



# ISEC

## CENTRE FOR DECENTRALISATION AND DEVELOPMENT (CDD)



## THE INSTITUTION

The Institute for Social and Economic Change was established in 1972 by the visionary, scholar, statesman and distinguished social scientist Prof. V K R V Rao. It has always been conceived as an all-India institute of interdisciplinary research and training in social sciences. The principal objective of the Institute is conducting research, pure and applied, in social sciences and enlarging the canvas to include doctoral programme, training and policy dissemination.

The main objectives of the Institute summarily stated are to:

- undertake pure and applied research in social sciences encompassing all aspects of a developing society in an inter-disciplinary framework;
- assist central, state and local governments by providing advice based on policy-related studies;
- undertake regular training of doctoral students and teachers in universities and colleges, and for the officials and political functionaries, particularly at local levels;
- maintain a documentation and data centre in social sciences;
- take all measures within the competence of the Institute for the promotion of pure and applied research in social and economic development and change;
- assist the multilateral organisations such as the World Bank, Asian Development Bank, UNFPA , UNICEF, WHO and ILO in undertaking research and training programmes and
- collaborate with universities, research institutions and the non-governmental organisations (NGO) in the region in improving the quality of research and training.

## **CENTRE FOR DECENTRALISATION AND DEVELOPMENT (CDD)**

The Centre for Decentralisation and Development (CDD) was set up by the Institute for Social and Economic Change with the assistance of the Ford Foundation in 2002. The centre undertakes multidisciplinary research on the fiscal, political and administrative aspects of decentralisation, as also on local organisations such as Panchayati Raj Institutions (PRIs), Non-Government Organisations (NGOs) and Community Based Organisations (CBOs). The centre aims to provide research inputs to functionaries of the government, PRIs, NGOs as well as donors for policy formulation, implementation, appraisal and policy renewal.

### **GOALS AND MISSION**

The goal of the centre is to emerge as a centre of excellence in Decentralisation and Development through research, advocacy and capacity building. The centre's mission is to support and further decentralization efforts of the government, people, donors and civil society institutions by undertaking policy-oriented research, dissemination and capacity building initiatives.

### **RESEARCH PERSPECTIVE**

Decentralisation is a process that transfers political, administrative and fiscal responsibilities to the local elected bodies, and also empowers communities to ensure that

these bodies function effectively. It not only improves governance through accountability and incentives, participation of the marginalized and women in development but also strengthens democracy, participation and civil society institutions. It is an important instrument for poverty reduction, and sustainable material and human development.

A focus on decentralisation and community-driven development may bring both better governance and reduced market 'imperfections'. But this requires change at two levels. First, reform of state agencies (structure/decision making, commitment, skills, and attitudes) towards decentralised local governance, improved responsiveness and participation. This implies a shift in the locus of power from the centre to the periphery. Second, rural people, including the poor, need to seize the new opportunities provided. They should also take up the challenge of reforming the state and countering the oppressive elite. This raises a key issue regarding decentralisation; how to balance

the locus of power between the centre and the periphery and develop accountability and responsive-ness at central and local levels (encourage participation and voice; and limit exit, co-option, and capture). The Centre has

been under taking research studies that would inform us on how to get the right balance.

### **BOOKS & MONOGRAPHS (2009-2013)**

1. N Jayaram and D Rajasekhar (eds.) (2012). **Vulnerability and Globalisation: Perspectives and Analyses from India**, Rawat Publications: Jaipur.
2. D Rajasekhar, K G Gayathri Devi and V Anil Kumar (2011). **Institutional Design for Tackling the Problem of Child Labour**, Concept Publishing Co., New Delhi.
3. D Rajasekhar and R Manjula (2011). **Decentralised Governance and Service Delivery: Affordability of Drinking Water Supply by Gram Panchayats in Karnataka**, ISEC Monograph No.23, Bangalore.
4. D Rajasekhar, Gagan Bihari Sahu, K H Anantha (2010). **Growing Rural-Urban Disparity in Karnataka**, Serials Publications, New Delhi.
5. M Devendra Babu (2010). **Decentralised Planning in Karnataka: Realities and Prospects**, ISEC Monograph No.19, Bangalore.

