Civil Society and Governance Project

Alternative Budget Analysis: DISHA’s Experience

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### Abbreviations

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<th>Abbreviation</th>
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<tr>
<td>CBO</td>
<td>Community Based Organisation</td>
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<td>CSO</td>
<td>Civil Society Organisation</td>
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<td>DISHA</td>
<td>Developing Initiatives for Social and Human Action</td>
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<td>DMI</td>
<td>Disaster Mitigation Institute</td>
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<td>FPI</td>
<td>Foundation for Public Interest</td>
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<td>MLA</td>
<td>Member of Legislative Assembly</td>
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<td>NGO</td>
<td>Non Governmental Organisation</td>
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<td>PO</td>
<td>People’s Organisation</td>
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<tr>
<td>PRIA</td>
<td>Society for Participatory Research in Asia</td>
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<td>SEWA</td>
<td>Self Employed Women’s Association</td>
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<td>TLA</td>
<td>Textile Labour Association</td>
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<td>VO</td>
<td>Voluntary Organisation</td>
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“How can any society be civil if it puts up with a large chunk of its citizens being without honest work or basic living conditions?” asked noted Gandhian Manubhai Pancholi while speaking on Future of Gandhian Thought at Indian Institute of Management, Ahmedabad, January 30, 1998. “And what sort of governance is it when the most disadvantaged of the citizens have no direct or effective say beyond the increasingly frequent elections?” he added. Developing Initiatives for Social and Human Action (DISHA), a membership based organisation of 20,000 tribal and forest workers in Gujarat, has addressed these two questions on ideological and operational levels through alternative budget analysis.

This case study tries to look at what effect DISHA’s alternative budget analysis had on the Civil Society and on the governance in Gujarat, India. This note enlists the impact, the challenges ahead and some broader lessons learned. Earlier draft was presented at the national workshop, Civil Society and Governance, held on October 29 and 30, 1999, at Society for Participatory Research in Asia (PRIA), Delhi. Valuable comments and suggestions are incorporated in this final draft. Greater analysis, some fieldwork and review of academic work was conducted and is also incorporated in this final draft.

The case study of DISHA tries to draw from this rich experience. First, it tries to address what Civil Society and governance mean in the Indian context, where the poor are in the majority and thus influence the party politics as well as resource allocation politics, even when it is for name’s sake. Second, it tries to document and analyse the decade long experience of DISHA in engaging with Civil Society and taking up governance issues. Third, it draws lessons on what works, and what needs support to work better if Civil Society is to be strengthened and governance is to be improved.

DISHA Experience:

Having pioneered the organised pro-poor budget analysis and other public policy influencing work in India for almost 10 years, DISHA has emerged as a trend setter in redefining what is Civil Society and what is governance in the Indian context. Citizens constitute Civil Society. Almost half of the citizens in India are poor from the national standards. But poverty removal is not high on Civil Society agenda in India. And when poverty removal is taken up on agenda, it is at policy level but operational reality continues to DISHA’s budget analysis experience shows that role of pro-poor Non Governmental Organisations (NGOs) and organisations of the poor in constituting and leading Civil Society is paramount in India. Civil Society on its own may not take up removing or fighting poverty as an issue of good governance. It has to be guided and nudged and led. DISHA’s budget analysis experience also shows that the citizen-to-government relations are not only defined by elections, selections and participation, but also by appropriations, allocations and taxation activities. In fact, it is money which gives shape and life to well-intentioned pro-poor

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1 I wish to thank Mark Robinson of the Ford Foundation and Madhusudan Mistry of DISHA for their most valuable inputs and support in writing this note. Guidelines were provided by Rajitha Mohanty of Society for Participatory Research in Asia.
sectoral policies, political manifestos, a range of development projects and programmes, and the structure and orientation of the Civil Society. "Civil Society has left budgets—national to local village level—to the small groups of administrators in the finance department, and to a limited number of policy level economic analysis institutions. The business and corporate interests have found ways to influence it through the elected leaders as well as administrators. But the interest of the poor, directly or through their organisations, can not influence budgeting process so far," said Bhavarsinh of ASTHA, Rajasthan.

