

**“SOCIAL DEVELOPMENT IN TAMILNADU
– SERIOUS CONCERNS”**

A PEOPLES' MEMORANDUM TO THE
GOVT. OF TAMILNADU ON THE STATE BUDGET
2000-2001

Tamilnadu Peoples' Forum for Social Development

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PEOPLES' MONEY AT STAKE

Tamilnadu Government will be submitting its State Budget for the year 2000-2001 in the months of March / April, 2000.

The Budget of a Government is meant to be an occasion when the Government is made accountable about the way it has handled public money in the previous year and the way it plans to do it in the coming year. But, over the years, the Budgets, and the discussions on them in the Legislative Assembly, have become mere rituals, with hardly any significant roles for people at any level.

The amounts of public money that come into the Budgeting process are indeed huge, as can be seen by the following figures from the 1999-2000 budget estimates:

<u>Revenue Receipts</u>	<u>Rs 15,867.78 crores</u>
State Taxes	Rs 10,645.00 crores
Non-tax Revenues	Rs 1,085.78 crores
Receipts from Centre	Rs 4,137.00 crores
<u>Revenue Expenditures</u>	<u>Rs 18,500.32 crores</u>
General Services	Rs 6,563.45 crores
Social Services	Rs 7,306.57 crores
Economic Services	Rs 3,609.42 crores
Grants-in-aid...	Rs 1,020.88 crores
Capital Expenditures	Rs 1,463.22 crores
State Public Debt(internal)	Rs 2,462.97 crores

These are indeed huge sums of peoples' money. Hence it is essential that the processes behind such huge financial transactions are made known to the people.

NEAR-ZERO IMPACT ON PEOPLES' LIVES:

The fact that 50 years of planning and budgeting have not made a serious impact on some of the basic contradictions of our social reality is today more than obvious. While the Government is proud in demonstrating its spending crores of rupees on so many social welfare programmes, the social development of peoples in Tamilnadu, especially sections such as women, children, dalits, tribals, fisherfolk and unorganised labourers, remains very low and at times even deteriorating.

Some of the following striking data reveal the extent to which our budgeting has been near-futile in the field of social development.

TAMILNADU – A STATE OF SOCIAL CONTRADICTIONS

While the Govt. has been touting the various successes both in economic and social development fields, Tamilnadu, when looked deeper and in a dis-aggregated manner, is surely a State of serious contradictions in the field of Social Development.

The major point of concern with regard to Tamilnadu has been the continuing fact that a large section of the population has been left out from benefiting from whatever development, economic or social, that the State has achieved.

TAMILNADU ECONOMIC DEVELOPMENT – LOPSIDED

Over the years, the Tamilnadu economy has witnessed a relatively high level of diversification, concentrating more on the tertiary services sector, accompanied by a relatively rapid move away from the primary sector.

Sectoral Shares in NSDP

Sectors	1970-71	1980-81	1990-91	1996-97
Primary	34.79%	25.92%	23.42%	18.52%
Secondary	26.88%	33.49%	33.10%	32.57%
Tertiary	38.33%	40.59%	43.48%	48.91%

The growth of the Tertiary service sector has been phenomenal, at the expense of the primary sector, while the industrial sector has made only moderate progress. While this has been claimed as progress, it reveals indeed the lopsided pattern of development in Tamilnadu over many decades. This becomes clearer, especially given the near-stagnation in the agriculture and many areas of industry sector.

The reality of the Employment scene brings out the lopsidedness even more cruelly.

With all its urbanisation process, Tamilnadu still remains predominantly a rural society.

As the 1991 census revealed, the share of workforce depending on the primary sector has remained virtually unchanged – at about 62%. And even in 1997, nearly 60% of its population (ie. about 380 lakhs) lived in rural areas and were mostly dependent on agriculture.

And all through the 1980's and 1990's, while the increase in employment in services sector has been substantial, it has declined in almost all the other sectors. Over the 1980's, workers employment in agriculture and allied works declined to 1.48% per annum from 2.45% in the previous decade. Over the same period, work force absorption in the manufacturing sector declined from 3.92% to 1.00%.

“This means that a substantial part of the population has been adversely affected by the deceleration in the primary sector. The distress in rural Tamilnadu can be gauged by the fact that average employment in a year was 194 days in 1964-65 and in the early-1980s it was only 188 days. Over the 20-year period, rural employment levels were below the average national levels...”

- Tamilnadu Peoples’ Manifesto, 1996

And, hence, the proportion of cultivators has steadily declined over the decades, turning them into agricultural labourers. Similarly, in the industrial sector too, the proportion of workers in household manufacturing has steadily fallen, indicating a change in status, from that of the self-employed to wage worker.

“This has resulted in high “casualisation” of the labour force; one-third of the men and two-third of the women are casual workers in the urban areas. The proportion is higher in the rural areas. The unemployment rate is also one of the highest...”

- Tamilnadu Peoples’ manifesto, 1996

And the post-1991 economic policies, based on privatisation, open entry to multinationals and the structural adjustment programme, dictated by the World Bank-IMF, have only worsened the situation. And the Tamilnadu Govt. has enthusiastically but uncritically got on to the process, as seen by the sudden onslaught of multinationals in the Tamilnadu economy. And the Govt. takes pride in claiming that in terms of foreign direct investment, Tamilnadu stands very high. But the consequences on the already lopsided nature of development in Tamilnadu and on the social development of the already marginalised sections of Tamil people have not been seriously taken into consideration.

