

Monograph
No-95

The Experience of Decentralization in India

R. K. MISHRA
GEETA POTARAJU



**Centre for Multi-Disciplinary Development Research
(CMDR)**

Yalakkishettar Colony, Dr. Ambedkar Nagar, Lakamanahalli
Dharwad – 580004, Karnataka, India.
www.cmdr.ac.in

2017

The Experience of Decentralization in India

*DR R. K. MISHRA

**DR GEETA POTARAJU

1. Introduction

Nearly 69% of the Indians still live in villages according to 2011 census figures.¹ There is a growing trend among the rural population to move towards urban areas due to multiple reasons like lack of employment opportunities, lack of basic facilities (health and education), lack of proper infrastructure and connectivity etc. In India as well several other countries in South Asian region like Pakistan, Bangladesh, Sri Lanka, Nepal, and Bhutan, where there is more than 80 percent of the population living in rural areas and reeling under poverty, strengthening grass root level institutions is very crucial for empowering them. In several countries the process of decentralization has begun and many changes have been brought about in their constitutional and legal frameworks.

This paper is an attempt to understand the historical perspective of Local Self Government Institutions in India, their Constitutional status and how they have evolved during recent times.

2. The South Asian Perspective

In Bangladesh, the Article 59 and 60 of the Constitution details out the composition of the local government institutions which has Zila Parishad (district council) at the apex, Upazila Parishad (Sub district council) at the intermediate level) and Union Parishad (union council) at the lowest level which is divided into wards and villages. The failure of the centralized approach to meet development needs and increasing realisation of the complexity of local issues and the inability of the central government to deal with local problems prompted the process of decentralization in Bangladesh.

* Prof Ram Kumar Mishra is Director, Institute of Public Enterprise, Hyderabad

** Dr Geeta Potaraju is Assistant Professor at the Institute of Public Enterprise, Hyderabad

¹ R. Prabhu & UR Rao (eds), Village Republics: the Mind of Mahatma Gandhi, pp. 246-247, Ahmedabad, Navjivan Press

Steps towards decentralization

1. Initial phase (1973-75)- British model LSGIs inherited
2. 1976 and 1982-, village-based organizations known as Gram Sarkar were set up.
3. 1982 – 1990- focus of attention shifted from the village to Upazila headed by elected people's representatives. These institutions were given partial powers both administrative and financial in order to develop local systems. They were also responsible for planning process- preparation of the five-year and annual development plans.
4. In 1991-96, Upazila system was abolished and a two-tier system was introduced with district and union councils.
5. Gram Sarker was reintroduced during 2001.

Source: *Country Experiences in Decentralization in South Asia*, FAO Report, Regional Office for Asia Pacific, Bangkok, 2004

The government of Pakistan prepared a devolution plan in the year 2000 which emphasizes the need to transfer powers from the central government to local governments with an aim to enhance political accountability. In the year 2001, Local Government Ordinance was passed by the government which provides for devolution and distribution of resources at district level and strengthening of grassroots organizations is the key agenda. The devolution plan developed by government of Pakistan has key features like the voter's age has been lowered to 18 years and representation for women has been enhanced to 33 percent at all levels including peasants, workers and minorities. District government, *tehsil* and Union Municipal administrations have been set up with vast powers. Linkages have been developed between these three tiers of government for effective coordination. One of the key features of the ordinance is that people's participation has been made possible through Citizen Community Board and village councils. Citizens are also involved in monitoring efficiency of service delivery and have a direct role in assessing the performance of district administration and line departments through the Citizen Community Boards. Another key feature is that this plan also makes it mandatory for the local administration to display of information on various development activities.

In Nepal, the Local Self Government Act was passed in the year 1999 and these institutions were given financial and administrative powers and responsibilities and are involved in the basic planning process. All the groups including ethnic communities, indigenous people and socially and economically backward groups are part of the planning process. The two-tier local governance system is made up of the village development committee (VDC) and the district development committee (DDC). Every VDC has nine wards, each with a five-member elected committee,

including one woman member and have been given the responsibility by the LSGA for implementing basic health education and sanitation programmes, running primary schools and literacy classes as well as community health centres. The local bodies carry out most of their activities through user groups, community-based organizations and community organizations.

The 13th Constitutional Amendment of 1987 in Sri Lanka paved the way for substantial decentralization reform in the public sector and in service delivery. Local governments are the third tier under the purview of provincial councils. Sri Lanka has nine main administrative divisions known as provinces, which are subdivided into districts that form the main bases of the regional administration. Each district is headed by a Government Agent, usually a senior career civil servant. A district is made up of administrative divisions and sub-district units, each headed by a government official known as Divisional Secretary. The administrative division includes village-level administrative units called Gramasevaka Divisions, each headed by a government official known as Gramasevaka who assists the Divisional Secretary and police authorities in administrative matters and the maintenance of law and order at village level.

3. Evolution of Local Self Government in India

Historically, Local Self Government Institutions (LSGIs) have been actively functional in India compared to other countries. Community elders and leaders (who are called Sarpanch) always received great regard and respect from all members of the society belongs to an institution called Panchayat. They take up the responsibility of improving living conditions of the villages and towns in which they reside. The Panchayat is responsible for maintaining peace, resolving land disputed, settling family disputes, collection of revenue etc. In due course of time, LSGIs weakened due to continuous wars and invasions.

During the Moghul period, the Moghul administration used the LSGIs as an effective institutional mechanism for carrying out their day to day activities. LSGIs were mainly involved in collecting taxes from the locals on behalf of Moghul administration.² With the advent of British rule there came in a major shift in the way the Indian society was administered. The main objective of the British administration was to centralize administration and therefore, the LSGIs which were till then rendered services at the local levels, lost their significance. Another major factor which changed the local administrative scenario was that the British administration granted huge lands to their loyalists, and these persons started dominating the local politics. Another major factor that weakened the LSGIs during the British

² Wajidi, Muhammad. 1990. "Origin of Local Government in the Indo-Pakistan Subcontinent." *Journal of Political Science* 13 (1-2): 131-39

rule was that the bureaucrats were appointed by the central administration to run local affairs. This made the bureaucrats more accountable to the central authority than to the local administration.

Many theories and concepts have been provided by academicians and thinkers who strongly believe in providing enhanced powers to local governments so that they can provide effective and efficient service delivery to the common man. The concept of democratic decentralization found its roots way back in 1957, when Stigler talked about the benefits of having a representative government closer to the people, so that it works better. He also emphasized the need for people to have the right to vote for the kind and amount of public services they want. Thus he suggested that efficient decision making can happen when administration is run at the lowest level/grass root levels.³

Decentralization theorem of Oates (1972) says that public services provided by local self government institutions are more effective and beneficial. The reasons being that LSGIs understand the concerns of local residents better and therefore local decision making is responsive to the people for whom the services are intended. He further adds that strengthening financial delegation or giving more financial powers at the local levels and cutting unnecessary layers of jurisdiction enhances efficiency of administration.⁴

Decentralization involves a number of changes in administrative structure, allocation of functions and powers, and control of resources. The focus is on the relationship between central and local governments and between local governments and citizens. It addresses the power to develop and implement policy, the extension of democratic processes to lower levels of government, and measures to ensure that democracy is sustainable.