### **RESEARCH PAPERS (2009-2013)**

1. D Rajasekhar, Salim Lakha and R Manjula (2013): **How Effective are Social Audits under MGNREGS? Lessons from Karnataka**, *Sociological Bulletin*, 62 (3), September-December, pp. 431-455.
2. D Rajasekhar, R Manjula, Suchitra J Y and Sanjeev Kumar (2013). **Vocational Education for Adolescent Workers: Some Policy Options**, *Social Work Chronicle*, Vol.2, Issue 1.
3. M Devendra Babu (2013). **'Comprehensive District Development Plan: Karnataka's Experience'** (in Kannada), in M Lingaraj and Jayasheela (Ed), *Karnatakada Sarvatomukha Pragatiya Vividha Aayaamagalu*, New Delhi, Global Research Publications.
4. D Rajasekhar and R Manjula (2012). **Affordability of Streetlight Services by Gram Panchayats in Karnataka: Status, Determinants and Ways Forward**, *Journal of Rural Development*, Vol.31 (4): 419-434.

5. D Rajasekhar, M Devendra Babu and R Manjula (2012). **Are Checks and Balances in MGNREGS Effective?** *The Indian Journal of Social Work*, Vol.73, Issue 4, October.
6. D Rajasekhar (2012). **Local Self-Government in India: An Overview**, *Management Review*, Vol.6, Issue No.1, July.
7. Gita Sen and D Rajasekhar (2012). **Social Protection Policies, Experiences and Challenges**. In R Nagaraj (ed.) *Growth, Inequality and Social Development in India: Is Inclusive Growth Possible?*, New York: Palgrave Macmillan.
8. Rajasekhar D (2012): **Organizing Practices and Coping Strategies of Agricultural Labourers: A Case of Mutah Labour in South India**, in Karsten Paerregaard and Neil Webster (eds.) *The Byways of the Poor: Organizing Practices and Economic Control in the Developing World*, Museum Tusculanum Press, Denmark.
9. Rajasekhar D, R Manjula and Suchitra J Y (2012): **Does Micro-Finance Reduce Vulnerability: A Study of Dalit Households in Karnataka and Tamil Nadu**, in N Jayaram and D Rajasekhar (eds.) *Vulnerability and Globalisation: Perspectives and Analyses from India*. Rawat Publications, Jaipur.
10. Rajasekhar D (2012): **Social Security for Unorganised Workers in India**, in N Jayaram and D Rajasekhar (eds.) *Vulnerability and Globalisation: Perspectives and Analyses from India*. Rawat Publications, Jaipur.
11. Devendra Babu M, D Rajasekhar, R Manjula (2011): **Role of Grama Sabha in the Implementation of MGNREGS: Field Insights from Karnataka**, *The Grassroots Governance Journal*, Vol.IX, No.2, July – December.
12. Rajasekhar D and R Manjula (2011): **Magnitude, Dimensions and Causes of Child Labour in Karnataka: A Secondary Source Review**. *Indian Journal of Rural and Urban Development (IJRUD)*, Vol.1, Issue 1.
13. Rajasekhar D, Erlend Berg, Maitreesh Ghatak, R Manjula and Sanchari Roy (2011): **Implementing Health Insurance: The Rollout of Rashtriya Swasthya Bima Yojana in Karnataka**, *Economic and Political Weekly*, Vol.XLVI, No.20, May 14.
14. Rajasekhar D (2010): **Poverty: NGOs can be the Bridge**, *One India One People*, Vol.13/7, February.
15. Manjula R (2010): **Poverty: In Search of Solutions**, *One India One People*, Vol.13/7, February.
16. Devendra Babu M (2010): **Rural Local Governments: A Study of Fiscal Position in Karnataka**, in G Palanithurai (ed.) *Dynamics of New Panchayati Raj System in India* (Vol.III: Financial Status of Panchayats), Concept, New Delhi.

17. Devendra Babu M (2009): **Financial Empowerment of Local Governments in the Indian Context: A Myth or Fact? – A Macro Inquiry**, *Asian Studies Review* (Kyungpook National University, Korea), No.7, November.
18. Rajasekhar D (2009): **Does Good Governance Work for Poverty Reduction at the Ground Level? A Study of Self-Help Groups in Karnataka and Madhya Pradesh**, in H S Shylendra (ed.) *Challenges of Addressing Poverty and Inequality*, Academic Foundation; New Delhi.
19. Rajasekhar D and Suchitra J Y (2009): **Micro-Finance Programmes and Vulnerability to Debt Bondage**, in Gopal K Kadekodi and Brinda Vishwanathan (eds.) *Agricultural Development, Rural Institutions and Economic Policy*, Oxford University Press; New Delhi.
20. Rajasekhar D (2009): **Arresting Poverty**, *One India One People*, Vol. 12/12, July.
21. Rajasekhar D (2009): **Policies that Transformed India**, *One India One People*, Vol. 12/8, March.
22. Devendra Babu M (2009): **District Planning Committees and Grassroots Level Planning: Some Issues with Reference to Karnataka State**, *The Grassroots Governance Journal*, Vol. VII, Nos 1 & 2, June-December.

