
UNIT 23 DECENTRALISATION: THE ROAD AHEAD

Structure

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23.0 LEARNING OUTCOME

After studying this unit, you should be able to:

- discuss the impact of reforms on panchayati raj and municipal bodies; and
- identify the issues and people's aspirations about local governance.

23.1 INTRODUCTION

Decentralisation has emerged as a prominent issue in the literature of Public Administration and one of the important social invention of this century. It becomes an important policy objective during the 1970s and 1980s as government in developing countries sought to create mere socially equitable patterns of economic growth and to meet the basic needs of the poor. As a result of great increase in the variety, number and complexity of functions of the modern state, decentralisation has become a major element in the administrative organisation of governmental services. In recent years decentralisation has become the golden calf of management philosophy and it is much more compatible with the behavioural aspects of management. With the shifting emphasis in development strategies toward promoting more socially equitable economic growth and meeting the basic needs of the poorest groups in developing societies, wide spread participation in decision making considered essential to the development process of decentralize has been advocated as a way of eliciting that participation.

Many definitions of decentralisation have emerged in developing countries over the past few years and a wide variety of reasons have been offered for decentralizing development planning and administration. The importance of decentralised administrative structures for more effective implementation of programmes has long been recognized and several countries have initiated measures in this direction. Decentralisation of responsibility is a first condition, as local institutions cannot be expected to take root and they have both tasks

to perform and matching power to carry out to those tasks. The need for decentralization of planning and management function is being increasingly recognized by developing countries. The development challenges of 1980s such as increasing participation equity and access have re-emphasised the significance of decentralising financial local units of government and administration. The cause of decentralisation is now being advanced because it is assumed that a “decentralized mode of policy and programme implementation is conducive to more effective coordination and consistency, greater access to governmental activities, increased involvement of people in the development process, more efficient delivery of public services for meeting basic needs and increased accountability of government agencies. In this way, “the idea of decentralization became the ideology of decentralisation”.

According to UNs, A Hand Book of Public Administration, Decentralisation is a plan of administration which will permit the greatest possible number of actions to be taken in the areas – provinces, districts, towns and villages where the people reside.

A government to be efficient and effective needs to have the greatest amount of decentralisation of actions. Apart from administrative reasons, administrative decentralization is particularly important in the developing countries as the means of developing popular understanding, co-operations and participation in the national programmes. Infact, “decentralisation and delegation are necessary in any form of administration but they are imperative in development administration, especially when the emphasis is on rural development.

Decentralisation is a well-known and widely applied concept in the present day world, and the popularity of decentralization as a policy to promote development is increasing. In fact, reformers of very different ideological backgrounds are attracted to the idea of decentralization. On the other hand, centralisation is associated with most of the evils of the modern polity: delay, red-tape, constraints of spontaneity (Furniss, Norman, 1974, pp.958-59).

The pursuit of administrative decentralisation by the governments of developing countries is a demonstration of its popularity, in theory, as an instrument of welfare administration. (Conyers, Diana, 1983, pp.91-110 Rondinelli, D.A., 1983, pp.181-208, 1981, pp.122-45).

Many governments have begun to realize the difficulties in administering lower level units from the capital and this realization is essential for the promotion of effective administration, particularly in countries where communication systems are poorly developed and the population is poorly mobilized. Infact, centralized administration is now often considered to be a hindrance to progress and decentralisation, real or imaginary, is often regarded as a panacea for all ills. (Huque, Ahmed Shafigul, 1986, pp.79-95).

Decentralisation as a policy for Rural Development is popular in many 3rd world countries which were under colonial rule. The colonial rulers of these states were reluctant to implement real administrative reform which would interfere with their exploitative policies. Gradually, however, these states gained independence and the new governments that emerged, in many cases, adopted decentralisation policies when they reorganized local government.

Military involvement in politics is a common phenomenon in 3rd world countries, and the number of military takeovers has been continuously rising. The military rulers of these

countries come to power through an undemocratic process and usually do not fully control the political infrastructure after coming to power. They usually try to establish a supportive infrastructure by adopting a variety of supposedly welfare-oriented policies. Among these policies, decentralization is heavily favoured (Muhammad, Yeahia Akhter, 1990, p.27).

23.2 IMPACT OF THE PANCHAYATI RAJ AND MUNICIPAL BODIES REFORMS

In view of the above assertions in the decade since the constitutional reforms were promulgated (1992), there has been a great deal of debate and speculation on their contribution and impact. All the major states, with the exception of Jammu and Kashmir, have held at least one round of panchayat elections, and in many cases two successive rounds. Some three million people have been elected to local councils at all three levels of local government, including one million women and a large number of scheduled castes and tribes. The very presence of large numbers of poor people in local councils, mainly on account of seat reservations, is a very significant development in the local political landscape of most parts of rural India where they were previously excluded from public life and political participation. How far this sizeable numerical presence has been translated into effective representation and transformation of local power relations is a hotly contested issue and constitutes a key concern of this chapter.

