

THREE DECADES OF PANCHAYATI RAJ: AN UNFINISHED JOURNEY

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Introduction

The passing of the 73rd and 74th Constitutional Amendment Acts is a landmark in the history of India as it provided myriad opportunities for the PRIs to develop themselves into self-governing institutions. There is no doubt that hitherto unknown development has taken place at the grassroots level in the past 30 years. Thanks to the initiatives taken by the Centre and State governments which are capable enough to lead the Panchayats towards such an end. The role of the State governments is crucial in this regard. Wherever the States have acted with a commitment to decentralisation, the success is much and many-sided. A stocktaking of the functioning of Panchayats shows that some of them have gone ahead but many are lagging behind. Also, the innovative activities initiated by the Panchayat are worth encouraging. This brings the fact that there is a need to introspect what is really happening in the field. Ultimately, Panchayats are to function as institutions of self-government. The impediment here is that Panchayats are seen as mere implementing agencies. People's plan is not emerging as the autonomy for planning and implementation is not happening in its strict sense. The reluctance to see the Panchayats as the third tier of government is yet another factor. They are to be provided with reasonable resources, relevant functions and core

functionaries. Proper transparency and accountability systems are to be in place to ensure people's participation. There are still issues of convergence and integration. Parallel systems are also emerging in the subjects once devolved to the Panchayats. These issues need to be taken into account for further strengthening the PRI system in India. This paper is an attempt to analyse what we could have achieved during the past 30 years and also, what needs to be done to establish effective and efficient Local Governments.

Panchayati Raj Institutions - Ever-evolving

With the enactment of the 73rd and 74th amendments to the Indian Constitution in 1992, a third tier of government - Local Governments - came into force in the country with a constitutional mandate (Government of India, 1992a; Government of India, 1992b). This constitutional mandate was the outcome of several expert committees' reports and recommendations (Belwant Rai Mehta, 1957; Dantwala. M.L, 1977; Ashok Mehta, 1978; Hanumantha Rao, 1984; GVK Rao, 1985). There have been continuous efforts to further the local governance system ever since the introduction of decentralisation in the country. The need for strengthening local governance is attributed to its proximity to people and peoples' issues.

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PRIs - Closer to the People: In India, a vast majority of the population belongs to rural areas. Hence, governance at the grassroots level – Gram Panchayats – is more accessible to the rural people than the Union or State government. Richard Mahapatra (2020) remarked that, “An Indian has more per capita elected members due to these Local Governments than a hospital bed or a doctor or a government welfare officer. With more than three million of them, India’s Local Government, or the Panchayati Raj, is the largest experiment in direct democracy in the world.” This argument supports the data on the average population per Gram Panchayat and per elected

representative. The average size of the population of Gram Panchayat at the national level is worked out as 3,235 persons. And as for every elected representative, this population size is 290 persons on average. However, between States, this ratio can be very different. For example, in Arunachal Pradesh, the average population size of Gram Panchayat is in the range of 506 persons, whereas this average is 18,618 persons in West Bengal. Similarly, the average size of the population for every Gram Panchayat elected representative is in the range of 115 persons in Uttarakhand, while it is 1,268 persons in West Bengal. (Rajan K.B., 20-22)

Table 1

Panchayati Raj Institutions in India (2021)

	Tiers	No. of PRIs	No. of ERs	Population in Crores (2011)
1.0	Rural Local Governments			
1.1	Gram Panchayats	2,55,359		
1.2	Block Panchayats	6,672		
1.3	District Panchayats	662		
	Total	2,62,693	31,00,002	82.61

Source: Ministry of Panchayati Raj Annual Report 2020-2022.

Ministry of Panchayati Raj: Considering the significance of portfolio on Panchayats, the Central Government established the Ministry of Panchayati Raj (MoPR) which came into existence on May 27, 2004 with a facilitative role in strengthening the Panchayati Raj system in the country. Major initiatives by MoPR are briefed below.

Round Table Conferences Shows the Way¹: One of the laudable initiatives of the MoPR is organising a series of seven Round Table Conferences to discuss all aspects of strengthening the Panchayati Raj system in the country. The seven conferences altogether discussed 18 dimensions and passed 150 resolutions. The introductory paragraph of the Compendium of Resolutions of the Seven Round

Tables Conferences states that, “Ministers in charge of Panchayati Raj, and their representatives, bearing in mind the spirit of cooperative federalism, which must inform the effective implementation of Panchayati Raj, as set out in Para IX of the Constitution of India and related provisions, agreed to recommend to their respective Governments, for joint acceptance by the Centre and the States, the following points of action: ...” (MoPR, 2004).