Democratic decentralization mainly indicates transfer of functional responsibility, financial authority and delegating accountability from the central and state governments to the local governments. The political dimension is especially critical for democratic decentralization because it reorganizes the focus and brings in greater credibility to the process. It provides a process at the local level through which diverse interests can be

³ Stigler, George. 1957. "The Tenable Range of Functions of Local Government." In *Federal Expenditure Policy for Economic Growth and Stability*, ed. Joint Economic Committee, Subcommittee on Fiscal Policy, U.S. Congress, 213–19. Washington, DC: U.S. Government Printing Office.

⁴ Oates, Wallace. 1969. "The Effects of Property Taxes and Local Public Spending on Property Values: An Empirical Study of Tax Capitalization and Tiebout Hypothesis." *Journal of Political Economy* 77: 957–71

heard and negotiated and resource allocation decisions can be made based on public discussions.

Types of Decentralization

Political decentralisation transfers policy and legislative powers from central government to autonomous, lower-level assemblies and local councils that have been democratically elected by their constituencies. Administrative decentralisation places planning and implementation responsibility in the hands of locally situated civil servants and these local civil servants are under the jurisdiction of elected local governments. Fiscal decentralisation accords substantial revenue and expenditure authority to intermediate and local governments.⁵

In India, the process of democratic decentralization has gone through many stages. As already indicated in the opening paragraphs, India has a history of strong local governance right from its pre-independence time. It has gone through a number of changes during invasions and foreign rule for a considerable long period of time. In the Independent India, many initiatives have been taken to strengthen local governments and to provide effective self rule. The Government of India during post-independence period took specific measures to strengthen and empower LSGs. Many administrative changes and reforms (policies and programmes) were brought in to ensure all round development of LSGs. As we are all aware, India is a developing country confronting issues like poverty, social inequalities, rural/urban divide, civil society participation etc. Five year planning process was initiated with an aim to eradicate poverty, take a path of balanced economic growth and social development. The founding fathers of the Indian Constitution provided for a "sovereign, socialist, secular, democratic republic" with a federal form of government. There are three tiers of administration provided by the Constitution namely - Union Government, State Governments and the Local governments. District Administration is a unit of administration and the District Collector is the head of the unit with key responsibility of regulatory administration, development administration, land administration, law and order, tax collection and overall coordination. The Local self governments are two kinds - Rural and Urban. The LSG (Rural) consists of the Panchayats consist of Block Parishads, Village Parishads, Gram Sabhas, while the Local self governments (Urban) consists of Big Cities- City Corporations, Cities – City Municipal Committees, and Towns- Towns Municipal Committees.⁶

⁵ Source: World Bank (2000)

<http://www1.worldbank.org/publicsector/decentralization/what.htm#1>

⁶ A Presentation by the Second Administrative Reforms Commission

Figure 1:
Political
Structure at
the National
Level

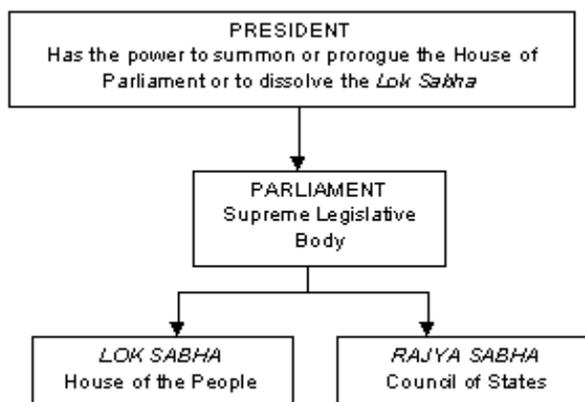
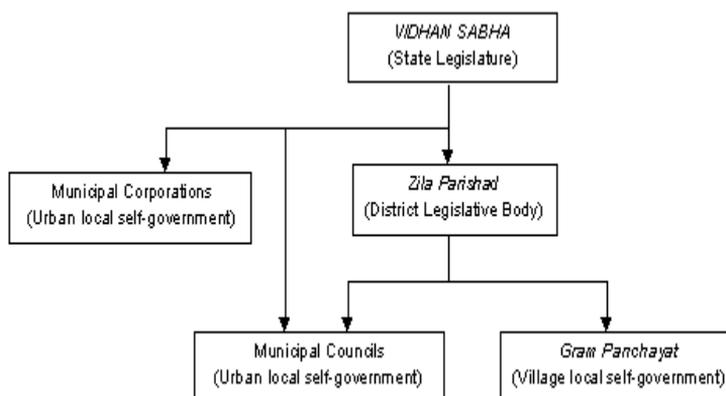


Figure 2:
Political
Structure at
the State
Level



During post independence period in India, there were many issues in Indian governance and the main among them was discrimination in the name of caste and religion. Strengthening Panchayati Raj system was found to be the only solution to improve living conditions of many living in small villages and towns. But the administrative structure laid down during the British period which was carried forward even after India became independent in 1947 was not completely in favour of bringing in this kind of a change. While distributing powers between the Union and the States, the Constitution of India under Article 40 of the Directive Principles of State Policy vested local bodies and Panchayati Raj as a subject with the States but did not further elaborate on the relations between the States and this third tier of Government.⁷

⁷ Article 40, Directive Principle of State Policy, Part IX, IX A of the Constitutional of India

Milestones in Indian decentralization

1882 The Resolution on Local Self-Government.

1907 The Royal Commission on Decentralisation.

1948 Constitutional debates between Gandhi and Ambedkar on Gram Swaraj, 'self-rule'.

1957 Balwantrai Mehta Commission – Panchayat structure at district and block (Samithi) levels.

1963 K. Santhanam Committee – limited revenue raising powers for Panchayats and the establishment of State Panchayati Raj Finance Corporations.

1978 Asoka Mehta Committee – addresses weaknesses of PRIs. Based on these recommendations, Karnataka, Andhra Pradesh and West Bengal passed new legislation to strengthen PRIs.

1986 L.M. Singvhi Committee – recommended that local self-government should be constitutionally enshrined, and that the Gram Sabha (the village assembly) should be the base of decentralized democracy in India.

1993 The 73rd Amendment to the Indian Constitution – PRIs at district, block and village levels are granted Constitutional status. The Gram Sabha is recognised as a formal democratic body at the village level. The 74th Amendment, granting Constitutional status to municipal bodies, is passed soon after.

The Indian Government adopted the five year plan approach to bring about all round development. Though in the first five year there was no active participation and involvement of the people in the planning processes, the second plan introduced institutions for grassroots development thereby creating the posts of Block Development Officers, Assistant Development Officers, Village Level Workers, in addition to Village panchayats- the nominated representatives of village and some other popular organisations like co-operative societies.⁸ Another major initiative by Government of India was establishment of District Rural Development Agencies (DRDAs) which were registered by the Union and State Governments in each district as societies under the Societies Registration Act, 1860, which were made responsible for effective implementation of centrally-sponsored development programmes.

