

The Role of Society in Development Project



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Society

Society is defined as a group of people who live in a given territory. Generally, it is equivalent to national boundary. These days, societies cannot be equated with national boundaries. Globalization has resulted in the new thinking on society making it more complex. So, societies do not always correspond to political boundaries. Society is made up of structures-patterns, institutions, networks, relationship, obligations, rules, people, behaviour and interaction of people (Parajuli, 2006). Therefore, societies are taken in a problematic way. It is interlinked among individual, groups or communities. Society is seen as a process and as a space or field (ibid).

Sociology is a science to study human society. Auguste Comte (1798-1857) first coined this terminology. The literal meaning is the study of the process of companionship. It is the study of the bases of social membership. Hence, society deals with social interaction, social behaviour, social phenomena, social process, social activities, social values, social culture and all social entities. Men cannot live without society as fish cannot live without water. There are different types of societies such as ancient and medieval society, modern society, idealistic society, materialistic society, pragmatic society, collectivist society and democratic society (Sharma, 2001, pp. 155-156). In this article, society is seen as local community, people and civil society, which are located in the rural areas and entirely depend upon centre.

Project

Development planning (economic planning), investment planning (cost-benefit analysis) and project planning are related to each other. I will discuss the project planning related to development projects in which society has a special role to alleviate poverty.

A project is a proposal for an investment that is economically and technically feasible. In other words, it is a scheme, design and specific plan. Plan, programme and project are interlinked. Programme and projects fall under the plan. Similarly, plan is designed with the programmes and projects. Project contents mainly three elements viz. objective, budget and time. Any development project has objectives, which are fulfilled within the time and budget constraint. If a project does not complete on time, then the cost will go up. It will ultimately hit the poor people because of high cost (price). The developmental project is supposed to achieve certain goals or objectives. For example, a road construction project connecting between rural and urban areas results in the multiplier effect upon completion the project. Such as availability of transport

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facilities, supply of goods at reasonable prices, agricultural development, employment generation, establishment of industries; provision of education and health facilities that help reduce poverty. Therefore, the objective of road construction project has been to reduce poverty. If this project is designed and implemented without the participation of the local people, then the sustainability is questionable. Hence, benefit is expected from any development project.

Objectives may be quantifiable (measurable) or un-quantifiable. In other words, project can be classified into two parts

- Production-based project
- Non-production based project.

The first project can be measured such as construction of 500 K.M. roads, 10 school buildings and distribution of 300 water pipes. The second type of project cannot be quantified or measured. Such as an investment made in literacy programme, child development programme. However, we can quantify the literacy programme as how many people became literate after completion of this project.

The Project Cycle

The traditional project cycles developed by the World Bank in 1978 are identification, preparation, appraisal, negotiation and presentation to the Executive Directors, implementation and supervision and evaluation. Each project passes through a cycle. Every Bank-assisted project must contribute substantially to development objectives and be economically, technically and financially sound (Baum, 1982, p.5). The new model of the project cycle has been developed by the World Bank involved listening, piloting, mainstreaming and demonstration.

Bank-assisted projects can have an important demonstration effect. The international fund for agricultural development has identified ten phases of project cycle:

1. Identification
2. Design or formulation
3. Appraisal
4. Approval
5. Implementation
6. Progress monitoring
7. On-going evaluation (performance evaluation)
8. Completion evaluation
9. Sustainability, monitoring and evaluation
10. Ex-post evaluation.

It must be taken into account that before starting up any project, cost-benefit analysis must be done. The basic idea of C-B analysis is simple. If the cost is higher than the benefit, the project is not accepted. If benefit is higher than the cost, the project is accepted. Therefore, it is necessary to weigh up the advantages (benefits) and disadvantages (costs) to society as a whole (Todaro, 1997, p.582).

Policy of the Government Relating to Development Project

As we know that the main objective of the Tenth Plan is poverty alleviation. The Tenth Plan has prioritized the project to achieve this goal. For the enhancement of the quality of projects and programme, prioritization is very important. The running Tenth Plan has used project

prioritization as a new instrument. According to the Tenth Plan, the projects have been prioritized on eight criteria.

- Direct contribution to the national goal of poverty alleviation.
- Contribution to the sectoral priority.
- Regional balance.
- Necessity of government's involvement in the project.
- Situation of public participation
- Involvement of the local bodies in line with the decentralization.
- Contribution in enhancing private sector's involvement competition, and
- Achievement in the past in the context of on-going projects.

As mentioned in the Medium Term Expenditure Framework (MTEF) the projects and programme are categorized into priorities one, two and three. If there is shortage of resources, the projects falling in the second and third priorities will be eliminated. The public expenditure review commission had also pointed out the project prioritization with a view to implementing and the selection of the projects. The project bearing more than 15% internal rate of return should be invested with foreign aid. It had recommended unnecessary and burdensome projects to be curtailed. The total number of programme and projects stand at 700.

