

PANCHAYATI RAJ INSTITUTIONS IN THE CONTEXT OF CHANGED DEVELOPMENT PARADIGM IN INDIA

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Abstract:

The present paper focused on the people's participation and decentralized planning in India and tried to identify the powers and functions of panchayati raj in the context of changed development paradigm in India and also in the scheduled areas i.e. Panchayat Extension in the Scheduled Areas. Decentralization refers to a situation in which lower ranking also have decision units, acquire all powers and responsibilities and also have control over determination of their goals and targets. As we know that decentralization in most of the states in India is characterized by overlapping of functions and proliferation of schemes. The overlap of expenditure and responsibilities between different levels of government has implications on administration and governance. Thus in this scenario, resource mobilization, and management of panchayat finances need special emphasis.

Keywords: Decentralisation, Panchayati Raj Institutions, Seventy Third Amendment, Village Panchayat, Rural-Local Bodies, Eleventh Schedule, Panchayat Extension in Scheduled Areas(PESA).

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Introduction

As we approach 21st century Indian polity has been striving for establishing democratic Goals through modernizing its political and administrative institutions. With a change in development paradigms, the focus of development planning has shifted to participatory development with social justice and equity. It called for decentralized administration, ensuring people's participation in decision making and giving priorities to their local needs. Importantly, with the change in the orientation and structure of development planning from growth to redistribution with growth aimed at increasing the productivity and incomes and providing the minimum basic needs to the population and also raising the living standards of persons living below poverty line, decentralization became a subject of intense debate and alternatives paradigms from imposed to participatory, ensuring people's participation in decision making at the grass-root level of democratic governance. Decentralization literally means the action of reducing or undoing centralization or concentration. In the political sense, complete or total decentralization would mean 'the withering away of the state' (Sundaram, 1997, p.31). In the development context, it refers to the transfer of authority to plans, make decisions and manage public functions from the national level to any organization or agency at the sub-national level. Thus, decentralization refers to a situation in which lower ranking also have decision units, acquire all powers and responsibilities and also have control over determination of their goals and targets. The forms of decentralization are: decentralization, delegation, devolution of funds and financial decentralization. In the concentrated form of decentralization, selected functions are taken over by the field officers of central-state hierarchy. Delegation may be defined as transfer of responsibilities to regional or national and usually semi-autonomous government such as states, provinces, districts, municipalities and panchayats who are obliged to act on the basis of national policies. Financial decentralization refers to the deregulation of centralized state control, the pursuit of strategies to strengthen the private sector and the promotion of partnership between state officers and private voluntary actors. Interestingly, there are four major dimensions of decentralization, i.e. functional, financial, administrative, and political.

The 73rd and 74th Constitutional Amendment Acts 1992 made the provision for ensuring local self governance through empowering local bodies. Thus, the units of the local self-governments were given the mandatory provisions for establishing panchayats at three tiers. Importantly, the

local bodies have become the units of the government to have a share in decision making and active participation in development process for socio-economic development of the region. Though, the provision of local bodies particularly, panchayats may be traced out in the historical text, monuments and excavation sites. The role of panchayats in development has been found praiseworthy in ancient period; however, the credit for strengthening of panchayats in modern period goes to British regime. Due to lack of financial and functional autonomy, the panchayats could not perform well, and had because of non-statutory status of panchayats, state governments had no mandatory powers to establish the units of local self government. With the enactment of state conformity amendment act 1994, the process of functional and financial devolution to the local bodies was initiated by the state governments.

The institutions of panchayati raj seek to realize the goal of democratic decentralization to ensure participatory development and bringing about social justice, equity and gender just society. It has been possible through the 73rd Constitutional Amendment Act in 1992, and subsequent state legislations which provided panchayats the authority and powers to function as effective institutions of self-government. However, the process of democratic decentralization has to be directed towards achieving the goals of self-governance, participatory development and particularly to enhance the role in decision making process. Since mandatory provisions mentioned in 73rd Amendment Act have been followed, the state legislations differ considerably in terms of devolution of powers and functions to the panchayats. (Agarwal, A., 2005)

The history of panchayats in India goes to hundred of years. The system of panchayati raj can be traced in the religious and methodological text during the ancient period and there are a large number of references in the historical text regarding the functioning of village panchayat with the powers of administration community assets and also developing of resources in a local area. During the chola and chalukya dynasties in ancient period, panchayats performed well in rural development, maintaining law and order and encouraging local craft. During the Muslim period, panchayats existed in various parts of the country however, in absence of mandatory provisions, they could perform well. Though, initiatives regarding strengthening of Panchayats were taken by the British in modern period, however, in the absence of statutory status, they remained neglected.

