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**Decentralised Planning and Growth in the Productive Sectors: Case Study of a Village Panchayat in Kerala**

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**Abstract**

The role of decentralization in catalyzing growth in the productive live sectors has often been highlighted in development literature. The enactment of the 73<sup>rd</sup> amendment to the Constitution provided further fillip to this theme. The participatory plan 'campaign' and the preparation of local plan right from the Village Panchayat level initiated in Kerala from 1996 onwards, also envisaged decentralized planning as a means of addressing the stagnation experienced in the state in the productive sectors. It was hoped that the social capital created through years of leftist mobilization would be capitalized upon in this process. Empirical evidence suggests that the high expectations about the ability of the Panchayats to successfully intervene in the productive sectors cannot be easily realised. The strategy adopted by most Panchayats to address question of growth seemingly followed the very strategy of redistribution that has been popular in the social sector. On the basis of empirical evidence from a Village Panchayat in Kottayam District, Kerala, this paper identifies the hurdles and issues related to effective intervention on the part of Panchayats in the productive sectors.

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**Market Efficiency in the Indian Stock, Forex and Call Money Markets: A Comparison**

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**Abstract**

Market efficiency is an important concern for policy makers, as efficient markets help in allocating scarce resources to most productive uses and thus contribute to the economic growth of a country. There is now convincing empirical evidence that efficient financial markets, particularly well-developed stock markets, significantly influence long term per capita GDP growth. There has been rapid liberalization in the financial system in India since the early nineties to eliminate the structural weaknesses in the system. Money markets, capital markets and forex markets have all gone through varying degrees of structural transformation during the nineties. An important question that has been raised often is whether these changes can improve market efficiency. The present study focuses on market efficiency of three markets viz., the stock markets, forex spot markets and call money markets during the last year of the nineties. The sensex data and the forex and call money rates published by the RBI constitute the database for the study. Runs tests and variance ratios tests are applied to the test market efficiency in each of the three markets. Besides testing the individual markets for efficiency, an attempt has been made, for the first time, to compare the degree of efficiency across these three markets. Average run length and variance ratios graphs are used for this purpose. The results of our empirical analysis show that the Indian stock markets were far more efficient than the other two markets during 1999. In fact, the variance ratios tests reject the efficient market hypothesis in the case of the call money and forex markets. The findings of this study have implications for formulating policies that would help transform the market mechanism and bring in efficiency in the call money and forex markets.

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## **Social Capital and Governance evidences from Southwestern Tribal Belt of Madhya Pradesh**

*D C Sah*

### **Abstract**

Marginalisation of Tribals of Southwestern Madhya Pradesh dates back to the British rule. After independence, the new pattern of development fundamentally altered three crucial bases of production: water, land and forest. In remote tribal areas, market and state failure have invited intense community participation in informal institutions, that govern land-man relations, law and dispute resolution. This has helped in perpetuating trust and solidarity within the community. The civil society institutions like *Adiwasi Mukti Sangathan* and the *Narmada Bacho Andolan* have played a significant role in making the dormant social capital available for wider use. But the complexities of economic stratification and inefficiency of decentralized governance are contextual for social capital to manifest. Despite the fact that the social capital has positively influenced non-social events since early 1990s, its manifestations in natural resource management have been marginal. Analysis reveals that: a) the process of centralization at the *Panchayat* level is too overpowering for the community to exert pressures for a participatory process to begin; b) the quantum of financial allocation is too thin to meet the demands of the community; c) the desire of bureaucracy and elected representatives, at higher echelons, to control the activities and finance of the Gram Panchayat, does not allow the Panchayat to function independently; and d) existing laws that govern natural resources obstruct the process of giving up their control to the community.

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## **Rehabilitation of Fisherfolk Communities: The role of State and NGOs in Super Cyclone affected Districts of Orissa**

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### **Abstract**

Disasters affect the biological and social functioning of the society. The impact of disasters on the life and livelihood of certain occupational groups compounds their misery. Welfare agencies, who work in the area, oftentimes ignore the human and socio-cultural aspects of the affected communities. As a result, inspite of best possible measures undertaken by welfare agencies, many questions are raised against them. The paper attempts to explain the impact of the super cyclone on the fishermen communities of coastal Orissa who are engaged in marine fishing. It describes the impact of few rehabilitation programmes, implemented by welfare agencies for the revival of fishing communities. Various issues pertaining to socio-cultural and economic life of the fishermen communities have been raised which are not focused on by welfare agencies.

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