CHAPTER-2
CONCEPTUALISING COALITION GOVERNMENT, DEVELOPMENT, AND FLAGSHIP PROGRAMMES

The government pursues the development agenda which is largely the implementation of manifesto in case of single party government or common minimum programme\(^1\) in case of multi-party government i.e. coalition government.\(^2\) The development agenda is carried out by the government through development programmes now popularly known as the flagship programmes (FPs). The present study deals with the implementation of FPs by the coalition governments of the National Democratic Alliance (NDA), which remained in office from 1999 to 2004 and the United Progressive Alliance-I (UPA), which was in power from 2004 to 2009.\(^3\) The Bharatiya Janata Party (BJP) was the leading party of the NDA government came to power in 1998 for a year and got re-elected in 1999. The Indian National Congress (Congress) headed the UPA government entered office in 2004 and completed two terms in office. As the study is focused on FPs under the coalition governments, this chapter discusses concepts of coalition government, development, and development planning in the Indian context and highlights objectives of planning. It describes the approaches of FPs for social and human development along with specific programmes implemented particularly during terms of the NDA and the UPA governments. The chapter also mentions in concise manner social and human development programmes in the Latin-American countries. It concludes with discussion on effectiveness of approaches of FPs initiated by the central government during the period under the study.

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1 Common Minimum Programme is documented development agenda of the woven around common elements of the manifestos of coalition partners and it has been agreed upon to be implemented during the term of the coalition government. It can also be said as the action plan of the coalition government.

2 However, the results of the 16\(^{th}\) Lok Sabha Elections have reversed the trends in Indian politics by producing clear cut majority verdict in favour of Modi-led BJP. But the present study covers only the period between 1998 to 2009, therefore, period beyond this span may find only passing reference wherever necessary.

3 Both the coalition governments were pre-poll coalitions, though, some parties joined government or extended outside support after the elections.
COALITION GOVERNMENTS AND EVOLUTION IN INDIA

Contextualising Coalition

The word coalition was first used in 1604 and it traces its origin to Latin word *coalescere*. The coalition may be a grouping of individuals, groups, national or international institutions and even countries also. In simple words, coalition is defined as “a cooperative arrangement under which distinct political parties, or at all in such events members of such parties unite to form a government or ministry.” Coalition is also defined as “a system of parliamentary government whereby two or more parties cooperate and share the mandate of power given to them by the public vote.” The cooperation among parties “may take place at one or more of three different levels-electoral, parliamentary and governmental.” The definitions of coalitions in politics are specific and suitable for particular political system and political culture in which they operate. “Many political parties and organizations find coalitions to be an important and useful way to increase power and stretch resources. At the same time, coalitions can often be hard to form and difficult to hold together.”

There are factors which affect political parties and politics of the country such as diversity in languages, religions, castes, cultures and political ideologies and orientations. Parties start as simple entities in political system of societies and over the time “party systems take very complex shapes in the society where parties represent multiple interests, identities and cultures.” Therefore, it becomes difficult to manage a diverse and complex political system particularly in the absence of electoral majority which may affect country and its society as has been put in following words:

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...governing a complex and divided society like India’s without support of either a clear electoral mandate or legislative majority also runs the risk of seriously weakening the bond between state and society and undermining the legitimate foundations of the country’s democratic establishment.¹⁰

Broadly, there are two types of party system in parliamentary democracy viz. two-party and multi-party. To form government there is a requirement for political parties to win more than fifty per cent of legislative seats. In two-party system, it is easy to form government as either of two parties wins with majority. On contrast, in multi-party system, numerous political parties participate in the electoral process due to which electoral seats gets distributed across spectrum of parties and independent candidates. For example, the total number of political parties contesting Lok Sabha elections in 1984 were 38 which rose to 370 in 2009. This indicates growing fragmentation of polity.¹¹ Therefore, sometimes it becomes difficult to form government. When no party secures an absolute majority after elections, it gives rise to emergence of coalition politics.¹² Coalition governments are frequently found in multiparty countries like India, France, Italy, and generally, not in countries where the cabinet is chosen by the executive rather than by a lower house, such as the United States.

Coalitions are classified in different ways and different reasons are given for their coming into being. One way to classify them is by understanding their intent of taking birth. The coalition may be constructive and destructive. If a coalition is formed with the objective of pulling down a party in power and also that of providing an alternative government, it can be called positive or constructive coalition. But, when it comes into being only for toppling the incumbent government and not providing alternative government, then such a coalition can be called negative or destructive coalition.¹³ Coalitions may be classified into pre-poll and post-poll alliances depending upon their time of come into shape. Pre-poll coalition is when a number of parties

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¹¹ “Are pre-poll alliances better than post-poll partnerships,” *The Times of India*, (April 19, 2014).
combine together into one formation before the elections. Post-poll coalition is seen after elections results and in this formation parties switch sides to enter into alliance to grab power. “All the coalitions based on pre-election alliances were formed by the political parties which were ideologically close.”

Another classification of coalitions is based on their legislative status and according to which coalitions may be majority coalition or minority coalition. Coalition can also be classified based on their legislative strength as surplus majority coalition; minimal winning coalition and oversized coalition. The surplus majority coalition is the one which has more number of legislative members than required for proving majority in the legislature. The coalition is termed as minimal winning coalition if it has only the number of seats which are required to make government. An example of the minimal coalition is found in Ireland. A coalition between Fianna Fail party having 77 seats and Progressive Democrats party having 6 seats both totalling 83 seats which was the minimum number required for a majority in Ireland in 1989.