It must be noted that budgets, at state and national levels, are left to the budget makers in in the ministry and the finance ministers give a touch here or a touch there, include certain specific political demands. The business interests meet the finance minister and try to influence in favour of reduced taxes and increased subsidy and allocations for specific industry or business interests. When budget is presented, it is commented up on by the media, the economists, and business or industry workery. In 1990s the tax consultants gained a position in commenting upon the budgets. In short, "Those who had money found ways to influence the process of budget making, but the poor, whose interest was to be guarded by the elected leaders, are left out of the process of budget analysis in the current situation. This is especially true for the women among the poor," argues Hilda Grace Cuelho of Centre for Rural Studies and Development, Anantpur District, Andhra Pradesh, after learning how little money is allocated in the national budget for women from a recent DISHA document.

Budgets were neither made through the due democratic procedure of involving the local governments or citizen groups or even elected leaders in any meaningful or effective manner. A recent interviews of newly elected two Rajya Sabha members from Gujarat by another found that "no, no, the budgeting committees are too complicated for member of parliament to participate". As a result the government can give into a demand and provide a Human Right’s Commission but allocate resources that are not enough to hire two peons. Or the budget speech of the Finance Minister may talk about Poverty Removal but allocations may weigh in favour of infrastructure for industry. Thus, the budgeting was covered by economists, administrators, business interests, and some political leaders occasionally by media, but not the poor or their organisations.

Most poor are not organised, and when they are organised they end up spending most time in either making efforts to improve their working and living conditions or protesting. "The poor people’s organisations have no time to read or review budgets, leave aside influence it. Sadly this is the case," says Hilda Grace Cuelho.

From budget analysis to direct confrontation, from labour law litigations to across-the-table negotiations, from public policy meetings to street marches, in many ways DISHA has combined its power of public ideas with its mass base to influence and improve governance related to budget analysis, first in Gujarat and now beyond in at least eight different states of India. This continuously growing stream of activities of alternative budget analysis is set into the ongoing activities of DISHA—unionising tribal construction and forest workers and litigation related to payment of minimum wages or contract labour practices among tendu-leaf collecting tribal women.

The alternative budget analysis work of DISHA grew in the midst of the declining power and influence of the once mighty Textile Labour Association (TLA) of 2,00,000 workers that occupied a prominent and influential place in the Civil Society of Gujarat. Founded by Mahatma Gandhi, with Anasuya Sarabhai, to give an effective say to the labour in bargaining better working and living conditions, for decades the TLA directed the appointment of labour ministers in the national and state capitals across most of India. It is in this environment of charged labour movement that M. D. Mistry, the founder of DISHA, spent the early years of his work life combining mass mobilisation with number crunching and public policy shaping. This DISHA’s budget analysis experience has evolved out of a much deeper and older public policy influencing tradition in Gujarat. Enthusiasm, energy, and strategies, however are original.
DISHA took up such analysis with a balance of cooperation and conflict both. It cooperated with the budgeting process in terms of taking the budgeting process and budget as a product seriously. DISHA did not debunk or reducible budgeting process or budget the process produced. Agreed with the existing rules and methods of making budget, DISHA cooperated. But confronted budgeting in terms of checking simple mathematics, allocation pattern, reasoning, flow analysis, trend analysis, political economy scrutiny and other effective methods. As a result DISHA’s analysis was taken seriously, it’s opinions were listened to, and elected leaders on both sides of the government found it useful to access DISHA’s budget analysis. The balance of cooperation and conflict comes out of careful reading of the political equations in Gujarat not only between parties but also within parties by DISHA leadership.

This balancing of cooperation and conflict activities also demanded a careful understanding of the equation political leaders and business or industry have made to cooperate or conflict on specific issues. Being a part of the labour movement, DISHA had developed a historic perspective on these equations, and when they can change in favour of the poor.

It is remarkable that a union of tribal and forest workers, men and women included, should take up a highly professionalised, procedural, closely guarded and “table-work” oriented activity such as alternative budget analysis as a means of influencing public policy. “Budget influences the government’s activity as well as that of the market, and as a result, budget analysis can give you much broader influence on the society then a street march may often give” argues Mistry Sahib.

But how does this budget analysis works? In short, the day after the state budget is presented to the Legislative Assembly, called Vidhan Sabha in Gujarati, the DISHA team feeds all the numbers into computers to compare the three most important issues. First, does the budget speech of the Finance Minister mention pro-poor policies, and if so, are they matched with suitable allocations? Second, have adequate allocations been made in the budget for the current pro-poor development programmes? And third, how does the budget relate to the socio-economic reality of the poor in Gujarat?

