverty line.
Food and nutritional security	
• The yield per hectare of wheat has gone up from 11	• Some 53% of children below the age of five remain

98. • Between 1951-98, per capita food availability went up from 395 grams per day to 484 grams. • The country has built up a reserve stock of foodgrains – around 20 million tonnes in 1999.	weight) • Nearly 75 million children below the age of five are malnourished – the largest number in the world
Gender	
• Constitutional amendments have ensured that one-third of all seats in local elections are reserved for women. • The mean age at marriage for women has gone up from 18.4 years in 1981 to 20 years in 1992-93. • Total Fertility Rate has come down from 4.9 in 1982 to 3.4 in 1992-93.	• The female-to-male population ratio remains adverse – and has been worsening. • Instances of female foeticide and infanticide are regularly reported. • Women constitute less than 10% of elected Lok Sabha members. • Female illiteracy rates remain unacceptably high.

Source: UNDP Common Country Assessment, 2002

ANNEXURE II

Extracts from Media Reactions to the State and National level Human Development Reports

Sikkim

Sikkim set to emerge as first Poverty-Free State
--- Hindu Business Line, September 8, 2001

"Sikkim has the potential to become the first poverty free state in the country……..This is one of the key message of the Sikkim Human Development Report launched by the Prime Minister, Mr. Atal Bihari Vajpayee here in the presence of the Sikkim Chief Minister Mr. Pawan Kumar Chamling, the UN Resident Coordinator & UNDP Resident Representative Dr Brenda Gael McSweeney among others."

A Blueprint for Development
--- Frontline, June 7, 2002

"The Government of Sikkim has begun the process of initiating several policy reforms on the basis of the recommendations made in the Sikkim Human Development Report. The report is the result of a joint initiative involving the Government of Sikkim, the Planning Commission and the United Nations Development Programme. Sikkim became the third state in the country to release such a Report on September 5 last year."

Rajasthan

UNDP lauds state's progress on human development front
--- The Times of India, Jaipur, April 5, 2002

"Delivering the inaugural address after releasing the human development report, [chief minister] Gehlot said the state's HDR would chart progress on the comprehensive and balanced development of the state. He said the report had put ever-greater onus on every partner – government, NGOs and international organizations to take the state on the road to faster human development."

Maharashtra

Maharashtra to publish human development report next week
--- The Hindu, Chennai, June 1, 2002

"Maharashtra, which is ranked fifth among the fifteen prominent states on the Human Development Index, is now set to publish its development report next week."

Maharashtra joins select club with human development report
--- National Herald, New Delhi, June 5, 2002

"The high growth rate of population and the alarming decline in sex ratio are some of the challenges that the state is facing, according to the first Maharashtra Human Development Report."

Maharashtra Unveils Human Development Report
--- Financial Express, Mumbai, June 5, 2002

"Maharashtra became the fifth state to come out with a Human Development Report 2002 on the lines of UNDP's Human Development Report prepared by the late economist Dr Mahbub-ul-Haq and Professor Amartya Sen in 1990."

National Human Development Report

Measure for Measure: At last there is something to feel good about
--- The Indian Express, New Delhi, April 25, 2002

"As Douglas Daft put it: What gets measured, gets done. It is for this reason above all that we must welcome the National Human Development Report, the Planning Commission's ambitious new project of measuring India's state of well-being and deprivation. It is hoped that now that the measurements are in, the country will finally get the governance it deserves."

A fresh Roadmap
--- The Pioneer, New Delhi, April 25, 2002

"The release of the first ever National Human Development Report on Tuesday marks a new chapter in the manner in which the welfare of the people of India will be assessed in the future."

Root of the Evil
Deccan Chronicle, Hyderabad, April 25, 2002

"The NHDR's message is that if each state takes good care of the well-being of its people, progress will follow automatically."

National Human Development (Leading Article)
The Hindu Business Line, New Delhi, April 27, 2002

"There has not been a more comprehensive compilation of information about where we are in basic socio-economic development than the National Human Development Report, 2001."

A Developing Process (Editorial)
The Asian Age, New Delhi, April 27, 2002

"In what can be described as a pioneering micro-level attempt to comprehend human development and its dimensions, the Planning Commission deserves kudos, if for nothing else, for at least (and at last) making an honest attempt to make a gigantic task possible: where does India stand in terms of something as basic as human development?"

Indicators for Quality Life (Leading Article)
Deccan Herald, Bangalore, April 29, 2002

"The National Human Development Report 2001… is an extensive exercise on the status of development at the state level in the country."

Human Development: Popular Myths disabused (Leading Article)
--- The Hindu Business Line, New Delhi, May 3, 2002

"The Government recently published its first National Human Development Report, refining the Human Development Index (HDI), developed by the United Nations Development Programme, in the Indian context."