India has not experienced such coalition. Lastly, coherent and incoherent coalitions are classified on the basis of representation of interests. However, this classification is confined only to individual political parties. Congress can be coherent coalition as it represented interests of same classes i.e. ‘segments of a middle class’ from urban and rural areas. While Muslim League of Pakistan exemplifies the incoherent coalition which represented interests of opposing classes i.e. “Punjabi Muslim landed aristocrats and a Bengali cultivating tenantry.” India has experienced mainly the pre-poll coalitions at the centre all of which were minority coalitions barring coalition governments headed by Congress (1991-1996) and Janata Dal (1996-97). The coalition formations started at sub-national level in 1967 much earlier than national level. Next part of the chapter discusses the evolution of the coalitions in the country at the national level starting with Janata party coalition of 1977.

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Table 2.1: Types of Coalitions, Basis and Examples

<table>
<thead>
<tr>
<th>Basis</th>
<th>Types of Coalitions</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective of Formation&lt;sup&gt;18&lt;/sup&gt;</td>
<td>Constructive</td>
<td>UPA 2004-2009</td>
</tr>
<tr>
<td></td>
<td>Destructive</td>
<td></td>
</tr>
<tr>
<td>Time of Elections&lt;sup&gt;19&lt;/sup&gt;</td>
<td>Pre-poll</td>
<td>NDA 1999-2004, UPA 2004-2014</td>
</tr>
<tr>
<td></td>
<td>Post-poll</td>
<td>AAP and Congress in Delhi in 2013</td>
</tr>
<tr>
<td>Legislative Status&lt;sup&gt;20&lt;/sup&gt;</td>
<td>Majority</td>
<td>Chandra Shekhar 1990-91</td>
</tr>
<tr>
<td>Legislative Strength&lt;sup&gt;21&lt;/sup&gt;</td>
<td>Surplus Majority</td>
<td>Narsimha Rao 1991-1996</td>
</tr>
<tr>
<td></td>
<td>Minimal Winning&lt;sup&gt;22&lt;/sup&gt;</td>
<td>26&lt;sup&gt;th&lt;/sup&gt; Government of Irish Dail 1989&lt;sup&gt;23&lt;/sup&gt;</td>
</tr>
<tr>
<td>Representation of Interests&lt;sup&gt;25&lt;/sup&gt;</td>
<td>Coherent Distributive</td>
<td>Congress in India</td>
</tr>
<tr>
<td></td>
<td>Incoherent Distributive</td>
<td>Muslim League in Pakistan</td>
</tr>
</tbody>
</table>

Source: compiled by the researcher using mentioned documents.

**Evolution of Coalition Governments in India**

The coalition politics is believed to have started during the end of 1980s with the formation of National Front government under V.P. Singh, though real seeds of the coalition politics were sown in 1977 when dominance of the Congress ended. Since 1977, India has witnessed a numerous coalition governments with the exception of period from 1980 to 1989 when Congress regained power. Table 2.2 shows the coalition governments and their time period under the different prime ministers. Only those coalition governments have been included which were formed after fresh elections and

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<sup>21</sup> Ibid.


<sup>23</sup> A coalition between Fianna Fail having 77 seats and Progressive Democrats having 6 seats both totalling 83 seats which was the minimum number required for a majority.


all other coalitions have been excluded. The first coalition was established in India at the centre by the Janata party under the leadership of Morarji Desai and it was first non-Congress Government in the country. Four major political parties Congress (O), Bharatiya Jan Sangh, Bharatiya Lok Dal and Socialist party were merged to form Janata party.\(^{26}\) Though, it was majority government, but it received support from Shiromani Akali Dal (SAD) and outside support from Communist Party of India (Marxist) that changed its status to coalition government.\(^{27}\) and the Bharatiya Lok Dal leader Charan Singh became the next prime minister on 28\(^{th}\) July, 1979 with outside support of the Congress (I) party. Withdrawal of support by the Congress (I) led to collapse of the government.

**Table 2.2: Coalition Governments in India**

<table>
<thead>
<tr>
<th>Number of Coalition</th>
<th>Period in Office</th>
<th>Prime Minister</th>
<th>Leading Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second</td>
<td>1989-1990</td>
<td>V.P. Singh</td>
<td>Janata Party</td>
</tr>
<tr>
<td>Third</td>
<td>1990-1991</td>
<td>Chander Shekhar</td>
<td>Samajwadi Janata Party</td>
</tr>
<tr>
<td>Fifth</td>
<td>1996-1997</td>
<td>H. D. Deve Gowda</td>
<td>Janata Dal</td>
</tr>
<tr>
<td>Sixth</td>
<td>1997-1998</td>
<td>I. K. Gujral</td>
<td>Janata Dal</td>
</tr>
<tr>
<td>Seventh</td>
<td>1998-1999</td>
<td>A. B. Vajapayee</td>
<td>BJP</td>
</tr>
<tr>
<td>Eight</td>
<td>1999-2004</td>
<td>A. B. Vajapayee</td>
<td>BJP</td>
</tr>
<tr>
<td>Ninth</td>
<td>2004-2009</td>
<td>Manmohan Singh</td>
<td>Congress</td>
</tr>
<tr>
<td>Tenth</td>
<td>2009-2014</td>
<td>Manmohan Singh</td>
<td>Congress</td>
</tr>
</tbody>
</table>

Source: compiled by the researcher.