Performance Across States

Most commentators familiar with the panchayati raj and municipal reforms would concur that it is difficult to generalise across states when attempting to ascertain their impact. A small group of six states are often identified as more progressive in implementing the provisions of the constitutional amendment and conformity legislation governing the flow of funds and transfer of powers to lower tiers of elected government. They include states that have maintained functioning local bodies since the 1950s, most notably Maharashtra and Gujarat, and others that have made steady progress in measures to strengthen panchayats such as Kerala, Karnataka, Madhya Pradesh, and West Bengal. At the other end of the spectrum are states where little progress has taken place over the decade, resulting in poorly functioning and under-resourced panchayati raj institutions. These include states such as Bihar, and Jammu and Kashmir, which delayed holding elections to panchayat bodies for many years, and Orissa and Uttar Pradesh, where political expediency and instability have undermined local bodies, despite some degree of ostensible policy commitment. .

It is evident that states considered to be in the vanguard of the panchayati raj reforms are concentrated in the west and south of the country, which are relatively better off economically, socially more cohesive, and have active civil societies. In contrast, northern states with the greatest degree of poverty and inequality and deep problems of governance generally possess weak panchayat institutions. Commitment to deepening the reform process expressed through political will, supportive legislation, and bureaucratic openness, is an indispensable condition for progress and is present to varying degrees in the six leading states. Structural conditions are also important determinants of the potential for institutional reforms to succeed, and it is evident that less marked class and caste polarisation and lower levels of inequality offer more propitious conditions for panchayati raj institutions to function effectively (Robinson, Mark: 2005).

The two states that introduced the most far-reaching reforms, since the introduction of the constitutional amendments Kerala and Madhya Pradesh – were controlled by political parties with a leadership that showed a strong commitment to empowering panchayats. In Kerala, the People's Planning Campaign was predicated on a high level of popular mobilisation that was made possible by high levels of literacy and professional support, and a social movement with a mass base. In the Kerala case, state action combined with mobilisation through civil society were integral to the success of the experiment (Isaac 2000). In Madhya Pradesh, the Congress government led by former Chief Minister Digvijay Singh had introduced a series of reforms to strengthen district governments and the role of gram sabhas in planning and priority setting (Behar and Kumar 2002).

At the same time, success in implementation of far-reaching reforms designed to empower panchayats does not guarantee their sustainability, since both experiments have proved vulnerable to the vagaries of state politics. Political commitment to panchayati raj has not convincingly demonstrated that it can produce electoral dividends, which could weaken its appeal in other states. The CPM (Communist Party of India [Marxist]) government in West Bengal consciously used panchayati raj as a means of accomplishing its land-reforms agenda and strengthening its political support base in rural areas with a significant degree of success (Webster 1992). Despite the popular appeal of the People's Planning Campaign in Kerala, the party was unable to replicate this strategy and was defeated in the 2001 state elections. The Congress in Madhya Pradesh faced a strong challenge from the BJP in the 2003 state elections without any certainty that an appeal to the electorate on the basis of its record of reform would produce positive results.

Deepening Democracy?

It is generally accepted that political decentralisation has largely been successful in that the provisions of the constitutional amendments have been enacted in all states and at least one round of elections have been held for all three tiers of local government, albeit subject to procedural delays on the part of some state governments. Vastly increased numbers of elected representatives have provided new opportunities for political representation at the local level, especially for women and marginalised social groups. Rates of political participation have also increased, reflected in active campaigning (usually on a nonparty basis for gram panchayats), high levels of voter turnout, and heightened engagement with local officials and elected representatives, which in turn have helped to invigorate local democracy.

The gram sabhas, however, continue to function imperfectly in most states since they have limited powers and only meet sporadically, largely at the instigation of local bureaucrats, to ratify the beneficiaries for housing and employment-generation programmes. Attendance in gram sabha meetings is generally poor as substantive issues are rarely discussed, with the result that they do not provide an effective platform for deliberation of local policy options and programme priorities. For these reasons popular oversight is weak and the accountability of elected representatives cannot be assured.

Constitutional provision for reserved seats for women and scheduled castes and tribes distinguishes the current phase of panchayati raj reforms from earlier initiatives. The absence of affirmative action ensured a high level of elite dominance in earlier decentralisation efforts, since local vested interests played a critical role in panchayat affairs reflective of their superior socio-economic and political status. In the new constitutional dispensation, seat reservations for women and scheduled castes and tribes provide opportunities for formal representation that more closely approximate population shares,

but the effectiveness of these provisions is very uneven. On the one hand, seat reservations have provided underprivileged groups with increased visibility and an opportunity to influence local affairs. There are many instances where women have managed to generate modest local development dividends by marshalling financial resources and lobbying bureaucrats and politicians at higher levels. On the other hand, elite dominance continues to prevail in most panchayats with the result that traditional caste leaders and landed elites dominate decision making by proxy or manipulation. Influential male relatives influence decision making and, control resources. Outspoken scheduled caste and female representatives have often had to contend with violence, ostracism or non-cooperation from dominant interests (Robinson, Mark: 2005).