ENDEMIC POVERTY & DEPRIVATION

Poverty and severe deprivation, especially among clearly identifiable sections, has been endemic and persistent in the State. Technical calculations, based on cruelly cynical levels of consumption, income etc. have been used by the Govt. to “prove” that people below poverty line are decreasing. Even by such unrealistic estimates, the percentage below poverty line in Tamilnadu declined from mid 1950's to early/mid 1960's, but went up later.

Percentage of people below poverty line in Tamilnadu (1993-94)

	Tamilnadu	India
Rural	32.42%	37.37%
Urban	39.77%	32.36%
Total	35.03%	35.97%

- Union Planning Commission estimates

And as late as 1993-94, according to Union Planning Commission estimates, 202 lakhs of Tamilnadu population lived below poverty line. Of this, 122 lakhs of people lived in the rural areas and 80 lakhs lived in the urban areas.

And the level of poverty in Tamilnadu (35.03%) was the worst among all the 4 Southern States, behind Andhra Pradesh (22.19%), Kerala (25.43%) and Karnataka (33.16%). And at the national level, it's hardly higher than the average! And with regard to urban poverty, it is much worse than the national average!

It is to be noted that while in 1973-74, rural poverty levels in Tamilnadu (57%) were far higher than urban levels (49.4%), in 1993-94, urban poverty levels (39.77%) exceeded rural levels (32.42%)

LAND, AT THE HEART OF THE PROBLEM

Land is a major source of income and economic security in the villages. And given the fact that vast majority of Tamil people still live in villages, land has been at the heart of the problem of poverty and deprivation in Tamilnadu.

The average size of operational holding had come down from 1.45 hectare in early-1970's to 1.01 hectare in mid-1980's. And the process has continued well into the 1990's. As the India Human Development Report 1999, by the National Council of Applied Economic Research reveals,

“ While the average size of landholding for India as a whole is 4.5 acres per reporting household, it is only 2.8 acres in Tamilnadu ”

- IHRD, 1999

In terms of rural households, not owning any land, Tamilnadu topped (17%) in the 1970's. In terms of rural households, neither owning nor operating land, again, Tamilnadu topped (14%). And in this regard, Tamilnadu has been the worst in the country. To quote again the same report,

“While 63 % of rural households in India reported some ownership of land, the lowest percentage of those that reported ownership of land was in Tamilnadu (34%)”

- IHRD, 1999

Over the years, there has been also marked marginalisation of ownership holdings: Percentage of households owning less than 1 hectare increased from 64.7% in mid-1970's to 71.3% in mid-1980's.

On the other hand, the highly skewed pattern of ownership of land in India has been most marked. In terms of distribution of assets (Assets = land, buildings, livestock, farm/non-farm equipment, durable consumables,

financial assets), Tamilnadu has always shown greatest inequality. In a highly inequitable situation, 7.15% of rural families owned 51.01% of land, while the 25.54% rural destitute families owned a meager 0.86% of land & rural assets.

And when land ownership by particularly vulnerable section like dalits is looked into, the situation is indeed cruel. Even a cursory look into Tamilnadu Govt.'s own statistics reveal the following

- Out of all those who own land of all sizes in Tamilnadu (79,98,932 units), dalits owning land (9,03,584 units) constitute only 11.3%.
- Of all the land owned in Tamilnadu, lands owned by dalits form only 7.1% of the total area
- Out of all those who own large farms (10 acres and above) in Tamilnadu, a mere 1.5% are dalits.
- Among the dalits who own land (i.e. 9,03,584 units), nearly 45% (3,98,767) own lands, less than 2 acres each, which is highly non-economical and non-profitable

Such continued disparities in the ownership of land have meant a life of below-subsistence for the majority of the poor in the villages of Tamilnadu. While the dismal failure of the Tamilnadu Govt. in the implementation of land reforms and secure land tenures has been well documented, the recent process of massive acquisition of private and public lands by mega projects, leading to large scale land alienation and eviction of large numbers of population from land has added to the misery and insecurity of the rural poor in Tamilnadu.

While the election manifesto of the present ruling party did mention the topic of “panchami lands’ of dalits, but no effort has been made in the line. It is near impossible to find even a mention of the land question in the successive budgets of the Tamilnadu Govt.!

Given this continued reluctance to look into structural dimension of poverty, most of the poverty alleviation programmes, with all the crores of rupees spent have not led to significant difference to deprivation in the villages. At best, they have been mere symbolic gestures.

“The poverty alleviation programmes, especially in the rural areas, have been implemented without changes in the unequal agrarian structure and hence most of the benefits have gone to the rich.”

There is an urgent need to look into the long-term effectiveness of the various poverty alleviation programmes of the Government. There is also the need that in the implementation of the programmes, elected representatives of panchayats and urban local bodies have a primary level, instead of the bureaucracy.

EMPLOYMENT GENERATION–THE FORGOTTEN DIMENSION

Poverty is closely linked with the availability of regular jobs and decent levels of wages.

“The unemployment rate in Tamilnadu is higher than the national average. The number of job seekers on the live registers of the employment exchanges increased from 1.3 million in 1980 to 3.7 million in 1993. The State’s share of those thus registered in India overall increased from 7% to more than 10% during this period.”