⁸ First and Second Five Year Plans, Planning Commission, Government of India.

A major boost to the process of strengthening local self governance institution was received with the submission of Ashok Mehta Committee Report in 1978.⁹ The Committee recommended grouping of a number of villages to constitute a mandal panchayat covering a population of 15,000 to 20,000 which were tried out by states like Andhra Pradesh and Karnataka. The Balwantrai Mehta Committee Report in the same year recommended the Panchayat structure at district and block (Samithi) levels. The report emphasized the role of elected Panchayat Samitis at the community development block/tehsil level as the basic unit of democratic decentralisation. Only an advisory role was contemplated for the Zila Parishads constituted of panchayat samiti heads chaired by the Collector. A fresh impetus to the process of democratic decentralization was seen with the launch of community development projects in 1952.

In the year 1992, Government of India passed the 73rd and 74th Amendments to the Constitution which was a landmark amendment in strengthening Indian governance systems. The 73rd and 74th Amendments mark a decisive move towards decentralized administration.¹² The Panchayats and Municipalities came under Part IX of the Constitution after 43 years of India becoming a republic. The Parliament passed the 73rd and 74th Amendments to the Constitution in December 1992 and they became part IX of the Constitution on 24 April and 1 June 1993 respectively. The Amendments attempt at ushering concrete and very significant changes in attitudes; administrative, planning and financial systems; institutions; and methods of working at the grassroots. The most significant and core aspect of these Amendments is that they accorded a constitutional status to institutions of local self-governance. However, it is only in 2004, after more than a decade of Constitutional recognition provided to the Panchayati Raj Institutions through 73rd and 74th Amendments with definite role towards decentralised planning. The Ministry of Panchayati Raj was set up as an independent Ministry to give an impetus to the strengthening of Panchayati Raj Institutions in the country. Ministry convened meetings of the Chief Ministers of the States; taken up steps to review the status of actual devolution of powers to Panchayati Raj Institutions; and organised seven round tables of State Ministers of Panchayats to discuss the issues and to prepare a time bound road map for effective devolution of functions, functionaries and funds.

⁹ Ashok Mehta Committee Report

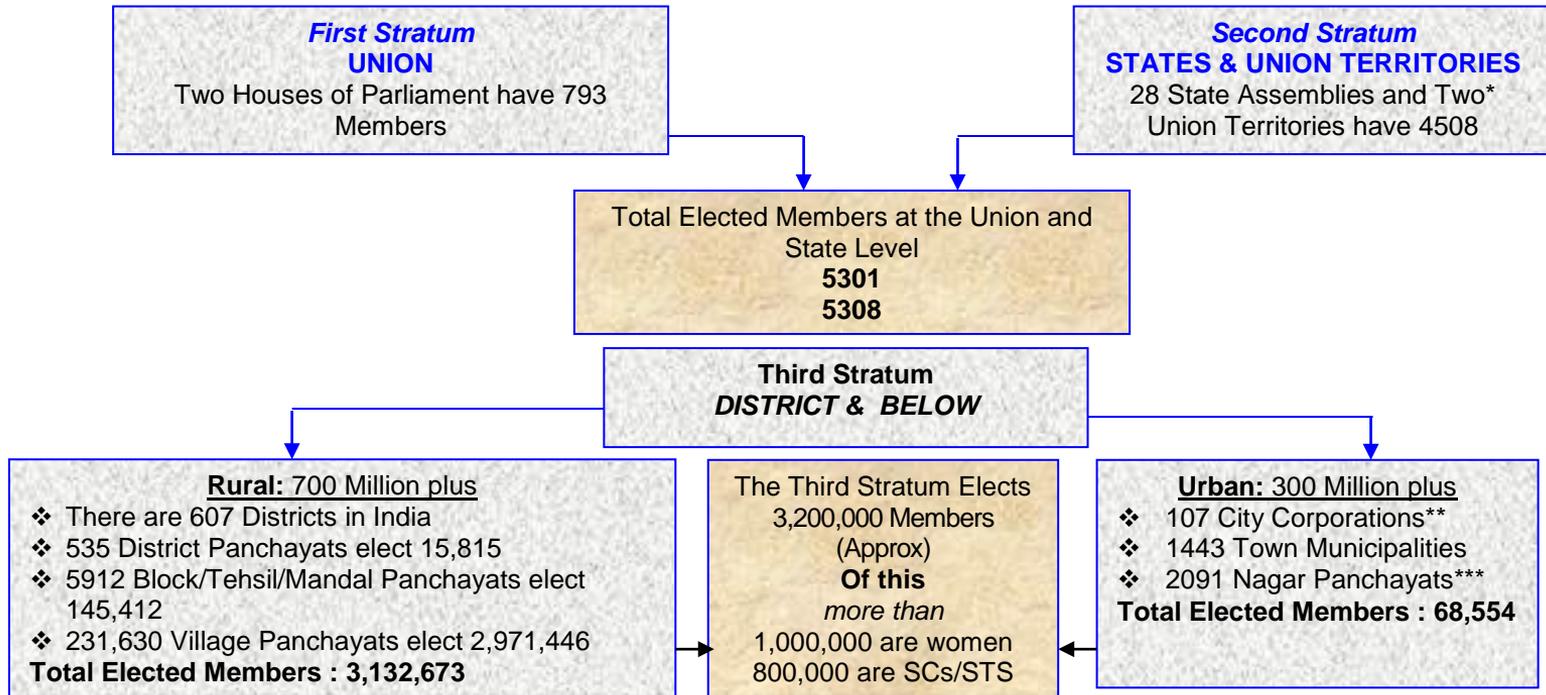
Eleventh Schedule lists 29 matters to be delegated to the local bodies

Agriculture, ind. extension	Land improvement, land reforms, consolidation soil conservation.	Minor irrigation, water management watershed devpment	Animal husbandry, dairying and poultry
Fisheries	Social forestry farm forestry	Minor forest produce	Fuel and fodder
Maintenance of community assets	Rural housing	Drinking water	Poverty alleviation programme
Public distribution system	Education, including primary and secondary schools	Technical training vocational education	Adult and non-formal education
Libraries	Cultural activities	Welfare of the weaker sections, in particular of SCs and STs	Social Welfare, Welfare of handicapped and mentally retarded
Women and Child development	Health and sanitation hospitals, Primary health centers dispensaries	Family welfare	Roads, culverts, bridges, ferries, waterways other means of communication
Non-conventional energy	Markets Fairs	Khadi, village and cottage industries	Small scale industries, food processing industries
Rural electrification, distribution of electricity			

The salient features of 73rd and 74th Amendments are as follows:

- Panchayats and Municipalities will be “institutions of self-government”.
- Basic Units of Democratic System - Gram Sabhas (villages) and Ward Committees (Municipalities) comprising all the adult members registered as voters.
- Three-tier system of panchayats at village, intermediate block/taluk/mandal and district levels. Smaller states with population below 2 million only two tiers
- Seats at all levels filled by direct election
 - o Seats reserved for Scheduled Castes (SCs) and chairpersons of the Panchayats at all levels also shall be reserved for SCs and STs in proportion to their population.
- One-third of the total number of seats reserved for women. One-third of the seats reserved for SCs and STs also reserved for women. One-third offices of chairpersons at all levels reserved for women.
- Uniform five year term and elections to constitute new bodies to be completed before the expiry of the term. In the event of dissolution, elections compulsorily within six months.
- Independent Election Commission in each state for superintendence, direction and control of the electoral rolls.
- Panchayats to prepare plans for economic development and social justice in respect of 29 subjects listed in 11th Schedule. 74th Amendment provides for a District Planning Committee to consolidate the plans prepared by panchayats and Municipalities.
- Funds: Budgetary allocation from state governments, revenue of certain taxes, collect and retain the revenue it raises, Central Government programmes and Grants.
- In each State a Finance Commission to determine the principles on the basis of which adequate financial resources would be ensured for panchayats and municipalities.