The government of Nepal has published 'Foreign Aid Policy, 2003' in which there is clear demarcation of projects that should be accepted or rejected by Nepal before signing any foreign aid. Emphasis has been given to design implement, monitor, evaluate and repair any development project by the concerned people (local participation). Similarly, the government of Nepal commits to effectively select, implement and monitor the projects in every budget speech.

The Local Self-Governance Act, 1999 has given top priority in the formulation, implementation, evaluation and maintenance of the projects that benefit to the local people directly. In this Act, the people (society, community, local body, civil society) are empowered. Therefore, it is sole responsibility of the society to launch the project on the basis of local needs.

Relationship between Society and Project

There is close relationship between society and development project. Projects are run for the benefits of the society as a whole. If society rejects any projects, then such types of projects and programmes cannot be successful. The centre imposes the projects whereas the local people are not involved in the project cycle. In such a situation, the society cannot reap the benefits from such centrally controlled projects. That is why the so-called trickle-down theory, which assumes that the benefits of growth will reach the masses of the poor, has been replaced by participation approach. In another sense, it is also called the bottom up approach instead of top-down approach.

Box-one

A Case Study

A School building annexed of Shree Secondary School was constructed at Jitpur, Bara District with the financial assistance of Ministry of Education three years ago. It was constructed far away from the main building, which had sufficient land to erect that annex building. The newly constructed school building is out of operation to date because of non-accessibility to students. After some years, the building gets old and needs repairing and maintenance. Then, who will take the responsibility of maintenance, raises the questions. If the very building was constructed with the participation of local people (society), it would be operated and the society would get benefits and maintenance would be possible. The society would take the ownership of project. This project

has resulted in the disadvantages to the society. It means they had to bear the cost. There are so many projects in Nepal like this. Such types of projects have caused innumerable losses to the society. The main reason has been centralization of projects neglecting the society as a whole.

Source: Based on a photo of school published in the Kantipur Daily, July 2, 2006

The relationship between society and project is guided by the principle of social cost-benefit analysis like that of investors who are willing to invest if the business is profitable. Similarly, social costs and social benefits are reflected social profitability. Therefore, we can define social profit as the difference between benefit and cost.

As we know, projects and programmes launched by the central government have not achieved sustainability because of the non-involvement of society in the project design, formulation, implementation, evaluation, and maintenance. The society is compelled to accept centrally induced projects. There are, however, some arguments in favour of centralization in connection with development projects.

- ❖ Firstly, the society is not capable of running projects. They have no technical ideas.
- ❖ Sometimes, the elite family wants to launch a project near his house whereas the majority of the stakeholders live far away from the site of project. In this case, there may be struggle. So middle class and low class societies favour the government intervention thinking that they support the majority of the society.
- ❖ Thirdly, decentralization has not been successful in many developing countries because of the shortage of resources. The centre has powers, resources, technician's knowledge that the society lacks. Because of shortage of fund, the society is compelled to accept any types of projects that may harm them in the long run (i.e. environmental degradation)

For the social integration, harmony, cohesion, economic equality and poverty alleviation, the society-induced projects should be launched. The main benefits can be categorized as follows:

- The society can develop its capacity
- They can select the project according to their needs (Demand driven).
- The projects are likely to have sustainability by gaining ownership of the society.
- The society can run the projects on the basis of cost-recovery measures (user's charge)
- ❖ Emotional attachment to the projects is likely to arise among the community because they are involved in all project cycles phases.
- ❖ Dependency on central government decreases.
 - Project managers are controlled and guided by the local society.
 - Society is one of the components of sociology of education. The projects, run by the society, create awareness and ultimately lead to the development of education
 - The ultimate responsibility and accountability of the society prepares the ground for leadership development in the project management.

The Gloom Side

There is other side of the coin. Sometimes, projects create inequality in the society. The affluent and elite groups design the project according to their needs whereas the lower and disadvantaged groups are always deprived of the benefits accruing from the projects. Sometimes, they are unable to pay (user charges). For instance, the Kaligandaki 'A' project is very expensive and poor people cannot pay for the electricity they use.

As we have seen that big projects destroy the environment such as cutting down trees, disappearance of natural instincts, destroying bio-diversity, causes landslide and floods.

Similarly, the prices of local products increase as a result of excessive demand. It adds to cost and results in the inequality of society.

Problems of the Development Projects

The proliferation of projects is pervasive in Nepal. Sometimes, good projects are selected but never implemented. Some were implemented but never completed. Some were completed but never repaired and maintained. This has been the scenario of the development projects. About 90% of the big projects are run by donor agency. As soon as they left, the projects tend to be less effective. The local citizens are never consulted and projects are hardly managed by them. It is said that societies are not involved in the development projects with a view to misappropriating budget. So, the costs of projects go up and poor people are hit due to price rises. Another cause of the increase in costs is that a project once started hardly completes. Some projects are selected due to donor's interest even if they are not viable (very costly), as for example, Arun, Kaligandaki electricity project. To quote another example is Dhangadhi-Dadeldhura road projects. This project has been completed but the people cannot reap the benefits because the road passes through far away from the local community. Benefit-sharing from the project between the government and the society can hardly be materialized.