- Tamilnadu Peoples’ Manifesto, 1996

The NSSO data for rural areas have also revealed that,

“ ... as against a usual status unemployment of 2.8% for males and 3.5% for females in India, the unemployment rate is 4.0% for males and 4.5% for females in Tamilnadu”.

The situation in Tamilnadu on the employment front truly warrants an Employment Guarantee Scheme (as in Maharashtra). But there have been no systematic planning or budgetary allocations for such schemes.

And the recent trend of big industry-driven development and mega projects even in the field of agriculture and fisheries can only worsen the situation of employment in Tamilnadu. Large-scale closing down of subsidiary and small scale units in industry are already resulting in vast displacement of labour from employment. To cite one striking example, as one Hyundai company comes with the promise of limited jobs, half the units in the Ambattur Estate get closed!

GROWING AND LINGERING DISPARITIES

Just as in the underlying vast levels of inequalities and disparities in ownership of land and other rural and urban assets, economic development in Tamilnadu has only led to varied types of disparities in the economic and social development of Tamilnadu. We mention just a few examples that are striking.

1. Rural-urban disparities in income have been most marked. At present, the rural-urban per capita income ratio is as acute as 1:6.
2. The Government of Tamilnadu takes pride in the fact that Tamilnadu is emerging as one of the most literate States in India. But the vast variations of literacy rates across different sections of Tamilnadu Society would make one sit up and take notice!

Literacy Rate variations in Tamilnadu

General	63.72%
Men	74.88%
Women	52.29%
Rural women	44.00%
Dalits	39.47%
Dalit women	29.50%
Tribals	23.35%
Tribal women	16.94%

1. On availability of access to health,

“While the State has 75 doctors per lakh population, against the national average of 43, the distribution of hospitals is unfavourable to the rural areas (25% of the total hospitals compared to 42% all-India)...”

- Tamilnadu Peoples' Manifesto, 1996

“Ratio-wise, 75 doctors are there for one lakh population in Tamilnadu but it is estimated that only 27% of these allopathic doctors are located in rural areas”

- Unicef / ICCW

2. Reduction of Infant mortality rates, death rate, birth rate etc have always been claimed as success stories of Tamilnadu.

“Though there is a decrease in infant mortality rate, there are vast disparities, between the urban and rural situation. It is 40 per 1,000 live births in the urban areas and 67 in the rural areas. Even in Madras, the incidence is 70% higher among the slum population.”

- Tamilnadu Peoples' Manifesto, 1996

And similarly, the disparities, district-wise, communities-wise etc with regard to death and birth rates continue to be strikingly high. And the rural rate keeps lagging far behind the urban rate.

And the reality is similar in every sphere of social development.

TOWARDS A NEW BUDGET DYNAMICS IN TAMILNADU

It is in the above context of the serious concerns in the sphere of social development in Tamilnadu, that the Tamilnadu Peoples' Forum for Social Development strongly pleads for a fresh look into the very approach of Government Budgeting in Tamilnadu. The Forum strongly believes that serious public deliberations among all sections of people of Tamilnadu and Government is an urgent need.

NEAR-ZERO FLEXIBILITY IN THE BUDGETING PROCESS

As is now being universally accepted, the Budgets are becoming mere rituals, though appearing highly elaborate and intricate, for the simple reason that there is hardly any space for maneuvering in the process.

The Tamilnadu Government, like most other State Governments, follows what has been called '***the incremental system of Budgeting***'. It means that funds for any new programmes or schemes are available only after meeting the expenditures of all the ongoing programmes. We come to know that committed expenditures (salaries and related expenses, being the main among them) run at times as high as 97%. Staff salaries themselves are calculated to be as high as 55% in Tamilnadu. So the budget of the new year usually becomes nothing more than a carbon copy of the previous year, with minor changes!

The above system obviously is unsuitable for a developing country like ours with constantly changing new demands and developments. Hence an alternate system of budgeting called '***Zero Base Budgeting***' has been proposed.

This system involves continuous review of all departments to identify wasteful expenditures, useless schemes, surplus staff etc., so that the resources can be used more effectively.

Actually, in the late 1980's, the Tamilnadu government did attempt once the zero base budgeting. But, later, due to political and other pressures, it was given up.

It is very important that a thorough revision of the basic methods of budgeting is undertaken, lest the Budgets remain meaningless public exercises!

DEBT TRAP

For Tamilnadu government (as, of course, for the Central Government too), getting into a vicious debt trap is already becoming a reality. Interest payments are becoming one of the biggest `committed expenditures' and hence an increasing financial burden. So much so, in recent years, amounts of loans being received over a year are becoming smaller than the interest payments of the period.

It is in this context that we view with great concern the recent trends of the Tamilnadu Government in planning huge schemes operating on loans from World and related financial institutions as well as from Foreign Governments. Besides, huge concessions and subsidies have been made available to companies like Hyundai, Ford, to name just the two most prominent ones.

NEED FOR TRANSPARENCY IN BUDGETING PROCESS

The process of budget making and planning has remained a highly indoor exercise, by the government bureaucrats and political forces. Lobbies of big industry and trade, and party-based institutions do manage to get what they want, by back-door lobbying. Under the guise of being technical and professional, the whole budget exercise is made to remain a mystery.