The British period of panchayat history can be categorized into four phases. The first phase (period of lord mayo in 1871); when the rural local bodies were stated at the district level and not at the village level without any element of self governance. The second phase under lord ripon saw the existence of local bodies in urban sector with the power to collect revenue. The devolution of functions went from district to union in case of village panchayats. It is only from the year 1870 that India saw the dawn of representative local institutions. The famous Mayo's resolution of 1870 gave impetus to the development of local institutions by encouraging their powers and responsibilities. Following the footsteps of lord mayo, lord ripon in 1882 provided the much needed democratic framework to the institutions. District board and taluka board were setup with nominated members to look after health, roads and education. Meddick has observed that decentralization in India preceded the establishment of the country councils in England and the new bodies were mainly seen as appendages of the central administration. (Meddick, 1970, pp.17). Thus, village panchayats were bound to flourish under district authorities and Ripon's District Board did not succeed in making the villages the basic unit of local self government. The third phase under the lord Chelmsford in 1918 was the period in which there was a democratic and reservation of tax powers between local and provincial government. In the fourth phase under lord Wellington, elections were held in urban bodies and there was a decentralization of village administration without devolution of finances. During the freedom movement, particularly the Gandhian period, institutions of panchayati raj were further strengthened. It was Gandhiji, who took a rationalist view point on the panchayat system and declared that village panchayats should enjoy self-governance suited to their requirements (Gandhiji, 1931). The development of local government institutions got further fillip with the introduction of Montague Chelmsford report which made local self-government a transferred subject under the scheme of diarchy. A critical assessment of performance of local self government institutions during pre-independence period shows inefficiency and ineffective mechanism of local self governance and the zeal of political and administrative officials could not be sustained. The concept of 'Swaraj' could not be introduced in the real sense before 1992.

Panchayats in Independent India

The post independent phase of panchayati raj is marked with significant developments. In the post-independent period, emphasis was given on comprehensive rural development with community mobilization in the development process. Importantly, Gandhiji was concerned about functional democracy at the grass root level and he advocated the concept of village republics and he also dreamed that every village has to be self-sustained and capable of managing its affairs (Gandhi, M.K., 1946). With this view of Mahatma Gandhi, the newly framed Constitution of India incorporated the panchayats under article 40 in the Directive Principles of State Policy. Prof. Bhargava has rightly remarked that the process of democratic seeds sown in the Indian soil making an average citizen more conscious of his rights than before (Bhargava, 1979, pp. 19). Thus, Indian Constitution provided a base for village republics and democratic decentralization. In 1952, Government of India had launched a comprehensive programme of community development encompassing almost all activities of rural development. However, the programme could not make much headway in fulfilling the dreams of the rural masses. The planning Commission emphatically commented that each state should have a programme for establishing panchayats for villages or group of villages over a period of ten years. The Community Development and National Extension Service Programme were carried on in a block, comprising an area and population of about 100 villages. The programme aimed at integrated multi-purpose planning for all round village development, but could not fulfill its objectives. In order to examine the causes of its failure, the government of India had constituted a high power study team headed by Balwant Rai Mehta. The committee observed that the failure of the programme was due to the conspicuous absence of people's participation. Therefore, the committee suggested a set of institutional arrangements resulting in creation of a three tier system of panchayats to organize and manage rural development activities (Government of India, Mehta, 1957). Thus, began a new experiment in the sphere of rural development through the participation of people by 1959, all the states had passed the panchayati raj act and by mid 1960, panchayats had reached all the parts of the country (Government of India, Chandrashekhar, 1999, pp.5).