Project formulation from societal Perspective

After the project has been identified that it is technically and financially viable, projects are formulated and designed. In Nepal, the local bodies were entrusted to formulate plan and project for the first time in the sixth five-year plan. While formulating or designing the projects neither society is involved. Moreover, the feasibility analysis, input analysis, financial analysis and cost-benefit analysis are not done. Only the big projects financed by donor countries are designed with this objective. There are seven types of projects appraisal.

- Technical appraisal
- Financial appraisal
- Economic appraisal
- Social appraisal
- Institutional appraisal
- Environmental appraisal
- Political appraisal

From the sociological perspective, social appraisal attaches great importance to formulate the projects. But, social appraisal is not considered. However, there are sociologists in the big projects. In the social appraisal, not only the benefits but also the loss to the societies from the projects is analyzed. The Narbada dam of India is the example. The Narbada project has displaced so many people and created social disorder. So, the negative side of the project should also be taken into account.

Project Implementation from the Societal Perspective

Implementation is the action. Our societies lag behind in the action or implementation of the project. Generally, projects are expected to mushroom every year when new agreements are signed with the donor countries. But implementation aspect is very weak in our society. The main justification for the weak implementation is considered to be top-down model. The local communities are not involved in the implementation so that most of the projects in Nepal are not completed on stated time frame. If people's participation is not mobilized, then it becomes

difficult to mobilize local resources as well. We can see half-constructed schools buildings, hospitals, irrigation dams and other targeted programme that require people's participation. Therefore, failure of the projects can be attributed to the insignificant of the local citizens. The local involvement in the implementation brings positive change of the society.

Project Evaluation from the Societal Perspective

Project evaluation is the fact-finding about the results. It is an integral part of any development project to assess success or failure. It is a process to evaluate rate of return on a project its social profitability (cost-benefit analysis). In the cost-benefit analysis, if $C/B = 1$, the project is marginal. It is just covering its costs. If $C/B > 1$, the benefit is less than the costs and project cannot be undertaken. If $C/B < 1$, the benefit is more than costs and it is beneficial to undertake the project. Cost-benefit analysis can help a society-decide whether or not to go ahead with a particular project. The society should select those projects in which the present value of benefits exceeds the present value of costs. But in some cases, the society has to suffer from the rising costs of projects in which costs exceed benefits. Hence, project evaluation needs technical knowledge that our society lacks. Since, the society is deprived of project formulation/design, implementation, then they are far from evaluation. The general practice is that the expert groups do monitoring and evaluation either from the government or donor agencies.

Project Maintenance from the Societal Perspective

Sustainability of projects is one of the main issues in Nepalese society. We have noticed so many development projects, which are not maintained, and development of ownership has not been materialized.

If there is no mechanism of charging users for repair and maintenance, the project cannot sustain to its full life that cutdown the societal benefits from the project. If the society is involved in the ownership and accountability, there is high possibility of sustainability of the project. The general principle of repair and maintenance is the user charge of the service that the society gets so that the development projects last longer and the society feels ownership of the project. The price of the service can be charged on production-based project on the basis of consumption.

Ways Forward

The development projects should be launched in the following ways;

- Development project should be demand-driven. The society needs school building, water supply but the centre imposes on the construction of roads. Moreover, the donor countries also select the project according to their choices not the local demand. Externally imposed conditions regarding the project cannot create sustainable reforms.
- The society must be involved in the project design, formulation implementation, maintenance and sustainability (project cycle).
- The development projects must be carried out in accordance with the Local Self – Governance Act, 1999. The local community will be active if there is full devolution.
- Action research should be followed on the non-production based project such as literacy programme.
- Every developmental project must be evaluated or assessed, whether or not the project resulted in the poverty alleviation in the society. Because the main objective of the project has been poverty reduction strategy.

- The society should be fully equipped with the local resources mobilization. For this, they need capacity building, leadership development and financial resources.
- Development without peace is meaningless. Therefore, in the present context, peace and development should go side by side. The society should follow these twin objectives.

Conclusion

Any developmental project has multiplier effect. Therefore, the selection of the project must be rational. The projects are carried out to raise the living standard of the local people so that it creates social harmony and cohesion. There are, however, some thoughts that projects create discrimination in the society as the rich people can be benefited from the project whereas the poor cannot pay the service charge so the gap between haves and have nots widens.

Before starting up any project, the most important instrument is the cost-benefit analysis. This model is very simple. The society should follow the indicators of project such as input, output, effect and impact taking into consideration on time, cost, quantity and quality. The implementation of 'Foreign Aid Policy' will help materialize the objective of the project. It is true that a project without societal involvement tends to be failure. In other words, the failure of the project leads to misutilization of resources. To conclude, for the successful implementation of any project, the involvement of society in the project cycle is mandatory.

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