Evidence from West Bengal and Kerala indicates that rates of participation in local bodies have increased for women and scheduled castes and tribes, but without a clear and visible impact on local expenditure priorities, service-delivery outcomes, or rates of poverty. In the case of West Bengal, democratic decentralisation has resulted in significant benefits to the poor, especially when combined with land reforms and popular mobilisation. Popular oversight over anti-poverty programmes through elected panchayats has resulted in more effective targeting of benefits to the poor, though doubts have been expressed over the extent to which women and the landless have directly benefited (Webster 1902, Crook and Sverrisson 2001). In Kerala, the process of popular mobilisation through the People's Planning Campaign has ensured the active involvement of scheduled castes and women in decision making in panchayats with a resultant flow of benefits to these groups (Isaac 2000).

In other states, seat reservations have increased formal representation in panchayat bodies for women and scheduled castes and tribes, but in the absence of comparative data the overall impact of affirmative action is difficult to discern (Buch 2000). The best available evidence concerns the participation of women, but this is largely from a small and unrepresentative selection of states and localities. Studies from Karnataka indicate that women have made some headway in gram panchayats by using reserved seats as a vantage point to shape local development, priorities. Scattered evidence suggests that individual women panchayat leaders have registered significant success in securing government resources for sanitation and street lighting (as health and safety issues are prioritised by women), local infrastructure in the form of village roads and community buildings (such as schools and childcare centres), and ensuring that public servants such as school teachers carry out their designated responsibilities. These modest but important gains demonstrate the ability of women to use the elected office for the benefit of the community and strengthen their legitimacy as elected representatives (Stephen and Sekaran 2001).

At the same time, elected women representatives often face considerable opposition in seeking to carry out the duties of office in a responsible manner from male relatives who resent their public role and from vested interests who are opposed to affirmative action. Evidence from Karnataka demonstrates how men often continue to influence panchayat affairs through female relatives who have been elected to positions of authority in panchayats. There are numerous instances where women elected to local office have faced abuse and violence and in some cases have been murdered. More common is the tendency by influential men to pressure elected panchayat members' into supporting a no-confidence motion that can unseat women gram panchayat presidents. These responses are magnified for scheduled caste and tribal women who face social ostracism and non-cooperation by virtue of their gender and caste status. Intimidatory tactics and the lack of incentives and resources for effective development work dissuade many women from

standing for elected office, especially in unreserved seats (Vijayalakshmi and Chandrashekhar 2000; Vijayalakshmi 2002).

It is more difficult to ascertain the impact of the panchayati raj reforms on scheduled castes and tribes in the absence of detailed research. Seat reservations in proportion with their numbers in the population have provided men and women from scheduled castes and tribes a guaranteed level of representation and share of leadership positions. Some elected presidents from these communities have been able to use their new-found authority to significant effect by bringing in more resources and challenging caste discrimination in village affairs. But high-caste individuals and traditional leaders resent this intrusion on traditional patterns of leadership and have used a combination of threats and co-option to undermine the authority of panchayat representatives elected in reserved seats.

Elected members from the scheduled castes and tribes are typically assigned responsibility for minor functions in panchayats such as the social justice committees, which are legally required to be headed by a scheduled caste representative. Even though the social justice committees are supposed to ratify all expenditure decisions made by the panchayats, they invariably provide a rubber stamp for decisions taken by the dominant castes. There are instances where scheduled caste leaders have been able to make effective use of these committees to block inappropriate decisions or challenge the authority of the dominant castes.

Available evidence indicates that the enhanced numerical presence in panchayat institutions of women and men from the scheduled castes and tribes has generally not translated into sustained pro-poor development outcomes, at least not at a significant level. This tends to reflect the limited resources at the disposal of panchayats and the limited power they possess to determine local expenditure priorities. Moreover, the resources available for social welfare programmes in the form of subsidised housing and employment generation are spread very thinly with the result that only a handful of individuals receive these benefits each year in the average gram panchayat. Without a much greater devolution of financial resources, the potential development impact of decentralisation will remain limited; a marked localised effect on poverty levels is therefore highly unlikely under such restrictive conditions. Similarly, the fact that health and education remain subject to highly centralised forms of provision means that elected representatives have little influence over service delivery at the local level.

Financial Devolution

Financial decentralisation has progressed to a very limited extent as resource flows are determined by the implementational guidelines for state and central government anti-poverty schemes. The scope for local revenue mobilisation is very restricted, resulting in a high level of dependence on fund flows from higher levels of government. Elected representatives, especially in gram panchayats, exercise minimal influence over local expenditure priorities. In practice, the recommendations of state finance commissions governing panchayat finances are often ignored by their respective state governments usually on the grounds of resource constraints. Most state governments in India are experiencing fiscal deficits and are reluctant to devolve greater expenditure autonomy to local governments. The budget for capital expenditure is very limited since recurrent salary costs absorb the lion's share of resources and the bureaucracy is very resistant to reform.

Political commitment alone cannot ensure well-functioning panchayati raj institutions and urban bodies in the absence of transfer of sufficient powers; responsibilities, and resources

to the lower tiers of government. Across states there has been extremely uneven progress on fiscal devolution. For the most part, development resources are tied into programmes determined by state and central governments and subject to narrowly specified spending parameters and end uses. The role of panchayats in these programmes is generally restricted to identification of beneficiaries for subsidized housing schemes (Indira Awas Yojana) and employment generation (Sampoorna Grameen Rojgar Yojana), subject to ratification by the gram sabha. Small amounts of untied funds are provided for local development purposes mainly in the form of small-scale infrastructure like village roads and community buildings. Gram panchayats are empowered to raise modest resources through local property taxes but these are difficult to collect and only a small proportion of their funds are raised through this source.