Neither at the pre-budget phase nor during the discussion process, do people or social organisations working among people have any role to play. Even the budget documents (the Demands, the Policy Notes and the Performance Budgets, Supplementary Demands etc..) are hardly available to ordinary people or peoples' organisations.

There is surely need for greater transparency in the whole process of budget-making and budget-deciding. It should be made as part of the right to information of ordinary people, whose money it's concerned with.

There should be systematic efforts made to include peoples' representatives and organisations at every stage of the budgeting process. The Budget documents should be made easily available to them.

PLANNING FROM BELOW – NEED OF THE HOUR

The time has come for the Tamilnadu Government to totally re-orient the whole budgetary and planning process. Efforts need to be initiated towards a bottom-up process of planning and budgeting, starting from the gramsabhas, village panchayats and urban local bodies. Such grassroots-based budgeting should be based on professional resource-maps and need-maps of each panchayat, taking local resources and needs into consideration. Peoples' planning, grassroots monitoring and such involved processes will only ensure the real participation of people in planning and budgeting for better social development in Tamilnadu.

SOME SECTORAL CONCERNS AND DEMANDS

WOMEN

The continuous worsening of the sex ratio (females per 1000 males) in Tamilnadu, though above national averages, is a simple but a strong index of the degrading status of women's welfare in Tamilnadu.

Sex Ratio in Tamilnadu

1951:	1007
1961:	992
1971:	978
1981:	978
1991:	974
1994:	972

And it's a point of shame that district with the lowest sex ratio in the whole of India is in Tamilnadu: Dharmapuri with a sex ratio of 849.

Besides, the high incidence of female infanticide in Tamilnadu, and gender inequalities between men and women in all areas of social development in Tamilnadu, like literacy, health status etc. have ensured that the women in Tamilnadu continue a subservient status in Tamil society.

The plight of girl children in Tamilnadu needs serious attention. In Tamilnadu, claiming near-total enrolment in schools, 22% of girls aged 6-14 were not attending school, as per an ICCW study.

“In Tamilnadu alone, statistics indicate that there are about 50,294 missing girls in the 0-6 age group (1990-91). The figure for all India is 13,39,593. This is an issue we need to critically look into”

- Unicef / Iccw

And the incidence of working girls is much higher compared to working boys in almost all the districts of Tamilnadu. In the State as a whole, as per the Census data, working boys account for 3.61% of the total male work force (main workers) whereas working girls account for 7.06% of the total female work force (main workers).

Even though the vast majority of women in Tamilnadu are involved in agriculture, land ownership by women still remains a dream. And most of the benefits of industrialisation and progress reach disproportionately the men, at the expense of the women.

Even a cursory glance at the Govt.'s plans and programmes towards women's welfare reveal how they are near-totally unsuited to the real

empowerment, skill formation and growth of women in India. A comparative study of the funds allocated over the last three years for women's welfare shows the lopsided way funds are allocated. The programmes surely are in no way related to actual conditions and needs of women, nor or the plans devised based women's perspectives and aspirations.

Year	Total allocation (Women's Welfare)in crores	Allocation for Marriage Assistance in crores	Allocation for other plans in crores
'97-'98	54.70	53.15	1.55
'98-'99	91.20	60.00	31.20
'99-'00	94.71	70.00	24.71

Out of the total allocation for women's welfare, 97% in 1997-98, 66% in 1998-99 and 73.9% in 1999-2000 had been allocated for a mere marriage assistance programme. It reveals indeed as to what meager funds are available for all the other programmes!

Self-help groups, based on hard labour of women, are proving to be just mechanisms to bring more and more rural women into the World-Bank sponsored globalised economy, which leaves women all the more powerless! And the small amounts of loans dispatched are hardly sufficient to ensure the continued empowerment of women in the long run.

Based on the above, we demand,

1. That a serious re-thinking is done regarding the very approach to women's welfare in Tamilnadu budget, the manner of fund allocation and the planning of women's empowerment programmes.
2. That greater attention is paid to dimensions such as greater skill formation, higher education, ownership of land and basic resources by women etc.
3. The Tamilnadu Women's Commission be given greater powers. The Commission has been totally inactive, especially in the context of increasing violence on women in Tamilnadu. The Commission needs to be given greater powers, as in Kerala, and more funds allocated for its effective functioning.
4. That the Tamilnadu Government takes effective steps to stop the mushrooming of liquor shops all over. The Government's approach to liquor, as basically as a source of revenue is proving counter-productive (even if the funds raised are claimed to be used for welfare programmes!)

CHILDREN

As per the last census, there were 1,98,81,540 children (0-14 years) in Tamilnadu, constituting 35% of the State's total population. As per the Expert Committee on Population projections, the projected figures for 1998 are 1,78,69,000 children, constituting 29.44% of State's population.

The achievements of The Tamilnadu Government in the field of child services, like nutrition and pre-school care have been duly acknowledged all over. So are its successes in areas such as reduction of infant mortality rate etc.