Covering all the key areas of the Panchayati Raj, the Conference had put forth points of action for strengthening the Panchayati Raj system in the country. Now it is the time to take stock of actions taken on these resolutions.

Table 2*Seven Round Tables of Ministers In-Charge of Panchayati Raj (July-December, 2004)*

S. No.	Date	Venue	Key Topics discussed	No. of Resolutions passed
1	24-25/07/2004	Kolkata	1. Effective devolution of functions, functionaries, finances; 2. Gram Sabha	18
2	28-29/08/2004	Mysore	1. Planning 2. Implementation 3. Parallel bodies	26
3	23-24/09/2004	Raipur	1. The Provisions of Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) 2. Reservation for Women 3. Scheduled Castes and Scheduled Tribes	10
4	07-08/10/2004	Chandigarh	1. Panchayati Raj in Union Territories 2. Panchayati Raj Jurisprudence	14
5	28-29/10/2004	Srinagar	1. Annual Reports on the State of the Panchayats 2. Devolution Index	6
6	27-28/11/2004	Guwahati	1. Elections 2. Audit	26
7	17-19/12/2004	Jaipur	1. IT-enabled e-Governance 2. Process Re-engineering 3. Data Ownership 4. IT-based Training 5. Software 6. Hardware 7. Infrastructure & connectivity 8. Operationalisation of the plan 9. Capacity building & training	50
TOTAL				150

Expert Groups: Following the Round Table Conferences, an Expert Group was appointed in 2005 to recommend concrete steps for making planning at the grassroots level a reality, since planning for economic development and social justice is a mandated function of Panchayats and other Local Governments in the Constitution (Ramachandran, 2006). The Expert Group headed by V. Ramachandran submitted its report in 2006 that contains suggestions on the formulation of District and Sub-District Plans, strengthening the system for planning from below, ways and means

of strengthening service delivery system, implementation of Centrally sponsored and Central sector schemes, and PESA. In continuation of this, a Task Force for the preparation of a Manual for District Planning was constituted in 2008 with Rajwant Sandhu as the Chair. (Government of India, 2008). The Manual released in 2008 contains a detailed exposition of the essential principles underlying participative district planning and lays down the modalities and sequences of processes for the preparation of a participative district plan.

Backward Region Grant Fund (BRGF): MoPR introduced programmes to address the local development issues as well. One of the striking initiatives of MoPR was the Backward Region Grant Fund (BRGF) in 272 backward districts in the country during the years 2006-07 to 2014-15 (Centre for Rural Management, 2021).

The BRGF has been conceived as the successor to the earlier Rashtriya Sam Vikas Yojana (RSVY), with a view to rectifying deficiencies in the conceptual framework of RSVY (Government of India, 2006). The purpose of BRGF was to bridge the development gaps in the backward districts through the Panchayati Raj Institutions (PRIs).

Gram Panchayat Development Plan - An Inclusive Plan: It took 25 years to have a development plan for every Panchayat in the form of GPDP. The guideline for GPDP was developed by different States through a write shop organised at the Kerala Institute of Local Administration in 2015. Drawing from the experiences of participatory planning in Kerala, 2,38,054 Gram Panchayats, 6312 Block Panchayats and 564 District Panchayats have prepared their own plan. There are issues of convergence of schemes and quality of plan where intervention of both from Centre and States is essential.

Functionaries: Developing Cadre System

With a view to building a cadre of officials, and technocrats specialised in the devolved functions of PRIs, the State government is to institute a cadre system. Many of the States have not taken such an effort, barring Kerala. In Karnataka, there are government-employed Panchayat Development Officer (PDO), Secretary, Account Assistance, Grade 11 and Panchayat cadre officials. The RD and Panchayat departments have also been merged to have a strong official wing. The initiative taken by Kerala is notable. In 2021, the State introduced a unified cadre for local self-government department by merging Panchayat, rural and urban departments.

Panchayat Finance: Linking Plans with Resources

Based on the identified activities relating to devolved functions and through the application of principle of subsidiarity, States need to prepare responsibility mapping for the three-tier Panchayats. Most of the States have activity mapping. Punjab has done it remarkably, but the issue is that it has not been matching with the devolved resources. In terms of fiscal devolution, the Central Finance Commission grants have been devolved in an increased manner since the 10th CFC awards.