Only two states have devolved resources on a significant scale to panchayat bodies, namely, West Bengal and Kerala, both under left-dominated political coalitions. West Bengal has witnessed the most sustained attempt of any state in the country over a period spanning twenty-five years to devolve powers and responsibilities to panchayats. This has been accompanied and in turn fortified by an ambitious and reforms programme to provide sharecroppers with security of tenure and ownership rights. Under the People's Campaign for Decentralised Planning in Kerala, the extent of fiscal devolution was much greater and faster with nearly 40 per cent of state development resources devolved to panchayats in the period 1996/97-2000/01. In both states, fiscal devolution provided a significant amount of untied funds to local bodies and increased the powers and responsibilities of elected representatives. Financial devolution, however, has not been accompanied by greater responsibility for revenue raising, which leaves panchayats as well as municipalities largely dependent on transfers from central and state governments (Robinson, Mark; 2005)

Effective devolution of decision making on expenditure priorities, and to some extent revenue-raising powers, is a critical element of successful decentralisation initiatives, as it provides a legitimate role for elected representatives. Political representation without responsibility for raising resources and determining expenditure priorities within devolved budgets is a very limited form of decentralisation that can undermine the legitimacy and commitment of elected representatives at the local level. Fiscal devolution thus has a direct bearing on the democratic character and developmental potential of panchayati raj institutions. Increased availability of resources in panchayats however, does not guarantee that expenditure priorities will generate development and poverty reduction since these outcomes are a function of the representativeness of panchayat bodies, the extent and depth of political participation, and the powers of vested local interests to exert influence, as well as broader structural factors that condition developmental outcomes.

Administrative Decentralisation

Limitations on devolution of financial powers relates closely to performance on administrative decentralisation, which has also been very limited. Despite formal provision for transfer of responsibilities to the lower tier of local government and legislation governing transfer of development functions to gram panchayats, progress has been uneven. In practice, few states have devolved significant decision-making responsibilities to local governments, mirrored by a lack of real financial devolution. The role of local officials is largely confined to the implementation of development programmes. Health and education programmes are formulated by line ministries at the state level with responsibility for implementation assigned to bureaucrats in local government jurisdictions. Elected

representatives have minimal influence over local development priorities and exercise limited oversight over line department officials.

Most states have been unable to effect transfer of staff from the state to the lower tiers of government. Senior bureaucrats resist transfer on the grounds that educational opportunities are more restricted outside the major urban centres and because of the possible consequences on future promotions. Public sector trade unions resist efforts to transfer staff or to downsize state administrative establishments. No state in India has managed to make significant progress on staff transfers to local governments or to ensure effective oversight by elected representatives over local officials. Bureaucrats in local governments, especially gram panchayat secretaries, continue to exercise considerable influence over elected representatives as they are privy to information contained in government orders that may not be readily accessible to elected representatives who lack an understanding of official procedures or basic literacy skills.

From this brief review we return to the question raised at the outset: what is the balance sheet for panchayati raj and urban bodies after a decade of reform? In the decade following the passing into law of the 73rd and 74th constitutional amendments, progress on implementation of the panchayati raj and municipal reforms has been patchy and uneven. Achievements from any political decentralisation have not been matched either by financial or administrative decentralisation. The powers and responsibilities of elected representatives remain highly circumscribed. Dominant interests at the village level continue to exercise considerable influence through proxy representatives.

Based on the criterion of deepening democracy there is little doubt that the reforms in local government in the early 1990s have widened the terrain of political engagement while affirmative action has broadened participation in local institutions even while there are enduring constraints on the powers and responsibilities of elected officials. On the developmental impact of the reforms it is more difficult to make generalisations, since the powers of panchayats vary considerably across states. Scattered evidence suggests that anti-poverty programmes are targeted more effectively to the poorest as a result of greater participation and oversight by local bodies in which scheduled castes and women now have statutory representation, but also that panchayats remain vulnerable to elite capture and the resources at their disposal are relatively small.

As we have seen, a small number of states continue to make steady progress in the implementation of reforms to strengthen, panchayati raj institutions through increased resource flows to panchayats or by empowering gram sabhas to demand accountability from elected representatives and government officials. But in most states, especially in the Hindi-speaking belt where poverty levels are greatest, panchayats have not been granted adequate powers and resources and their impact remains modest. It is possible to discern a number of common factors in those states that have genuinely sought to strengthen the powers and responsibilities of the panchayati raj institutions. Despite differences of politics and ideology, three sets of conditions are common to these states: a politically committed leadership; a supportive legislative and policy environment; and, reasonably effective government institutions. An active civil society also helps to promote state action through advocacy and monitoring of progress on implementation of the constitutional provisions. Nongovernmental organisations can play a supportive role by offering training for elected representatives and local officials and information about the powers and responsibilities granted to panchayat institutions, but their role is not critical to successful outcomes as the West Bengal experience suggests.

