

M18607  
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## SCHEDULE

**National Workshop on "Participatory Governance: In Perspective of Marginalised Sections"  
Review of Status and Scope of Grassroots Participation  
25<sup>th</sup>-26<sup>th</sup> February 2006  
Organised By- Indian Social Institute, New Delhi**

### 25<sup>th</sup> FEB. (SATURDAY)

- 9.00 - 9.30 Registration  
Welcome Address
- 9.30 - 9.40 Dr. Jimmy Dhabhi, Director, ISI, Delhi  
Reflection on Rationale of the Workshop  
Dr. Tom Kunnunkal, Research Director, ISI, Delhi
- 9.40 - 9.50 Outline of the Workshop  
Dr. Aradhana Yadav & Dr. Dillip Kumar Sebak
- 9.50 - 10.30 Participants' Reflection on the Participatory Governance
- 10.30 - 11.30 Keynote Address  
Dr. George Methew, Director, ISS, Delhi
- 11.30 - 11.45 Tea Break
- 11.45 - 1.00 Brief Introduction of Participants & Their Activities
- 1.00 - 2.00 Lunch  
*Local Governance and Marginalised Sections*  
Sharing of Participants' Observations and Panel Discussion  
Prof. (Ms.) Dolly Arora, IIPA, Delhi  
Mr. Somen Chakravarty, Manager, Governance Unit, CARE India  
Mr. Ravi Hemadri, Exe. Director, The Other Media
- 2.00 - 3.45
- 3.45 - 4.00 Tea Break
- 4.00 - 5.00 Conti..
- 5.00 - 5.15 Summing Up the day's processing
- 5.15 - 5.45 Break
- 5.45 - 7.30 *Status and Scope of Marginalised Sections in the Local Governance*  
Group Discussion

### 26<sup>th</sup> FEB. (SUNDAY)

- 9.30 - 10.45 Group Presentation and Reflection by the Panel  
Ms. Amerjeet Ahuja, Principal Residence Secretary, Bikaner House  
Prof. Virginus Xaxa, HOD, Sociology, Delhi University  
Mr. Manoj Rai, PRIA, Delhi
- 10.45 - 11.00 Tea Break
- 11.00 - 11.30 Conti..
- 11.30 - 1.30 Presentation on *Successful Civil Societies' Initiatives* and Reflection by  
Dr. Sakarama, Sr. Fellow, CSD, Delhi, Ms. Indira Pancholi, Mahila Jan  
Adhikar Sansthan, Ajmer
- 1.30 - 2.15 Lunch
- 2.15 - 4.15 *Scope for Further Interventions: Group Discussion and Presentation*  
Guman Singh, Convenor, Navrachana, Himachal Pradesh
- 4.15 - 4.30 Summing Up the Days' Proceedings
- 4.30 - 4.45 Vote of Thanks
- 4.45 - 5.00 Tea Break

### Dalit

1. Is Panchayat Raj System have helped the dalit in-
  - a. Political Participation
  - b. Decision Making
  - c. Role in Gram Sabha
  - d. Participation in local Planning & Implementation
2. What are the hurdles?
  - a. Education/Illiteracy
  - b. Lack of Political Awareness
  - c. Socio-Economic and Cultural conditions
  - d. Social Seclusion & Oppressive caste-relations
  - e. Economic instability
  - f. Untouchability
  - g. Non-cooperation of other communities
  - h. Exploitative nature of political Parties
  - i. Non-cooperation of government officials and concerned agencies

### Tribal

1. What is the status of ST in PRIs?
2. Is PRIs is helping the STs and If yes, then How it has helped to capacitate them?
  - a. In terms of economic development
  - b. In terms of political participation
  - c. In terms of decision-making
  - d. Their role in the Gram Sabha
  - e. Participation in local planning and implementation
3. What are the constraints/hurdles?
  - a. Illiteracy and lack of awareness
  - b. Socio-economic backwardness
  - c. Geographical isolation
  - d. Language barrier
  - e. Non-cooperation of government officials and concerned agencies
  - f. Non-cooperation of the other communities