But, of late, serious concerns have emerged in the field of child welfare in Tamilnadu:

- Compared to the striking decline in Infant mortality rates, witnessed during the 1970's and 1980's, there has been a less significant fall, if not a near stagnation, over the 1990's. Compared to a 6.6% reduction during 1986-91, it has been a mere 1.4% during 1991-96. The near-stagnation in the 1990's in the reduction of IMR has been largely due to stagnation in the neo-natal mortality rate, which itself might be due to a relatively high incidence of high-risk pregnancies in the State.
- Malnutrition has been a major problem in India and in Tamilnadu too. Even though the National Family Health Survey for Tamilnadu (IIPS 1994) reported only 13% of children as severely undernourished, the National Nutrition Monitoring Bureau (1991) reports indicate high levels of mild nutrition in Tamilnadu. Independent studies have placed it as high as 50%. And close to 48% of children under 4 are said to be moderately and severely under weight in Tamilnadu
- And Child labour continues to be a curse of Tamil society. The recent India Human development report 199 has declared, " The incidence of child labour was found to be relatively high in the rural areas of Tamilnadu, besides Andhra Pradesh, Karnataka, Maharashtra, and Punjab....". Contrary to Government claims, independent and official studies have proved beyond doubt that anywhere between 3-4 million children (age 5-14) in Tamilnadu have been forcefully denied their childhood and made to work for their own and their families' livelihood.

CHILD LABOUR AND EDUCATION

The linkage of the prevalence of child labour and the problems of the educational system has been scientifically established. It's precisely the children who drop out of schools end up as child labourers. And the drop out rates in higher levels of education has been quite high in Tamilnadu, especially among sections of people like dalits and girl children.

Rapidly falling standards of education in quality and real skill formation have become major areas of concern. The National Council and

Research and Training which carried out a baseline assessment study in 46 low literacy districts across eight states, including Tamilnadu, to assess learning achievements of students approaching the end of the primary school cycle had concluded,

“In reading comprehension, no district in Tamilnadu (and Madhya Pradesh) achieved an average score of even 40 percent.”

The Government of Tamilnadu itself has taken notice of the fact.

“Among the students continuing upto fifth standard there is no firm statistics as to how many attain the desired skills. From the estimate made for the primary education only 40% of students have gained the skills”

- PN on Education, 1998-99, GOTN

There have been serious drawbacks in policy and planning by the Government, besides the implementation too. The Tamilnadu government's 15 point programme and State Plan of Action 1993 remains an excellent programme, but hardly implemented. As a TN Govt.-Unicef report reveals, “even seven years after the Child Labour Protection and Regulation Act was passed, the State Government has not implemented it – rules have not been framed, nor enforcing committees set up”

Based on the above, we demand,

1. That a Status Report of children in Tamilnadu be compiled by an independent committee of experts
2. That all child labour below 14 years of age be prohibited in all forms of employment, and, as mentioned in the United Nations Convention on the Rights of the child the work of children between 15 to 18 years old should be regulated.
3. That the 1986 Child Labour Act be suitably amended, specifically the proviso that exempts households to employ children, and that immediate action be taken to petition the High Court to vacate its stay given against the amendments brought into the Factories Act prohibiting child labour in cottage industries and household labour.
4. That all efforts are made for the speedy and effective implementation of the 1994 Tamilnadu Compulsory Education Bill, as a major strategies for reducing and eradicating child labour.
5. That the Yashpal Committee Report's recommendations to improve the quality of education such as lessening the burden of children, learning in a happy atmosphere, etc. should be effectively implemented.

DALITS

With all the “successes” of Tamilnadu in social development, one of its painful realities is increasingly tragic situation of the dalits in Tamilnadu as well as the continuing gaps of standards of social development between dalit and non-dalit sections of the Tamilnadu population, at every sphere.

Besides the vast disparities in land owning between dalits and non-dalits in Tamilnadu, the following are striking:

- While 37.52% of non-dalit/tribal population enjoy the benefits of urbanisation in Tamilnadu, only 21.32% of dalits do so
- While, overall, in Tamilnadu about 40% remain illiterate, as high as 60% of dalits remain illiterate. The dalits in Tamilnadu in 1991 have still to reach the literacy levels achieved by other sections of Tamilnadu, way back in 1971. The situation is even more tragic in the case of dalit women, viz-a-viz non-dalit women: Compared to a nearly 50% literacy rate for non-dalit women in Tamilnadu, not even 30% of dalit women have become literate.
- Infant mortality rates for dalits is 104.2, while for the others, it's 86.7. While death rate for others has come down to 11.20, it is a high 15.50 for dalits...

While successive governments have been boasting of their “achievements” in SC/ST welfare, the situation of majority of dalits in Tamilnadu have only worsened.

The Central Govt., convinced of the failure of 50 years of planning in the welfare of dalits, devised the concept of **Special Component Plans for dalits**, with clear instructions to States on its exact implementation, allocation of funds as per the dalit population of a particular State etc.

But our studies have proved beyond doubt that

- a) **Fund allocations have been wrong and Inadequate:** As per the requirements of the Special Component Plan (i.e., 19.18% of the plan funds to be allocated to dalit welfare), in 1997-98, Tamilnadu should have allocated Rs 729.46 crores. But the amount mentioned in the Budget Plan Link Book of 1997-98 is only Rs 168.46 crores; in 1998-99, the amount should have been Rs 810.22 crores, while the actual amount mentioned is only Rs 267.83 crores; in 1999-2000, the amount should have been Rs 933.00 crores, while the actual amount mentioned is only Rs 348 crores.
- b) **The basic approach has been faulty:** The Special Component Plan, as operative in Tamilnadu, is built around the two basic aims of helping

dalits to rise above the poverty line and to provide basic needs for them. It is obvious that this limited perspective is not only contrary to the very spirit of the Special Component Plan, as envisaged originally. Such an approach can never pave the way for the integrated social development of the dalit community.