In the 1960s, despite the focus of Government attention, panchayat raj failed (Brass, 1965). The support for decentralized panchayati raj declined because most of the state politicians were

reluctant to devolve much power to the district level in assumption that if such local institutions acquired real powers, they would become alternative sources of political influence and patronage (Brass, 1992, pp.119). Thus, India diverted from its path leading to a strong rural administration and local governance. (Maheshwari, 1994. pp.140). By the second half of the 1970s, the state capitals had become indifferent to the panchayati raj institutions and most panchayats had become defunct and were dissolved (Lieten& Srivastava, 1999, pp.22). The appointment of Ashok Mehta Committee did bring new thinking in the concepts and practices of panchayati raj. The committee envisaged a role for the panchayat institutions to undertake democratic developments management under conditions for rapid changes, continuous growth and sustained innovations in all spheres of rural life. (Government of India, Mehta, 1978, pp.177). In its report, committee observed that panchayati raj had been weakened due to certain adverse factors. Its structure was inadequate and meager government support could not enable it to perform development role effectively in a changing socio-economic environment. The committee made a number of recommendations for the betterment of panchayati raj which were based on the concept of democratic decentralization with social equity and economic growth. The main recommendations of the committee were:

- More genuine and effective devolution of powers to panchayati raj should take place.
- Primary unit in panchayati raj system be zila panchayat not panchayat samiti, as the parishad has better leadership and resources (administration and financial) to play a substantial development role.
- The mandal panchayat with appropriate powers and resources and covering a smaller area than development block and larger one than village panchayat, should replace the panchayat samiti and the panchayats as it would be more effective in management of development schemes.
- Administration wing of zila panchayat in particular and also that of mandal panchayat should be suitably staffed and appropriately led by well qualified senior civil servants.
- Below the mandal panchayats there should be village committee including substantially weak section of people, to perform functions allocated to it by the mandal panchayat.
- In order to bring appropriate coordination between rural development and urban development, municipal bodies should have participate in its working as this would energise it and make it more coherent in working; and

- For improving the capabilities and reorienting the attitudes of people's representatives as well as of bureaucracy within panchayati raj a massive programme of education and training should be setup in place of existing limited one.

Based on its recommendations, some states have made attempts to incorporate them with a view to strengthening their existing panchayati raj structure. The committee also recommended the constitutional status of panchayat raj and favoured for the participation of political parties in the panchayat elections. However, various state governments could not favour the concept of strengthening the panchayati raj structures and panchayats could not get statutory status. In order to consider ways to revitalize the panchayats, government of India set up committees headed by G.V.K. Rao (1985) and L.M. Singhvi (1986). The Rao Committee (Government of India, Rao, 1985) recommended to make district as a basic unit of planning and also favoured holding of regular elections to the panchayat institutions. The Singhvi committee (Government of India, Singhvi, 1986) recommended for devolving more financial resources to panchayats to make them more viable.

The recent efforts for constitutional Amendments (1992) and state legislations paved the way for democratic decentralization in the real sense and panchayats were endowed with such powers and authority to enable them to function as a unit of self-government. The year 1992 was a watershed in the history of democratic decentralization in India. The panchayats were given statutory status and state government was advised to restructure their existing panchayats Acts in order to translate the above into reality. The state legislations provided a basis for reservations for weaker section and women while Constitutional Amendment Act widened the scope for functional and financial devolution to panchayats.

Objectives of the Study

It has been recognized that the major problem in the management of finances in a multi-tier polity is the existence of vertical fiscal imbalances between the state and local governments as well as horizontal fiscal imbalances among the local governments. The state government intervenes in the budgetary decisions of the local transfers-revenue sharing in assigned taxes and/

or grants-in-aid to the vertical as well as horizontal fiscal imbalances, which enables the state to provide adequate level of specific services without directly assuming the functional responsibilities of lower level governments. The conditions associated with such transfers influence the behaviour of local bodies in exploring their own revenue to a fuller extent and in budgetary allocations of the total expenditures into various functional heads. Also, the transfers which a local body receives may depend on the tax-effort of local bodies. The response of local bodies to the state transfers determines the level of specific local services. The objectives of the study are:

- To know people's participation about decentralized planning in India,
- To study the powers and functions of panchayati raj in the context of changed development paradigm in India.
- To study the powers and functions of panchayats in the scheduled areas i.e. Panchayat Extension in the Scheduled Areas.