Table 3

CFC Allocation

Finance Commission	Period	Allocation in rupees crore	Per capita Per annum (in rupees)
Tenth	1998-2000	4,380.93	100
Eleventh	2000-2005	8000	N.A
Twelfth	2005-2010	20,000	54
Thirteenth	2010-2015	65160.76	176
Fourteenth	2015-2020	2,00,292	408
Fifteenth (interim)	2020-2021	60,750	730
Fifteenth (final) Including health grants	2021-2026	2,80,737	674

Source: Finance Commission reports.

On average, XVFC grants, including health grants for RLBs, for the six years from 2020-2026 is Rs. 683033 per capita per annum. The allocation of SFC is not systematically done; mostly, schemes-based allocation happens. Exemption of a few are the States Kerala, Karnataka, Sikkim, and Maharashtra.

With the fiscal devolution attributed to the central and state finance commissions grants, there is reluctance on the part of PRI, to generate own source of revenue. Study shows that OSR generation by States and Union Territories accounts for an average of 6-7 per cent of the total revenue for Panchayats between 2017-18 and 21-23. The actual OSR collected from all sources in 25 States for 2019-20 was only Rs. 4953 crore, compared to the potential of Rs. 42159 for tax alone. The per capita OSR at the national level is Rs. 59 annually, with Goa leading at Rs.1635 followed by Puducherry at Rs.756. However, majority of States fall below the national average with 11 States/UTs in single-digit figures. There is a need to develop the current system of OSR, considering the identified barriers and exploring opportunities. The culture of paying taxes for the quality of services should be inculcated. However, the tax exemption offers are reflected in the election manifesto of candidates and political parties. This practice needs to be done away with after wider discussion with various political party leaderships.

Gram Sabha - Yet to Develop a Direct Democratic Forum

Gram Sabhas are there at the Panchayat level and some States have at the ward level, which is still a non-starter. In many cases, it is the assembly of poor people gathered to get benefits. The cross-section of the society cannot be seen anywhere. There is a need to bring every voter of the constituency to the Gram Sabha meeting. There are instances of MLA, MP and even Ministers participating in their respective Gram Sabhas as a member of Gram Sabha. In Kerala, in 2014, the local self-government minister conducted a one-

month 'Gram yathra' covering all Assembly constituencies, describing the importance of Gram Sabha and asking the people to attend Gram Sabha meetings, which earned good response (Panchayat department, 2014). It should be seen as a forum of direct democracy. It is also important to see the 'right to recall' provision that has been recently enacted in the State of Haryana, which also exists in Madhya Pradesh but not properly implemented. This concept, if implemented in letter and spirit can take democracy to a glorified stage.

District Plan: Still a Riddle

The District Planning Committees (DPC), which are mandated to prepare draft development plans for the districts, have been constituted. Nevertheless, its structure varies and is not capable enough of supporting the PRIs in the preparation of the District Plan. It was during the Backward Regional Grant Fund (BRGF) time, DPCs came into existence in 200 districts because of its mandatory provision. Later, districts other than BRGF districts also constituted District Planning Committees. But when we analyse the present situation, most of them are functioning in names. There are no efforts to consolidate and integrate plans, including those prepared by urban local bodies. In most cases, instead of district plan, they appeared to be an infrastructure plan BRGF (World Bank, 2014). The study report of KILA in this regard is a framework to lead. (KILA, 2021)

Transparency and Accountability Systems, the Weakest link

Experience shows that if transparency and accountability systems are ensured in planning and implementation there can be more people's participation. It also gives ownership of PRIs for every activity it has involved. The adoption of citizen charter, the Right to Information, and community-based movements such as 'Jansunwais' are greatly effective. It is to be accepted that there should be a sustainable system of checks and balances. The social audit

introduced as part of MGNREGS should be extended to the plans of PRIs (GPDP). Corrective measures introduced through the performance audit system can gain the confidence of people in the plans of PRIs. The performance audit system, once prestigiously introduced in Kerala, has been withdrawn without stating any justification. This needs to be reintroduced in Kerala with perfection for its adoption in other parts of the country. PRIs must take sincere efforts to ensure people's participation to minimise the expenditure and ensure quality and ownership. The public information boards are to be exhibited with month-wise activities, as in many cases it has not been implemented (Sukuvinder, 2020).