PESA

### Women

1. What is the status of women in Panchayati Raj Institutions?
2. Is PRIs supported improvement in the status of women and capacitate them, If yes to what extent and how?
  - a. In terms of economic self-reliance
  - b. Decline in gender discrimination
  - c. Increased political participation and political awareness
  - d. Participation in decision-making
  - e. Decline in patriachial practices
  - f. Public participation: helped them to come-out from their home
  - g. Increase in participation in gram sabha
  - h. Participation in local planning and implementation
3. What are the constraints?
  - a. Illiteracy and lack of awareness
  - b. Lack of opportunities
  - c. Gender biasness
  - d. Division of labour
  - e. Non-cooperation of family members
  - f. Non-acceptance of the society
  - g. Fear
  - h. Non-cooperation of government officials and concerned agencies
  - i. Party-politics in local priority issues
  - j. Dependency factor

Traditional Panchayat

## BACKGROUND PAPER

### Vision 2020- Governance and People's Participation

In the last decade of the 20<sup>th</sup> century, the need for good governance has been an important and recurring theme in the literature dealing with human development - both research and popular. There is now a growing body of evidence, which shows that the quality of governance is related to differentials in growth and development. However, much of this literature deals with improving the performance of short term normal government functions such as increasing efficiency of public services, accountability of bureaucracy and enhancing transparency in decision making but ignore the larger and critical role of governments geared to the national future. Governance needs to be seen not merely in terms of managing resources and people during the tenure of a government but its ability to take a long-term view not only of the nation but nation in the global context.

Attributes of good governance must be determined by the nation's vision of the larger social and economic goal(s) and the value system it wants to promote. While a consensus among political parties on the former is more easily achieved and therefore possible to insulate it from the government of the day, to reach such a consensus in the case the latter is extremely difficult. It is however, possible to move towards a minimal common agenda across the spectrum of political thinking on a value system that would be promoted.

The goals and value systems tend to be dynamic and change more often at a sedate pace resulting in a sense of continuity thus enabling the society at large to adjust more easily with those changes. Along with such changes in goals, therefore, the system of governance, the institutions as well as attributes of good governance also changes. It is necessary, however, to note that (i) the changes that have swept most nations in the last quarter of the 20<sup>th</sup> century have been rapid and decision making at all levels have become more complex and dependent on a whole range of factors that are outside the control of decision makers and (ii) that a substantial part of the governance concern must pertain to long term view. A system of governance that has performed well in the past would also require to be changed due to larger changes that take place both within the nation and across nations. What should continue as central to governance, are the people.

As noted earlier, the latter part of the 20<sup>th</sup> Century was an era of radical transformations, some brought about by internal compulsions and the way in which the country was governed and partly due to technological change and the global context. These changes have reduced predictability of the future. As Akio Morita, former president of SONY said the only way to predict the future is to create it. But creating future requires vision as well as commitment.

A working definition of governance could be "processes, systems and structures that guide the social, economic and political relationships". The relationships could viewed between government and market, government and citizen, government and private sector and Voluntary Organisations, elected and appointed officials, levels of governments (Union, state and local), and between legislative and executive structures.

A widely prevalent perception of state of governance in India has been summarised as "Those in the government, continue to feel that that they are doing a fine job and nothing could be better. The citizen clearly feels otherwise. This mismatch in the perceptions of the people and the government is made worse by the credibility gap that exists between the citizen and the government. By now, the general feeling outside the government is that the government is huge, it lacks direction, it is unmanageable, is wasteful and it is uncaring of the citizen. The government on its part keeps on reasserting itself with new policy prescriptions from time to time in a bid to 'win friends and influence people'. A stage has been reached when the people take with a pinch of salt whatever the Government says or claims" (Gupta 2001).

Central to the theme of achieving economic and social development is the quality of Governance. The common and oft repeated attributes of good governance include participation, rule of law, transparency, responsiveness, consensus based, equity concerns, effectiveness, accountable and strategic vision. Governance therefore is larger than government and envisages a role for private sector, civil society and citizens at large. Improvement in governance cannot be limited to reforms within government but would need to encompass a wider arena including civil society. Thus, people and civil society institutions themselves form an important link in the governance chain. Notwithstanding several shortcomings and limitation in different models the experiences across the world show the emergence of self-instituted civil society as an independent social partner has thoroughly modified governance system. However, increasing role of market, civil societies and non-government organisations cannot compensate the inadequacies of governance, even though their role is crucial in shaping the quality of governance. Government is the focal point for instituting good governance as all other institutions function within the overall institutional framework provided by the government. An incremental approach to quality of governance cannot meet the emerging challenge of rapid transformation.

