

Data alone won't lead to development

The Aspirational Districts Programme will work if equal focus is given to implementation issues

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The Niti Aayog recently launched the first round of rankings on key social indicators for 100-plus poorest districts. These rankings, to be updated every quarter, are the pivot for a new flagship project: the Aspirational Districts Programme (ADP), designed to accelerate development in India's poorest districts. A real-time data dashboard to monitor progress will support the ranking effort.

The emphasis on district-level data is welcome. The lack of regular, granular data at the district level, the focal point of implementation in our administrative architecture, has been a serious impediment to administrative efficiency. Moreover, the indicators identified combine an output and outcome focus. This is a marked shift from the typical government tendency to conflate outputs (for example, the number of anganwadi centres built) with outcomes (reduction in stunting) and a starting point for introducing outcomes-focused performance management systems.

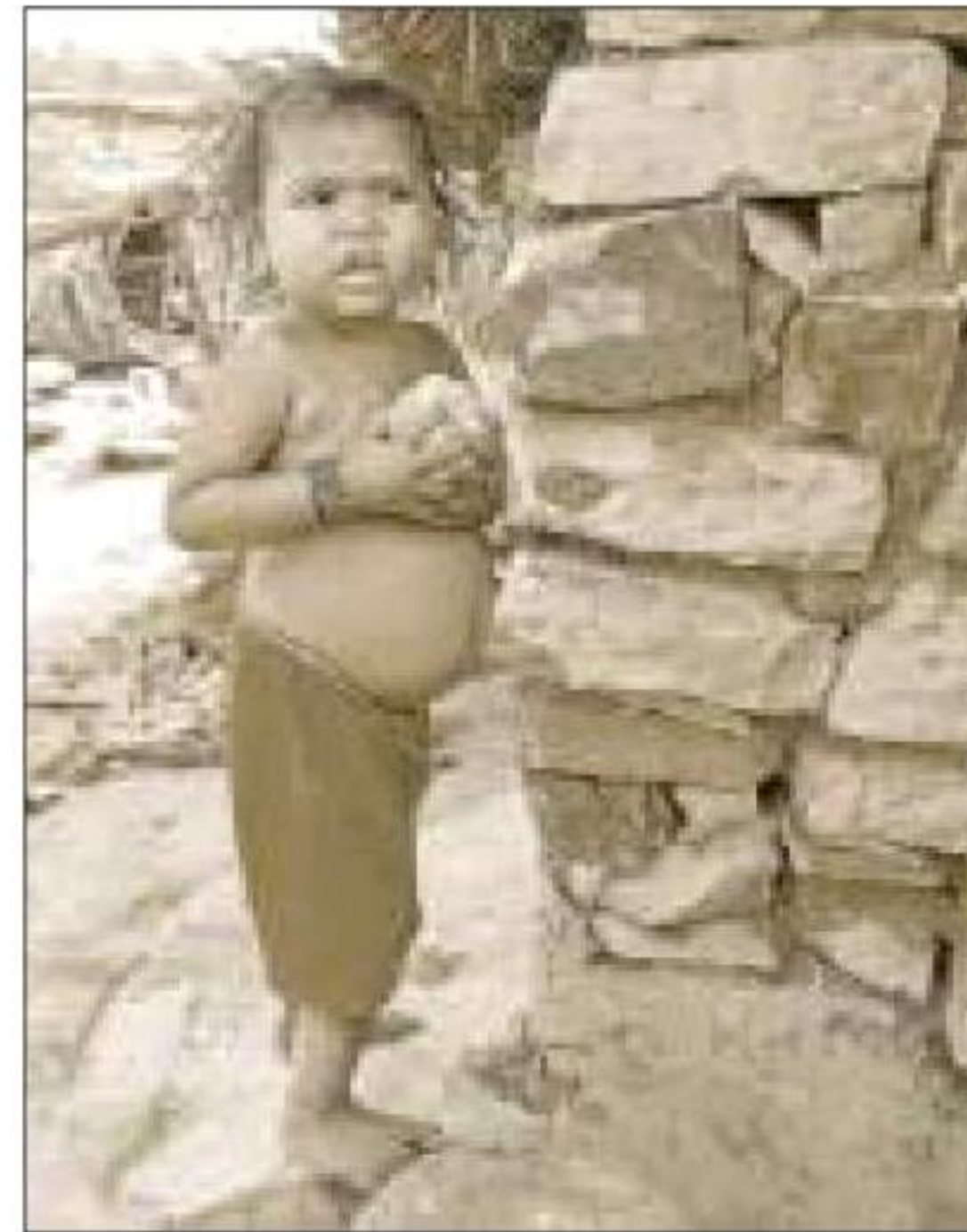
But, this effort also raises critical questions about the role (and limits) of data: can better data lead to improved outcomes without significantly changing the administrative architecture responsible for outcome failures? Is data the catalyst or the substitute for administrative reform? I would argue