Research Methodology of the Study

Present study is analytical in nature and based mainly on secondary data sources, which is obtained from published as well as documented sources. The sources of data comprising mainly: union finance commission report, state finance commission report. The data have also been collected from the documents, literature and studies available at different government offices, academic institutions and NGOs. The mechanism of resource generation at the local level and resource transfers from central to lower level governance, in whatever way we classify them are mainly governed by the factors like minimum provision of basic services inter-jurisdictional spillovers, fiscal gap, differential net benefits across the states and to certain extent the economic stabilization. The fiscal gap arises as a result of mismatch between revenue means and expenditure needs of the government. The often sighted reasons for this fiscal gap are inappropriate expenditure and tax assignments, limited tax base, inter-governmental tax competition and the central government crowding out tax room for state and local governments.

Paradigm Shift

As we witness that several new experiments in the field of development planning have been initiated, the micro level planning is gaining acceptance in the context of democratic decentralization. The emphasis on participatory development has been changing and planners call this change as paradigm shift. The changes that have occurred in the orientation and structure of development planning are diagrammatically shown in the Chart 1.1. Interestingly, there is a shift from centralized planning in 1950s to decentralization in 1960s, 1970s, 1980s, local self reliance in 1990s, participatory development in 2000, fiscal decentralization in 2010 and further district development planning in 2015. Similarly, the orientation of development planning has shifted from growth, public sector and social equity to sustainable development and development from within. Thus, during last two decades, there has been a major change in the development planning, a shift from top down planning to bottom up planning and ultimately to the people's participation in decision making.

The development from below with its objective of growth, equity, stability and sustainability rests on five basic concepts i.e. decentralization, area development, participation, sustainable development and integration. The decentralization depends upon the functions and finances conferred on the area by the centre. Thus, decentralization is a self-reliant approach to development with local people's effort becoming a significant component. The area planning must take into account the resource structure of the area, the level of development, existing political, social and institutional setup and development priorities. Thus, area planning should be based on local resources and local needs. Similarly, people's participation in development process is paramount. It ensures the mobilization of resources, and creates a strong sense of accountability and sensitivity to development programmes. Significantly, sustainable development considers the environmental dimensions in development planning and emphasized on an approach to planning for developing, managing and conservation of natural resources. Importantly, integration in a decentralized multi-level planning framework takes into account the sectoral balance, spatial balance and operational balance.

The re-emergence of panchayati raj system is an organized response to the changed development paradigms. With its reactivation, we have entered into a new paradigm of development. For the first time, the socio-cultural and economic factors of the community are given due weightage and rural people joining in the democratic structure of self-governance and sharing their view points in the decision making process. There is a strong case for people's participation through panchayati raj in development activities. It has turned out to be a strategy of bureaucratic expansion. Thus, the local bureaucracy is trying to become flexible and beneficiary oriented rather than change resistance in its operation. The panchayats have been powered to raise their resources in order to enable them to discharge the functions assigned to them. The new institutional arrangements are likely to ensure accountability and transparency in administration and governance. Thus, there is a shift in development paradigm through panchayati raj.

Chart 1.1: Changes in the Orientation and Structure and Development Planning

| YEAR | STRUCTURE | ORIENTATION |
|------|--------------------------------------|---|
| 1950 | Centralised Planning | GDP Growth with Redistribution |
| 1960 | Decentralisation | GDP Growth with Decentralised Approach |
| 1970 | Decentralisation and Deconcentration | Basic Minimum Needs Employment and Growth |
| 1980 | Decentralisation Local Self Reliance | Micro Level Planning |
| 1990 | Decentralisation Self Help Groups | Sustainable Development Bottom up Planning |
| 2000 | Participatory Development | Development from within |
| 2010 | Fiscal Decentralisation | People's Participation in Grass Root Planning |
| 2015 | District Development Planning | People's Participation in Decision Making |