The following morning the team briefs the press on the highlights of the answers to the above guiding questions. When the debate on the budget starts, the team also provides the Members of the Legislative Assembly (MLAs) across party lines with sectoral briefs that include financial analysis matched with indications of political implications. Soon, similar notes are shared with other NGOs, Civil Society Organisations (CSOs), administration, academics and the media. Thus, the budget is analysed, brought into public, domain, and influenced. By now this budget analysis cycle is perfected by DISHA. Vidhayak Sansad, Thane, Maharashtra, also follows similar cycle through its Centre for Budget Studies. Ashavari Vaidya, team leader at the Centre for Budget Studies says, “It is important to keep the cycle lean, clearly defined in terms of steps, and effective. Once the cycle is established it is relatively easy to make it address specific political or other opportunity”. Because every aspect of the budget is measurable, most activities around it’s analysis are also measurable. This demands that the activities be clearly conducted and produce measurable results or outputs. Once that is achieved, some changes or variations can be made, but not before that. “Even if you focus on budget related advocacy, there has to be someone who is running the well laid out clear budget analysis activity,” says John Samuel, National Centre for Advocacy Studies, who has used budget analysis data for a range of advocacy campaigns related to issues of child labour, tribals, minorities, etc.

DISHA started out budget analysis at the middle, at the state level, for two reasons: one, the Tribal Subplan is made at state level; and two, because the state budgets are easy to access at Ahmedabad level. DISHA’s constituency is tribals and forest workers. Thus it made sense to start with Tribal Subplans. Had DISHA been based in Delhi, they may have started budget analysis at national level. Once the state budget was analysed, for three annual cycles, DISHA moved downwards to follow the flow of funds at district, taluka, and tribal village level. Having reached its members, now, over past two years DIAHA took up the national budget analysis.
And in February 2000 DISHA, with NCAS, launched what is called People’s BIAS (Budget Information and Analysis Services). The same pattern is followed by NGOs in Maharashtra, Tamil Nadu, and Rajasthan. “It seems sensible to strike in the middle, not the top or the bottom, of a huge state,” says John Samuel.

Following an open budget analysis process helped DISHA. That is it was clear to all who was doing this analysis and why it was being done. The analysis was available not only to the MLAs of the ruling and opposition parties but also to the civil society actors including trade unions, media, and NGOs. As a result, bitter, one-sided, antagonistic or hostile response to budget analysis was mostly avoided. The most bitter criticism of budget analysis came from the budget makers and the established academic economists. Both felt that their territory was violated. Later, some indirect opposition came from the larger support NGOs who thought budget analysis to be their area of activity.

**Impact:**

The alternative budget analysis process is conducted in close cooperation with DISHA members and its range of groups thus leading to continuous mutual learning and capacity building to manage the budget analysis process better. Over the years, DISHA has also built a community of several budget analysis NGOs in about 12 states in India which this year came together under what is called People’s BIAS.

Budget analysis has also built DISHA’s capacity, improved the budgeting process, deepened the budget session discussions in the Legislative Assembly, and slowly but consistently brought some of the CSOs closer to each other in pursuit of improved budgeting as a good governance issue.

What is achieved through DISHA’s alternative budget analysis? The budget itself now has less arithmetic, calculation and accounting mistakes. Further, the MLAs debate the budget in greater depth and in a more meaningful way. During the budget session of the State Legislative Assembly, the elected members go beyond issues to numbers and trends. The budget speech of the Finance Minister is drafted with greater care to ensure that what is said is reflected in the annual allocations, and that party priorities are included in the speech. As Mahesh Upadhyay, a consultant for small development groups, mentioned at the Holdeen India Programme partners’ meeting in Thane, January 2000, “Budget has become an area of interest for smaller NGOs who in the past refused to look beyond immediate concrete struggle or development activities”. Members of an activists group engaged in budget analysis in Tamil Nadu suggests. “If the analysis is authentic and accurate, impact of an activist groups comments on the budget is tremendous. This is what we have learned from budget analysis done by DISHA”. Having been inspired from budget analysis work of DISHA, CECOEDCON in Rajasthan teamed up with Voluntary Action Network of India (VANI) to launch PARVI, a network to conduct nation-wide budget analysis related advocacy.

