



Access to detailed budget information and the ability to analyze that data provided the evidence that civil society advocate NCDHR needed to pressure government in India to keep its promise to target resources to benefit one of India's most deprived social groups.

Photo courtesy of NCDHR.

The following case study illustrates how persistent advocacy and solid evidence can shift government budgets toward helping those most in need. This is a summary of a more in-depth study prepared by Vimala Ramachandran and Sapna Goel as part of the Learning Program of the IBP's Partnership Initiative. The PI Learning Program seeks to assess and document the impact of civil society engagement in public budgeting.

Download a PDF of the complete case study at <http://internationalbudget.org/wp-content/uploads/LP-case-study-NCDHR.pdf>.

## INDIA: BUDGET TRACKING TO GIVE DALITS A FAIR SHARE OF DEVELOPMENT

When the Home Minister of India addressed the Parliament in August 2010, he acknowledged something that the National Campaign for Dalit Human Rights (NCDHR) had for years been saying: that government funds were being unjustly diverted away from one of the most deprived social groups in India.

What Home Minister P.C. Chidambaram specifically said was that approximately Rs. 6786.78 billion rupees (US\$ 140 million) had likely been taken out of a special fund intended to benefit Dalits and used instead to cover costs related to the 2010 Commonwealth Games in Delhi — an event that had already been marred by other accusations of corruption and abuse of labor rights. He promised that the government would restore the diverted funds.

For human rights groups in India, this was seen as a major milestone. The public acknowledgement finally seemed to have put the government on its back foot. Indeed, further victories would follow in a nearly five-

year struggle to help Dalits claim the resources that had been promised to them as redress for centuries of discrimination.

The case demonstrates that whilst civil society organizations can struggle for years with little impact on government policies or budgets, such sustained campaigns can prepare activists to take full advantage of sudden and unforeseeable opportunities.

### THE ISSUES: A LACK OF POLITICAL WILL TO IMPLEMENT INDIA'S PROMISE TO THE DALITS

In India Dalits are "outcastes" who fall outside the traditional four-fold caste system, which consists of the hereditary Brahmin, Kshatriya, Vaishya, and Shudra classes. Because of this, Dalits were historically considered to occupy a lower social status. Forced to do the work that was considered unclean, Dalits were treated as "untouchables" and were not permitted to own land or attend school; the Hindu scriptures even prohibit Dalits from hearing sacred chants.

Though discrimination by caste was prohibited by the Indian Constitution in 1950, Dalits face a lingering social stigma and the cumulative burden of centuries of exclusion and discrimination. A majority of Dalits, who make up 16.2 percent of the total population, live in poverty, and 62 percent are illiterate, according to the 2001 Census of India.

Policies have been put into place to address these injustices. Most prominent among these efforts, the government of India in 1980 stipulated that national and state spending on development projects be allocated in such a way that benefits Dalits proportionally. Since Dalits comprise 16 percent of the population, this meant that at least 16 percent of government development spending should be directed to programs and projects that target Dalits directly.

This declaration, now known as the Scheduled Caste Sub-Plan (SCSP), has the objective to promote the educational, social, and economic development of the Dalits and play a “positive interventionist role to neutralize the accumulated distortions of the past.”<sup>i, ii</sup> The subsequent failure to implement the SCSP, however, reflects the persistence of deep-seated prejudices against Dalits among politicians and state officials.

As of the 2007-2008 fiscal year, only 6.1 percent of total spending was channeled through the SCSP mechanism. That rose to 8.84 percent in the 2011-2012 outlay, or about half the percentage stipulated. But because SCSP allocations are still not reflected in the Demand for Grants — the detailed plan for government expenditure that is approved by the legislature — this amount is systematically underallocated and underutilized.

Furthermore, the way in which SCSP funds are accounted for makes it easy for officials and politicians to divert such funds for things that may not benefit the Dalits at all. The SCSP allocations are separated into divisible funds (those used to directly benefit the Dalit community) and indivisible funds (those spent on general welfare or development that will benefit the Dalits along with everyone else). The indivisible funds can easily be spent on the non-Dalit population simply because they are not clearly earmarked.

Perhaps the largest problem with the SCSP is that it has until recently been almost impossible to track. In 1995 the code 789 was created to categorize SCSP funds, and the Planning Commission asked all the departments of the national and state governments to use this code. However, no timeline was stipulated for the national and state governments to comply, and the code was largely ignored.

Since following the money is impossible without a trail, the implementation of code 789 became a strong focus of the NCDHR.

## THE CAMPAIGNS

### *Campaign 789*

The NCDHR was established in 1998 by 78 Dalit activists, intellectuals, and writers from different parts of India who were offended that, even after 51 years of independence and a constitution that guaranteed the right against discrimination, “untouchability” continued in different forms and the Dalits remained among the poorest and most marginalized communities in the country. Specifically, the NCDHR gave itself the mission to enhance the visibility of Dalit issues, and to hold the government responsible for implementing the laws of the land; it has since spread across 14 states of India with a national secretariat in New Delhi.

NCDHR turned its attention to the SCSP as early as 2006, working together with the Centre for Budget and Governance Accountability to develop a methodology that involved budget analysis and the tracking of expenditures tagged with code 789, the marker for funds intended to benefit Dalits.

Building on this analysis, NCDHR briefly filed public interest litigation alleging that the government of the State of Delhi had not allocated the stipulated level of funding for scheduled castes and scheduled tribes (the legal term used for “untouchable” groups considered to be outside the caste system). It was forced to withdraw that lawsuit, however, because the government’s failure to implement the use of budget code 789 made it difficult to build the case.

NCDHR instead filed a Right to Information petition to the government of the State of Delhi asking why the code was not operational. Meanwhile, the organization began a multipronged communication strategy.