Functions of Panchayati Raj Institutions: A Review

Article 243(4) of the constitution inter-alia authorizes the state legislation to make provisions for the devolution of powers and functions to PRIs and for the preparation of plans for economic development and social justice irrespective mentioned in the Eleventh Schedule of the Constitution. The Eleventh Schedule contains an impressive list of developmental activities that could be entrusted to the panchayats. These are:

1. agricultural including agricultural extension;
2. land development, implementation of land reforms;
3. minor irrigation, water management and water –shed development;
4. animal husbandry, dairy and poultry;
5. fisheries;
6. social forestry and farm forestry;
7. minor forest produce;
8. small scale industries including food processing industries;
9. khadi, village and cottage industries;
10. rural housing;
11. drinking water;
12. fuel and fodder;
13. roads, bridges, ferries, waterways and other means of communication;
14. rural electrification including distribution of electricity;
15. non-conventional energy resources;
16. poverty alleviation programmes;
17. education including primary and secondary schools;
18. technical training and vocational education;
19. adult and non-farm education;
20. libraries;
21. cultural activities;
22. markets and fairs;
23. health and sanitation including hospitals, primary health centres and dispensaries;
24. family welfare;
25. women and child development;
26. social welfare including welfare of handicapped and mentally retarded;
27. welfare of the weaker sections and in particular of the scheduled castes and scheduled tribes;
28. public distribution system; and
29. maintenance of community assets.

Although, a broad list of items has been mentioned in the Eleventh Schedule of the Constitution, the sphere of activity of each tier under each item has not been defined and left to the discretion of the concerned State Government. However, state legislature can make provisions for the devolution of powers and authority as may be necessary to enable them to function as institutions of self-government.

Panchayats Extension to Scheduled Areas

Article 244 (1) and 244 (2) (Article 244 Administration of Scheduled Areas and Tribal Areas- The provisions of the Fifth Schedule shall apply to the administration and control of the Scheduled Areas and Scheduled Tribes in any State other than the States of Assam, Meghalaya, Tripura and Mizoram, & The provisions of the Sixth Schedule shall apply to the administration of the tribal areas in the State of Assam, Meghalaya, Tripura and Mizoram) of the constitution of India enables the government to enact separate laws for the governance and administration of the tribal areas. In pursuance of these articles, the President of India had asked each of the states in the country to identify tribal dominated areas. Areas thus identified by the states were declared as Fifth Schedule areas. Such areas have special rights and the Governor of the respective states have powers to make regulations for better governance and for protecting the rights of the tribal community.

When the 73rd constitutional amendment that led to the introduction of Article 243 in the constitution, for decentralized governance in rural areas, was brought into effect, many states with substantial geographical area under Fifth Schedule (e.g. Madhya Pradesh and Andhra Pradesh) extended the implementation of the same act and provisions that were applicable in the non-schedule areas to the Fifth Schedule areas as well. Public interest litigation was filed in the Supreme Court and the court immediately intervened in the matter and directed the Parliament to take specific measures for local governance in Schedule V areas.

In response to the Supreme Court's directive the Parliament appointed a special committee MPs and Experts to make recommendations on the salient features of the law for extending provisions of the constitution (73rd) amendment act, 1992 to scheduled areas under the chairmanship of

Duleep Singh Bhuria, a tribal MP from Madhya Pradesh, for giving recommendation for the implementation panchayati raj in Fifth Schedule areas of the country. Based on the recommendations of the Bhuria committee, the Parliament, in 1996, passed a separate legislation as an annexure to the 73rd amendment specifying special provision for panchayat in Fifth Schedule areas. States like Madhya Pradesh that held election in 2000 ensured the implementation of the special provision of Panchayat Extension Act.