- c) **The Implementation by Departments has been lax and cynical:** Even though the Special Component Plan demands strict criteria for working out the schemes under it, many departments simply claim that due benefits reach scheduled castes and tribes from out of their general programmes. Apart from such notional allocations and explanations, they have failed to work out special plans under the SCP.
- d) A study of the budget proposals reveal that only five sectors of the Government have special component plan for dalits in their budget proposals; these sectors include Education, Welfare of SC, ST and OBC, Roads and Bridges, Agriculture and Family Welfare. Even these sectors show mere symbolic allocation rather a substantial one. Some departments like those of Energy and Drinking Water have claimed inability to develop special programmes under SCP for Scheduled castes. By using simple percentages, they claim that more than due share has reached the scheduled castes. This surely is not acceptable.

Based on the above realities, we demand,

1. That the Tamilnadu Govt. constitutes a high level committee, to review the working of the Special Component Plan in Tamilnadu – especially on the issues of sufficient allocation of funds and proper formulation of programmes by all the departments.
2. That an urgent initiative is taken to ensure that all the Panchami lands in Tamilnadu, owned by non-dalits, be identified and returned to the rightful owners, the dalits. Besides, it is also important that the Government evolve concrete programmes of loans etc, so that such returned lands can properly developed.
3. That the Tamilnadu Government issue immediately a White Paper on the situation regarding the job representation of dalits in the various departments, ministries and all levels of government – the number of seats, due for dalits, that have been denied to them, the action proposed to be taken by the government etc.

FISHERFOLK

The fisheries sector plays an important role in Tamilnadu's economy. Tamilnadu has about 1000km coastal line with 1.9 lakhs square km of exclusive economy zone covering the Coramandal Coast.

The estimated marine fish production in Tamilnadu in 1997-98 was 356547 tonnes. Besides this, the estimated inland fish production in 1997-98 was 100100 tonnes.

Yet welfare of fisherfolk, especially the smaller and unorganised ones has not been a serious priority with the governments of Tamilnadu for long. The present policy of priority to deep-sea fishing has been highly harmful to fishermen and leads to depletion of our valuable fishing resources. There has been a growing neglect of inland fisheries in reservoirs, lakes, tanks, ponds etc. in Tamilnadu.

There has been a phenomenal increase, over the past, of the extent of pollution from non-fisheries sources especially industries, shrimp industries, sewage, etc.

Based on the above, we demand,

1. A new deep sea fishing policy which centres around encouraging and developing the fisher people to enhance their deep sea fishing operations at a sustainable level with appropriate technologies should be advocated and implemented
2. That all trawling should be completely banned in the Inshore Area as it destroys the marine eco-system and marine life causing depletion of fish resource and even extinction of some species. Only mid sea trawling should be allowed.
3. That a complete ban on Monoculture Shrimp Industries should be implemented. Most important, the government must honour the two Supreme Court interim orders disallowing use of ground water, and prohibiting establishment of any new farms. The Tamilnadu Aquaculture Regulation Act should be comprehensively debated in the light of the demand calling for a complete ban.
4. The original Coastal regulation Zone Notification 1991 issued by MoEF and the subsequent Rules to the Environment Protection Act, related to the implementation of CRZ be upheld and all later amendments be rescinded. We demand, especially, the total withdrawal of the proposed amendment to CRZ dated 5th August 1999.
5. That the Government of Tamilnadu make public the conditions laid down by the Central Government on its proposed State Coastal Zone Management Plan, and as what actions have been taken thereafter.

6. That the process of suggesting reclassification of Coastal Zones under CRZ by district collectors be reversed. We demand that Coastal Zone Management authority should include not only Govt. authorities, but also representatives of fishing associations, environmental groups, academics as well elected representatives of local and district panchayats.
7. That the Coastal Management Plan for Tamilnadu has to be thoroughly redrafted after reconstituting a fresh Committee of independent experts, representatives of organisations of the fishing community and representatives of NGOs. The plan must call for an immediate ban on any further industrial activity, tourism, 5 star recreation, shrimp industries etc. on the coast. The plan must clearly identify the most fragile ecosystems and evolve schemes for its conservation. The high tide line must be clearly delineated with visible markings all along the coast. The Tamilnadu government order reducing the coastal regulation zone to 200 mts from HTL must be revoked and MEF's notification of 500 mts from HTL should be rigorously followed.
8. We demand that all industries and projects, proposed or already functioning, which are in violation of the CRZ law be stopped. Among them are the Nagarjuna Refineries Petro-Chemical industries and tanneries under the SIPCOT-I and SIPCOT-II schemes in Cuddalore, pipelines from Ennore Port to industrial areas, the water transport highway on the Buckingham canal between Chennai and Vijayawada, the Thermal Power plant and the proposed Minor port at Pillai Perumanallur in Nagai district and various minor ports across the State.
9. That the fishing community should be categorised as scheduled tribes and accorded statutory status at the earliest as per the Mandal Commission Report.

SOCIAL SECURITY

“The right to social security should be made a fundamental right. A comprehensive and integrated social security law should be enforced.”

- Tamilnadu Peoples' manifesto,
1996

Issues pertaining to social security and social safety nets assume overwhelming importance in Tamilnadu and in India, especially in the context of the new economic policy regime of market-driven growth, initiated in India in mid-1991.