In order to develop a vision of governance, it is necessary to map out the social goals in a time perspective. For operational purposes these goals may be stated as:

Through accelerated social and economic development, by harnessing advances in science and technology and through related concerns for sustainability; by 2020 India will banish poverty and hunger, provide an enabling environment for near full employment through multiple livelihood opportunities and improve living standards qualitatively and quantitatively, while leap-frogging up the ladder of Human Development Index. There will be significant improvements in environmental hygiene, sanitation, health and nutrition. Decentralizing decision making, strengthening local institutions and empowering them will sensitize them of their rights, responsibilities, entitlements and contributions to overall sustainable development. Sustained attention towards conservation of the natural resource base will improve productivity, enhance income and maintain ecological balance and promote environmental safety. India, with its committed democracy would provide a leadership role in this regard.

If we expand on this vision, by 2020, no family will lack basic needs of food, clean water, clothing and shelter. Every citizen would have opportunities to learn and develop skills and the country would have a quality-and-productivity-conscious workforce that would command commensurate returns to lead a respectable life. The vulnerable segments - the old, the physically disabled, mentally challenged, and children would be able to lead a secure life with dignity. Need of the every segment of the life-cycle of our citizens would be addressed - the child hood, adolescent, youth, middle-aged and the old. Values would be promoted toward creating an egalitarian society. The pattern of development would rapidly reduce the urban-rural duality and build a rural urban continuum in living standards and infrastructure.

#### **Governance, Decentralisation and People's Participation**

All political power in democracy stems from people. Central therefore to governance is empowerment of people by increasing their control over governance. The irony of a discourse on empowerment of people is because "As the colonial state had consciously distanced itself from the people, and as that distance did not significantly narrow in the post-independent era, tradition of consultation of and participation by the people did not develop. Accessibility of government to the common people and their sensitivity to people's need had progressively declined" (Iyer 2001). "Over the decades, after having inherited very substantial powers from it's colonial legacy, the State apparatus has steadily amassed functions - and more powers. The new developmental State has been bestowed a vast number of new responsibilities and vastly extended financial powers. Although the exercise of these powers is not untrammelled - there are a number of checks and balances imposed by the democratic system -- the labyrinthine and obscure processes through which decisions are taken, over-regulation in many spheres of public life, the weakness of

democratic institutions, and the sheer monopoly which vests with the State, creates sufficient ground for arbitrary exercise of this power. This has led to two very major problems in the governance structures, *inefficiency and corruption*" (Srivastava 2001)

A culture of dependency on government for almost every thing developed over the last few decades that needs to be broken. One of the important components of the solution to the crisis of resource distribution lies in the involvement of people through appropriate institutions at the local level. It is only in recent years that a consciousness of the importance 'stakeholder participation' and 'share holder participation' have begun to emerge. From a situation extreme of state control the pendulum has started moving back in the other direction - towards the user communities and people. Devolution to local bodies has emerged as a major plank of governance reform, both in the Centre and the States. According to the Human Development Report 1993, where decentralisation has taken place, it has often been quite successful, encouraging local participation, increasing accountability of local officials, reducing costs and increasing efficiency.

As Iyer (2001) notes, Project Affected Persons (PAPs), with the assistance of some NGOs have become more conscious of their rights (both their fundamental rights as citizens and their traditional rights of use of river waters, forest produce and other natural resources. It is by now evident to all but the most diehard proponents of centralism that in this increasingly worsening scenario of water scarcity, centralised and inefficient systems of water management will not work. Civil society (in the sense of the people concerned, i.e., beneficiaries and those who are likely to be adversely affected and the community in general) plays little or no role in the planning and implementation of such projects. For example, the Irrigation Acts vest the management and control of waters in the hands of the state, and project planning and implementation are largely internal activities of the state. In the absence of institutional arrangements for consultation and grievance-redressal, the process of displacement, resettlement and rehabilitation often generate serious dissatisfactions leading in some cases to conflicts.

Up-till early to middle of the last century, there existed throughout India numerous water harvesting structures and small irrigation schemes, and systems of community involvement around these. Since the responsibility for the operation and the maintenance of these structures lay with the community, the close involvement of people in the management of water resources was ensured. The situation changed completely during the latter part of the last century. The community-managed structures went into disuse and decline and the state assumed complete monopoly of water supply and management, even at the local level.