In 1980-the General Elections were held and the Congress regained power and Indira Gandhi became prime minister for the second time. She was killed in 1984 and her son Rajiv Gandhi assumed prime minister ship and continued till 1989. The Lok Sabha elections once again resulted in a coalition government. V.P. Singh was the Prime Minister of the coalition government named as 'National Front Government'  

\(^{27}\)Ibid.
which was supported by the BJP from outside. To further its Hindutva agenda and to
scuttle implementation of Mandal report, the BJP decided to withdraw support from
national government.\textsuperscript{28} Chandra Sekhar became the prime minister of the next coalition
government which was also short-lived like its immediate predecessor. The Congress (I)
withdrew the support on the ground of telephone spying and Chandrasekhar was ousted.
The general elections were held in 1991 and Congress emerged as the largest party but
sans majority. The coalition headed by the Atal Bihari Vajpayee after 1996 Lok Sabha
polls was the shortest government that lasted only for 13 days. The BJP failed to get the
required support to face no-trust motion and Vajpayee resigned without facing the
voting on motion.\textsuperscript{29} From 1996 onwards, the era of coalitions began with large number
of parties. The sixth coalition government of 13 parties (only 9 in government) entered
into office under the leadership of H.D. Deve Gowda in 1996 as United Front
government. This government was formed by the alliance of regional parties which was
supported by the national political party Congress (I) which later on triggered the
collapse of the government by removing support and it did same with the next Prime
Minister I.K. Gujral.\textsuperscript{30} Congress withdrew its support to Gujral government on the issue
of Jain Commission report allegedly accused Dravid Munnetra Kazhagam (DMK)
government in Tamil Nadu for security lapses during Rajiv Gandhi’s assassination and
supporting the plotters.\textsuperscript{31}

The elections held in 1998 also produced a truncated Lok Sabha and coalition
government was formed by the BJP’s with the support of 18 political parties. It was
hailed as the first such democratic experiment at the national level which had over a
dozen parties. However, from the beginning the government ran into difficulties in the
numbers’ game. It suffered from threats and foibles from parties with sizable members
within the coalition partners, particularly the All India Anna Dravida Munnetra


Kazhagam (AIADMK), Trinamool Congress and Samata Party. No trust motion was moved against the BJP government and it lost by just one vote.\(^{32}\) The regional party AIADMK withdrew support to the BJP government that led to its collapse.\(^{33}\) However, the period between 1996-1999 witnessed a personality-specific than policy-oriented parties taking charge of the government and all the contentious issues were thrown out of window by the respective ruling parties in the name of stable and good governance. No single party on its own could gain absolute majority. There were three general elections and three governments in four years (1996-1999). In 1999 Lok Sabha elections, the BJP and its allies in the NDA secured a comfortable majority and Atal Bihari Vajpayee became the Prime Minister for the third time. The NDA successfully completed its full term in the office and became first coalition government in India to do so.

After the General Elections to the Lok Sabha in 2004, the UPA government led by Congress party formed the tenth coalition government at the centre with outside support of the Left parties.\(^{34}\) The UPA government won Lok Sabha elections in 2009 and came to power for consecutive term. The nature and role of Congress under UPA-I and -II) has also under gone transformation so far its politics and ideology is concerned.\(^{35}\) Its inhibition of forming a coalition government with smaller regional parties has ended. Till 2009, elections to Lok Sabha resulted in fragmented outcome and coalition governments were formed after 14\(^{th}\) and 15\(^{th}\) parliamentary elections. The factors like stability, performance, economic policies, development programmes and popular perception about these factors shape view points of people about coalition politics and its acceptability. The figure 5.2 displays the change in the opinion of the people over a period of decade about the acceptability of coalition governments.


Figure 2.1: Changing Perception of People about Coalition Governments (in %)


It appears from the data that popular perception that coalition governments are acceptable only in special circumstances has not shown any significant change over a period of a decade. The unacceptability of coalitions decreased from 1999 to 2004 and then increased from 2004 to 2009. The result of Lok Sabha elections held in May 2014 made the BJP as single largest party with absolute majority which substantiates the trend of disliking for coalition politics in India as the NES data for a decade has suggested in above figure.

DEVELOPMENT PLANNING AND PROGRAMMES IN INDIA

Development is a universally cherished goal of individuals, families, communities and nations all over the world. The nature of development as seen in the early 1990s differs considerably from that was seen in the early 1950s or from that in the 19th century.  

“Development is a process of change that involves the whole society-its economic, socio-cultural, political and physical structure, as well as the value system.

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and the way of life of the people.” The concept of development had undergone many changes over the time with progress and development of man. Development means progress, gain, evolution, expansion, growth, rise etc. It is a strategy designed to improve the socio-economic life of a specific group of people living in rural or urban areas. It is about raising the standard of living of the people, improving their education and health and also opening out for them equal opportunities for a richer and more varied life. Better health—a longer life with less sickness—is crucial to a better standard of living.

Development is not a new concept as it has been part of human progress at all the times in the history. However, if it is understood through levels of income and standards of living then it may be regarded as the relatively new. “It was England in the middle of the eighteenth century that it was first realised that steady material progress was possible and desirable. Subsequently, the idea of progress spread to other countries. The recent widespread concern with economic development may be traced to the Second World War.” Since then, development is believed as the moral responsibility of the governments. With the advent of modern welfare states, the economic intervention of the state has increased specially in the developing countries where the state not only provides basic utilities and services, but undertakes the responsibility of economic welfare of masses. In the present time, “the entire administrative machinery is geared to the tasks of nation-building and socio-economic progress.” Since finance is heart of development therefore, economic objectives cannot be divorced from social objectives. Economic development and issues relating to it are important for both rich and poor countries of the world. While maintaining that development is a matter of concern for the rich countries, accelerating the pace of development is indeed more pressing for the poor countries to ensure growth and justice. However, poor countries are plagued by skewed distribution and underutilization of resources leading to poverty,

illiteracy, unemployment, low consumption, low investment and the like. The benefits of economic development must accrue more and more to the relatively less privileged classes of society, and there should be a progressive reduction of the concentration of incomes, wealth and economic power. The pattern of development which is highly dependent on capital and sophisticated technology may be well suited for already industrialized countries like the United States or Western Europe.