23.3 ISSUES AHEAD

In regard to making PRIs and Municipal Bodies functional and effective, there are some scholars who have expressed serious doubts about the wisdom of a constitutional amendment. For example, Nirmal Mukharji raises issues like: (a) Can a constitutional provision by itself be an adequate substitute for political will? (b) Given the harsh realities of the states, would these statutes be implemented in letter and spirit or would they remain laws on paper only? (c) Is implementing decentralisation below the state level through the most centralising of all conceivable instruments – a constitutional amendment desirable? Besides, Mukharji held the view that a constitutional amendment could well mean thrusting a uniform prescription on states which are widely disparate in administrative culture, in historical background and in demographic size.

The arguments put forward by Mukharji may be valid. But there is no doubt that the constitutional amendment was highly desirable for creating vibrant grassroot democratic institutions, in the country. However, some issues relating to the amendment need to be emphasised here.

The uniform three-tier of PRIs for states having more than 20 lakh population has its own limitation so far structural differences are concerned. And so is the case of states and Union Territories having less than 20 lakh population. It would have been better had it been left to states' discretion.

The Constitutional Amendment Bill, when introduced, had the provision 'for direct elections to the post of chairpersons at the village and intermediate level. At the district level it was left to the state legislature to decide. The Joint Committee of Parliament looked into this question, but advocated for the direct elections only at the village level. The Marxist members of the Committee had objected to direct elections at any level. But in order to achieve unanimity they suggested that the issue of the election of the chairpersons at the village level may be left to the state legislatures. Without going into the plus or minus points of indirect or direct election, it may be said that direct elections to the post of chairpersons are more in conformity with the presidential form of government and indirect elections with the cabinet form of the government, the latter one has been adopted in India.

A major lacuna in the Act is the contradictory and inconsistent approach to the idea of Panchayati Raj being the institutions of self-government. The Bill had rightly defined the panchayats as an institution of self-government but later, in defining the functions of these institutions, had narrowed them down to developmental functions, as in Article 243G (a) and (b). To our mind without policing (law and order) as a function at each level, no institution of self-government is worth the name.

Since the idea of 'district-government' or 'third tier of governance' has come into being, its important point is sadly missing. Nirmal Mukharji, in this regard, rightly suggests that this dilution of the concept of institutions of self-governance is flawed thinking and drafting.

The past experience suggests that wherever panchayats have not taken roots or they have been uprooted after brief spells of success, it has been observed that the MPs and MLAs have not been friendly to these institutions. Apart from being indifferent to local governments, they have also been hostile to these bodies. They do not like to see another centre of power emerging as a challenge, nor do they like to see one's existing powers being diluted. In an attempt to assuage their feelings and to preempt any mischief from them,

the MPs and MLAs have been given membership and voting rights in the panchayats in the Acts now passed. This will certainly undermine the panchayats which we aim to strengthen. Yet another disturbing feature for PRIs is the MPs and MLAs “local area development schemes”. Many may not agree with our apprehension, but it is almost certain that these schemes will further strengthen the stronghold of MPs and MLAs over the local community and the basic concept of empowering the grassroots democratic institutions may be forfeited (Wadhvani and Mishra; 1996).

A crucial question, not yet visible, is with the states being asked by the PRIs to give more powers and departments to them, when will the Centre devolve more powers to states? This question will have to be answered, if not today; then in the near future.

Reservation of one-third seats and chairpersons for women is a step towards silent revolution. It is our firm belief that a social transformation aimed at women could be achieved by PRIs. But the initial task is beset with enormous difficulties for women.

Development of healthy convention in a democratic polity is of immense value. The British Parliamentary System is an example of such values. In our society too we have to recognise them as the backbone of our society and polity. The county and city local governments institutions below the state level in the USA have had a satisfactory existence for so many decades and one of the reasons assigned for their sustenance and success is the tradition of democracy that they have preserved with maximum care. However, in our country violation of conventions have been very high. In such context constitutional amendment may not have any meaning.

It is a sad affair for a democratic country like India that the basic ideology behind the 73rd and 74th Amendment to the Constitution of India of making panchayat an municipalities institutions of self-government had been largely, ignored in the recent state legislations. What is required is that the legislators should cut across party lines and implement the laws in true spirit with the implicit purpose of transferring power to the people, and to plug the loopholes in the existing system, only when the three-tiers of the Constitution-the Centre, the states, and the local bodies will function with regularity and efficiency, the federal nature of the Constitution, the democratic nature of the polity will be preserved. Otherwise, the Constitution will become very much distorted in its content as well as implementation.

It can be said that the PRIs in India have since their inception, remained ‘down to earth’ without ever taking roots. But the PRIs and ULBs have survived without regularity in elections show their in-built strength and, perhaps, make them the only institutions that live on despite appalling conditions justifying their departure. So what is required is the will to make the PRIs and ULBs a viable democratic institution on which the real democracy will thrive on.