As a World Bank study points out, India's policy clearly contradicts these elements. "First, water is provided free of cost (up to 40 litre per capita per day), and users do not contribute to the capital cost associated with higher level of services. Second, ownership of rural water supply installation is not transferred to communities... Communities do not have any control over what, when, where and how installations are provided. Lastly, mechanisms for communicating feedback from users to water agencies are poorly developed, with few offices to which to report defunct installations. In general, water agencies are not responsive to even this limited feedback" (World Bank, 1999b).

As Kundu (2002) observes, in the urban context community participation dates back to early seventies largely limited to a few pockets and to creation of local infrastructure.

### **Involving Community in Infrastructure Development**

Community participation in urban development projects has a history dating back to the early seventies when Urban Basic Service Programme was launched by the central government with assistance from UNICEF. The projects covered only a few slums in select number of cities. There was no perspective for building a network to cover all the slums even within the selected cities and, consequently, the solutions pursued were local in nature. Attempts were made to do social mobilisation by creating community groups and involving these in implementation of the project at the grassroots level. Community was, thus, viewed merely as an agent, providing support to state sponsored development activities to ensure better implementation, in the initial experiments of community participation.

In subsequent years it was realised that community involvement not only results in effective implementation of the projects but also leads to better designing and substantial reduction in operational costs. Following this, community was often involved not just for project implementation and supervision of work but also in designing the project. All these initiatives notwithstanding, community participation remained a state sponsored activity until the late 70s. Community participation as a component of development strategy gained currency in the eighties as a consequence of failure of public agencies and growing deficiency in the level of basic amenities. It was argued that the community can help not only in social mobilisation but also in raising financial resources that the local authorities need very badly. In many cases, it became possible to have substantial reduction in project cost as the prospective beneficiaries provided their labour free or at a wage rate much below that in the market. Further, the pressure of peer group under participatory arrangement resulted in better monitoring, more productive engagement of the beneficiaries in the project and better recovery of development loans sanctioned to individuals. The community was mobilised not merely for making contributions in terms of ideas and labour but also for sharing a part of the capital and current expenditure. Only, there was demand for making credit available outside the formal institutional structure, which was beyond the access of the slum communities. In several cases, attempts were made to build mechanisms at community level to ensure timely repayment of loans.

The most innovative form of community participation in infrastructural projects, which has been hailed as a major achievement in the nineties, is the neighbourhood and slum networking schemes, launched with substantial financial support from the state or central government (Kundu 2002).

While the need and the rationale for people's involvement in local resources management is increasingly accepted by the government, and some efforts in this direction have been made on the ground, legal provisions and effective institutional structures to facilitate such involvement is yet to be put in place. Thus, Reddy (2000) succinctly notes: "while participatory development is propagated on a large scale, one hardly finds any legislative, policy or political support for it.

Simultaneously the government sponsored initiatives for people's participation have come into several programmes: Water Users Association in irrigation projects, Watershed Association in watershed management, JFM committees in forest areas, VEC in Primary education and SHG in micro credit and Resident Welfare Associations (RWAs) or Neighbourhood User Groups (NUGs) in urban areas.

"People's participation has become a standard rhetoric in India today. Different actors interpret it differently. One view is that participation means getting people to agree to and go along with a project already been designed for them or to get support of a few leaders.... The important question is participation for whose benefit and on what terms? ...It must be therefore understood as a process by which the people are able to identify their own needs and share in the design, implementation and evaluation of the participatory action. Thus various elements of participation are decision making at various stages, control and management of funds and resources, share in usufruct and final produce and certainly of benefits." (Mid Term Appraisal of the Ninth Five Year Plan (Planning Commission, 2000)

### **Institutional Framework for Decentralisation - The *Panchayat***

Two major policy shifts took place in India in the 90's - one dealing with the economic restructuring and the second concerning decentralisation of political power, through the 73<sup>rd</sup> and the 74<sup>th</sup> amendments to the constitution of India. The factors that culminated in these two policy shifts were different - the former brought about by compulsions of balance of payment and the latter by increasing inefficiency and costs of delivery systems of development programmes. This basic difference in the factors that led to the two reform processes of globalisation and decentralisation resulted in an artificial distinction between issues relating to national governance and those of local governance.