DISHA’s current work has had an impact on many sectors: forestry, education, health, agriculture, labour, roads and water. The introduction of alternative budget analysis has improved budgetary planning by bridging the gap between budgeting and sectoral planning and creating a closer link between party and government policy objectives and budgetary allocations in at least these sectors. However, it is hard to say that it is only because of DISHA’s budget analysis because several other factors also play their role.

Allocations to the priority sectors have been made more carefully, in which Asian Development Bank and the bilateral agencies have also played a role. Furthermore, these priority sectors receive preference in fund releases and are thus often protected from negative shocks. Tribal areas have relatively easier flow of funds and the process is more closely matched by the administration as well as the political parties.
The experience of budget analysis in Gujarat, Maharashtra, and Tamil Nadu clearly shows that the relationship between the budgeting administering and groups such as DISHA or Vidhayak Sansad or People’s Watch is more direct. “Cost consciousness is brought into the relief administration Gujarat after the budget analysis of relief expenditure conducted by DISHA,” says Arvind Patel of Disaster Mitigation Institute (DMI). Cost of distributing relief is far more than the relief amount. Obviously, governance of relief administration is inadequate. The alternative budget analysis process improved information flows at two levels: first, sector ministries received improved information on overall resource constraints and budget strategy, while the finance department received better information on sector requirements and efficiency. Some of these changes are also due to recent State Finance Commission, Asian Development Bank and the World Bank review of the fiscal position of Government of Gujarat. Second, focus group and consultative meetings facilitated a broad-based exchange of information and discussion of budgetary issues between NGOs, government administration, MLAs, political parties and others in Maharashtra and Tamil Nadu. The improved flow of information as well as technical studies undertaken in the finance department has led to improved allocation decisions among competing claims from spending units, though it is difficult to pinpoint or capture DISHA’s or Vidhayak Sansad’s role in this aspect in their states.

Poor integration of resources into the budget has often led to a lack of ownership and limited coherence in public expenditure. Dr. Sudarshan Aiyanger, GIDR, suggests that this lack of ownership is very damaging. The finance department itself cares little about through budgeting process. Many smaller NGOs in other states are keen to take up aspects of budget analysis work. Jar Jagriti Kendra in Madhya Pradesh, Nirman in Delhi, Rural Development Centre in Maharashtra, and STPS in Andhra Pradesh are some examples. Political economy oriented analysis by DISHA forces the sectoral claims to be more integrated to address the grassroots reality. As part of the process, an explicit target to further increase transparency and accountability in budget execution is coming up, on the one hand, and on the other hand, the administration is tightening its control over flow of information and details. There is a move in Gujarat to reduce the number of documents given out the MLAs under the pretext of saving public money.

A range of outcomes were achieved by budget analysis. First, DISHA received media exposure, continuous and serious, in the local and Gujarati press. Second, DISHA was taken more seriously by the other NGOs and the administrators who had so far seen DISHA taking out street marches and rallies. Third, DISHA gained this power of masses matched with power of information, and was almost unique in Gujarat in this regard, if not in India. It also helped DISHA pin down its range of activities and demands to something measurable and concrete, budget.

The related or unintended outcome of budget analysis is that now each year more NGOs in more states are taking up budget analysis—sectoral or schemewise or total in India. Many of them have done budget analysis after they heard Mistry Saheb in a public lecture or sent a team to Ahmedabad learn it from DISHA.

Downsize, decentralise, privatise or eliminate government bureaucracies, but the budgets will only grow. Promote a set of welfare oriented policies or free market principles, and the role of the government is only going to grow, though maybe with different roles and functions. Thus budget and budgeting will remain an important aspect of governance. The budget analysis and related advocacy work for leaders—from political and social movements and voluntary sectors—in public governance and budgeting is emerging as an impact of budget analysis work. DISHA has initiated the process with some of the leading NGOs and CSOs and other partners across India.