### **WORKING PAPERS (2009-2013)**

1. Erlend Berg, Maitreesh Ghatak, R Manjula, D Rajasekhar and Sanchari Roy (2013): 'Motivating Knowledge Agents: Can Incentive Pay Overcome Social Distance?', *CSAE Working Paper WPS/2013-06*, University of Oxford, UK, 2013.
2. D Rajasekhar, Salim Lakha and R Manjula (2013): How Effective are Social Audits under MGNREGS? Lessons from Karnataka, *ISEC Working Paper 294*, ISEC, Bangalore.
3. Erlend Berg, Sambit Bhattacharya, D Rajasekhar and R Manjula (2012): Can Rural Public Works Affect Agricultural Wages? Evidence from India, *CSAE Working Paper WPS/2012-05*, University of Oxford, UK.
4. D Rajasekhar, Erlend Berg, Maitreesh Ghatak, R Manjula and Sanchari Roy (2011): Implementing Health Insurance for the Poor: The Rollout of RSBY in Karnataka, *EOPP Working Paper No.25*, London School of Economics, UK.
5. Devendra Babu M (2009): Fiscal Empowerment of Panchayats in India: Real or Rhetoric? *ISEC Working Paper 229*, Institute for Social and Economic Change, Bangalore.

## POLICY BRIEF (2009-2013)

1. D Rajasekhar, Salim Lakha and R Manjula (2013): Social Audits under MGNREGS: Lessons from Karnataka, *ISEC Policy Brief*, Institute for Social and Economic Change, Bangalore.
2. D Rajasekhar and R Manjula (2013): Providing Community Streetlights in Karnataka, *ISEC Policy Brief*, Institute for Social and Economic Change, Bangalore.
3. Erlend Berg, D Rajasekhar, Maitreesh Ghatak, Manjula R and Sanchari Roy (2012): How to improve knowledge and take-up of public services by the poor: The case of the RSBY National Health Insurance in India, *iiG Policy Brief No.20*, University of Oxford, March.
4. Erlend Berg, D Rajasekhar, R Manjula and Sanchari Roy (2010): Hospitalisation Means India's Poor go Hungry, *iiG Policy Brief No.13*, University of Oxford, July.
5. Erlend Berg, D Rajasekhar and R Manjula (2010): India's Poor Rely mainly on Private Health Care. *iiG Policy Brief No.8*, University of Oxford, March.

## COMPLETED STUDIES (2009-2013)

Sl. No.	Title of the Project	Project Director/s & Co-authors	Year
1.	A Comparative Study of the Health Insurance Schemes in Karnataka	D Rajasekhar and R Manjula	2013
2.	Elite Capture in Grama Panchayats of Karnataka	D Rajasekhar, M Devendra Babu and R Manjula	2012
3.	Comprehensive District Development Plan for Eleventh Five Year Plan (2007-12), Chikballapur District	M Devendra Babu, B S Sreekantaradhya and D Rajasekhar	2011
4.	Pilot BPL Census Survey in Karnataka	M Devendra Babu	2011
5.	Magnitude, Dimensions and Causes of Child Labour	D Rajasekhar and R Manjula	2010
6.	Revenues of Grama Panchayats in Karnataka	D Rajasekhar and R Manjula	2010
7.	Comprehensive District Development Plan for Eleventh Five Year Plan (2007-12), Ramanagara District	M Devendra Babu, Abdul Aziz and D Rajasekhar	2010

8.	Delivery of Social Security and Pension Benefits in Karnataka	D Rajasekhar, G Sreedhar, N L Narasimha Reddy, R R Biradar and R Manjula	2009
9.	Comprehensive District Development Plan for Eleventh Five Year Plan (2007-12), Bangalore Rural District	M Devendra Babu, B S Sreekantaradhya and D Rajasekhar	2009
10.	Economic Reforms and Political Decentralisation: A Comparative Study of Some Selected Indian States during Post-Reform Period	V Anil Kumar	2009