Table 2.3: The Concept and Approaches of Development

<table>
<thead>
<tr>
<th>Concept</th>
<th>Past Approaches</th>
<th>New Approaches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual interests/advantage/well-being</td>
<td>Income/Consumption/Utility (i.e. individual happiness and/or desire fulfilment)</td>
<td>Human capabilities and opportunities – with an explicit role for freedom, agency and rights</td>
</tr>
<tr>
<td>Food Security</td>
<td>National food availability</td>
<td>The food entitlements of individuals and groups</td>
</tr>
<tr>
<td>Poverty</td>
<td>Deprivation in income/consumption/expenditure</td>
<td>Deprivation in human capabilities such as knowledge, longevity and living standards (e.g. access to water and services) – more emphasis on self-reporting, self-esteem, participation and empowerment</td>
</tr>
<tr>
<td>Ultimate ends of Development</td>
<td>Economic efficiency/Maximisation of GDP per capita</td>
<td>Human development and ‘development as freedom’ – the expansion of valuable capabilities and the realization of freedoms and human rights</td>
</tr>
</tbody>
</table>


However, in most non-industrial or semi-industrial countries these resources are most scarce. Instead, “the massive economic potential of such countries lies in the unused and under-used labour, simple technical skills, land, and local raw materials of the 50 per cent to 90 per cent of the people living in rural areas. If these resources could be mobilized on a national scale, a major new force would be channelled into the

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Development process.” To address the problems of the poor developing countries, many theories and models were advocated (see Appendix-I for details.) which originated in the west and were suited for their settings-economic, societal, political, cultural and administrative and they mainly used approach of production-oriented economic growth and per capita incomes.

Table 2.3 highlights main concepts related to development and its past as well as new approaches. It can be noticed that the shift has taken place in the old approaches of development which were “woven around the income, consumption and economic efficiency etc. The new approaches are more focused on developing human capabilities and expanding freedoms to empower individuals.” The growth or industry oriented approach of development ignores basic human needs especially of rural poor. Against this, human development approach or welfare based approach advocates fulfilment of basic human needs of masses through more investment on areas such as education and health, thus, expanding human freedoms. Amartya Sen believes that “focusing on human freedoms contrasts with narrower views of the development, such as identifying development with the growth of gross national product, or with the rise in personal incomes, or with industrialisation, or with the technological advance, or with social modernisation.” He links development with ‘process of expansion of freedoms’ and argues that though economic growth plays important role in expansion of human freedoms, however, other social and economic factors such as provision of education and medical services along with rights are also imperative. He further says that “development requires the removal of major sources of unfreedom: poverty, as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or over activity of repressive states.” Basic human needs are same all people. Therefore, this approach puts people at the centre

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45 Ibid.
47 Ibid.
49 Ibid.
stage and their basic needs at forefront so as to realise real and meaningful development. However, development cannot be realised without planning whose main objective is “to initiate a process of development which will raise living standards and open out to the people new opportunities for a richer and more varied life” and “utilising more effectively the potential resources available to the community, and it is this which involves economic planning.” Development and planning are integral concepts with context to India as our Planning Commission was established to start development planning for the country through optimum utilisation of resources. The next section of the chapter deals with the development planning of the country.

According to First Five Year Plan document “planning in a democratic State is a social process in which, in some part, every citizen should have the opportunity to participate.” Planning is necessary to “ensure the efficient use of the limited resources available, and their use for the common good, for improving the quality of life of the vast masses of the people.” National economic development planning has been undertaken in a large number of countries in the post-war period. Most of the underdeveloped countries established national planning agencies, though the nature of the plans formulated in different countries varied from “comprehensive national economic development plans, to investment programmes of the public sector, or even collection of projects.” India having attained independence in 1947, started treading path of development and opted for mixed economy with development through planning approach. “At the time of independence India inherited a battered economy. The society was characterised by poverty, illiteracy, malnutrition, and a poor socio-economic infrastructure. It was thought that centralised planning would not only put the economy back on the rails, but also accelerate the processes of social development.” Few countries have been as explicitly prepared for independent democratic development as India. The early fifties saw the dawn of Indian planning intended to realise the

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51 Ibid, Introduction.
aspirations of the newly developed nation. Though the roots of thought on Indian Planning go back to the pre-independence period, however, Professor Mahalanobis is considered to have provided a “definite framework for it.”\textsuperscript{56} The National Planning Commission was established in 1950 to deal with India's economic problems after the war and the partition. The Planning Commission began its work by examining the principal problems affecting the social and economic development of India. It collaborated with the relevant ministries and the state governments.\textsuperscript{57} The Planning Commission strived to establish a “welfare state for the development of rural areas and rural community since more than 80 per cent of population of the country lived in villages.”\textsuperscript{58} The rural development activities are in addition to the obligatory functions categorised as “social, economic and infrastructural.”\textsuperscript{59} Historically, investment by the state in the social sector was treated mostly as of “low return with low impact. The emphasis was on social welfare; rather than on social development.”\textsuperscript{60}

