

## Panchayati Raj in India

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### Abstract

*The dream of 'Gram Swaraj' of our beloved father of nation, Mahatma Gandhi and motto of 'Power to People' are essence of true democracy. The task of capacity building of these large numbers of Panchayats is quite gigantic exercise. As per the assessment of the Ministry of Panchayati Raj even after 22 years of enactment of 73<sup>rd</sup> Constitutional (Amendment) Act and also after having three rounds of Panchayat elections in many States in India the empowerment of Panchayats have not taken place as envisioned in the 73<sup>rd</sup> Constitution (Amendment) Act in 1992. The 73<sup>rd</sup> Amendment to the Constitution in 1992 gave Constitutional status to the Panchayats as institutions of local self government and also for planning and implementing programmes for economic development and social justice. The concept of Panchayati Raj seemed for a while in the years after Indian independence to have disappeared permanently into the mists of India's romantic past. In the late twentieth century however the notion has returned once more to the political agenda, for a variety of reasons: strategic, practical, economic, and ideology. This paper sets out to trace in brief the origins of the concept of Panchayat offers some historical examples of the panchayat in use, and attempts an explanation as to why it should once again have assumed importance in the minds of politicians, NGOs and administrators.*

**Keywords:** Constitution, Amendment, Panchayati Raj, Development, Empowerment

### I. Introduction

The Panchayati Raj is a South Asian political system mainly in India, Pakistan, Bangladesh and Nepal. It is the oldest system of local government in the Indian subcontinent. The dream of 'Gram Swaraj' of Mahatma Gandhi and motto of 'Power to People' are essence of true democracy. The task of capacity building of these large numbers of Panchayats is quite gigantic exercise. As per the assessment of the Ministry of Panchayati Raj even after 20 years of enactment of 73<sup>rd</sup> Constitutional (Amendment) Act and also after having three rounds of Panchayat elections in many States in India the empowerment of Panchayats has not taken place as envisioned in the 73<sup>rd</sup> Constitution (Amendment) Act in 1992. The 73<sup>rd</sup> Amendment to the Constitution in 1992 gave Constitutional status to the Panchayats as institutions of local self government and also for planning and implementing programmes for economic development and social justice. The concept of Panchayati raj seemed for a while in the years after Indian independence to have disappeared permanently into the mists of India's romantic past. In the late twentieth century however the notion has returned once more to the political agenda, for a variety of reasons: strategic, practical, economic, and ideology. This paper sets out to trace in brief the origins of the concept of Panchayati, offers some historical examples of the Panchayat in use, and attempts an explanation as to why it should once again have assumed importance in the minds of politicians, NGOs and administrators. To begin with, we need to ask about the place of the Panchayat in Indian tradition, upon which one discovers that the modern usage of the term has an etymology which is not very indigenous.

### II. The Backdrop of Panchayati Raj System in India

The institution of Panchayati Raj is not new to India. It existed since earliest times. We get ample references about the Panchayats in the Manusmriti, the Arthashastra and the Mahabharata. During the Muslim rule also the system continued to operate unobstructed.

With the assumption of power by the British and the adoption of policy of centralization, the Panchayats suffered a temporary setback. But soon the British realized the value of this institution and the Decentralization Commission recommended in its report in 1907.

“In ignoring the village as the primary unit of local self- government, the government made the beginning with a false step. This scanty success hitherto made to introduce a system of rural self-government, is largely due to the fact that we have not built from the bottom and hence it is most desirable to constitute and develop village Panchayats for administration of certain local affairs with the villages”.

However, the Government of India did not pay any heed to the recommendations of the commission. The outbreak of the First World War gave a further setback to the demand for revival of Panchayats.

With the introduction of the system of Diarchy under the Montague Chelmsford Reforms of 1919 the responsibility of local self-government institutions was transferred to the ministers. These ministers enacted a set of laws with a view to revive the Panchayati Raj institutions. But paucity of funds stood in the way.

During the 1920's Mahatma Gandhi made a strong plea for introduction of self-government in the villages with a view to improve their economy. He had pointed out that independence must begin at the bottom. Every village should be a republic or a Panchayat having full Bran powers. The greater the power of Panchayats is the better for the people. However, the British Government did not pay any heed.