that most data-driven reforms do not pay adequate attention to the implementation conditions under which such data can be leveraged effectively. Consider the ADP. The stated objective of the district database is to empower districts to identify their needs and tailor interventions to local conditions. Rankings are expected to incentivise districts to compete in a race to the top thereby accelerating impact. But are the enabling conditions in place?

Take the district-intervention strategy. The real barrier to tailoring development interventions to district needs is not data (although it certainly is part of the story) but the centralised financing and decision-making structure that districts are embedded in. As this column has repeatedly highlighted, districts have little discretion over funds received from the central and state governments so much so that if a district wants to use funds allocated for toilet construction under the Swachh Bharat Abhiyan to promote waste management as its primary strategy to achieve sanitation goals, the rules won't allow it. How then can a district tailor interventions to suit local needs?

The ADP hopes to bypass this institutional failure by appointing an officer (prabhari) at the state and central level charged with converging state and central scheme funds with district priorities. But centralised financing has created an accountability culture that privileges micro-management. Ministries have fought hard to keep these culture alive, introducing rules to control district flexibility.

The Sarva Shiksha Abhiyan, for instance, introduced a flexible budget for district "innovation" but with clear "guidelines" on



■ Data actually amplifies the need to build the State's implementation capacity HT

how districts ought to use this money (50% was reserved for computer-aided learning). Even an attempt by the Niti Aayog's Sub-Committee of Chief Ministers attempted to make 25% of central scheme funds discretionary has been ignored. In this context, is it realistic to expect a single prabhari to challenge entrenched cultures, induce flexibility and bring funding to districts? Data in this case can highlight the gaps and create pressure points but without reforms in district financing perhaps an unrestricted "aspirational" grant, change is unlikely.

Another strategy to bypass funding and implementation constraints is to collaborate with private sector and civil society organisations. This may yield short-term gains but unless the vision is to create a permanent parallel structure, sustaining these successes will require institutional reforms.

The expectation that district rankings

could induce competition is an exciting proposition. But consider the incentive structure. Collectors have, at best, three short years in which to make a mark. An average district has more than 100 schemes running at any given time and usually suffers from weak implementation capacity. In this ecosystem, focusing on the politically visible priority, rather than competing with other districts, may well be the rational choice for a collector. Moreover, in a centralised system where national political priorities and associated targets are closely monitored is it feasible for districts to compete? After all, can a district realistically resist focusing on Swachh Bharat Abhiyan and concentrate on education, even if that's what the rankings suggest?

On first principles, competitive federalism requires a genuinely decentralised environment where elected local governments, incentivised by their accountability to voters and empowered with resources, compete to deliver public goods linked to local preferences. Despite its rhetoric, the ADP seeks to undermine rather than promote decentralisation. Panchayats have no stated role in this programme and in its current articulation the ADP seeks to strengthen the role of the collector (and state and central governments) in planning, financing and implementing the priorities. Genuine competition without genuine decentralisation is hard to sustain.

In building an outcome-focused, data-driven framework Niti Ayog has taken an important step. But data is not a substitute for entrenched administrative failure. Rather it amplifies the need to invest in administrative reforms and build implementation capacity. In the absence of these investments, the ADP runs the risk of being no more than an "aspiration".

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The views expressed are personal