The 73<sup>rd</sup> and the 74<sup>th</sup> amendments to the constitution of India, enacted in 1992, lay down ground rules with basic structural framework for decentralised governance at district and lower levels which can sustain themselves against external interference and emerge as effective and strong people's institutions. The Amendments mandate that every state shall establish a three-tier system of *Panchayat*, at the village, intermediate (with some exceptions) and district levels. The *Panchayat* will consist of persons elected directly from the territorial constituencies, all members of the *Panchayat* shall have the right to vote in the meetings, a fixed tenure of five years, (if dissolved, election must be conducted within a period of six months of the dissolution); each state will constitute a State Election and a Finance commission to review the finances of the *Panchayat* and recommend principles on the basis of which the taxes could be appropriated by or assigned to various tiers of the *Panchayat* and the state. The primary role of the *Panchayat* will be in the area of development planning and implementation of programmes of economic development and social justice. The Eleventh and the Twelfth Schedules of the Constitution lists 29 and 18 functional areas to be transferred to the rural and urban elected local bodies respectively.

In this backdrop, the emerging literature tends to reduce the issues of decentralisation in to one of simple redistribution of administrative power and financial resources among different governing units and viewing them as a question of turf. It can also be viewed as an attempt by higher levels of governments to get rid of trivial local issues and concentrating on larger national issues. In such a case, it is necessary to ask whether the decentralisation merely directs people towards local issues and deflect their discontent from the larger structural questions of political and economic organisation.

### **Distribution of Power between Various Tiers of Governance**

The devolution of power between the Union and the States is more or less clear and constitutionally derived, and the encroachments are minimal. The elected heads of government - the Prime Minister of the Government of India, and the Chief Ministers of various states are recognised as the chief political executive. The control of the state bureaucracy vests with the states and it cannot by-pass the state governments - the formal lines of command are well defined. The friction that appears is largely a result of the demands for greater autonomy from the states, which has accentuated over the years with different political combinations getting elected to the Union and state governments. This clarity is lost when we consider the emerging intra-state arrangements. The functions, power and authority at the sub-state levels are invariably derived not through statutes and can be withdrawn at any time at the pleasure of the state governments. Even in those states, which are considered rather progressive, in terms of their efforts to decentralise, we can find several instances, where, devolved power/authority, has been withdrawn. One exception to this general trend is the state of Kerala, where an ordinance was passed barring the state government from taking back official notification on the subjects devolved; this could only be done through legislation.

The bureaucracy at the district and lower level comes under the direct control of the state government, rather than that of the local bodies. Unless, the political and administrative

arrangements between the state and sub-state levels are broadly comparable to those between the Union and the state governments, effective decentralisation cannot take place.

### **Decentralisation - The Process of Learning by Doing**

Many events relating to decentralisation are taking place after the 73<sup>rd</sup> and the 74<sup>th</sup> Constitutional Amendment. The action has shifted to the states, and the Union Government is continuing to prod the states along the path of decentralisation. How various states are responding and at what speed they are implementing the *Panchayati Raj* as envisaged in the Constitution Amendment is of interest not only to the politicians, researchers and bureaucrats, but also, more importantly, to the masses and therefore the nation. Implementation of the provisions of the Constitution Amendments could either be done after a detailed blueprint of all actions are developed at the state level, or with a combination of details of major actions and adhoc responses to emerging field level questions. Almost all the states, have chosen the latter approach.

Following the new Constitutional mandate to the PRIs, issues of administrative decentralisation was referred by the Government to of Uttar Pradesh a committee chaired by J. L. Bajaj. The Bajaj Committee in its report on decentralisation of administration (1995) recommended a modest set of proposals compared to what is already in place in several states. The response of the state government to the recommendations of the Bajaj Committee was initially cautious and implementation was slow. Subsequently a High Powered Committee (HPC) also examined the report. Government line departments have also naturally been slow to decentralise. It took nearly five years after the amended state legislation for thirty-two government departments to issue instructions for devolving powers and functions to PRIs. But almost in all cases, the administrative control of the officers concerned still remains by and large with the line departments.

In response to the field level needs for participatory approach, a number of informal but state sponsored groups appeared. Some of these, as noted earlier are Water Users Association in irrigation projects and SHG in micro credit, Resident Welfare Associations (RWAs). The need for such forums did exist when the *Panchayat* institutions were not in place. The need for such parallel forums along with the functional *Panchayat* institutions has to be reviewed, since their continuance would undermine and erode the legitimate role of *Panchayat*. Similarly, the concept of development funds allocated to Members of Parliament and Members of Legislative Assembly is a contradiction in the context of *Panchayat* Institutions and needs to be revisited. These parallel structures and arrangements often state sponsored and patronised will have to be brought within the ambit of *Panchayat* institutions - perhaps in the form of standing committees for which there is a provision in the Act.