In the earlier phase of planned economic development in India, the main emphasis was on economic growth. Reduction in inequalities of income and wealth, elimination of poverty and creation of employment opportunities were on low priority. As the First Five Year plan was being formulated to achieve these objectives, the “highest priority was given to overcoming the food crisis by raising the output of food grains and the development of infrastructure with particular emphasis on energy, means of transport and communication and irrigation facilities.”\textsuperscript{61} The government took the primary responsibility for the development of the “physical infrastructure such as irrigation, energy, transport and communication, and social infrastructure sectors such as literacy, health, population control, and environment.”\textsuperscript{62} It also continued to have

\textsuperscript{60} Manu Kulkarni, “Consulting for Social Development in India”, Economic and Political Weekly 15, no. 48 (Nov. 29, 1980): 157.
\textsuperscript{62} Ibid.
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responsibility for initiating and administrating social programmes for the poor as economic growth by itself did not take care of the problems of the underprivileged sections of the country. Though, development programmes were started to be executed from first Five Year Plan yet there number and popularity accelerated during and after 1970s. The following section deals with the development programmes of the country.

India is a country where majority of the population live in the villages. Since independence, it has been the main objective of the government to give highest priority to rural development. Rural development can be brought about through increase in “agricultural production, creation of physical infrastructure, creation of employment and eradication of poverty.” India was not able to involve the poorer sections of the population into the growth process because of the very slow increase in per capita income. India did not experience the ‘trickle down’ effect. Hence, the country had to run alternative programmes for the “redistribution of income in the hope that if growth could not reduce poverty, the development programmes would.” The government formulates public policies for different sectors to fulfil the needs and aspirations of the masses and it conceives designs and formulates policy measures in the form of development programmes. The administration in developing country is overburdened with what may be called economic aspects of administration, that is, tasks related to administration of development programmes. The plan for a local area, built up entirely through this approach is an “aggregation of such activities-primary and secondary schools, health centres, roads, water supply schemes etc. This approach flows from constitution of departments at state or national level for particular development programmes-Education, Health and Agriculture.”

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66 The ‘programmes’ implies that certain development activities decided at the state or national level are carried out more or less uniformly throughout the area of the country.
“The schedule of activities to bring the change or development is a development programme.”\textsuperscript{69} The nature and content of any development programme reflects the potential, social and economic circumstances of the country. The need for development programmes especially rural development programmes was realized as a result of series of famines that occurred in different parts of the country in the eighteenth and nineteenth century.\textsuperscript{70} With the passage of time, government started intervening in providing relief to the people affected with natural calamities like famine, drought, flood, epidemics etc. These public welfare measures became the front runners of development programmes. The programmes acquired priority after the independence. “The concept of development programmes has undergone many changes time to time after learning from the earlier experiences, the acceptability of the beneficiaries and the need of the time.”\textsuperscript{71} The consideration which became relevant as the plans evolved was the concern relating to the impact of growth process on poverty. Even with the growth rate of around 5 to 6 per cent per annum it was not possible to bring about a significant reduction in the poverty without attacking the problems directly. As a consequence a number of poverty eradication programmes consisting mainly of rural employment programmes of various types were introduced. This was not the negation of the ‘trickle down’\textsuperscript{72} theory but it only showed its inadequacy.\textsuperscript{73} These programmes are not welfare programmes to bring on a platter some kind of dole to the poor people.\textsuperscript{74} Rather, they are state intervention for redistributive measures formulated and launched by the central government and implemented by the state governments and their agencies. The responsibilities of federal government are limited to formulation of overall policies and programmes, coordination of activities of different agencies and aiding implementation by helping remove bottlenecks. At the central level, the Ministry of Finance has a very

\textsuperscript{70} Ibid.
\textsuperscript{72} It means high economic growth will not only raise per capita incomes and standards of living but, it will also take care problems of underdevelopment and poverty reduction.
important role in implementation of sectoral programmes. It allocates resources for all public sector investments, and for operation of programmes of all public sectors.\footnote{V. Nath, \textit{Administration and Development Planning in India}, (New Delhi: Concept Publishing, 2011): 38-39.}

\textbf{Table 2.4: Major Steps Involved in Execution of Programmes}

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Steps in Implementation of Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Formulation of the annual programme by the sectoral ministry, enterprises, etc., within the framework of the programme included in the plan.</td>
</tr>
<tr>
<td>2</td>
<td>Scrutiny and approval of the programme by the Ministry of Finance, and inclusion in the annual budget and the annual plan.</td>
</tr>
<tr>
<td>3</td>
<td>Approval of the annual budget and annual plan by the Legislature.</td>
</tr>
<tr>
<td>4</td>
<td>Authorisation of expenditure by the Ministry of Finance; transfer of funds to regional governments and local governments, in case of programmes to be executed by them.</td>
</tr>
<tr>
<td>5</td>
<td>Execution of programmes by the Ministry, Department or Public Enterprises.</td>
</tr>
<tr>
<td>6</td>
<td>Inspection, appraisal of progress and follow-up action.</td>
</tr>
</tbody>
</table>


Table 2.4 shows the major steps that are generally involved in the implementation of development programmes in India. All projects and programmes of the central ministries are approved by the Ministry of Finance and allocation is made in the Annual Budget. Implementation of the state plans depends in large part on release of the resources by the central Ministry of Finance. In sectors such as agriculture, small industries, irrigation, power, roads and road transport, education, health, etc., implementation is the responsibility of the state governments and the role of the central ministries are those of overall coordination, monitoring and review. “In agriculture and rural service sectors, representative institutions i.e. Panchayati Raj Institutions have an important role in implementation of development programmes.”\footnote{V. Nath, \textit{Administration and Development Planning in India}, (New Delhi: Concept Publishing, 2011): 105.} The development programmes are aimed at ensuring development for all the sections of the population particularly underprivileged and disadvantaged groups. The FPs have inherent objective of inclusiveness because they are meant for those who remained excluded from
enjoying benefits of regular planning and development. The aspect of inclusiveness has been dealt in the succeeding part of the chapter.