Multi-Level Federalism and Widening Democratic Base after the 73rd and 74th Constitution Amendments



* Only two Union Territories (Delhi and Pondicherry) out of seven have elected Assemblies. ** Population above 300,000 *** Areas in transition. One-third of all the Panchayats and City Corporations/Municipalities/Nagar Panchayats are headed by women as Presidents, Mayors. About one-fourth are headed by hitherto untouchables (Scheduled Castes) and Scheduled Tribes.
Source: Institute of Social Sciences, Panchayati Raj Research.

4. Status of Local Self Governance Institutions

When we look at the implementation of provisions under the 73rd and 74th Amendments, there are mixed results in various states in India. The Annual budget of Ministry of Panchayati Raj shows allocations under central sector scheme and centrally sponsored schemes. There are provisions for bringing in greater use of new methods including information technology for grassroot development. A major chunk has been allotted to capacity building activities as well.

Table 1: Profile of LSGIs in India

Budget Allocation During 2012-13					
Sl. No.	Scheme	Annual Plan 2012-13			
		BUDGET ESTIMATES (Rs. in Crore)			
		Allocation	Outlay Earmarked		
NE	SCSP		TSP		
1	2	3	4	5	6
(A) Central Sector Scheme (CS)					
1	Panchayat Empowerment & Accountability Incentive Scheme	40.00	4.00	-	-
2	Management Cell	20.00	-	-	-
3	Contribution to International Organisations	0.10	-	-	-
4	External Assistance under Projects Assisted by UN Agencies	4.90	-	-	-
5	Panchayat Mahila Evam Yuva Shakti Abhiyan	1.75	0.20	-	-
6	Media & Publicity	17.00	1.70	-	-
7	Rural Business Hubs	0.25	-	-	-
8	Action Research	3.00	0.30	0.49	0.24
9	Resource support to State	8.00	0.80	1.30	0.65
	Total (A)	95.00	7.00	1.79	0.89
(B) Centrally Sponsored Schemes (CSS)					
1	Rashtriya Gram Swaraj Yojana				
a.	Training & Capacity Building	75.00	8.00	12.15	6.15
b.	Infrastructure Development	40.00	6.00	6.48	3.28
2	e-Panchayats	40.00	4.00	-	-
3	Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA)	50.00	5.00	8.10	4.10
	Total (B)	205.00	23.00	26.73	13.53
(C) Backward Regions Grant Fund (BRGF)		5050.00	-	-	-
Grand Total (A+B+C)		5350.00	30.00	28.52	14.42

Source: The Annual Budget of Ministry of Panchayati Raj, Government of India.

Note: - 10% of the GBS has been earmarked for North Eastern States under various schemes.

- 16.2% and 8.2% has been earmarked against the relevant schemes for SCSP and TSP component.

5. Devolution Index

The Ministry of Panchayati Raj conducts a study to assess the extent of devolution (3Fs) to PRIs by States/UTs using re-defined indicators. The States/UTs are evaluated against the below mentioned four mandatory Constitutional requirements. There were 34 indicators (five related to functions, fifteen to finance and fourteen to functionaries).

- Establishing the State Election Commission.
- Holding PRIs elections every five years.
- Establishing State Finance Commissions.
- Setting up of District Planning Committees.

Table 2: Comparative Statement of Ranking of States on Devolution Index DIs for the last 3 years

States/UT	2009-10	2010-11		2011-2012	
	Rank on DI	Rank on Cumulative DI	Rank on Incremental DI	Rank on Cumulative DI	Rank on Incremental DI
Madhya Pradesh	6	8	6	4	7
West Bengal	4	4	9	7	-
Tamil Nadu	3	7	15	5	9
Kerala	1	1	2	1	-
Karnataka	2	2	4	2	4
Sikkim	9	3	7	8	6
Himachal Pradesh	10	14	12	12	8
Haryana	11	12	5	11	2
Chhattisgarh	18	11	14	9	5
Assam	21	18	16	-	-
Andhra Pradesh	8	10	13	-	-
Uttar Pradesh	13	17	8	15	9
Maharashtra	5	6	3	3	1
Arunachal Pradesh	22	23	20	20	-
Rajasthan	16	5	1	6	3
Goa	17	22	22	16	-
Tripura	-	13	10	-	-
Orissa	12	15	17	13	-
Bihar	14	21	21	17	-
Punjab	19	-	-	-	-
Manipur		16	18	-	-
Gujarat	7		11	10	-
Lakshadweep	15		-	-	-
Uttarakhand	20	9	19	14	-
Chandigarh	23	-	-	22	-
Puducherry	-	19	24	-	-
Jharkhand	-	24	23	21	-
A&N Island	-	-	-	18	-
Daman & Diu	-	-	-	19	-

Source: Ministry of Panchayat Raj, Government of India

Local government institutions are mainly accountable for using resources efficiently, to avoid wasting public resources. Effectiveness and efficiency in using local resources should be balanced with an attitude to achieve value for money which means reaching the best possible outcome for the money and time spent. At the planning stage, the local government institutions have a key role to play in terms of justifying how they intend to apply the public funds. Further on in the life cycle of the funding relationship, it should also be able to demonstrate that the policy is having the desired effects, and that the money is not going to waste. If there are unintended outcomes from its policies, the public entity needs to be aware of these, and adapt its funding arrangements to take them into account. The public entities manage local resource based on good governance principles. Indian experience with strengthening local self governance institutions has been a long journey. We have attempted to document some of the interesting experiences from Kerala, Karnataka and Gujarat. The paper highlights how these states have gone about devolving funds, functionaries and functions to the local levels to the spirit of the 73rd and 74th amendments.

