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“Development on the margin”

Pro-poor Service Delivery and Social Identity: Empirical Evidence from Andhra Pradesh, India

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Abstract

The role of infrastructure to enhance pro-poor growth is particularly pronounced in developing economies. In India, decentralized governance arrangements and assembly constituency development programs are among the major public channels through which infrastructure is delivered to rural communities. However, it has been observed that there are considerable regional disparities in local public good outcomes, not only among federal states, but also at regional and community level.

Previous studies in the Indian context focused on demand-side pressures, socio-economic fragmentation or information asymmetries to explain local variations in policy outcomes. A major drawback of existing research is that communities are often conceived as isolated entities, neglecting the fact that the provision of local public goods constitutes a polycentric governance phenomenon.

This study investigates the supply-side of government in rural infrastructure delivery. A controlled case study approach was employed to shed light on the governing process in three communities of a backward district in Andhra Pradesh. We comparatively analyze how both local leaders and Members of the Legislative Assembly (MLAs) bargain over the provision of village roads and drinking water facilities. Institutional theories are updated with insights from bargaining models to explain the policy agency of elected representatives.

Our findings underline the importance of a generally neglected factor in the literature on community governance and distribution: variations in local representatives' attachment to political parties. In the prevailing governance set-ups, party politicians at higher government levels strongly influence the decision-making processes on infrastructure resources in village councils. Distinct combinations of moral leadership and responses to potential politico-economic benefits translate into varying bargaining strategies of actors and hence different public good outcomes in the communities under review.

The institutional arrangement of parallel provision channels does not only create ambivalent incentive structures, it may also threaten the mandate of local governments to deliver infrastructure facilities in an efficient manner.

Keywords: India, party politics, polycentric governance, rural infrastructure