Let us see this local state level impact in a global setting. Winston Churchill once called democracy the worst form of government—except for all the others. The end of the cold war seemed to prove him right. All but a handful of countries now claim to embrace democratic ideals. Insofar as there is a debate about democracy, much of it now centres on how to help the
“emerging” democracies of Asia, Africa, Latin America and Eastern Europe catch up with the established democratic countries of the West and Japan. Democratic Civil Society and democratic governance in these countries have become more international issues and less of a domestic concern. DISHA’s budget analysis work, however, begins at home. No wonder, more and more groups in more countries—South Africa, Ghana, Bangladesh—are taking up budget analysis.

If opinion research is any guide, the mature democracies have troubles of their own. In the United States, in particular, the high opinion which people had of their government has declined steadily over the past four decades. And as a result, citizen-to-government relations have thinned and become distanced. But DISHA’s budget analysis work builds closer and thicker relations between the citizens, especially the poor among them, and their local to national government.

More controversially, some political scientists see the growth of protest movements since the 1960s as a sign of declining faith in the traditional institutions of representative democracy, and an attempt to bypass them. Others reckon that the most serious threat comes from the increasingly professional pressure groups and lobbying organisations that work behind the scenes to influence government policy and defend special interests, often at the expense of the electorate as a whole. DISHA’s alternative budget analysis work is embedded in and emerging from the protest movement of tribal and forest workers. At the same time, uniquely, it is demystifying. It deprofessionalises the budget analysis work and builds an alternative lobbying or policy influencing organisation that moves away from special interest to public interest.

What is to be done? Those who believe that government has overreached itself call on governments to become smaller and to promise less. Thus, it is hoped, people will come to do more for themselves. But whatever the appropriate size and reach of governments, there is also scope for making the machinery of democracy work better. And that is what DISHA is doing with the most powerful machinery of the state—the Finance Department—which in many ways has more power than the police or court of law.

Indeed, some commentators see the public’s declining confidence in political institutions as an opportunity for democratic renewal. Pippa Norris (1999), at Harvard University’s Kennedy School of Government, hails the advent of a new breed of “critical citizens” who see the existing channels of participation falling short of democratic ideals and want to reform them. Through budget analysis DISHA is not only promoting critical citizens, but citizens, most of them poor, who analyse and amend the budgeting process and outcomes.

It must be noted that the first phase of budget analysis was initiated on entirely DISHA’s own strength. DISHA worked out and built its strength to conduct analysis on its own for the first stage. It was important to build and enjoy this autonomy. It is only now, at national level, DISHA has built alliances with NCAS, FPI, CWHRI and many others. It was deliberate policy of DISHA to earn and maintain this autonomy as alliances and partnerships also bring colour and tint and leanings of the partners to the product.

DISHA is established as a mass based organisation of tribal and forest workers. City of Ahmedabad and the media had seen large, authentic, and active rallies of tribals taken out by DISHA. These credentials of DISHA were established. Without much gap, DISHA launched budget analysis. DISHA was clear to all that a mass based organisation of the poor was doing this analysis. Second, DISHA invested resources—time, money and effort—in purchasing needed documents, reports, data, and memos related to budget and budgeting. It also set up its easy access but guarded computerised database as well as library of documents. Thus accessible and authentic information base was created. Third, media was contacted with clear credible arguments from budget analysis. DISHA pointed out mistakes of simple additions and multiplications in the budget document which anyone can cross check with a hand calculator and in fifteen minutes. Such 600 mistakes were found by DISHA during the first analysis and as a result, DISHA gain credibility as number cruncher.
The weakness in budget analysis strategy is lack of emphasis on clarity in presentation. Partly because it is about numbers, presentation of analysis is becoming very important. The Goa Workshop, organised by the Ford Foundation, November 1999, also highlighted that clear, logical, single-point, and well drafted presentation can most certainly increase the involvement of Civil Society organisations that traditionally do not crunch numbers.

It is important to note that information on budgets is easily available and not easily available. That is, there are volumes and volumes on each budget that are shared with the MLAs and most MLAs do not know what to do with these volumes. If an NGO has access to an MLA, it can use this material. But it is very difficult to buy the same public documents from the government shops. The volumes come late, are not in full set, or the purchaser is discouraged, actively, from buying. DISHA had this direct access to the volumes of information. It is important to find out these sources and see that such information remains in public domain. Recently there is some move to take budget related volume back to the “official use” domain. Thus, information as a resource of civil society was available to DISHA for analysis.