It is notable that the PRIs are the primary institutions of democracy where people from village, block and district could participate. Except for them none of the other institutions can have direct participation of the local people. Devolution of power has to start here, and this is also where people at local levels got into the mainstream of development as well as public affairs. The PRIs, especially the gram sabhas, make the concept of “direct democracy” like that of Greek City-States of Plato and Aristotle days feasible at the present and centuries to come. The gram sabhas have been designed to be the place where development issues should be discussed, development programme initiated and beneficiaries of development schemes selected. The strength and effectiveness of Gram Sabhas will be visible in years to come.

It may be added that the prospect of the PRIs and ULBs would be on increase keeping in mind the pace of economic liberalisation in India. In fact, they would become watchdog bodies to ensure proper implementation of the employment generation programmes like the JRY, poverty alleviation and special programmes. In fact, the PRIs and ULBs would play an important role in accelerating socio-economic development in the rural areas.

It is quite encouraging that the states have to transfer 36 per cent of their total plan outlay to the sub-state level planning bodies from 1994-95. Of the 36 per cent outlay to be earmarked for micro-level planning, 30 per cent go to sub-state planning bodies through lump sum grants for expenditure on areas including rural water supply, roads, electricity, education and any other local schemes. The list of 29 subjects included in the Eleventh Schedule and 18 in Twelfth Schedule of the Acts is flexible giving discretion to the PRIs and ULBs to select schemes depending on local resources and problems. The five per cent of the states plan outlay are “united fund” – few transferred to district or village bodies to be utilised at their own discretion. The remaining one per cent will be for poverty alleviation and employment generation programmes which are to be planned and funded at the village level. For the proper implementation of these, the activities and functioning of the PRIs and ULBs will have to be closely watched and monitored so that they do not overstep their limits and cause irreparable damage to those living in their jurisdiction. What is needed is a consensual and uniform approach of auditing.

It can be observed that the democratisation of our pluralistic society cannot be ensured merely through legislative and administrative actions of the state. These enabling provisions will require massive mobilisational support and non-governmental organisations, academics and professional bodies, political parties and other groups should involve themselves in exerting pressure to restore power to the place where it belongs. For the entire exercise of decentralisation, people like school teachers, progressive farmers, social workers and professionals should be involved. Above all, the PRIs and ULBs elected representatives should also be trained in rising over their electoral rivalry. They should be made to understand that once the elections are over, the rivalry ends. In fact, elections to the PRIs and ULBs must carry a look of mela (festival) to attract massive turnout (Wadhvani and Mishra; 1996).

To brighten the prospects of the PRIs and municipal bodies in India, some suggestions made are as follows:

The elected representatives of the panchayats and municipalities should exercise superintendence and control over government officials, i.e., serving the panchayats instead of playing a subordinate role.

- An inter-zilla panchayat parishad should be constituted in every state with the Chief Minister as its chairman to thrash out legislative, financial and administrative matters of the panchayats. The planning set-up at the zilla-level should be headed by the chairman of the zilla-panchayat.
- The requirements of financial accountability should be designed and supervised by the CAG and the power of dissolution as well as accountability of lower level panchayat units rest with the next higher levels of panchayats and not with government officials in order to establish peer group accountability.
- A constitutional amendment for ensuring elections to cooperatives is a must because a vibrant cooperative system is important for successful Panchayati Raj.

23.4 PEOPLE'S ASPIRATIONS

In regard to people's aspirations two important questions arise, viz., what are the people's aspirations? And how to get them fulfilled? As far as the first question is concerned, it may be said people's aspirations include equity, i.e., social justice, people's participation in decision-making, implementation, monitoring and evaluation and sharing the benefit of change and development, representative character of grassroots democratic institutions, protection of the interest of SCs, STs and other socially deprived sections including women, maintenance of social harmony, removal of feuds and factions, sense of freedom and equality, etc.

In spite of the best efforts of the policy planners and implementing agencies, right from the community development programmes to the present-day we have badly failed in meeting the people's aspirations due to the lack of popular participation. The past experience with PRIs and ULBs also suggest that they had been incapable in harmonising local community, minimising feuds and factional fightings and protecting collective interest. As such they badly failed in honouring people's wishes and aspirations. The political developments in rural areas as a result of electoral process also suggest that PRIs and ULBs inadvertently set forth with process of parliamentary system at the grassroots level on a wrong track and gradually made these institutions a shelter house for self-seekers and power-seekers. The PRIs and ULBs, in past, failed in setting a sound mechanism of communication, influence and control from grassroots level upwards. They also failed in institutionalising people's will.

Further, they did not serve as an instrument of social and-economic change. The concept of popular participation, defined in leadership term, also failed in delivering goods. The leadership which emerged as a result of Panchayati Raj/Municipal politics did not reflect the aspirations of the people and the question remained unanswered as to how to make both the structure and the leadership responsive to the needs of the people.

There are certain pre-requisites for the survival of PRIs and ULBs. They are:

- 1) There should be commitment to the Panchayati Raj and Municipalities as a political value and the consequent political will to establish it;
- 2) It should not be forgotten that the effort to revitalise Panchayati Raj and Municipalities, in fact, is an attempt to reconstruct Indian polity by way of bringing so far deprived sections into the mainstream; and
- 3) PRIs and ULBs should be treated as the single agency for development of the rural urban/local levels.

