

A Taste of Success

Examples of the Budget Work of NGOs

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India**



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The Centre for Budget and Policy Studies (CBPS) provides a good example of how an organization successfully establishes itself as an important contributor to budget analysis work. Once the group articulated its interest in pursuing budget work, it acquired the necessary funding, integrated itself into the existing network of related organizations, and identified a gap in current research that CBPS could fill.

Background

The Centre for Budget and Policy Studies (CBPS) is an outgrowth of the TIDE Development Research Foundation, primarily focused on issues of development and technology diffusion. Between 1995 and 1996, however, some of its staff became involved in various budget analysis projects funded by the Ford Foundation, and their interest in the budget process deepened. In 1998, those involved in the budget project decided to leave TIDE and start a new organization mainly focused on budget analysis. The Ford Foundation put these individuals in touch with staff at the Center on Budget and Policy Priorities, which was hosting a conference on international budget work. The idea for setting up CBPS was the result of discussions that took place during and after this conference. Since then, members of CBPS have focused on highlighting issues of poverty, gender, and the environment in the budget process by looking at the discrepancies between what is planned at the national level and what is actually executed at the state level.

The Issue

Several studies conducted by the individuals who formed CBPS pointed to the need for budget analysis at the local level in India. At the same time, a new Constitutional amendment had formally established district-level government, a local level of government that had not existed before in India, and CBPS felt it was very important to understand how its finances worked. Despite the fact that most of those involved with the project at that time had very little experience in budget issues or public finance, they decided to move forward with the project, establish themselves as a budget analysis organization, and teach themselves what they needed to know.

Action

After identifying the general area of work they wished to focus on, CBPS acquired funding from the Ford Foundation to undertake a study of the budgets of two districts in the state of Karnataka. In the course of carrying out this work, CBPS came into contact with other individuals engaged in budget analysis work in India as well as the International Budget Project (IBP) of the Center on Budget and Policy Priorities in the United States.

At the invitation of IBP, staff from CBPS attended a conference of budget analysis organizations held in Washington, D.C., in 1997. Because CBPS was still a nascent organization at that time, attending the conference allowed staff to crystallize their thinking about the potential of budget analysis and to interact with others who have been engaged in similar work.

Through conversations with these groups, and in particular with individuals who had been looking at budget issues in India, CBPS identified a specific niche that was currently being overlooked in ongoing work in India. Because there was a significant amount of national budget work already being carried out in India by business associations, academic institutions, and planning commissions, CBPS decided to focus on state level applications of national budget policy.

A major publication of the organization is “Democracy and Decentralisation: A Study of Local Budgets in Two Districts – Dharwad and Bangalore,” which provides a multi-year analysis of five major sectors relevant to local government. This is the first study of its kind to bring this type of data together in a computerized database available to the public in the local language. The organization has published numerous other reports that have provided the basis for training in issues of decentralization, local government, and public finance. These reports have contributed to a better-informed democratic process.

Results

CBPS has established significant credibility through the work it has produced and the training it has provided. The group has caught the attention of the government as well as national and international organizations interested in budget issues. CBPS has been invited to testify in front of health and education task forces and been asked to conduct specific analysis for the government.

Importantly, CBPS has honed its expertise in budget data collection and analysis to the point where it now is able to share its experiences with other groups just starting out. The organization has plans to document its experiences with organizational development and the skills it has acquired. In the meantime, the organization has produced a wide range of reports that have made important budget data available to local populations in their own language.

Lessons

Some of the keys to CBPS’s success seem to include the following:

Be patient. Establishing and maintaining credibility is essential for having an impact on the budget debate. While it was tempting for CBPS to dive into the debate quickly, the organization was able to maintain its integrity and legitimacy by ensuring that it was able to respond to questions from those with different views before it took a public position.

Share knowledge. CBPS, like many budget analysis groups just starting out, had a lot to learn initially about the budget process. As the organization worked to develop its own expertise, it shared its expanding knowledge base with those who would most benefit from it, particularly officials in the local government who often understood very little of the budget process. Moreover, CBPS directly benefited from open communication with others in the field, drawing on the work they had done and learning from their experiences.

Identify a niche. Based on discussions with other people involved in budget analysis in India, CBPS was able to identify a specific gap in the work being done. In this way, CBPS immediately became an important contributor to the budget debate in India without duplicating work already being carried out.

Provide accessible information. CBPS found that dealing with a complicated subject matter and people, who understood very little about it, required a very specific type of communication. It is not enough to complete economic and statistical analysis; it is equally important to communicate such information in a way that does not lose its intellectual rigor and that people can understand.

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