It was only in 1937 when the Congress Ministry was formed that attention was paid to the establishment of the Gram Panchayats and their reorganization. However, before they could achieve anything substantial in this direction, the British declared India as a Party to war without consulting the popular ministries. This resulted in the resignation of the Congress Ministries. These developments gave a severe blow to the movement for revival of Panchayats.

Soon after World War II, the elections to the central and such; provincial legislatures were held and the Congress was returned to the power. Once again, it paid attention to the issue of revival of Panchayats and passed numerous Acts. When India became independent in 1947 perhaps one-third of the villages of India had traditional Panchayats and their functioning was not up to the mark.

The Congress Government made a determined effort to promote the creation of Panchayats to make them effective units of local government. Article 40 of the Constitution of India declared *“The State shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self government”*.

The aim was to foster democratic participation, to involve villagers in the development effort and to ease the administrative burden on the states. The subject of implementation of the Panchayati Raj was com placed in the State List. In the initial years after gaining independence, no efforts were made for the setting up of the Panchayati Raj.

The Community Development Programme was launched in October 1952 to seek people's participation and involvement in the task of rural reconstruction. The programme failed in its mission without an agency at the village level. The Planning Commission, in the Second Five Year Plan, recommended its review.

In January 1957, a team for the study of Community Projects and National Extension Service, headed by Balwant Rai Mehta, was appointed. The Committee observed “Admittedly, one of the least successful aspects of the C.D. (Community Development) and N.E.S. (National Extension Service) work is its attempts to evoke popular initiative.

We have found that few of the local bodies at a level higher than the Village Panchayat have shown any enthusiasm or interest in their work and even the Panchayats have not come into the field to any appreciable extent.

An attempt has been made to harness local initiative through the formation of ad-hoc bodies, mostly nominated personnel and invariably advisory in character. These bodies have so far given indication of neither durable strength nor the leadership necessary to provide the motive force for continuing the improvement of economic and social condition in rural areas.

The Committee asserted, "So long as we do not discover create a representative and democratic institution which will supply the local interest, supervision and care necessary to ensure that expenditure of money upon local object conforms with the needs and wishes of the locality, invest it with adequate power and assign to it appropriate finances, we will never be able to evoke local interest and excite local initiative in the field of development."

### ***III. Key Recommendations of Balwant Rai Mehta Committee***

1. There should be a three-tier structure of local self- government from the village to the district with the village at the bottom and the district at the top with its intermediary link of institutions all organically related to one another;
2. There should be genuine transfer of power and responsibility to these institutions of local government;
3. Adequate resources should be transferred to these bodies to enable them to discharge those responsibilities;
4. All programmes of social and economic development formulated through the network of planning should be channelled through those institutions;
5. The whole system of Panchayati Raj should facilitate further devolution and dispersal of power, responsibilities and resources in the future.

The Committee recommended that while the broad patterns and the fundamentals of the PR institutions might be uniform, there should not be any rigidity in the details of pattern, in view of the vastness of the country and the complexity of its problems. What really counts is the genuine transfer of power to the people. If this is ensured, the form and pattern could vary according to the conditions prevailing in different states.

The National Development Council affirmed the basic principles underlying democratic decentralization. In accordance with the recommendations of the Committee, a number of states created three-tier system of rural local self-government institutions, on the pattern of Andhra Pradesh and Rajasthan, with some modifications.

Some of the states like Maharashtra introduced a system which was drastically different from the system introduced in Andhra Pradesh and Rajasthan. Some of the states created only one-tier viz. the Village Panchayats (Jammu and Kashmir and Kerala), while others created a two-tier system (Haryana).

Even in those states which created three-tier system there was difference attached to each of them. Even the level at which the three- tier system operates in different states differs. Despite these differences the basic pattern of the system is largely based on the recommendations of the Mehta Committee.