Capacitating the Political Leadership - A Possible Venture

Capacity building and training has been an integral part of local governance. It has to be all-inclusive and sustainable. The training should cover periods before and after the election. This was the vision set forth by the Ministry by 2024. But once we take stock of the situation, it is still a weak point barring a few training institutes focusing on inclusiveness and quality enhancement. KILA has always been adopting innovative methods. Its coverage has gone up from Gram Sabha members to the level of MLAs and MPs for strengthening local governance activities, including identifying best practices prevailing in different parts of the States, documenting and showcasing them and propagating them to be replicated in other States and countries. Many of the South East Asian countries have gained by the best practices through the visits organised by Yarshada and KILA. NIRDPR has been visualised to be a centre of excellence in local governance. Many of the SIRDs are still coming to routine activities that need more guidance and the NCBFs 2022 presents a framework on going ahead. The concept of Panchayat Learning Centre (PLC) has been visualised to develop every Panchayat as a training centre in one field or another. Capacitating the political leadership on local governance is possible. There are instances of recognised and identified

political party leaders sitting shoulder to shoulder and discussing local development. This has led to qualified and committed people becoming candidates in the PRI election (KILA, 2014).

Disasters: An Opportunity for PRIs

There are several examples to state that disasters and pandemics would make the Panchayats rise to the level of expectations of the people and that too without waiting for a direction from the above. During COVID-19, North-Eastern States were involved in activities such as opening quarantine centres, opening community kitchens, distributing medicines, etc. This they did without waiting for any guidance from the department. It is a duty-bound activity linked with the sufferings of the common man. At the time of natural disasters too, PRIs have shown their identity as local government. In Kerala, in 2018, when an unexpected flood broke out the Panchayats, without waiting for directives, involved in rescue operations and rehabilitation activities. It was learning for other States too. The managing capability of PRIs should be reckoned with. That is why the Government of Odisha took away the power vested with the District Collector in disaster management and entrusted them with the Panchayat President along with finances. During the pandemic, MoPR issued advisories to streamline perspectives to the Panchayat departments for effective management of the pandemic and also promoted and propagated the initiatives by documenting best practices.

Innovation Leading to Policy Change: Case Studies for Replication

Micro Hydel Project - An Initiative of Gram Sabha: On 2nd October 1995, the newly elected body was sworn in all the Panchayats in Kerala. A few days after assuming the position of the President of the Chapparapadava Gram Panchayat, the author convened the Gram Sabha meeting of ward 12 on 1st November 1997.² In the Gram Sabha, the participants unanimously passed

a resolution stating that they wanted to install a micro hydel project in a small stream running in the hill region of the ward. It is a known fact that the generation and supply of electricity were the responsibilities of the Kerala State Electricity Board. The locals complained that they had deposited money for electricity connection but nothing happened for years, and wanted a solution from Gram Sabha. One among them said that by using local technology, they can generate electricity to supply 25 households. Despite knowing that it is against the law, the author agreed as it was a people's demand. Subsequently, a project was prepared and the Block Level Technical Committee (BLTC) verified it. The implementation works started within the stipulated time; the Panchayat did not spend any money but 25 beneficiaries of the project contributed towards the expenditure. Within 60 days, the micro hydel project became a reality, generating 0.2 MW of electricity. Dr I. S. Gulathi, the then chairman of the State Planning Board, Kerala came to inaugurate the 'people's micro hydel project'. The net result was that, in due course, the government of Kerala has to permit PRIs to undertake projects for generating electricity. Following this, the Palakkad District Panchayat installed a much bigger Meenvallam project, having the capacity to supply electricity to the main grid. It is quite remarkable to note that the intervention of a tiny Panchayat brought in this change in policy. A message was given out by the Panchayat to the world that it can place its hand on any development activity if there is a will.

Carbon Neutral Panchayat - Acceptance in World Summits: Another recent event is the author's participation in sharing the Meenangadi experience on carbon-neutral Panchayat at the World Convention on Climate Change in Mikkeli, Finland held in March 28-31, 2023.³ Meenangadi Gram Panchayat in Kerala is the first carbon-neutral Panchayat which they initiated in the year 2018.⁴ At present, this innovative project is being replicated in 172 Panchayats in India, including Palli Grama Panchayat in Jammu Kashmir. The importance is that a subject that has only been discussed in international summits and high-level forums on climate change has become a topic of

discussion in Gram Sabhas. In Meenangadi Panchayat, the talks in this direction began at a Gram Sabha meeting. Later, the Ministry of Panchayati Raj recognised it as a role model culminating in the presentation at World Summits and thereby gaining international recognition. The issue of global warming has been successfully localised in India along the UN Sustainable Goals (SDG) where the Panchayats play a key role.