Whatever had been the other reasons for the failure of these institutions, one that is glaring and on which there is unanimity among the scholars, is its inability to protect the interest of the weaker sections of our society. Since this did not happen, the political power at the grassroots level was unevenly distributed. As a result, the weaker sections were not only deprived of the development programmes but in most of the cases they were kept out of development process.

When the PRIs were introduced in late 50s and early 60s people's hopes and aspirations were very high. In certain cases the Panchayati Raj leadership had been alive to the hopes and aspirations of the people but in absence of adequate financial support and bureaucratic cooperation they found themselves in the state of helplessness. Moreover,

whatever, development programmes for weaker sections and rural community were introduced they lacked proper planning and effective popular participation. They had been bureaucratic oriented implemented by local level bureaucracy and far from the hopes and aspirations of the local community. In absence of the real assessment of needs and requirements of local community, they gained routinised character (Wadhvani and Mishra; 1996).

As a corollary to the second question, yet another question that arises is whether the 73rd and 74th Constitutional Amendment Act will be able to meet the hopes and aspirations of the people? In answer to this it may be said that at least on paper it appears that PRIs and ULBs will be in a position to meet the hopes and aspirations of the people. Our assumption is based on the fact that the very element of popular participation which was missing till now, may be ensured by the present Act. As such periodic elections provide local community enough opportunity to throw young energetic and action-oriented leadership belonging to all sections of rural community. Reservation of seats for women, SCs/STs and OBCs ensure their participation and effectiveness in decision-making. No doubt in initial stages elite from the above mentioned category will dominate over the scene but the local community will be in a position to judge them on the basis of their performance.

Enough care has been taken to make *gram sabha* an effective institution of grassroots democracy. If they are really made effective they can be in a position to remove the self-seekers and partisan elites by the instrument of vote of no-confidence. If it so happens, the Pareto's concept of circulation of elite will come true and there will be gradual and frequent shuffling and re-shuffling of Panchayati Raj/Municipal leadership which may help in fulfilling the hopes and aspirations of the people.

Since district and decentralised planning has been emphasised in 74th Constitutional Amendment Act and District Planning Councils have been constituted, it is hoped that a need-based planning, reflecting the hopes and aspirations of the people, will be the usual feature. At the same, time, they will not remain only on paper but effectively implemented as implementing agency will be the PRIs/ULBs themselves.

One may hope that the centrally - sponsored developmental and employment generating programmes for the benefit of the local community will also be implemented effectively as they are supposed 'to be implemented under the direct supervision of PRIs. Even identification of beneficiaries is also to be done by them. These brightening provisions under the Act force us to be optimistic in regard to fulfillment of hopes and aspirations of the people.

The constitution of State Finance Commission and provision for effective local tax administration in the Act also present a rosy picture about the financial health of PRIs and ULBs. In past, lack of financial resources made these institutions totally handicapped and did not allow them to fulfill the hopes and aspirations of the people.

Moreover, for the last few years there has been a sharp shift in the perception of rural people towards the change in developmental activities. Political and social awareness have also opened the eyes of so far deprived section of the rural society. However, any administrative innovation to bring about deliberate change in PRIs and ULBs for better results cannot be effective unless devolution of power from the Centre to states, states to districts and districts to panchayat units is rationalised and exercised in true sense. Any talk of power to the people becomes meaningless unless power is exercised by the people at the grassroots level for the society and political awareness is channelised in the

right direction. The 73rd and 74th Constitutional Amendment Act further, aim at reducing political and bureaucratic interference in rural and urban development programmes. For this, many states have redefined and redesigned the role of state bureaucracy in order to facilitate effective functioning of PRIs and ULBs. It is felt that what Gandhi said in 1946 is going to be materialised with the help of the 73rd Constitutional Amendment Act. The statement of Gandhiji is as follows:

Independence must begin at the bottom. Thus every village will be a republic or panchayat having full powers. It follows, therefore, that every village has to be self-sustained and capable of managing its affairs even to the extent of defending itself against the whole world.

He further added:

In this structure composed of innumerable villages, there will be ever-widening, never ascending circles. Life will be a pyramid with the apex sustained by the bottom. But it will be an oceanic circle whose centre will be the individual always ready to perish for the circle of villages, till at last the whole becomes one life composed of individuals, never aggressive in their arrogance but even humble, sharing the majesty of the oceanic circle of which they are integral units. Therefore, the outermost circumference will not wield power to crush the inner circle but will give strength to all within and derive its own strength from it.

While supporting the idea of Mahatma Gandhi and the ideas of some of the revolutionaries of pre-Independence era like Shaheed Bhagat Singh, one may hope that a people's movement can be launched to demand that the devolution of funds for development works in Panchayati Raj system should first come to gram sabhas on per capita basis. It would be "the responsibility of gram sabha to decide its needs according to its priorities, how much to keep it for itself, how much to contribute for the intermediate level and how much for the district level panchayats. For example, a particular gram sabha may decide to have with floods rather than have an embankment. Initially, it would mean lengthy negotiated settlements between gram sabhas and panchayats at intermediate and district levels and, therefore, slow pace of progress. But then participation of beneficiary and a slow pace of progress is certainly better than the existing non-development and dependence paradigm. Moreover, the whole process, will be geared towards increasing the understanding and raising the consciousness of the masses and activating them.