The extension act gives special powers to the Gram Sabha in the scheduled areas, which is different from the powers given to the Gram Sabha in normal areas. For example, the state act on panchayats in Madhya Pradesh provides that a non-elected tribal member of Gram Sabha shall chair the meeting of Gram Sabha. Powers given to the panchayats vis-à-vis governance in scheduled area include:

Power to manage natural resources

- Power to conserve and protect customs and traditions
- Power to manage community resources
- Power to resolve dispute through customary method
- Control over the business related to money lending
- Control and management of Non-timber Forest Produce

The Issue

The power to tribal community in Fifth Schedule area has implications not only for livelihoods but is equally relevant to the social dynamics of these areas and their inhabitants. In the present era of decentralized governance, the experiences and concerns of people involved in administration have raised the basic question: Is there any need to give special powers to the tribal community? Can they govern their area? Do they have the capacity to govern in the context of planned economic development? Should there be limits to governance to the tribal community? If the system of tribal governance empowers the tribal, then what are the possibilities of replicating this system in non-schedule areas as well?

These questions have two dimensions: one is related to the existing system of governance within tribal community; and the other, is related to the experiences of implementation of provisions of Fifth Schedule in tribal areas. There has been limited effort to organise data and debate around these questions of self- governance and economic development with social justice in the tribal areas.

The system of administration in tribal areas does not differ significantly with non-tribal areas to justify it being categorised as a special system of administration. The land revenue system, forest conservation practices, programmes of rural development, etc are the same and are implemented in the same manner as in non-tribal areas. As a result the ruling bureaucracy and the political leadership do not show sensitivity to the existence of the Fifth Schedule areas. In fact the level of awareness regarding the provisions of the Fifth Schedule and its implications between the bureaucracy and the political leadership is low.

The second dimension of the issue is related to the state of implementation of the Panchayat Act in Fifth Schedule area since January 1998. There is a need to know how far Gram Sabha and Panchayats have been able to exercise control over government schemes. What are the mechanisms developed by them to manage natural resources? How have Panchayat and Gram Sabha been able to protect and conserve their customs and traditions? There is lack of information on the state of implementation of the Panchayat Act in the states with Schedule V

areas. The experiences of the government and non-government agencies have not been documented nor have they been subjected to systematic research.

The discussion group aims at generating discussion among the influential stakeholders around these questions. The idea is to bring together the entire spectrum of shades of diverse opinion at a common platform so as to contribute towards the policy and practice for governance in Fifth Schedule areas.

To enable the debate to be comprehensive as well as focused at the same time we have defined the broad parameters of the discussion as follows. These are the parameters the members should take into account while making their comments and/or critiquing perceptions:

- “Tribe” is not a homogenous group. Each of the tribal groups have their own uniqueness and their own customs and traditions
- issues related to tribal women
- systems of community ownership and practices associated with natural resource utilisation
- economic pressure of industry and business on the wealth (forests, minerals etc) available in the tribal areas
- systems of tribal self-governance and its role and relevance in the present political and governance structures
- Forests and Tribal community
- Resources, their control and management, and tribal
- Traditional Knowledge and Tribal
- Traditional system of Governance, Schedule V and PRIs
- Industrialisation and tribal
- Growth of Naxalite movement in Schedule V area
- Learning from experiments (government and non-government) that seek to provide access to tribal
- Relationship between tribal society and administration of state government
- Need and Relevance of the system of Tribal Sub-Plan and its integration with panchayats

Observations

It has been observed that powers and functions which have been assigned to panchayati raj institutions are overlapping in areas, functions and responsibilities between the three levels of panchayati raj institutions. The type of functions assigned to any level of panchayati raj institutions is ambiguous. Often the same function is performed by two or three different levels of panchayati raj institutions. Secondly, there exists overlapping of functions between different official agencies, for example District Development Council, District Rural Development Agency; District Planning Committee etc. are assigned the same schemes of rural development. Another serious weakness in the structure of panchayati raj institutions is appropriate of functions/areas of responsibility at different level. Importantly, there are no principles or criteria adopted for assignment of responsibilities to the different levels of panchayats. Therefore, overlapping should be brought down to the minimal. A clear demarcation of schemes and programmes would reduce the overlapping among panchayati raj institutions and rural development departments. Moreover, clear-cut criteria should be evolved for devolution of powers and functions to the panchayati raj institutions.