Tamilnadu has generally been acclaimed as one of the frontline states of India in the field of Social security and social assistance programmes. Social security in Tamilnadu has been mostly at the protective levels in two areas:

- 1) Nutrition
- 2) Assistance schemes for the unorganised poor.

While the nutrition programmes for children and poor mothers and the various pension schemes are welcome, recently, there has been a trend to concentrate completely on nutrition and pension schemes to the exclusion of other promotional and preventive forms of social security measures. Already by 1993-94, Tamilnadu was spending nearly 54% of its plan and non-plan expenditure in the social welfare sector, on pensions and nutrition programmes. There is surely a shift from social security and welfare to nutrition.

The Forum is particularly concerned by the fact that the Tamilnadu Government has no thrust on the provision of employment to the able-bodied persons in the rural areas. This is particularly worrying, given the already above-national average levels of unemployment in the State, as well as the distinct possibility of a vast number of labour, organised and unorganised getting displaced due to the new economic policies.

Besides, of course, as is well documented already, the social assistance schemes suffer from major drawbacks, such as

- a) amount disbursed, inadequate to help the person duly
- b) narrowly defined eligibility criteria, leading to a high exclusion of the eligible
- c) scope for enormous corruption.

FOOD SECURITY

Food security is an issue that gains crucial importance in these days of privatisation of all public life. Though the Public Distribution System in Tamilnadu is better than many other States, its predominantly urban bias still continues. The 1999 India Human Development Report by NCAER lists

Tamilnadu as one of the States where “a strong urban bias has been found in the supply and utilization of PDS”. Thus, as the Report concludes, “The objective of resource transfer to the needy through the supply of subsidised essential items has not really been achieved”.

Based on the above, we demand,

1. A thorough review of all aspects (promotional, preventive and protective) of social security policies and programmes in the State, so that the programmes, instead of perpetuating dependence and corruption, lead to real welfare and empowering of the poor in Tamilnadu
2. That serious efforts are made towards effective programmes of employment generation, especially in the rural areas, coupled with a well-defined Employment Assurance Scheme in the State.
3. Special attention be given to the social security to unorganised labourers in Tamilnadu, whose economic and job-security are being increasingly threatened by the onslaught of privatisation and free-market policies.
4. The pension schemes for workers need to be linked to the Consumer price index, and not fixed arbitrarily. ESI coverage should be extended to all the workers including the seasonal and unorganised workers.

PANCHAYATS

We propose the following Policy level Reforms that are needed to Strengthen the Three Tier Panchayat Government in Tamilnadu.

GRAMA SABHA AS PEOPLE'S PARTICIPATORY GOVERNANCE

- ◆ As the people's forum for participatory democracy, the Gram Sabha should be made supreme and the Government of Tamil Nadu should take steps to ensure that amendments are proposed towards making the Gram Sabha functions as the most important forum of peoples power and opinion.
- ◆ The Gram Sabha should be strengthened to have the powers detailed in the recommendation of the State Planning Commission headed by Mr.L.C.Jain.
- ◆ Every ward within the panchayat should be constituted as a Gram Sabha Unit. Every Gram Sabha Unit should meet 4 times a year to discuss and finalise various needs and plans of the village. 1/10th of the Gram Sabha Units will be elected or nominated to the Gram Sabha at the village panchayat level. This will form the Gram Sabha at the Panchayat. Not less than 50% of the representatives of the wards should constitute the quorum of Gram Sabha. One representatives of the State Government may attend as an observer.
- ◆ One important reform needed is restructuring the village panchayat to make it an executive organ of the Gram Sabha and transferring planning, administrative auditing and policy making powers to Gram Sabha. The relationship should be that of a Parliament (Gram Sabha) and the Cabinet (village panchayat). Enlarging the scope of the agenda of Grama Sabhas may therefore be a possible way of improving participation in these village assemblies.

Ensuring Linkages between the three tier system for better Governance

- ◆ The Government of Tamil Nadu is within Constitutional sanction for ensuring that Village Panchayat Presidents are represented in the intermediate level (panchayat union council) as ex-officio members and Chairpersons of unions at the intermediate level to the District Panchayat. While the system of direct elections to Village Panchayat Ward Members and Presidents, election to territorial wards in Panchayat Unions and Districts Panchayats must continue further. We recommend 1/5 of the Union Council and District Council can be comprised of elected representatives from the village panchayats and union chairpersons as ex-officio members with full participation and voting rights.

Distribution and Entrustment / Devolution of Powers – Need for Constitutional List for Panchayat Government