It disseminated its research to any and all institutions concerned with human rights, governance, and transparency — including Members of Parliament, the Comptroller and Auditor General, and even the Planning Commission itself, which is the nodal body that formulates the country’s influential five-year development plans. NCDHR also organized workshops around the country to train social activists to do the same kind of budget analysis in their own regions.

Finally, the organization held a demonstration it called “The Bounced [Check] Rally” to protest against the failure of the government to deliver the funds it was

obliged to provide for Dalit communities. The government's check — its promise — had bounced.

With an appeal still pending on NCDHR's Right to Information request and with the mounting pressure from



## TACTICS FOR WINNING DALITS THE DEVELOPMENT RESOURCES THEY DESERVE

### Litigation

- A public interest suit against the State of Delhi for failure to allocate the stipulated amount of funds for Dalit communities
- Submission of a Right to Information petition

### Media Outreach

- Sharing of investigative reports that made use of budget analysis and budget tracking
- One high-profile press conference amid intense controversy over alleged malfeasance related to the Commonwealth Games

### Parliamentary Engagement

- Sharing of investigative reports that made use of budget analysis and budget tracking
- Targeting of progressive or forward-thinking politicians

### Mobilizing Citizens

- Training of activists in the use of budget analysis and budget tracking of Dalit-targeted expenditures

### Government Engagement

- Sharing of information and dialogue with high-level government officials

civil society organizations, politicians and the demonstrations, the Delhi government in 2008 issued an order asking all its department to introduce the use of code 789.

### *The Commonwealth Games*

The Commonwealth Games held in New Delhi in 2010 were marred by allegations of high-level corruption and other abuses. One of the most shocking discoveries was

that some of the workers who had built new infrastructure for the event had been paid less than the basic minimum wage and not received proper housing or sanitation. That these irregularities occurred as part of an extravagant international event propelled the matter to the front pages of the newspapers and the forefront of the political debate.

The Housing and Land Rights Network, a human rights organization, helped to expose much of the irregularities. In their investigations, they discovered a document suggesting that SCSP funds had been diverted to help pay for the event. Knowing that NCDHR had been working on this issue, it passed along the information.

Using its expertise in tracking this particular budget item, NCDHR had soon confirmed the suspicion. NCDHR released its findings in a report titled "The 2010 Commonwealth Games: Whose Wealth? Whose Commons?" to a rapt news media and eager opposition lawmakers. After the press conference to launch the report, the issue was discussed in Parliament for two consecutive days. It was amid this intense level of controversy that the Home Minister's comment before the Parliament was made. Brief though it may have been, it represented a great moral victory for Dalits and a triumph of accountability for the country.

Further reforms to the SCSP have followed. The government of India also made it mandatory for all departments to use code 789 in the 2011-2012 budget, and the Planning Commission set up a taskforce in June 2010 to "re-examine and revise the extant guidelines issued by Planning Commission for implementation of SCSP."

### WERE THE CHANGES DUE TO THE CAMPAIGN?

There is no doubt that a range of contextual factors contributed to the success of the campaign.

To begin with, India's democratic institutions played a key role. The Indian Constitution guarantees certain rights to its citizens and gave NCDHR the legal foundation on which to base their demands. The independent judiciary enabled public interest litigation and the submission for Right to Information requests. Similarly, democratic parliamentary processes made it possible for government decisions to be questioned. The free media also provided a significant resource for the campaign.

India also counts on a vibrant civil society. For over 60 years, citizens have mobilized to demand the realization of Dalit or Tribal rights. These debates have often centered on the enactment of policies for affirmative action or special financial allocations (such as the SCSP).

This post-independence heritage gave the campaign a vocabulary to voice its concerns, as well as a cadre of activists and a public familiar with the issues.

The NCDHR's campaign also benefited to no small degree from the political climate created by the corruption scandals surrounding the Commonwealth Games. Indeed, some observers would say that the success was incidental



### OUTCOMES RELATED TO THE CAMPAIGN

- The Home Minister admitted in the Parliament that SCSP funds were wrongly diverted and committed to returning the misallocated amounts.
- The Delhi government implemented code 789 in 2010, and the government of India made using code 789 mandatory in the budget of 2011-2012.
- The Planning Commission set up a taskforce in June 2010 to “re-examine and revise the extant guidelines issued by Planning Commission for implementation of SCSP.”

— a reflection of the public's interest in corruption but not in the rights of Dalits.

While observers caution that the government has not yet returned the diverted funds and that further problems

with the implementation of the SCSP are inevitable, the balance of opinion suggests that the campaign has made significant progress toward resolving the obstacles.

“This campaign is an important step, but we have a long way to go,” said a senior officer in the Comptroller and Auditor General's office who asked not to be named.

### CONCLUSION

When it was first suspected that the Commonwealth Games had used funds destined for one of India's most disadvantaged groups, the NCDHR was able to respond quickly because it had nearly 10 years of accumulated experience and expertise on the issue.

The NCDHR drew from its established method of budget tracking and quickly mobilized its contacts with activists, journalists, politicians, and government officials — with dramatic effect. The campaign has certainly contributed to making an important component of government expenditures more transparent and accountable.

The NCDHR has also contributed to a shift in the public mood in India. In the year following its high-profile work, there have been several protest marches, hunger strikes, and sit-ins to demand more effective laws and systems to punish corrupt politicians and administrators. And beyond this galvanizing energy, the NCDHR also leaves behind the budgetary skills needed to back up that anger and frustration with evidence.

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i These are allocations made every five years by the Planning Commission on the basis of the five-year plan.  
ii Government of India, National Policy of Education, 1986.

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