### ***IV. Various Committees on Panchayati Raj in India***

Even as early as 1964 these problems were publicized in a seminar held by the All-India Panchayat Parishad, a voluntary association of Panchayat Organizations across India, presided over by Jayaprakash Narayanan. The rapid deterioration of the Panchayats constituted in the late '50's and early 1960's was further underlined in the report of the Asoka Mehta Committee on Panchayati Raj institutions which was set up in December 1977, including such luminaries as E.M.S. Namboodiripad and M.G. Ramchandran amongst its membership. This government committee observed that the activities of the Panchayati Raj institutions, even at block level, were meagre, their resource base limited, and that they had been stagnating, if not declining, since 1965. They further noted that the Panchayats were mistrusted by State government officials, and that a growing range of developmental activities, such as the Small Farmers Development Agency, the Drought Prone Areas Programme and the Intensive Tribal Development Project, were not being brought under the purview of the elected Zilla Parishads in states such as Gujarat and Maharashtra. The Panchayati Raj institutions were also dominated, it was said, by economically or socially privileged sections of society, 'and have as such facilitated the emergence of oligarchic forces yielding no benefits to the weaker sections'.

The solution, and key recommendation, of the Asoka Mehta committee was that the Panchayats be brought closer to the people by putting executive powers in the hands of 'Mandal Panchayat', which grouped together villagers of 15,000 to 20,000 in number, with a single tier of district level Panchayats above them. Although a contrast with the system adopted in the 1960's, this still hardly equated with the orientalist dream of village self-government, the foundation of 'Swaraj', as noted in a dissenting minute to the report by Siddharaj Datta. The idea of further reforms were in any case shelved at a meeting of (mostly Janata) Chief Ministers in 1979 - presumably confident as they already were in their democratic credentials.

This then effectively remained the situation for the next few years. Panchayats were constituted in many villages, but had few responsibilities beyond village drainage, street lighting, sanitation and the arbitration of petty disputes, and development money was dispersed at the block level and remained largely in the hands of officials. A rare exception to this pattern is perhaps the experience in West Bengal, where village panchayats have been elected on a universal suffrage since 1978 and where they are seen as both successful and egalitarian: the Food for Work programme, for example, has been organized for a long time now through these local bodies, turn out at election time is often of the order of 75 per cent, and significant amounts of surplus land has been redistributed to poorer SC/ST peasants through a land reform programme (Operation Barga) administered by elected panchayats. Other exceptions include Orissa, where the driving force of Biju Patnaik's personality has kept Panchayati Raj on the agenda almost uninterruptedly since the 1950s. Karnataka state has reported that democratic decentralization in the eighties led to a major improvement in the performance of village teachers and health workers. It is further claimed that in Nagaland Village Development Boards have achieved a great deal, but these exceptions tend to prove that the opposite was generally true: that decentralization and agrarian reform rarely went hand in hand.

In these cases, important qualifications further need be noted: at the same time as promoting Panchayati Raj in Karnataka, the Janata Dal state government, led by Ramkrishna Hegde between 1980 and 1984, simultaneously raised land ceilings, indicating that an important motivation was the attempt to increase electoral support among the richer, landowning peasantry. There are parallels here with Charan Singh's vigorous support for Panchayati Raj in U.P., at a time when, post Green revolution, the rich peasantry was achieving political ascendancy. In Gorkhaland, the demand for greater political influence even led to violence – Subhas Ghising's Gorkhaland Agitation - supported by disappointed rich peasants and other local elites when the CPIM's proposals for an autonomous Hill District Council were shot down by the central government in the early 1980s. And even Bengal's agrarian programme has been criticized, amongst other things, for its gender bias. It should be noted, furthermore, that Bengal's advances in land reform and agricultural production, have not been matched (as in Kerala) by advances in education – hardly surprising, since local primary and secondary school teaching positions are often used as sinecures for loyal CPI (M) party members and activists.

This mixed and generally unsatisfactory state of affairs began to change dramatically in 1985, when soon after Rajiv Gandhi became Prime minister, two committees were constituted. The first, under G.V.K. Rao was established to review the arrangements for rural development and poverty alleviation. It recommended the revitalization of Zilla Parishads, with the appointment of a District Development Commissioner as Chief Executive of the Zilla Parishad. The second committee, chaired by H.M. Singhvi, proposed the reorganization of panchayati raj institutions and the setting up of effective village level committees. Following this report the Sarkaria Commission on Centre-State relations and a Parliamentary Consultative Committee also recommended that there should be a significant strengthening of panchayati raj institutions.