6. Strengthening LSGS : Karnataka Experience

The Karnataka government has taken major initiatives in strengthening Local Self Government Institutions in the State. The Karnataka Zilla parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 was a historic legislation passed by the state government much before the 73rd and 74th amendments were passed by Government of India in 1992 to establishment and strengthen the working of LSGIs in the states. The Karnataka Panchayat Raj Bill, 1993 replaced the Karnataka Zilla parishads, Taluk Panchayat Samithis, Mandal Panchayats and Nyaya Panchayats Act, 1983 based on the changes proposed in the seventy-second Constitution (Amendment) Bill, 1991. The Bill is to establish a three-tiered Panchayat Raj System in the State with the elected bodies at Grama, Taluk and District levels for greater participation of the people and more effective implementation of rural developed programmes in the State.

The following are the salient features of the Bill:-

- Establish a three-tiered panchayat system in the State based on the population as ascertained at the last preceding census of which the figures have been published. It envisages elected bodies at all the three levels.
- It provides for reservation of seats in favor of Scheduled Castes and Scheduled Tribes in proportion of their population and for reservation of one- third seats for women at all levels.

- It also provides for reservation of seats and offices of chair persons at all levels for the persons belonging to Backward Classes of citizens.
- It also provides for reservation of offices of chair persons at all levels in favour of Scheduled Castes and Scheduled Tribes and women.
- It also envisages constitution of State Election Commission, the Finance Commission and district Planning Committee.

Structural aspects: The three-tier panchayati raj system consists of Gram panchayat, Taluka panchayat and Zilla panchayat has been put in place by the government and this system is backed by the Act. The elected head of gram panchayat is called *Adhyaksha* and is supported by *Upadhyaksha*. Secretary is the official assisting *adhyaksha* at the Gram panchayat. The elected representative and the head of taluka panchayat is called *adhyaksha*, and is supported by *upadyaksha*. Executive officer a government official assisting *adhyaksha* is a class-1 officer for executing functioning of taluka panchayat. He is supported by assistant planning officer to take care of planning activities and an assistant accounts officer to take care of financial aspect. Zilla panchayat is headed by *adhyaksha* and supported by *upadhyaksha*. The chief executive officer is a senior IAS officer who is the executive head of the official machinery. He is assisted by deputy secretary-1 (administration), deputy secretary-II (development); chief accounts officer and other officials. The Act also provides for reservation of seats for scheduled castes and scheduled tribes for women, backward classes, SCs/STs. The Act envisages constitution of State Finance Commission and District Planning Committee.

In tune with the 73rd and 74th amendments of Government of India, Karnataka government transferred funds, functionaries and functions to the Local Governments. The district planning committees have been constituted in all districts and president of zilla panchayats are the chairman of DPCs and of DRDAs. The State government has brought in amendments to the Karnataka Panchayati Raj Act in October 2003 and has taken steps to strengthen the gram sabha by are: create and empower ward sabha; complete activity mapping; and rationalize and simplify schemes entrusted to the panchayats are to be emulated countrywide. Further the monitoring of the actualization of devolution by a legislative committee is a significant step in the strengthening of panchayats in the state.

The entrustment of developmental schemes by the state government to panchayats in the budget of 2005 is step forward in matching the functional transfer with funds. Thereafter this process, panchayats now handle in excess of Rs 3,500 crores of plan funds per year.

Delegation of Funds: Section 111 and 112 of Karnataka Panchayati Raj Act envisages that "Every gram panchayat shall have a whole time secretary" and "may with the prior approval of the Chief Executive Officer appoint other employees of the gram panchayat and pay their salaries from the gram panchayat fund." The panchayat secretary is an employee of the government but works in the office of the panchayat and is paid salary from the panchayat fund, which is disbursed by the panchayat. All other staff is appointed by the panchayat and is paid from the panchayat fund. The panchayat through its recruitment committee appoints the staff.

The income of the panchayat comes from Statutory grant (Rs 5 lacs) from the state government, Tax income which constitutes nearly 17 per cent of the total revenue consisting of property tax, water tax, professional tax, fair and exhibition tax and professional tax, and Grants from the Central Finance Commission (CFC) and central plan. The tax incomes and statutory grant are untied revenue of the gram panchayat, which they spend without any restrictions and on the basis of village need and demand made by the ward-sabha. The gram panchayat has a greater degree of financial autonomy. Funds go to gram panchayats directly through banks, protecting them from dependence on treasury.

The State government has also initiated a number of key reforms to strengthen the LSGIs. Capacity building of personnel and strengthening the processes involved in the management of LSGIs have been initiated. Strengthening of Financial management/accounting reforms has been a key reform which has been promoted by the government in terms of improving accounting and financial reporting system, computerization of accounts and auditing have been introduced in LSGIs. The accounting and financial reporting system for PRIs includes aspects like introducing a self-balancing book keeping (double entry book-keeping system); introducing standard accounting practices such as reconciliation, confirmation of balances, matching of main accounts with sub-accounts; initiating accounts and functional reporting need to be made timely; and appropriate functional reporting in prescribed formats.

7. People at the Center of Service Delivery

Prior to the Government of India, bringing in the Right to Information Act 2005, the Karnataka government brought in its own Right to Information Act which seeks to empower people to seek information from the government. The panchayats were sensitized about the provisions of the Act and were made to realize the need to promote the use of this Act by the people for getting benefits from the government. The panchayats were made to publish suo moto disclosure of information regarding their areas of functioning, including details of works undertaken, estimates, its budget and works, etc. Directions were issued to all gram panchayats for maintaining display boards containing information about funds (receipt and

expenditure), as also details of all works being undertaken in the gram panchayat.

The Karnataka Panchayati Raj Act, 1993 envisages that every gram panchayat shall constitute three committees such as, production committee, social justice committee, and amenities committee. Each committee shall consist of not less than three and not more than five members including the *adhyaksha* and *upadhyaksha*. The *adhyaksha* shall be the ex-officio member and chairman of the production committee and amenities committee. The *upadhyaksha* shall be the ex-officio member and chairman of the social justice committees. The member of the committee would be the members of farmers clubs, mahila mandals, yuvak mandals and other similar bodies recognized by the government.

The Gram panchayats are also actively involved in the formulation of SHGs in the villages. The gram panchayat members in general and women members in particular provide active help to the NGOs and functionaries of women and child development department for the formulation of SHGs in the villages. SHGs participate in activities related to Diary activity, Sheep rearing, Sericulture, Horticulture, Weaving, Handicrafts, Agrbathi manufacturing, Minor irrigation project, Grocery shop, garments industry, Plastic flower assembling, Food product like samber powder and pickle making, Household clining like phenyl and washing powder making, Paper products, Floriculture and brick manufacturing, Catering services

SHGs are also being drawn into activates like conducting survey of various development works, Entrusting the work like collection of water, electricity and other taxes at gram panchayat levels to SHGs, Entrusting mid-day meal scheme to SHGs, Entrusting forest nursery and plantation work to SHGs.

Capacity building and skill development is taken up from time to time for the staff in the various committees so that they can perform their duties effectively. The Karnataka government provides training and capacity building of elected representatives of three tier PRIs.