**Flagship Programmes and Inclusive Development**

The advocates of the economic growth-promoted development believed that rise in economic growth of the country would tackle poverty and ensure development for all. However, such optimism did not materialise and poor people especially those living in rural areas did not adequately benefit from growth-led development. It was in this regard that redistributive measures were adopted in the form of development programmes and social safety nets. As the disparity in urban-rural areas and inequality in rich-poor people have risen after reforms in 1990s, the successive government have started focusing on making economic growth and development inclusive, thus, ensuring growth and development for all.

Contrary to earlier times when higher economic growth was to tackle poverty and development of the masses, presently economic growth is seen not only to raise per capita incomes and job opportunities but it is also used, according to Approach Paper to 12\textsuperscript{th} Plan, to finance development programmes and other welfare measures which are aimed at poverty reduction and ensuring inclusiveness. Being a multi-dimensional concept, inclusion cannot be easily examined. “Most flagship programmes address inclusion by building in regional equity components or targeted components, sub-plans or earmarked funds for traditionally excluded groups such as the Scheduled Castes or Scheduled Tribes. This is by design. Yet, others try and reach them through innovations in implementation on the ground.” However, the government feels that marginalised sections of the society still continue to face social and financial deprivations which are two important components of inclusive development. The government has started pursuing focused approach through FPs to address the problem.

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77 The definitional aspect has been dealt in the first chapter.
Inclusive development can be brought about by lowering poverty, improving health indicators, achieving universalisation of elementary education, providing employment opportunities, reducing disparities and inequalities, ensuring adequate and regular supply of electricity, water and above all ensuring freedom and life of dignity to all people of the country more particularly rural poor. The Planning Commission suggests that ‘multiple interventions’ and along with ‘institutional and attitudinal’ reforms are required to achieve inclusion.\(^{81}\) There are tall claims of the central and the state governments regarding inclusiveness being achieved through FPs. However, the kind of politics involved in selection of beneficiaries (selection of wrong or ineligible beneficiaries and exclusion of genuine and deserving recipients), corruptive practices adopted by governmental officials in execution of flagship programmes, absence of accountability and lack of people’s participation etc. paint real picture contrary to the government claims. The development administration that is responsible for implementation of development activities and FPs has to be sensitized towards needs of poor and its accountability is essential to be fixed for non-performance or poor performance to achieve inclusive development. In this regard, India can learn some lesson from the Conditional Cash Transfers (CCTs) programmes of Latin American countries as poverty fighting strategy which ensures inclusion.

Indian FPs should be understood through the perspective of development programmes which are called as Cash Transfer Programmes or CCTs. The CCTs are designed in such a way that the developing human capital remains a long term goal while tackling poverty as a shorter run goal.\(^{82}\) Under CCTs, cash resources are transferred to poor people to fulfil basic needs and utilising services such as health and education. As a redistributive measure, the CCTs have been successful in fighting poverty in Latin American countries and other countries have also commenced cash transfer schemes.\(^{83}\) The CCTs enable poor households to spend on schooling and

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medical facilities of their children. “The condition of attendance at schools and clinics play effective role in transforming cash transfers into human capital subsidies. The CCTs are aimed at decreasing inter-generational poverty in areas inhabited by the poorest.”

The CCTs constitutes both supply side interventions as well as demand side interventions.

The main difference between Indian and Latin American social programmes is the rule of exit or rule of graduation for beneficiaries. In CCTs, the beneficiaries have to leave programme after 3 to 6 years. The exit or graduation rules remain in debate. The shorter exit time proves to be insurmountable limitation as short term goal of poverty takes precedence over long term goal of human capital. But reform carried out in this regard has addressed problem by doubling exit time. “Fallout of this exit rule is that beneficiaries’ families again enter into poverty trap after graduating from programme. Some localities remain excluded from the CCTs because of conditionalities attached to programmes.”

As regard to trade-off between poverty reduction strategy and exit rule of the programmes, it is believed that CCTs programmes can be seen as a solution to eliminating poverty on eternal basis and need to be expanded rather than having focus on graduation or exit rules as it would ensure minimum income to families. The CCTs should be “institutionalised and integrated with broader social policies and act as complementary to expansion of social services of the country so that with the change in governments, the CCTs are not abandoned, rather, they remain continued.”

Instead of implementing as a stand-alone programme, the CCTs should work in tandem and in

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84 The Programa Nacional de Educacion, Saludy Alimentatacion (PROGRESA) in Mexico 1997 in, the Programa de Asignacion Famililar-Fase II (PRAF) in Honduras in 2000, and the Red de Protection Social (RPS) in Nicaragua in 2000 are examples.


complementary manner with over all development initiatives aimed at social protection and social justice. Considering the success of CCTs in Latin America, India can incorporate the provision of conditionalities attached with monetary as well as non-monetary benefits to increase impact of FPs. The provision of exit rule can also be used in Indian FPs to reduce dependence of the poor masses on government and at the same time, the government should encourage self-dependence particularly among rural people. Similarly, Latin American and other countries can learn from Indian experience of increased use of information and communication technology, social audit, multi-level monitoring, government as well as private evaluation, and right-based approach in FPs. The joint studies of FPs should also be undertaken by India with other countries to mutually learn from the experiences and good practices in the implementation, monitoring and evaluation of development programmes. The responsibility can be given to research institutes and universities through exchange programmes.