A bill proposing an amendment to the Constitution, the 64<sup>th</sup> was therefore finally drawn up and presented to Parliament in May 1989. This bill proposed to make it legally binding upon all states to establish a three-tier system of panchayats at the village, intermediate and district level, each of them to be appointed by direct election and to enjoy a fixed tenure of no more than five years. At the first attempt, the bill was passed by the Lok Sabha, but rejected by the Rajya Sabha, following which the Congress called an election. The bill eventually passed after it was re-introduced (as the 74<sup>th</sup> Amendment bill) for the second time in 1991. It was passed by the Lok Sabha on 22-23 December 1992, and following its ratification by half the states, it achieved Presidential assent in April 1993 as the 73<sup>rd</sup> Amendment to the Constitution. Along with the requirement to establish elected panchayats it further required that one-third of municipal and panchayat seats should be reserved for women

### ***V. 73rd Constitutional Amendment Act***

The 73<sup>rd</sup> Constitutional Amendment Act was passed by the Parliament in April 1993. The Amendment provided a Constitutional status to the Panchayati Raj Institutions in India and left no discretion with the State governments in several important matters pertaining to these Institutions. Before the 73rd Amendment was made effective, Article 40 of the original Constitution provided for a Directive to the government to take steps to organize village Panchayats and endow them with the powers and authority as may be necessary to enable them to function as the units of self-government. But, by mid-eighties it was realized that the said Directive was not sufficient to institutionalize Panchayati Raj in India.

The practice of Panchayati Raj as per the Directive Principles of the State Policy was not to the satisfaction of the policy makers. There were several reasons for this. One of the reasons was that no uniform pattern of Panchayati Raj was being followed by the State governments. While few States followed a two-tier system, the others followed a system of three tiers. Further, many States were not holding regular elections to the PRIs. Since the elections to the PRIs were being held by the State governments themselves, their fairness and independence was seriously doubtful. Moreover, there were no standard guidelines with regard to delegation of powers to such institutions.

More important was the need to empower the people in the rural areas as well as the empowerment of women. It was observed that political power had remained in the hands of socially and economically influential people, with the poor man having little participation in political decision-making. The same was true in case of women also, whose percentage in the Parliament has remained between 4 to 7 per cent after independence. The political policy makers then began to think in terms of Amendment to the Constitution to empower the people in the rural areas, more particularly the women, and give a Constitutional status to the PRI, so as to bring uniformity in this regard in the entire country.

The Constitutional Amendment Act was passed in the year 1993 and the State governments were then required to enact revised Panchayati Raj Acts as per the provisions of the amended Constitution.

Before the impact of 73<sup>rd</sup> Amendment is assessed, it would be better to consider the provisions of this Amendment. Articles 243, 243A to 243-O were added as parts of newly inserted Part IX of the Constitution. The Amendment introduced across the board three-tier system of the PRIs at village Panchayat, Block and District levels. The electorates at Gram Panchayat level have been named as the Gram Sabha which elects the representatives to Gram Panchayat by way of direct election. Further, Article 243D provides for reservation of seats at all levels for Scheduled Castes (SCs), Scheduled Tribes (STs) and women. While the reservation for the SCs/STs is as per their actual proportion in population of the concerned area, it is provided that not less than one-third of the total seats in all the tiers will be reserved for women. The States are empowered to reserve the offices of the Chairpersons at all the three tiers. There is a move now to increase the reservation for women to 50 per cent.

The Constitution now provides that every PRI shall continue for a period of five years. The States have also been empowered to allow the PRIs in their respective legislative Acts to levy, collect and appropriate several tolls and taxes. With this the PRIs at all the tiers will be able to generate financial resources at local-level and make expenditure in the desired field as per locally-felt needs. The State laws may lay down the procedure to be followed, as well as the limits of such taxes/levies. The State governments may also assign to the panchayats various taxes and duties collected by it. The State governments are required to appoint a State Finance Commission to review the financial position of the PRIs and make recommendations with regard to the distribution of net proceeds of taxes between the States and the PRIs, assignment of certain taxes exclusively to the PRIs and the grants-in-aid.

Another set of important changes made in the Constitution pertain to the elections to the PRIs. To ensure free and fair elections to these institutions, the 73<sup>rd</sup> Amendment provides for setting up of a State Election Commission in every State and the State Election Commissioner is appointed by the Governor of the State concerned. With a view to ensure the independence of the State Election Commission, it is laid down that the State Election Commissioner can be removed only in the same manner and on the same grounds as the Judge of a High Court.