Let us examine yet another possibility. A gram sabha could, in the interest of unemployed persons (who *ipso facto* are its members), ban the entry of some articles (such as toothpaste, bathing and washing soaps, etc.), in its area either singly or in combination with the neighbouring gram sabha. In this process it could encourage village and household industries and generate employment. If such a phenomenon remains confined to a few pockets, it is likely to be ignored. But if it catches the imagination of the people and spreads to a large area, it will hurt the interests of multinationals, foreign collaborators and their Indian lackeys and finally the interests of neo-imperialism. Pressure will be mounted to suppress it for the sake of 'free market' commitment. The Indian ruling class, in all probability, will succumb to the pressure. But the problem is that all other institutions of the Panchayati Raj system can be superseded but not the gram sabhas. Their existence will always be legal and constitutional. How the struggle will proceed, what course it will take, when it will acquire a revolutionary character, all this will depend on the members of the gram sabhas. There may be many other possibilities depending on subjective and objective conditions prevailing in different gram sabhas. But one thing is

certain, along with the struggle (whatever be its form) mass consciousness will increase. This is the lesson which history teaches us and increasing mass consciousness is the singular need of the hour.

23.5 CONCLUSION

While concluding, one more question comes to our mind which may be everybody's apprehension, as to what would be the fate of PRIs and ULBs by 2020 AD? In regard to this apprehension, we are quite optimistic about the future of PRIs and ULBs as the units of grassroot democracy. No doubt most of the successes of PRIs and ULBs will depend upon the political will of the concerned state governments. However, making Panchayati Raj and Municipal elections a regular phenomenon and giving them constitutional status may ensure their bright future. No doubt the elections at the state and Central levels are the regular phenomenon but still we have not been able to take our democratic polity towards a bright future. However, this situation, to our mind, is not going to affect rural political system in a substantive manner, the rural masses are, of course, illiterate and ignorant but very sensitive and capable of taking suitable decisions in the larger interest of the community. Moreover, due to mandatory and periodic elections, they will be in a position to shuffle and reshuffle the leadership of PRIs and ULBs making them to realise that only those leaders could stay who are committed, non-partisan and take care of development of the village community. Besides, it is our hope that gram sabhas are going to play a very decisive role in coming years as a result of growing consciousness among the rural masses. In such a way we hope that by the end of 2020 AD, the PRIs and ULBs may be deeply rooted in the rural community and become the real vehicle of change and development in the countryside. The only danger which, we visualise, is from the side of the state governments. This apprehension is because of the fact that the 73rd and 74th Constitutional Amendments have provided maximum latitude to the states to make suitable amendments in their Acts as and when required and this process has, perhaps, already started. And as such, if such negative approach of the state governments continues then it would be difficult to save the PRIs and Municipal Bodies from the callous attitude of the state government. Even then we are optimistic that future of Local Government looks bright and they shall be in a position to fulfill the hopes and aspirations of the people as the societal norms, social stratification and values are changing very fast as a result of democratic process in the country.

In regard to futuristic trends in Panchayati Raj and Municipal politics, affectivity of gram sabhas, changing social relationships and emerging social movement, similar optimism has been expressed by many social scientists. For example, Rajni Kothari is of the opinion that as a system of managing the affairs of the society, the long experienced model of "top down" has failed. And it is against this failure that the rise of new actors and levels, new forms of political expression and new definition of the content of grassroot politics acquire significance.

Now the question is who and what are these new actors and definitions? There is, first, the resurgence of the 'people' themselves, both in consciousness and in behaviour, asserting their democratic rights and challenging the established order, at local levels affecting the entire social and political order. And, the second is the emergence of a new class of mediators in the political process, generally called the activists, upper and middle class in their social origin but identifying themselves with the lower orders of society – the poor, the oppressed and the segregated, ranging from the untouchables and the destitute

among the tribes and ethnic minorities all the way to the victims of sexual, ethnic, ecological and generational discriminations, atrocities and violence. It is in this, background that we feel that the rural asses will rise to the occasion and help see the future of local bodies bright which could fulfill the hopes and aspirations of the people in years to come.

23.6 KEY CONCEPTS

- Regulation** : The totality of government controls on the social and economic activities of its citizens; the rule making process of those administrative agencies charged with the officials interpretations of laws.
- Reinventing Government** : The latest manifestation of the progressive tradition of continuously improving government – this time with an emphasis on privatisation.
- Republic** : A form of government in which sovereignty resides in the people who elect agents to represent them in political decision-making.
- Authorising Legislation** : Legislative action that permits establishment or continuation of a particular programme or agency.

23.7 REFERENCE AND FURTHER READINGS

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23.8 ACTIVITIES

- 1) Discuss the impact of reforms on the local governance in relation to devolution of financial powers and administrative decentralisation.
- 2) Explain the people's aspiration about the local government.