**Approaches of Development during reign of the NDA and the UPA Governments**

The Planners have been formulating the development programmes keeping in view the socio-economic conditions prevailing in the country in general and rural areas in particular. Different approaches (see Appendix-II for details) have guided the design and formulation of FPs in diverse sectors of human life and addressing the different aspects of development needs of the rural people. An approach to any rural development programme does not only cover aspects related to design and formulation of programme, but it also encompasses the entire gamut of issues related to implementation and monitoring of the programmes. The FPs and approaches underlying them differ on various bases. The FPs taken up in the present study are based on minimum needs approach also known as basic services approach and right-based entitlement approach. Both these approaches have been used by the NDA as well as the UPA government while launching their respective human development programmes. Following section discusses these approaches of FPs in detail:

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Minimum Needs Approach

Much before the phrase ‘basic minimum needs’ entered the international vocabulary, planners in India had been aware that the provision, largely through public expenditure, of social consumption needs such as education, health, water supply, and sanitation needed to have high priority in development strategy. These were considered important not only for supplementing the consumption of the poor but also because employment and income opportunities could be expected to improve on account of better health and education.\(^9\) Minimum Needs Programme (MNP) was introduced in the first year of the Fifth Five Year Plan. The objective of the MNP was to establish a network of basic services and facilities of social consumption in all the areas upto nationally-accepted norms within a specified time-frame.\(^9\) The programme was designed to assist in raising living standards and in reducing the regional disparities in development. The programme was essentially an investment in human resources. The basic needs of the people identified for this programme were “elementary education, adult education, rural health, rural roads, rural electrification, rural housing, environmental improvement of urban slums and nutrition.”\(^9\) The rationale behind MNP was two-fold. Firstly, it was felt that the competing demands for greater investment in other development sectors left relatively small allocations for social services. In the face of the resource constraint, the tendency was to impose economy measures or cuts in the allocations for social sectors. Second, there were inter-state differences in the provision of social services and infrastructure which called for governmental intervention.\(^9\) The provision of free or subsidised services through public agencies was expected to improve the consumption levels of those living below the poverty line and thereby, raising the productive efficiency of both rural and urban workers.\(^9\) The integration of social consumption programmes with economic development

\(^9\) Ibid.
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Programmes was necessary to accelerate growth and for ensuring the achievement of plan objectives. In the absence of such a programme, the pressure for investments in the development of infrastructure and production sectors left relatively small allocations for social services. Further, the benefits of social services could not reach the poorest without conscious efforts to that end. The MNP laid down the urgency for providing social services and its allocations were earmarked. It sought to ensure the necessary provision of resources.\(^5\)

The major thrust of the MNP in the Seventh Plan was to integrate the programme with other rural development and antipoverty programmes so as to create necessary linkages in the delivery of services.\(^6\) The MNP comprised two distinct sets of activities: human resources development activities which cover elementary and adult education, health, drinking water supply, nutrition and rural housing, and activities relating to area development like rural roads and village electrification.\(^7\) The various components of the MNP sought to enhance the impact of both beneficiary-oriented and area development programmes of rural development. The MNP boosted the productive capacity of the community as a whole by indirect impact, whereas, the rural development programmes made better the economic condition of the individual with a direct and personalised approach. The two sets of programmes were mutually supportive and, therefore, needed to be linked. Besides the development of linkage between the MNP and rural development and anti-poverty programmes, it was proposed to add some components to the MNP during the Seventh Plan. These were domestic cooking energy, public distribution and rural sanitation.\(^8\)

While in some areas of the MNP, outcomes have been satisfactory since the launch of the programme and for certain other components of the programme the extent of achievement were below acceptable levels. Further, the inter-state differences in the levels of achievement remained very high. Recognising the shortfall in the achievement

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\(^7\) Ibid.

of the basic minimum standard of life for all sections of the people, an initiative was taken by the Chief Ministers Conference held in July, 1996 to ensure access of all people to certain Basic Minimum Services (BMS) in a time-bound manner. The Conference endorsed the seven basic minimum services as of paramount importance in securing a better quality of life for the people especially for those residing in rural areas.\footnote{S.L. Goel, \textit{Primary Health Care Management}, (New Delhi: Deep and Deep Publications, 2004): xxii.} Further, it was observed that it would be in the best interests of the country, if time-bound action plans were formulated to secure full coverage of the country with these seven basic services by 2000 AD.\footnote{Ibid.} This was essential for the rapid growth of the economy and for social justice and hence, these basic services were to constitute the core of the social sector development plan.\footnote{Planning Commission, \textit{Ninth Five Year Plan}, vol. II Chapter 3.2, (New Delhi: Government of India, 1997).} The seven basic services identified in the Ninth Five Year Plan for priority attention were:\footnote{Ibid.}

1. 100 per cent coverage of provision of safe drinking water in rural and urban areas;

2. 100 per cent coverage of primary health service facilities in rural and urban areas;

3. Universalization of primary education;

4. Provision of Public Housing Assistance to all shelter less poor families;

5. Extension of Mid-day Meal Programme in primary schools, to all rural blocks and urban slums and disadvantaged sections;

6. Provision of connectivity to all unconnected villages and habitations; and

7. Streamlining of the Public Distribution System with focus upon the poor.

The provision of funds for items covered under the BMS was primarily part of the Plan of a State/UT, and they were earmarked so that no diversion could be made. In addition, Centrally Sponsored Schemes were introduced in order to provide additional