## CURRENT RESEARCH

Sl.	Title of the Project	Project Staff
1.	<p>Improving Institutions for Pro-Poor Growth</p> <p><i>The following two studies have been initiated under this project</i></p> <p><b>Information and health insurance for the poor,</b> with Erlend Berg (University of Bristol), Maitreesh Ghatak (LSE), R Manjula (ISEC) and Sanchari Roy (Warwick). This is a randomised field trial taking place across 300 villages in Karnataka. The villages are allocated to one of three treatment groups in which agents are recruited to spread information about a government health insurance scheme for the poor, or a control group. Research questions are: 1. What is the role of incentive pay in spreading information about large-scale government pro-poor programmes? 2. What is the impact of the health insurance scheme on people's health, economic status and labour outcomes?</p> <p><b>Corruption and service delivery in NREG,</b> with Erlend Berg and R Manjula. This randomised controlled trial looks at correlation between corruption and the quality of service delivery in one of the flagship Indian anti-poverty schemes, the</p>	D Rajasekhar and R Manjula



Sl.	Title of the Project	Project Staff
	<p><i>National Rural Employment Guarantee. We also randomly allocate anti-corruption strategies to the 150 Karnataka villages in the sample in order to test the relative efficacy.</i></p>	
2.	<p>District Human Development Report for Chikkaballapur</p>	M Devendra Babu
3.	<p>District Human Development Report for Ramanagar</p> <p><i>In view of differences across socio-economic groups and regions within a district and the need for bottom-up planning from sub-district level, District Human Development Reports such as these become important not only for targeting interventions to address specific needs but also to ensure accountability on the local government.</i></p>	M Devendra Babu
4.	<p>Improving Access to Social Security Benefits among Unorganised Workers</p> <p><i>This randomised field trial is collaboration with GIZ, which is piloting gram panchayat-level Worker Facilitation Centres (WFCs) together with the Labour Department in order to assist unorganised workers to gain access to government social security schemes. The research study is a robust evaluation of effectiveness of WFCs.</i></p>	D Rajasekhar, Erlend Berg and R Manjula
5.	<p>Institutions, Governance and Development: A Study of Selected Grama Panchayats in Karnataka</p> <p><i>Many reforms and policies have been initiated by the government with the sole aim of strengthening the panchayats so that they are more responsive to the problems, transparent and accountable for the actions. These reforms, which focused on grama panchayats (GPs), have included functional, administrative and financial reforms. Against this background, an in-depth study on the functioning of grama panchayats in terms of governance, planning and development is being undertaken.</i></p>	D Rajasekhar, M Devendra Babu and R Manjula

## SEMINARS, CONFERENCES, WORKSHOPS AND TRAINING PROGRAMMES (2009-2013)

The centre recognises the need to strengthen the capacity of the elected members in PRIs, as well as practitioners and representatives of civil society. In this respect, training programmes and workshops on several aspects relating to decentralisation for representatives of local elected bodies, government and NGOs have been conducted.

An important method adopted by the Centre is to regularly organise outreach workshops (at district and NGO levels) to disseminate the findings of its studies. The main aim of these workshops is to take back the findings to those for whom they matter the most. The stakeholders are involved in validating the findings, interpreting them and providing their views on the field reality. Through such workshops, the centre aims to achieve active interaction among the people, elected representatives, NGOs, government and the academia, which is crucial to the overall developmental issues it is concerned with.

Following are the training programmes and workshops/seminars organised by CDD during the period 2009 to 2013:

Sl. No.	Title of the Training Programmes/Workshops/Seminars	Sponsored by	Dates
1.	Youth Development in India: Status, Programmes and Dimensions Co-ordinator: Dr. M Devendra Babu	Regional Survey of Youth Development (WG-RSYD), South Zone, Government of India	September 30, 2013
2.	Pilot BPL Census Survey in Karnataka Co-ordinator: Dr. M Devendra Babu	RDPR, Government of Karnataka (GoK)	September 2-3 & 8-9, 2010
3.	Policies for Inclusion in India and Beyond Co-ordinators: Prof. D Rajasekhar and R Manjula	University of Oxford and London School of Economics	September 3, 2010
4.	Financial Performance Indicators for Micro-Insurance. Co-ordinators: Prof. D Rajasekhar and R Manjula	GTZ, Berlin and ADA, Luxemburg.	July 19-23, 2010
5.	Barriers to Participation and Inclusion in Panchayat Raj Institutions: The Case of Elite/ Program Capture Co-ordinators: Prof. D Rajasekhar, Dr. M Devendra Babu and R Manjula	National Council of Applied Economic Research (NCAER), New Delhi	June 28, 2010
6.	Institutional Aspects of Pro-Poor Policy: Revising the Indian Poverty Line Co-ordinators: Prof. D Rajasekhar and R Manjula	University of Oxford and London School of Economics	December 15, 2009