As per Articles 243G and 243H, the PRIs are entrusted with the responsibility of preparing micro-plans for economic development, beginning at panchayat level. These institutions are also responsible for implementation of schemes aimed at socio-economic development and exercise powers delegated in respect of 29 developmental items as prescribed in 11<sup>th</sup> Schedule of the Constitution. These items include: land improvement, irrigation, animal husbandry, fisheries, education, women and child development, etc. Most of the States have delegated these functions to the PRIs as per the spirit of 73<sup>rd</sup> Amendment and the PRIs are now empowered to function in these fields as per enabling provisions in the concerned Acts of the State governments.

Though reservation of seats for the SCs/STs is based on their actual proportion in the population, yet some States have also reserved seats for Other Backward Classes (OBCs). But there is no discretion with the States to reduce the reservation for women, which is prescribed to be not less than one-third of the total seats. The actual reservation for women in the PRIs ranges from 35 to 42 per cent in various States.

As a result, people belonging to the backward and the vulnerable sections, including the women, have almost 50 per cent seats in the PRIs to themselves, which is expected to result in their actual empowerment.

The PRIs have been made responsible for preparing District, Block and Panchayat level plans for ensuring economic development in their respective areas. The flow of funds for economic development would be based on such plans. With the power to levy several taxes at Panchayat level, these provisions would empower the PRIs financially and make them self-reliant.

Most of the States have also taken necessary steps to enforce most of the provisions provided for in their own Panchayati Raj Acts. But there are serious problems in actual practice. Though in most of the States the PRIs are functioning as per the Constitutional provisions, yet it is seriously doubted whether the objective of empowerment of people at the grass root level has actually been achieved.

### **V.I. Bottlenecks**

Illiteracy has been one of the most glaring stumbling blocks in achieving the laid down goals of the new Panchayati Raj system. There is a fair chance that many of the women representatives elected to all the three tiers of the PRIs may be illiterate. Further, with several social handicaps, most of the female representatives of these institutions do not feel at ease to visit the government offices for various works and their authority is exercised by others.

Many States have not delegated the powers and functions to the PRIs in the true spirit of 73<sup>rd</sup> Constitutional Amendment. Even if the functions have been delegated, the required powers to execute the said functions are not with the PRIs. There is a general reluctance on part of the bureaucrats and the ministers and MLAs to share their existing powers and authority with the newly created PRIs. As a result, while on paper the delegation has taken place, actually the PRIs are not in a position to perform the assigned functions. In other words, the objective of empowerment of people and women at the village-level has not been achieved.

There is a general lack of manpower in the PRIs, particularly at the village level. With a limited number of officials, even after the complete devolution of powers, it may become difficult for the PRIs to look after all the works assigned to them by the State government. Unless the PRIs are equipped with adequate staff to discharge their functions, the objectives set forth under the 73<sup>rd</sup> Amendment may not be achieved.

Approach Paper to the Tenth Five-Year Plan (2002-07) had dealt with the PRIs at great length. It observed that the objective of enhancement of participation and empowerment at the village-level was not achieved. It was also observed that the excessive controls provided at three tiers have not been able to enhance the efficacy of the PRIs. The excessive controls at the three tiers have rather been found to be counter-productive. The Approach Paper has also made certain recommendations on the basis of experience of the previous few years. Some of the important recommendations made were: (i) Enable the States, by amending the Constitution, to abolish Block-level or the District-level tier, as the excessive control is proving counter-productive; (ii) Union Finance Commission funds and other PRI development funds from the Centre may not be released to the States unless the required powers were delegated to the PRIs by them; (iii) The PRIs should be empowered and encouraged to levy and collect taxes at their own level; (iv) It is also recommended to increase accountability of the PRIs, strengthen their financial management and audit procedures and provide the required orientation to the elected representatives so that the laid down objectives are achieved.