Social Auditing: The Government of Karnataka has made the social auditing mandatory for the panchayats. The social auditing of the revenue and expenditure of the gram panchayat is done every year in the month between September and November. The Government appoints nodal officer for each gram panchayat for the conduction of social auditing in the village. The gram panchayat fixes the date for the social auditing; On that day the taluk executive officer and the nodal officer present in the village. Panchayat secretary presents the revenue and expenditure of the village before the people of the village sitting on one side of the podium and the nodal officer, taluk chief executive officer and gram panchayat members on

the other side. Complaints of the people are registered before the nodal officer, who later on pass on it to the chief executive officer and subsequently to the zilla parishad for action.

The social auditing has reduced corruption and brought out transparency in the activity of gram panchayats. It has made the expenditure need-based and rural governance people centered. It has also reduced the bureaucratic interference in the activities of the gram panchayat.

8. Local Self Government Institutions : Experiences in the State of Kerala

The State of Kerala has been a frontrunner in taking concrete initiatives in implementing the key provisions of the 73rd and 74th Amendments to the Constitution. Effective measures have been taken in terms of decentralization of power including functions, finances and functionaries to LSGIs as envisaged in the 73rd and 74th Amendments. 'As a major step towards institutionalizing and strengthening LSGIs, the Government of Kerala has implemented the key provisions in the 73rd and 74th Amendments including the provision of transfer of functions, funds and functionaries to LSGIs, Constitution of gram/ward sabhas, block/district panchayats and District Planning Committees (DPCs) etc.

The State Government brought out the Kerala Panchayati Raj Act and the Kerala Municipal Act which very clearly define the functions to be performed in the various levels/tiers of the local self-government institutions. The Act divides the functions into mandatory functions and general functions and it also clearly lays out the sectoral functions at various levels including village panchayats, block panchayats, district panchayats and municipalities in the State of Kerala. All major functions, as mentioned in the Eleventh Schedule (29 functions) and Twelfth Schedule (18 functions) have been devolved to the rural as well as urban local self-government institutions (LSGIs). The decentralization of functions has enabled local self-government institutions in the state to formulate and implement any scheme or programme to implement functions or responsibilities devolved to them.

The Government of Kerala in the year 1995 identified critical departments which have their presence at the grassroot levels including health, education, agriculture, fisheries, industries, animal husbandry, cooperatives etc. The State government took concrete initiatives to bring in these institutions along with their staff under the control of LSGIs.

The State Government studies the feasibility of decentralizing these institutions with the help of Second State Finance Commission which analyzed the pattern of decentralization to be implemented. For example in the health sector, all institutions other than medical colleges and big

regional speciality hospitals have been placed under the control of the LSGIs. In the education sector, in rural areas the high schools have been transferred to the district panchayats and the primary and upper primary schools have been transferred to village panchayats; in urban areas, all schools have been transferred to the ULBs. The entire responsibility of poverty alleviation has gone to the LSGIs; all the centrally sponsored anti-poverty programmes are planned and implemented by them. As regards social welfare, barring statutory functions relating to juvenile justice, all the responsibilities have gone to LSGIs. The ICDS is fully implemented by village panchayats and urban local bodies. Care of the disabled, to a substantial degree, has become a local government responsibility. In the agriculture and allied sectors, agricultural extension including farmer - oriented support for increasing production and productivity, watershed management and minor irrigation, dairy development, animal husbandry including veterinary care, fisheries etc have been decentralized. Sanitation, rural water supply, cottage and small industry, welfare have also been shifted to LSGIs. Except major national highways and roads, all other aspects in terms of connectivity have been shifted to the local government responsibility.

The State of Kerala initiated changes much before the 73rd and 74th amendments were brought in to devolve financial powers to LSGIs to ensure effective working of LSGIs. The State Government constituted State Finance Commission to study the feasibility of devolving financial powers to LSGIs. Kerala is the first State in India that has provided for a plan budget for LSGIs. Traditionally, the source of income for the local government comes from the tax revenue, non-tax revenue, grant-in-aid and loans etc. The State government has institutionalized the reform by bringing in the provision of a separate plan grant in the state budget and creation of separate head for local self governments in Kerala.

Kerala has established participatory democracy at local level. The initiatives such as People's Plan Campaign, Constitution of gram sabhas/ward committees, formation of Community Based Organizations (CBOs) under Kudumbashree have played vital role in promoting and strengthening participatory democracy at local level.

9. People at the Center of Service Delivery

The State government took up various measures to ensure that all the structural and functional changes designed for the LSGIs bring in the desired changes, by introducing capacity building and sensitization of people so that they are part of the driving the system and making the whole effort successful. A campaign approach was followed-The 'People's Plan Campaign'- was initiated and this succeeded in setting the agenda for decentralized development. The Local communities were made responsible for the planning process and to prepare projects based on local priorities. Gram sabhas, have been given a major role in

strengthening the LSGIs in Kerala. Every gram panchayat or hamlet or ward within the grama panchayat provided an ideal starting for people's planning. Through discussions in these assemblies, people identify local development problems, analyse the factors responsible and put forward suggestions for possible solutions.

Capacity building of key technical institutions was also made as a priority and institutions like Medical College, Agricultural University, Centre for Water Resource Development and Management (CWRDM) etc., are utilized to provide high quality technical training to the LSGIs representatives and others in their respective areas of work/disciplines. The State government has also created certain best practicing LSGIs as role models for others to emulate. There is a lot of cross learning and experience sharing among the LSGIs in terms of process and capacity aspects.

A very popular program by name –Kudumbashree- was started by the State government. It is an innovative programme for poverty reduction and women empowerment taken up by the Government. The state government with the support of Government of India and NABARD launched the Mission, which follows a process approach rather than a project approach. In Kerala, kudumbashree subsequently took up the role of SUDA. Implementation of SJSRY and NSDP are done and monitored by kudumbashree. The unique feature of the Kudumbashree Mission is its methodology to identify the poor. It helps to redefine the nature and causes of poverty apart from the conventional methods based on income.

10. Local Self Government Institutions : Experiences of Gujarat

Institutionalization of panchayati raj as a concept and as a process is the marked feature of Gujarat. The system has passed through three stages: (i) the stage of development, 1963-75; (ii) the stage of stagnation, 1976-80; and (iii) the stage of decay after 1980. However, in terms of popular participation, social mobilization and extension of social justice to the underprivileged and the rural poor, the performance of panchayati raj, was commendable. It had singular success in the field of relief work, family planning, rural development, afforestation, distribution of house sites and construction of houses for the weaker section. In conformity with the constitution (73rd Amendment) Act, 1992, the Gujarat Panchayat Act, 1993 came into force on 15 April, 1993.

A brief description of the role of the institutions has been provided below:

State Panchayat Council- advises the government on all policy matters concerning PRIs. The minister of panchayati raj is the chairperson of the committee and all the chairman of zilla parishads are its members.

State Panchayat Services Board- Chapter-XIII, Clause 235 (1) of Gujarat Panchayats Act, 1993 envisages that there shall be established a Gujarat

Panchayat Service Selection Board consisting of five members including chairman. The term of office of the board members is six years. The main function of the board is to select candidates for recruitment to such posts in the panchayat service and to advise the panchayat in such matters as may be prescribed by rules.