- ◆ A Separate Panchayat List on 29 items mentioned in IXth Schedule of the Constitution must be proposed by the State Government as Constitutional Amendment to be known as List IV of the Constitution.
- ◆ Despite the Constitutional Amendment being of limited scope (243 G) which is (subject to existing Constitutional provisions) of list I, II and III we recommend that the State Government can immediately go beyond this framework and create a model of decentralised governance beyond the Kerala, Karnataka, and West Bengal experience. The powers under 29 items should be scheduled for 3 tier panchayats in the Act itself and not merely as schedule.
- ◆ The rules regarding entrustment of 29 powers need to be drastically amended to provide power of supervision, control and management, monitoring and evaluation. There is need of disempowerment of State Government & bureaucracy with regard to these powers.
- ◆ The state government functionaries involved in the implementation of programmes and schemes should be transferred to the Rural Local Bodies at appropriate level and accountable to the Village President who is designated as an executive authority for this level of government.
- ◆ Local Self Government Institutions should have powers of appointment, transfer and disciplinary action especially in regard to institutions catering to the fulfillment of basic needs in the villages. In the Tamil Nadu Panchayats Act, Section 108 & 109, school teachers and health workers have been declared as Government Servants and their services protected. While their status as Government servants and terms of service may be maintained they should be placed on deputation with the Panchayats under the panchayat control to ensure effective functioning of the schools and health centres. Health and education are important public objectives for the Panchayats and all staff involved in these institutions must be accountable on a daily basis to the panchayats.
- ◆ Sec. 205 and Chapter X of the Tamil Nadu Panchayats Act 1994, which gives controlling and dismissal powers to District Collectors must be repealed as it violates the essence of the Constitutional mandate and the rationale of decentralised governance. Local–Government is a government and the state bureaucracy must be accountable to this form of Government.

- ◆ With regard to Porombokes vested with the panchayats, a Panchayat resolution to evict the encroacher is sufficient after verification and possession of relevant records for the panchayat to take action there requires a provision where by revenue officials / police officials must Act once the decision by the panchayat is taken and they must do so only on the advise of the panchayat. The Duty of Police Officials should be inserted in TN Panchayat Act (ref: Sec.252 of Kerala Panchayat Act)

Towards empowering District Panchayats and District Planning Committee we propose

- ◆ The District Panchayats must be empowered to be the key supervisory planning, monitoring and evaluation body at the district level. They must be empowered to also plan, decide and oversee the progress with regard to developmental works implemented jointly with the state government authorities.
- ◆ Every District Panchayat shall appoint an ombudsman to deal with complaints regarding corruption and irregularities. Ombudsman will have a team to investigate and make decisions with regard to removal of President. Every Panchayat President must have a right of appeal with regard to the above made decision to the district court.
- ◆ The Government should lay all the Annual Reports of District Panchayat with comments on the table of Legislative Assembly in the forth coming Budget session for 2000 – 2001 and should ensure the implementation of the plans and advise of the district panchayat in the Budget – 2000 – 2001 as per the sec165 of the TN Panchayat Act.
- ◆ The entire district level bureaucracy including the Collector can only function at the service of District Panchayats. We are opposed to the Collector being made the head of District Planning Committee which is a Constitutional Body. This will defeat the purpose of the goal of decentralised democracy and must be changed at the earliest, making the District chairperson as the chairperson of the DPC.

To ensure the fiscal autonomy of Panchayats the following are budgetary allocations that should be considered

- ◆ Financial resource is one of the most important aspects of the functioning of the Panchayati Raj Institutions. Sufficient taxation powers and funding, improves the efficiency of the decision making capacity of the local governments.
- ◆ There is two basic criteria in financing local services viz, efficiency in the allocation of public services (the highest quality of services per rupee of expenditure) and equity in distribution of benefits and burdens from the delivery of public goods. But these two criterion has not been fulfilled by the Government departments, which are now implementing basic needs

like education, health care, PDS etc., It is important to place greater belief in the services of panchayat, which can serve people and be reviewed by people locally. Thus to fulfil the constitutional goal being an Institution of self - government panchayats should have fiscal autonomy.

- ◆ Now 80% of the Panchayats Revenue are Government Grants. This raise the question about the financial authority of the Panchayats. Hence the Panchayats are made to wait and expect government grants to execute infrastructure and development works. While 29 items have been transferred to panchayats, parallelly the finance for their management and maintenance should be devolved and decentralised.
- ◆ For the past three years the state's share at its total tax revenue for rural and urban local bodies is only 8% (in this 8% the panchayats get 55%). This contradicts the Government's assurance about the acceptance of State Finance Commission's Recommendation during 1997-98 Budget Speech. (1997-98 – 8%, 1998-99 – 9%, 1999 – 2000 - 20%, 2000-2001 – 11%). Now the State Government has constituted the II nd State Finance Commissions to recommend financial delegation to panchayats.
- ◆ The State Government should increase their tax revenue share of panchayats in the forthcoming budget session 2000-2001. Besides this, there should be specific taxation powers to be given to District Panchayats and Panchayat Unions within their Jurisdictions. For this the State Government should make changes in its policy and law.
- ◆ The grants given by the State and Central Governments are strictly directed by the Government to use for specific purpose mentioned through guidelines. This affects the essence of local self - governance. Panchayats expected to follow the state government guidelines to fulfill the requirements of Gram Sabha. This interference is against the democratic polity. Panchayats shall be empowered to decide how and for what priority they would like to use their funds. The Government should issue the guidelines to panchayats to use the grants for the purposes required and approved by the Gram Sabha. The restrictions should be done away with.
- ◆ Delay in allocation of financial resources should be avoided and funds to be allocated periodically by the district authorities. Penal action should be taken against government authorities responsible for delay in finance transfer.
- ◆ There is need for creating proper management information system with standardised, systematic and well designed data base at the district level. With regard to policy, law, notifications, budgets, departmental circulars etc., shall be mandatorily forwarded to district panchayat by the State Government. Separate budgetary allocation shall be made for this by the State Government and the State can propose the Central Government Share on this.

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