Even the strategies proposed by the 11<sup>th</sup> Plan had turned around to (i) improving Panchayat Raj Institutions; (ii) Strengthening the administrative machinery; (iii) Convergence of resources; (iv) Alternative delivery mechanism; and to (v) Removing bottlenecks in scheme guidelines. Monitoring indicators for the Eleventh Plan reflect on providing one electrified school building in each village panchayat, one library, drinking water sources in each village panchayat, linking up SHGs that have obtained revolving fund with credit assistance and increasing resources to the rural local bodies.

The above would reveal that the policy makers at the highest level are fully aware that the goals of empowerment have not been met fully and a serious thinking is required to be done by the Union as well as the State governments. But it would also be wrong to conclude that the situation is hopeless. There are many success stories and at many places female and SC/ST representatives have done a wonderful job in the PRIs. The objective of empowerment is not far from being achieved. But some procedural and legislative changes may be necessary. Most necessary are the attitudinal changes.

Following the passage of the 73<sup>rd</sup> Amendment into law, the States introduced in some cases radical measures, which delegated significant powers and responsibilities onto panchayats. Some states, notably Andhra Pradesh, began to jump the gun and evolved legislation extending Panchayati Raj into scheduled (i.e. Adivasis) areas also, not always on favorable terms. The A.P. was in fact struck down by the Andhra Pradesh High Court after an agitation launched by the Adivasi groups. In 1996 therefore the Lok Sabha passed a bill extending the proposed Panchayat system of the 73<sup>rd</sup> Amendment into all Scheduled (i.e. Adivasis) areas. This Act obliges state governments with scheduled areas in Andhra Pradesh, Himachal Pradesh, Bihar, Maharashtra, Madhya Pradesh, Gujarat, Rajasthan and Orissa to devolve responsibility in key areas onto elected Panchayats in tribal areas, no less than half of whose members had to be Scheduled tribes. Every village, furthermore, was to have a Gram Sabha whose mandatory responsibilities were to include preservation of the traditions, customs and resources of the community and which was to be empowered to approve plans and projects for social and economic development. They were also to have the right to be consulted in matters of land acquisition and in the exploitation of mineral resources, and State Governments were directed in section 4(m) of the Act to devolve onto the Gram Sabhas powers which would enable them to become effective institutions of self-government, including control over prohibition, ownership of minor forest produce, the ability to prevent alienation of land, the power to manage village markets, to exercise control over money lending, social services, local plans and development resources. Above all, the Extension Act recommended that the powers of the Gram Sabhas should be protected so that Panchayats and state institutions at a higher level could not overrule them and assume their responsibilities, and their devolution of responsibilities should be in line with the 6th schedule of the constitution – in other words that they should include legislative, administrative and judicial responsibilities.

#### ***VI. Role of the Ministry of Panchayati Raj***

With a view to provide a focus to the decentralization of powers and empowerment of the Panchayats as institutions of local self government, the Ministry of Panchayati Raj (MoPR) was formed in 4 May, 2004 after carving out the Panchayati Raj Division from the Ministry of Rural Development. The major functions of the Ministry are to oversee the implementation of Part IX of the Constitution, inserted by the Constitution (Seventy Third Amendment) Act, 1992, the provisions of the Panchayats (Extension to the Scheduled Areas) Act (PESA), 1996 and Article 243 ZD of Part IX-A of the Constitution relating to the District Planning Committees read with the Eleventh Schedule which illustratively sets out a list of 29 matters, which might be considered by the State Legislatures for devolution to the Panchayats so as to ensure that they function as 'units of Self-Government.' Other functions include, servicing of the Empowered Sub-Committee of the National Development Council (NDC) on Administrative and Financial

Empowerment of the Panchayati Raj Institutions (PRIs), review of the Centrally Sponsored Schemes of Ministries which deal with subjects included in the Eleventh Schedule to enable role & responsibilities of PRIs, capacity building and training of elected representatives of PRIs and promoting efficiency, transparency and accountability on the part of the PRIs.

The question that we are left with then is whether the new enthusiasm for Panchayat rules is likely to fare any better than those that have gone before, and whether it is a long cherished dream finally come true, or merely the latest twist in a struggle for power and control over government expenditure between central and state governments and newly emergent village elites. Given the signs of a back lash against some of the more radical implications of the legislation, and the evidence of serious attempts at foot-dragging by State governments in the manner of its implementation, it is tempting to conclude that the latter is most likely.