**Key Concerns:**

Several issues related to the context in which budget analysis is pursued becomes important. In terms of political context, in Gujarat, role of new and organised interests in public policy formation is accepted. In the past, the TLA, a union of textile labour, has played an active role in influencing public policy related to not only labour and employment but also education, health, municipal administration, social welfare, industrial investments, and justice. Similar, and comparable, role is played by organised interests such as Ahmedabad Management Association, Gujarat Vepari Mahamandal, Maskati Mahajan, Gujarat Sarvoday Mandal, and others. In the recent past the Consumer Education Research Centre, Self Employed Women’s Association (SEWA), VIKSAT, and Baroda Citizen’s Council have played an active role in influencing public policy. As a result, role played by DISHA is not seen as an oddity or an exception. DISHA entered this public space, established its credentials, and took up budget analysis as a focus of its analysis and action. In Gujarat, there is a tradition of the Finance Minister meeting various interest groups—traders, economists, industrialists—before the budget session to consult on their ideas, gauge their mood, measure trends, and test waters for popular tax cuts or unpopular tax proposals. The NGOs or other civil society actors have not played a role in these consultations. But the space does exist.

There is another element to the context on budget analysis, and that is of political stability. The budget analysis activities started when there were no major social movements such as Maha Gujarat Andolan, Narmada Bachao Andolan, Nav Nirman Andolan, or the Anti-Reservation Stir. Though political activities were high and house-trading—buying and selling elected leaders—from the fraction of the party or across parties was common, there was no major mass mobilisation which coloured the political context.

Thus acceptance of civil society organisations in policy making and political context played a role in letting budget analysis go back to the public domain.

Though initiated by an organisation perceived as representative of tribals and forest workers, DISHA’s budget analysis work broadened its base of argument by raising issue related to the poor, all poor, who constitute 40% of the population and upto 70% of the active voters. By redefining the issues of poverty of tribals and forest workers into issues of the poor’s right to increased share of public expenditure, DISHA enhanced its chances of success. Across political ideologies and groupings it is not yet possible to discard the demands of the poor. The poor play a crucial role in electing and supporting the governments.

Multiple strategies of mobilisation of tribals and timru leaf collecting women, lobbying with MLAs across party lines, using NGO coalitions such as JANPATH, and sustained media interest, first in
Times of India and later in several other newspapers caused an impact of budget analysis work of DISHA on the government.

Value added, simplified but attention-grabbing, brief and in the form of an argument, free or low cost information in public domain promoted greater accountability of budgeting bodies to citizens and their groups. When the political and ideological policy environment is committed to the poverty removal or pro-poor policies, civil society activities can be pursued effectively. The informal and ill-defined but at times effective partnership between civil society and political institutions brought about enhanced accountability. There is a need to find ways to interface these partners to link up and conduct joint action. Democratic devolution of budgeting will help the budgeting process as well as the institutions of local self governance.

A crucial facilitator factor was the initial and full support from the donors to give all it takes to set up the systems. Such work takes time, has huge initial upfront investments and no easy or direct results at least in first few years. Another facilitating factor was DISHA’s strategy which benefited from the (a) labour movement involvement; (b) Oxfam’s issue based group support related experience; and (c) from the exposure to Centre for Budget Analysis and Policy Priority, USA. Also, DISHA leadership has acute political sense about between party and within party power equations. This contributed in making effective strategy.

Because of its mass base among the forest workers and tribals DISHA did not need formal partnership with CSOs to promote budget analysis. Informal but shared values and views about pro-poor issues helped DISHA move ahead fast. A partnership with effective economic or finance institute would have helped DISHA a lot in budget analysis.

Increasing concern for balancing budget, increased public expenditure, and oversized government are the policy concerns which attracted interest of other NGOs and media in DISHA’s budget analysis work. Cost of government, allocation of funds, and impact of expenditure are the current policy issues which helped create a climate for DISHA to further its agenda.

DISHA’s leadership in Mistry Sahib and also Vimalaben Kharadi helped in promoting budget analysis in DISHA. Mistry Sahib was a professor of geography, (not economics) a union leader, and action researcher related to consumer and performance of public institutions. He was also with an international NGO supporting its local partners on issue of dalits, minimum wages, and income. Such operational and multi-dimensional, micro-macro experience helped in defining and developing analysis. Vimalaben helps put defined and strategic concerns of the poor and tribals on the analysis agenda. Thus leadership helped in furthering budget analysis work.