District Panchayat Council- Advises the district authority and zilla panchayat on all matters concerning to panchayati raj institutions (PRIs). President of zilla panchayat is its chairman and all taluka panchayat presidents are its members.

District Panchayat Service Selection Committee- Chapter-XIII, Clause 236 of Gujarat Panchayats Act, 1993 envisages that there shall be a District Panchayat Service Selection Committee in each district for selecting candidates for recruitment to posts of the panchayat service and to advise the panchayats in such matters.

Zilla Panchayat

Zilla Panchayat is an empowered body and functions of following departments have been transferred to zilla panchayats. The fully transferred departments are: (i) agriculture including agriculture extension; (ii) minor irrigation; (iii) animal husbandry; (iv) rural housing; (v) drinking water-water distribution; (vi) roads, culverts, bridge, ferries, waterways; (vii) fuel (energy) and fodder; (viii) minor forest projects; (ix) poverty alleviation programme; (x) fairs and markets; (xi) health and sanitation including primary health centres (PHCs), dispensaries; (xii) family welfare; (xiii) women and child development; and (xiv) welfare of the weaker sections and in particular of the Scheduled castes (SCs) and Scheduled Tribes (STs). The partially transferred departments are: (i) primary and secondary education; (ii) adult and non-formal education; (iii) cultural activities; (iv) social welfare including welfare of the handicapped and mentally retarded; and (v) maintenance of community assets. The functionaries and funds of the devolved line departments have been transferred to zilla panchayats.

The main sources of income of zilla panchayats are through transfer of grants from the state government, local fund cess, stamp duty, land revenue, stationary grant, rent from guest houses and interest on fund fixed deposit. Sources of income of gram panchayat is through taxes comprising of property tax, water tax, street light tax, vehicle tax, sanitation tax and fees comprising cattle fees, health surcharge, parking tax, periodical market tax (Gujari). Financial assistance is made available to the local institutions as per the below indicated schemes:

- Grant as per the recommendations of the State Finance Commission
- Grant from District Equalization Fund
- Grant from District Gram Encouragement Fund
- Grant from District Development Fund

- Grant from Samrash Gram Yojana
- Grant from Twelfth Finance Commission
- Grant for Implementation of Central Government Schemes
- Grant for Implementation of State Government Schemes

e-Gram

As a part of e-Governance, citizen charter facility provides the village level e-Gram Project, which creates sources of income, recovery of taxes, rural development and implementation of various schemes of panchayat, maintain the computerized land revenue record, birth and death registration, BPL and record of accounts of village panchayat, which ultimately becomes Electronic Gram Panchayat. The activities of e-Gram Project at village panchayat level through computerization cover:

- Computerization of birth and death registration and issue of certificates.
- Property tax: Property valuation certificates, property tax receipt and property valuation register can be auto generated.
- Registration of BPL beneficiaries: BPL certificates and BPL beneficiaries register is automatically generated.
- Issue of various certificates at panchayat level, such as, income certificate, caste certificate, character certificate, domicile certificate.

Achievement-

- Out of 863 panchayats in vadodra district, e-Gram is operated in 325 village panchayats.
- 64 village panchayats have internet facilities.
- 360 Talati-cum-Mantri have received training of computer Module-1 and e-Gram.
- Hardware and software of e-Gram have been provided in 328 village panchayats.

11. Performance of Various States on Decentralisation

Though the 73rd and 74th Amendments talk about need for decentralization, a study done by Oommen's (1999) makes comparison of 12 Indian States on implementation of the 73rd Amendment. He points out that States like Kerala and West Bengal are exceptions where Panchayats have been provided with discretionary powers over spending and staff; in comparison to other states where the Panchayats have been delegated functions 'without adequate administrative, financial and technical support. Vyasulu (2000) states that various state governments have devolved little finances and fiscal powers to the Panchayats, instead, many have established 'parallel bodies' as a channel for development funding like Self-help groups (SHGs) connected to the Janmabhoomi programme in Andhra Pradesh and the Rajiv Gandhi Watershed 'Missions' in Madhya Pradesh and others.

A World Bank study (2000) details out the implementation of 73rd and 74th Amendments by various States of India. The table below gives some idea of the extent to which the States of Andhra Pradesh, Madhya Pradesh, Kerala, Karnataka and West Bengal have retained powers of appointment, dismissal and review over the Panchayats. All States except Karnataka and West Bengal reserve the right to cancel decisions made by the Panchayats. All States except Andhra Pradesh reserve the right to inspect the records of the Panchayats. All States reserve the right to dismiss the Sarpanch or village chief and finally, all States except Kerala reserve powers of appointment to the Panchayats.

Table 3: Detailing out the extent to which the States of AP, MP, Kerala, Karnataka and West Bengal

State powers	AP	MP	Kerala	Karnataka	West Bengal
State reserves powers to make rules and make changes in content of schedule	X	X	X	X	X
State reserves power of appointment to PRIs	X	X	-	X	X
Delimitation of constituencies the responsibility of government, not SEC	-	X	X	-	-
State manages PRIs when delay in elections	-	-	X	-	-
State reserves power to dismiss <i>Sarpanch</i>	X	X	X	X	X
State reserves power to cancel resolution or decision of <i>Panchayats</i>	X	X	X	-	-
State reserves power to dissolve <i>Panchayats</i>	X	X	X	X	X
State reserves power to inspect records/works	-	X	X	X	X
SFC report mandatory	-	X	-	-	-

Source: World Bank (2000)

12. Key Challenges : Operational Constraints

There are many impediments affecting the functioning of the *panchayats* in several States with regard to structure, electoral process, rotation of reserved seats, devolution of powers, functions, control over local bodies, financial dependence, transparency, etc. some of the key issues have been discussed below.

Effectiveness of Gram Sabha

The Gram Sabha is the key in *Panchayati Raj system* which has not received adequate focus in all these years. Meaningful participation in the *Gram Sabha* is very critical for effective functioning of grass root democracy. It should meet periodically and not be too large a gathering and the 73rd Constitution Amendment does not make an explicit provision for this. It has been found that if more than one village is part of the village *panchayat* there is a problem of participation, wherein people from other villages either do not attend the *Gram Sabha* meeting or are reluctant to articulate their needs. Therefore to bring in greater focus Gram Sabha meetings have to be made very effective.

Structural Aspects

While the *panchayat* at the district level is co-terminus with the administrative district, the jurisdiction of *panchayats* at village and intermediate level has not been specified and has to be notified by the state. Determining an adequate area for a unit of administration is quite complex due to unevenness in terms of economic resources, communication facilities, population density, level of social integration, civic commitments, etc.

Inclusiveness

Representatives from the reserved categories like SC, ST and women in most states have not included in the panchayats which creates a major problem of inclusiveness at the grass root levels.

Financial Aspects

In a study conducted by NIRD (National Institute of Rural Development) on functional and financial devolution to *Panchayati Raj* institutions in 20 states of India, it found a lack of commendable performance by the *Panchayats* in internal revenue mobilization. The majority of taxes assigned, particularly to the village *panchayats*, are not buoyant. In most states, except perhaps the tax on buildings and lands, several other taxes are unutilized because these are either economically less productive or politically less-feasible or cumbersome to administer.