Panchayats with 100% Women ERs: Need for Wider Dissemination

The Ministry of Panchayati Raj has been promoting more effective participation of women. The third Round Table Conference (Raipur 2004) highlighted two issues, i.e. two-time reservation for women and constitution of Mahila Sabhas. As far as the first one is concerned, Tamil Nadu is the only State which has introduced two-time reservation for women. All the States have switched to 50 per cent reservation, which has been accepted widely. The concept of all-elected women Panchayats has been practised in Neemkheda G.P of Mewat district in Haryana, which has gained nationwide attention in those days (CRRID Chandigarh, 2011). The achievement highlighted by all women ER Panchayat had been identified as

- Closing of liquor outlets
- Campaign against drug use
- 100% enrolment in schools

Development of pesticides in collaboration with nearby Agriculture University to ward off the insects spoiling paddy cultivation. (Frontline, 2011)

Later in Himachal Pradesh, five more Gram Panchayats followed suit. At present, we have the example of Sudunglakh GP in Sikkim where all elected members are women. The system that existed in Neemkheda could not be continued as vested interests hampered its continuance in the next election. Through consensus only the concept of 100 percent women ER Panchayats can be achieved.

The Kudumbasree, a women empowerment programme existing in Kerala, has been replicated in other States in collaboration with the National Rural Livelihoods Mission. Right now, there is substantial representation of women in the PRIs and they are able to use their collective strength more effectively. With the formation of Mahila Sabhas the women's participation has increased along with their leadership quality.

Technology: Challenge of Digital Literacy

e-Gram SWARAJ is a new initiative of the Ministry under e-Governance, which is a work-based accounting software for PRIs that provides a single platform for planning and accounting needs, including various other aspects of Panchayat functioning (monitoring, asset management). A mobile app providing information such as 1) elected representatives, 2) Panchayat activities (total works, ongoing works, completed works), and 3) Receipt & Expenditure details for respective Panchayats was also launched.

e-Gram SWARAJ application has been monumental in bringing together a tech-based, integrated system of information gathering, micro-level planning, and work-based accounting for the last tier of local self-government called Panchayats. In merely two years, the application has a userbase of more than 2.7 lakh PRIs, spread across 28 States and six UTs. Despite all such initiatives at the Gram Panchayat level, the

absence of digital literacy is creating problems. Since the initiatives at the upper level have failed to bring in the desired results, a further intervention to create a digital Panchayat is required. Digital Sahungra in districts SDS Nagar, a Panchayat known by that term is a role model.

Conclusion

After the 73rd Constitutional Amendment Act, a lot of changes have taken place in the functioning of the PRI system in India. To its credit, at present, every Panchayat has a plan of its own. The devolution status varies from State to State. The question here is whether they can function as local government or are still continuing as implementing agencies. The deeper analysis is needed to find the correct answer. Most of the States have not devolved '3Fs' as envisaged in the compendium of resolutions of the Ministry (2004). The State's control over them stands as an impediment in moving forward as autonomous institutions. The dismaying factor is that the power once devolved to them can be taken back through an executive order, and hence, there is uncertainty in its functioning. Thirty years of experience shows a chart of ups and downs, and more needs to be done to rectify the errors and pitfalls. Innovative ideas need to be evolved in its way forward. For this, we have to create a platform for wider discussions at different levels.

End Notes

1. The Round Table Conferences were organised by the Ministry of Panchayati Raj between July to December 2004 to discuss identified dimensions of Panchayati Raj ranging from effective devolution of 3 Fs, district planning training and capability building and IT-enabled e-governance. The author represented Kerala in all the conferences.
2. The author was the president of Chapparapadava Gram Panchayat in Kerala (from 1995-2000) which was adjudged as one of the best performing Panchayats in the State of Kerala.
3. The author represented the Ministry of Panchayati Raj at the World Convention on Climate Change organised by Finland University of Applied Sciences from 2013 March 20 to 31 in Mikkeli, Finland and presented the research paper 'Panchayats in India Towards Carbon Neutrality.'

4. The concept of carbon-neutral Panchayat was initiated by Meenangadi Gram Panchayat when the author was the Director of the Kerala Institute of Local Administration (KILA). The first round of training in this regard was given by KILA.

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