DISHA made its budget analysis available to all—across party line and equations—who were interested in issues related to the poor. Budget analysis gained support of MLAs with strong pro-poor voter base in Congress and in BJP governments. Soon, Congress was out of power and BJP came in power, and DISHA came closer to the leader, Shanker Sinh Vaghela, who found in DISHA’s budget analysis work “content” for his effective speeches and mobilisation. Soon, turn of events brought Sharker Sinh into power, and as a Chief Minister he invited Mistry Sahib to take over the new RJP as its party president, which he did. When RJP lost power and support DISHA continued with analysis as a non-party exercise and currently, as RJP merged with Congress, DISHA is closer to Congress thinktanks such as Manifesto Committees in Delhi.

Challenges:

All has not been achieved and improved. Much work remains to be done.

The areas where DISHA needs to build its strength include promoting greater interaction and engagement with the elected representatives in terms of increasing their “budget literacy”; exposing the link between budget performance and political constituency nurturing; and working
on broader democratic issues of making the budgeting process more transparent, accessible, iterative and accountable. This is the first challenge.

DISHA faces a second challenge—to build a broader alliance of not only NGOs and POs or their federations, but of other Civil Society players or actors, such as chambers of commerce or universities or research agencies. This alliance would help DISHA gain a broader base and recognition without being coopted, silenced or sidelined in its efforts to improve governance.

There is a third challenge. DISHA needs to build conceptual links between performance rating and planning activities of the state and budget analysis. Budgets that stand on their own, and away from the planning and performance reality, do not go very far. Action Planning by Disaster Mitigation Institute and Indian Institute of Public Administration in reducing urban risks in Delhi and Ahmedabad have shown that plans without budgets mock participation.

Rating the performance of basic municipal services, which has been done by Foundation for Public Interest in Ahmedabad and six nagarpalikas (small municipalities) through the Report Card activity, and by Public Affairs Centre in Bangalore and many more metropolitan cities, has shown that performance depends on available allocations. These are three key challenges of operationalising Civil Society involvement in good governance and DISHA should make use of them in its future work.

In many ways, this access to economic or financial information is related to the Right to Information Struggle of MKSS in Rajasthan (Goetz and Jenkins?). Right to Information is a general governance principle. Right to budget information or public works expenditure information is a specified operational demand. Such further refinement of general principles into specific demands makes it possible for Civil Society to take up issues of improving governance. The challenge to DISHA is budget analysis work is how effectively it can link its with a wide range of existing or latent Civil Society demands.

**Lessons Learned:**

What does this alternative budget analysis done by DISHA mean for Civil Society and governance in India? First, in spite of all its limitations, democratic institutions and processes in India do offer a direct and possibly effective opening in governance to the citizens. This opening can go beyond voting and elections or joining a political party. If and when the citizens, especially the poor, are organised to build their collective organised strength, they can be more effective in making use of these openings offered by institutions and institutional processes and arrangements. With specific, measurable, manageable and well-articulated demands, such as those that come out of alternative budget analysis work, these organisations of the poor can influence and improve governance.

The future activities of alternative budget analysis will have to focus on opportunities and tensions that emerge in public governance and budgeting at the panchayat or state or central level as India moves towards more participatory but coalition politics, a more open but profit oriented economy, and increased integration into the global market place. The national leaders—NGOs, VOs, CBOs, POs, CSOs, political groups, panchayat leaders, elected MPs, MLAs and others—will need to sharpen their problem solving, analytical and strategic action skills as they contribute to major governance and budget making policy and related institutional processes at the national or state or village level.

After having done the alternative budget analysis, participants in the organisations return to their field of activity—voluntary or political—with a greater capacity to define public governance and resource allocation problems and analyse policy options. They gain a broader perspective on the task of leadership that takes governance and budgeting more seriously. A renewed commitment to work with others in the Civil Society to make a difference in the governance and budgeting in favour of the poor, including women, Dalits, minorities and tribals, emerges. These trends can be
consolidated by (a) ongoing budget analysis exercise at national and selected state and panchayat levels; (b) pre-budget preparatory sessions; (c) post-budget public debate; (d) periodic sectoral analysis; and (e) selected performance monitoring sessions across agencies and departments.

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