The Twelfth Finance Commission has recommended that the States earmark funds to extend funding support for maintenance of accounts and building database for the PRIs. Extensive training and handholding efforts are being done by a number of states to build up skills in the revised accounts and budget formats. Use of Information technology is also being attempted by many states for enhancing accountability at the PRI level.

Inadequate local leadership capability

Panchayat leaders, especially women, illiterates and *dalits* need capacity-building support for governance.

Lack of Transparency

Lack of adequate information on financial matters has been a major concern with PRIs. The Central Finance Commissions have time and again raised concerns on these matters and the need for consolidated financial information about the local bodies has been also emphasized through the audit reports. Some states like Karnataka, Kerala, and West Bengal have tried to make the budgetary process more effective and participatory.

Public education to promote people's participation in direct democracy

The empowerment of the *Gram Sabha* cannot be achieved merely by enacting legislation and issuing guidelines. As noted by the October 1999 report of the subgroup of the Task Force on *Panchayati Raj* set up by the Ministry of Rural Development, which dealt with empowering the *Gram Sabha*, a sustained movement should be organized to educate the people and train elected representatives and officials to internalise the *Gram Sabha's* potential as an institution of participatory democracy. State and central governments should earmark adequate resources for such a campaign which should be linked with other public awareness campaigns such as for population control, pulse polio, safe drinking water and AIDS prevention. Civil society organizations can make people aware of *Gram Sabha* meetings and their agenda. They can mobilize people, especially women, *dalits* and tribals to participate in these meetings, put forth their demands and hold the *panchayats* accountable for local development.

13. Conclusion

For attaining real democracy and self sufficiency for every village, the grass root institutions of democracy have to be strengthened and nourished by all. As emphasized by the "Decentralization and Devolution Panel" of the National Commission to Review the Working of the Constitution, *Panchayati Raj* institutions are to be viewed as institutions of local self-governance and not as mere implementers of centrally determined development programmes. Bottom-up comprehensive planning is to be the basis of self-governance and *Panchayati Raj* institutions should not be allowed to become the third tier of development administration. Strengthening *Panchayati Raj* institutions entails clarity of their roles, systems of governance, accountability and transparency, and inter-linkages.

References

- Aziz, A; (2000); Democratic Decentralisation: Experience of Karnataka; Economic and Political Weekly; Vol. 35; No. 39
- Benoit, J & Kornhauser L A; (1994); Social Choice in a Representative Democracy; The American Political Science Review; Vol.88; No. 1
- Bergh, S; (2004); Democratic Decentralisation and Local Participation: A Review of Recent Research; Development in Practice; Vol.14; No. 6
- Chandrasekhar, C P; (2001); Democratic Decentralisation and Planning Principle: The Transition from Below; Social Scientist; Vol. 29; No. 11/12
- Dryzec, J S & List C; (2003); Social Choice Theory and Deliberative Democracy: A Reconciliation; British Journal of Political Science; Vol.33; No. 1
- Ghosh, A; (1992); Federalism, Democracy and Decentralisation; Economic and Political Weekly; Vol. 27; No. 46
- K. R. Sastry. 2001. *People's perception of Panchayati Raj in Kerala*, Hyderabad, India, National Institute of Rural Development (NIRD).
- McFadden, D; (1994); Contingent Valuation and Social Choice; American Journal of Agricultural Economics; Vol. 76; No. 4
- Natraj, V K; (2000); Political Decentralisation and Development Models; Economic and Political Weekly; Vol. 35; No. 26
- Patnaik, P; (2004); A Theoretical Note on Kerala-Style Decentralisation; The Marxist; Vol. 20; No.1
- Pattanaik, P K & Suzumura, K; (1994); Rights, Welfare and Social Choice; The American Economic Review; Vol. 84; No. 2
- Radcliff, B & Wigenbach E; (2000); Preference aggregation, functional pathologies and Democracy: A Social Choice Defence of Participatory Democracy; The Journal of Politics; Vol. 62; No. 4
- Raghuram, S; (2000); Kerala's Democratic Decentralisation: History in the Making; Economic and Political Weekly; Vol. 35; No. 25
- Sarmah, B; (2006); Rejuvenating Panchayati Raj: Ideology, Indian State and Lessons from Periphery; OKDISCD and Akansha Publishing House, New Delhi

Sen, A; (1992); Choice, Welfare and Measurement; Oxford University Press, New Delhi

Sen, A; (1983); Liberty and Social Choice; The Journal of Philosophy; Vol. 80; No. 1

Sen, A; (1970); The Impossibility of a Paretian Liberal; The Journal of Political Economy; Vol. 78; No. 1

Thomas Issac, T. M; (2001); Campaign for Democratic Decentralisation in Kerala; Social Scientist; Vol. 29; No. 9/10

Varshney, A; (1995); Democracy, Development and Countryside: Urban-Rural Struggles in India; Cambridge University Press, New York

Committee to review the Existing Administrative Arrangements for Rural Development and Poverty Alleviation Programmes (CAARD), Report, Department of Rural Development, Ministry of Agriculture, New Delhi, 1985, P-41.

Government of India 1992. Constitution (seventy third) Amendment Act, New Delhi: Government of India.

Jathar R. V. (1964): *Evolution of Panchayati Raj in India.*, Institute of Economic Research, Dharwar, 1964.

M. Thaha. 2002. *Planning for Gram Panchayats - Kerala model.* Hyderabad, India, NIRD.

Malaviya H. D. (1956): *Village Panchayats in India*, Economic and Political Research Department, All India Congress Committee, New Delhi, P. 258.

Mander, Harsh (1999). Towards Direct Democracy: The Legal Empowerment of GS. *Kurukshetra*, October

Mathew, G. (2000). *Status of Panchayati Raj in the States and UTs of India.* New Delhi: Concept Publications.

Pal, M. (2000). *Panchayats in Fifth Scheduled Areas*, *Economic & Political Weekly*. May -12.

Pal, M. (2004). *Panchayati Raj and Rural Governance: Experiences of a Decade.* *Economic & Political Weekly*.

Rao, Y. V. (1998). Functioning of GS: A Study in Madhya Pradesh and Andhra Pradesh. *Journal of Rural Development*, 17 (4):703-728

Report of the Committee on Panchayati Raj Institutions, New Delhi, (Asoka Mehta Committee)

Report of the Study on the Position of GS in Panchayati Raj Movement, Government of India, 1963, p-12. (Chairman: R R Diwakar)

Report of the Team for the Study of Community Projects and National Extension Service

(Balwantrai Mehta Committee), 1959

T.M. Thomas Isaac. 2000. *Local democracy and development - People's Campaign for decentralisation planning in Kerala.*, New Delhi, Lefword.

V. Annamalai. 2001. *Role of Panchayati Raj in natural resource management: study of two village panchayats in Tamilnadu.* Hyderabad, India, NIRD.