#### ***VII. Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA)***

Village level democracy became a real prospect for India in 1992 with the 73<sup>rd</sup> Amendment to the Constitution, which mandated that resources, responsibility and decision making be passed on from central government to the lowest unit of the governance, the Gram Sabha or the Village Assembly. A three tier structure of local self government was envisaged under this amendment. Since the laws do not automatically cover the scheduled areas, Panchayats (Extension to Scheduled Areas) Act, 1996 or PESA is a law enacted by the Government of India to cover the "Scheduled areas", which are not covered in the 73<sup>rd</sup> Amendment or Panchayati Raj Act of the Indian Constitution. It was enacted on 24<sup>th</sup> December 1996 to enable Gram Sabhas to self govern their natural resources. The Act extended the provisions of Panchayats to the tribal areas of nine states that have Fifth Schedule Areas.

Most of the North eastern states under Sixth Schedule Areas (where autonomous councils exist) are not covered by PESA, as these states have their own Autonomous councils for governance. The nine states with Fifth Schedule areas are: Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Maharashtra, Madhya Pradesh, Orissa and Rajasthan. It is an Act to provide for the extension of the provisions of Part IX of the Constitution relating to the Panchayats to the Scheduled Areas.

“Scheduled Areas” means the Scheduled Areas as referred to in Clause (1) of Article 244 of the Constitution. The Act extended the provisions of Panchayats to the tribal areas of nine states that have Fifth Schedule Areas.

### **VIII. Conclusion**

One of the greatest shortcomings of any centre-sponsored rural development programme is its inability to 'trickle down' to the true intended beneficiaries or the poorest of the poor. The introduction of the Panchayati Raj system through the 73<sup>rd</sup> Amendment of the Indian Constitution tried to address this by prescribing a three-tier system of governance for the entire country, effective since 1993. The amendment mandates that responsibility, resources and decision-making authority be placed in the hands of elected local councils or panchayats. The Decentralization versus centralization debate can be better understood in a cost-benefit analysis framework. Centralization has the benefit that 'bureaucrats' who are in charge of planning and implementing are well trained with the required expertise and are in a better position to co-ordinate plans across different jurisdictions. Additionally, although this is debatable, they are relatively free from populist pressures. However, the shortfall of such an approach include a lack of flexibility in terms of understanding changing local needs and the problem of accountability — in ensuring that those in the chair are motivated not by their own gain but by public interest. Decentralization, on the other hand, suffers from the reverse — it empowers the public to sensitize policies to their own needs but often the people who make and implement plans lack expertise.

One state that has stood out as a figurehead in the decentralization attempt has been West Bengal, "the first and the only major state which has had timely panchayat elections on a party basis regularly every five years since 1978, a year after the left front government was elected to power in the state." However, the above study reveals that the state often quoted for its great success in Decentralization has run into some glitches of late. The sample survey of villagers on the village constituency meetings across the state throws up some interesting observations. The meetings were extremely male-dominated with low participation by women in spite of the provision that one-third of the members have to be women. Relatively affluent persons stayed away from such meetings since they did not perceive any direct benefits from poverty alleviation programmes discussed in such meetings, political minorities stayed away since they felt they wouldn't be 'heard', scheduled castes and tribes did not feel encouraged to participate since political leaders were often from the higher castes.

The strong negative wealth bias, the gender and caste bias have thus had serious repercussions on the participatory nature of this system. The other important obstacles have been the extent of devolution of power and finances which has been left to the states' discretion. While devolution has happened in a considerable degree only in West Bengal, Karnataka, Madhya Pradesh and Kerala, the political set up in these states have crucially determined their relative successes. For instance, decentralization in Karnataka under the centrist Janatha Party in late 80s "has led to political capture by middle peasants and rural elites." This brings us to the crux of the failure of decentralization, revolving around the psychology of power equations. Findings from this study point out that elected representatives feel threatened that their new-found status would get eroded by direct empowerment of the people, the former also being employers of the latter, typically wage labourers. But ironically, as pointed out in a paper titled women in Panchayati Raj: grassroots democracy in India, "grassroots democracy in India has been ushered in by an amendment to the constitution from the "top". This was not because of a mass movement by the people." This calls for some serious thought in the direction of why power equations are perpetrated and consistently upset any attempt at moving towards greater development and empowerment of the poor.



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