## FACULTY

Sl. No.	Name of the Faculty	Area of Specialisation/Research Interest
1.	Prof. D Rajasekhar Professor	Decentralisation and Development, Social Security, Micro-Finance
2.	Dr. M Devendra Babu Associate Professor	Fiscal Aspects of Decentralisation

## STUDENTS AWARDED PhD

Sl. No.	Name of the Student	Name of the Supervisor	Year of Award	Topic
1.	Dr Emil Mathews	Prof. D Rajasekhar	2009	Micro-Finance And Collective Action : A Study of Self – help Groups in Kerala
2.	Dr G Ananda	Prof. D Rajasekhar	2009	Watershed Development in Karnataka, India: An Institutional Analysis
3.	Dr R Sarala	Dr K G Gayathri Devi	2010	Urban Poor: A Sociological Study of a Slum

## PhD STUDENTS ON ROLL

Sl. No.	Name of the Student	Name of the Supervisor	Year of Joining	Topic
1.	Ms Basava-rajeshwari K	Dr. M Devendra Babu	2011	Revenue Mobilization by Grama Panchayats: A Study in Karnataka State

## COLLABORATION

The Centre has been collaborating with several research institutes and universities in India and outside in its attempt to fulfil the mission. The Centre has been collaborating with researchers from the Universities of Bristol, Oxford, Sussex and Warwick, and London School of Economics, from UK in undertaking the collaborative research study on “Improving Institutions for Pro-Poor Growth”. It has also been collaborating with the University of Melbourne in undertaking a study on Social Audits under MGNREGS. The Centre has collaborated with bilateral and multi-lateral agencies such as the German International Cooperation (GIZ), the International Labour Organisation (ILO), World Bank and UNICEF in undertaking research on decentralisation and

development. In so far as the government agencies are concerned, the Centre has been actively working with various departments of Karnataka such as the Department of Labour, Planning Department, Rural Development & Panchayat Raj (RDPR) Department, Directorate of Social Security and Pensions and various Zilla Panchayats to undertake the policy oriented research on various themes relating to decentralisation and development. Other academic organisations with which the Centre has collaborated were the National Institute of Rural Development (NIRD), Hyderabad; National Council for Applied Economic Research (NCAER), New Delhi; Administrative Staff College of India (ASCI), Hyderabad; Sri Krishna Devaraya University, Anantapur; and Karnatak University, Dharwad.

## **POLICY INTERFACE**

The Centre strives to reach the research output to the policy makers so that policy making and renewal is possible. The following may be highlighted as examples of contribution made by the research studies of the Centre for policy making.

- The study on 'Design and Management of Social Security Benefits for Unorganised Workers in Karnataka', undertaken by the Centre in 2005, has contributed to the following two policy changes; first, the finding that construction workers are willing to contribute to their social security has positively influenced the Karnataka Government to set up Construction Workers Welfare Board. Secondly, this research study has influenced GIZ and the Department of Labour, Karnataka government, to initiate a pilot project on Worker Facilitation Centres (WFCs) to improve access among unorganised workers to social security in five districts. The centre has been carrying out robust evaluation study to assess the effectiveness of WFCs. The results of the study have influenced the Karnataka government to expand the project to all the 30 districts in the state.
- The study on Health Insurance Schemes in Karnataka found considerable overlapping among government health insurance schemes for the poor. In response to this, the government in its budget speech had announced that it will merge all the schemes.
- The finding that there is mis-alignment of incentives among insurance companies implementing RSBY has resulted in a policy change of holding insurance companies responsible for utilisation of benefits.
- The research work on child labour influenced the Department of Labour to fine-tune its strategy to eliminate child labour in the state, and the ILO to fine-tune its intervention on Karnataka Child Labour Project.
- The research study on 'Impact of Bank Interest Rates on SHG Members' has influenced the Karnataka Government and the commercial banks to reduce interest rates on loans given to Self-Help Groups (SHGs).

Thus, the Centre has been actively involved in policy advocacy.

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### **INSTITUTE FOR SOCIAL AND ECONOMIC CHANGE**

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