The abstract of the above analysis emphasizes upon the fact that the machinery of the decentralized planning meant for accelerated development of the rural sector of the Indian economy calls for the adoption of our management approach to decision-making through the process of decentralization:

- Co-ordination and integration of the activities of the village economy of India.
- An accurate assessment and estimate of the existing volume of physical and financial resources at district and village level.
- Explicit outlining of the nature of problems
- Identification of the specific programmes, projects and activities to be carried out,
- Administrative, technical and managerial information backup,
- Evaluation and final postmortem of the programmes and projects in terms of the goals, objectives and targets delineated at the time of plan formulation.

The paramount significance of people's participation in the process of planning was highlighted from the very inception of the planning process. The policy document of first year plan, government of India rightly remarked that democratic planning will not be succeeding unless the sanction awakened, public opinion operates powerfully and the force of public action in pursuit of constructive ends continually grows. A democracy working for social ends has to base itself on the willing assent of the people and not the coercive of the state. Other conditions have to be fulfilled before the full flow of people's energy for the task of national reconstruction can be assured. The ignorance and apathy of a large number of people have to be overcome. A clear understanding of the conditions and problems and of the appropriate remedies has to be carried by the people at all levels. Their own views about their needs and difficulties and the correct solution must be elicited and given the fullest weight in making plan, in the execution of which they will be called upon to assist. The initial interest aroused by the prospects of better things for themselves can be sustained only by the sight of achievement, however, moderate and consensus of a share in it, however, indirect. Means have to be devised to bring people into association; both at the stage of formulation of plans and in their implementation from stage to stage' (11th five year plan, 1956).

It is interesting to note here that the concept and the framework of the decentralized planning was given a practical shape since the inception of the third five year plan and the subsequent quinquennial plans also highlighted the imperatives of decentralized planning and panchayati raj system in the context of changed paradigm of development planning i.e. 'planning from below'. The panchayati raj system and the people's participation not only served to revolutionize the process of development but these also serve to interconnect the democratic and popular setup at the village, block and district level consisting of elected representatives and the officials of administrative and development agencies. Despite government's irreversible commitments towards democratic decentralization, the system of decentralized planning operating through the mechanism of people's participation could not produce the desired results. This is evident from the fact that although planning of development process was an essential function of the panchayati raj institutions, these bodies have often been subjected to severe criticism on the ground of economic viability and delivery of the quality services to the people at the grass-root level. In any system of financial administration, the mechanism of decision making is essentially

influenced by the three important players namely, the political leader, the bureaucrat and the common man. Political leaders in our country happened to political producers and entrepreneurs and who always aim at maximization of winning election. Despite political election in different states in the country, the panchayati raj institutions at different levels continue to reflect a pathetic condition helplessly clamouring for expanding base of resources with a view to the fulfilling the enshrined objectives. Political commitments regarding the election manifesto are hardly carried out on the excuse of paucity of resources and absence of readymade administrative mechanism.

It may be observed here that the nature of political system of administration is more or less same throughout the globe. Interestingly, our country constitute a single most important example of making promises of delivering qualitative goods and services but miserably failing in carried out the laid down objectives.

Suggestions

Strong political will accompanied by technical compartmentalization of the powers and functions of panchayati raj institutions be clearly spelt out at time of plan formulation so as to fulfill the task of allocating scarce resources among competing channels of productive investments and the objectives of delegation of powers and deregulation of controls and restrictions imposed by different layers of the government.

Since all the 29 subjects are allotted to panchayati raj institutions, in the new act, it is imperative to bring all the district heads of departments under the direct administrative control and supervision of CEO, Zila Parishad. Importantly, the practice of the District Magistrate having overall power in the District Administration should be discouraged in view of the energising the panchayati raj institutions. Significantly, a senior IAS officer of the rank of district magistrate should be appointed as CEO of the zila parishad to provide better administration and achieve inter-departmental co-ordination. Since district administration has become extremely complex and unwieldy, collector raj for how long cope with this complex task? In this regard, the concept of district government is true with the idea of democracy, without effective participation of

people in development endeavors will not be met. Since there is little scope of people's participation under collector raj, therefore local democracy should be strengthened.

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