\footnote{Ibid.}
resources to supplement the resources of the states in some critical areas such as the scheme of Operation Black Board\textsuperscript{103} in the education sector and the Accelerated Rural Water Supply Scheme for drinking water in rural areas. In 1996-97, the central government introduced a budget head for providing additional funds for the BMS in the form of Additional Central Assistance (ACA). Therefore, the total funds available for BMS were from the state plans, the selected CSSs and also the ACA. The ACA was being released monthly by the Finance Ministry to the state governments in twelve equal instalments. The ACA was in the form of 70 per cent loan and 30 per cent grant. For the special category\textsuperscript{104} states, it was in the form of 90 per cent grant and 10 per cent loan. During the Ninth Plan, the ACA was started to be distributed amongst States on the basis of the BMS infrastructural gaps. This exercise to assess the infrastructural gaps was carried out by the Planning Commission in consultation with State governments.\textsuperscript{105}

There were various reasons that could be attributed for low achievement of targets in the MNP. The reasons\textsuperscript{106} of poor success of MNP were:

1. Approach had not been directed, specifically or in sustained fashion, towards meeting these needs in rural areas (for example health and education) or disadvantaged sections (for example women, STs and SCs), or at primary levels of deprivation.

2. In the federal system, it was the state governments which had responsibility for education, health, nutrition, water supply and sanitation, amongst them; administrative capability as well as resources allocated and expended for these purposes had varied widely.

\textsuperscript{103} The scheme of Operation Blackboard was launched in 1987-88 with the aim of providing essential facilities in all primary schools in the country in a phased manner i.e. two teachers & Teaching Learning Equipment (TLE). The Scheme provides 100% central assistance for Teaching Learning Equipment and for salaries of teachers during the Plan period in which appointment was made. Construction of school buildings is primarily the responsibility of State Governments/UT Administrations. However, under the scheme of Operation Blackboard, the Ministry of Rural Development releases funds for construction of Primary School buildings on sharing basis.

\textsuperscript{104} Hill states and north east states of the country are called special category states due to their difficult geographical location and scarcity of resources.


3. The critical minimum effort for tackling interrelated problems such as disease, illiteracy, malnutrition and poor access to safe water and sanitation were lacking as inter-sectoral coordination was inadequate.

4. Given their low level of incomes, the ability of the poor to gain, or benefit from, access to nutrition, health or education was restricted.

5. Most important, there was no real commitment or encouragement among States in India-in fact there was an attitude of hostility in many states to decentralised local-level institutions which were responsible in most other countries for the establishment, operation and maintenance of basic facilities for health, education, water supply and sanitation.\(^{107}\)

The CSSs\(^{108}\) that include FPs\(^{109}\) suffer from poor implementation. As a result, the objectives are not met and precious resources also get drained. To give legislative support to CSSs and FPs and to confer rights on people as well as improving implementation and impact, the government started right-based programmes.

**Right-based Approach**

The right-based approach has been started in the Indian programmes to give statutory backing to FPs among CSSs to achieve targets and objectives; to ensure the proper implementation of programmes in the states by making it legal obligation on the part of states governments; and declaring some services or entitlements as the rights of citizens. In 2000, the NDA government launched Sarva Shiksha Abhiyaan (SSA) to universalise primary education in the country to provide free and compulsory education to all children in the age group of 6-14 years. It inserted Article 21A in the Constitution which confers right to education (RTE) on every child through the 82\(^{nd}\) Amendment in 2002. The UPA government enacted a legislation RTE Act 2009 to confer right on every child in the country to have free education up to elementary primary level. Both

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FPs offer the right-based entitlements to citizens. Besides RTE, the UPA government also brought Right to Information (RTI) Act while its seeds were planted by the BJP by promising such right in its manifesto of Lok Sabha elections in 1998. In pursuance of right to work, the government has been making efforts since independence in general and from late 1970s in particular. However, in the absence of any legislative support, all efforts aimed at providing employment opportunities to rural poor proved futile. The UPA-I brought legislation in this regard. In February 2006, National Rural Employment Guarantee Act (NREGA) came into being, thereby giving the rural poor a right to seek employment opportunities for 100 days during the lean agriculture season.

**Concluding Remarks**

Most of the development theories and models originated in the Western countries and they were set in political, social, administrative, economic and cultural conditions and settings of those countries. Those models were advocated for poor and developing countries. The developing countries should have their own models and theories of the development which must be rooted in conditions and settings of these countries as developing countries have some similarities. One of the basic similarities is reduction of poverty through such programmes. Such as a model of Cash transfers was commenced in the Latin American countries which was transported to African countries later on. The CCTs have proved to be successful as a poverty reduction strategy and helping the poor people to fulfil basic needs and utilising services such as health and education. India initiated development programmes soon after independence and their number increased to significant extent after realisation of fall out of ‘trickle down’ perspective. The socio-economic development programmes started during and after 1970s were aimed at redistribution through the state intervention which was against the paradigm of growth-led development. During 1990s, economic reforms were introduced and many changes were effected in the economic system of the country. However, the state intervention through development programmes for poverty alleviation and meeting basic needs was not compromised. As a result, there was a decline in the poverty in percentage points, though, not in absolute terms. It can be argued that both the human

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development programmes and economic growth worked in tandem to reduce poverty in India. Under the NDA and the UPA governments, the development assumed the name of FPs because of extensive pan-India coverage and enormous rise in funds allocation. Both regimes initiated several FPs related to human development particularly for rural areas. The funding for FPs and other programmes increased manifolds as also over all social expenditure. There are various issues involved in FPs which have affected the centre-state relations. The chapter five of the study deals with social sector expenditure and the impact of FPs on centre-state relations.
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