Despite reservations for weaker sections and women in *Panchayat*, because of the wide inequity in control and access to resources across class, caste and gender, people's participation is stymied and skewed. Unless this distortion is corrected people's participation would remain notional. It is in this aspect of meaningful participation of weaker segments of the population where Voluntary Sector should play a significant role.

Almost a decade after the 74<sup>th</sup> Amendment, which provides for mandatory District Planning Committees, only some states have taken steps to constitute them. However, in some states such as Kerala, West Bengal and Madhya Pradesh, decentralised development planning has progressed substantially. The People's Campaign for the Ninth Plan gave the plan priorities to Kerala State Planning Board. *Gram Panchayat* level plans have been made. The state government has issued guidelines for an evaluation of the plans of local bodies for the financial year. It has constituted expert committees at Block, Municipal and District levels for this purpose. Block level committees process *Gram Panchayat* plans and the District level committees process those of blocks and districts. The state level expert committees approve the evaluation reports of municipalities and before they are forwarded to the district planning committees. The people's campaign for the Ninth

Plan is an ambitious exercise launched by the government and is being touted as a model to be followed by other states. The *Gram Sabha* itself exerts peer pressure and also acts as a social auditor. Once the roots of the system become stronger and deeper, the direction will be difficult to reverse. There have, however, been many critics, calling it a democracy of the mob, an anarchy and plans devoid of technical input.

In Madhya Pradesh, the district governments have taken charge. District Planning Committees met on April 1, 1999 at all district headquarters, with the newly acquired powers to review, supervise and monitor the state government's schemes related to their districts. These committees consisting of 15-25 members, at least four fifths of who are elected *Panchayat* representatives, are required to meet at least once a month.

There is still a great deal of ambivalence about the status of the PRIs and some level of uncertainty regarding the mode of functioning, with multi-layered control at various levels, without clear political directions of the government of the day. In the context of an untried arrangement of local autonomy, to a large extent, what is happening in the arena of decentralisation within various states is adhoc - compelled by events of marco-economic policy shifts and the compulsions of emerging pressures for empowerment from below. As various states respond to increasing pressures from the grassroots for empowerment, a whole range of legal battles between the district and lower level elected bodies on the one hand, and that of the state government and its executives, on the other, are being fought in various courts.

In Haryana, *Zilla Parishad* members have threatened to resign enmasse, in protest against the government failure to enforce *Zilla Parishad* Act effectively. Similarly, in Orissa and Maharashtra, presidents of *Zilla Parishad* have demonstrated over the powerless status of the *Panchayat* bodies. In Andhra Pradesh, Mandal Parishad chiefs resent curbs on their power, after the state government appointed nodal officers by-passing the elected bodies through the *janmabhoomi* scheme. In Karnataka, the Forum for Village Republics (*Gram Ganarajya Vedike*) a group of volunteers launched a state-wide campaign for the empowerment of the Gram Sabha. In Karnataka, women members of the Bangalore Rural *Zilla Panchayat* threatened to boycott its meetings if they were not allowed to speak in future.

Despite, such two-step-forward-one-step-backward movement, by now there are new rural local bodies with over 2 million elected members and about 60,000 in the urban/municipal government. Although the design and impact of the decentralized system differs from state to state, the essence of the new bodies are that they have a right to live. Election commission has been set up in the states. The changes so far are far-reaching in nature - there is little prospect of the past being repeated, where at some time 40 percent of the local bodies were found to be superceded and even large municipal corporations had no elected bodies for over 20 years (Sivaramakrishnan, 1999).

While there are states that have gone in for field level actions for decentralisation there are others who have constituted committees to work out a blueprint of such actions. For example, Uttar Pradesh has constituted a state level policy cell to make *Panchayat* system, simple, transparent and effective. In Rajasthan, the state has announced that it will set up a Rural Development Service and a Rural Engineering Service to help PRIs to render better services.

#### **Direct Democracy - From *Panchayat* to Gram Sabha**

The Gram Sabha is an institution which seeks to place direct political power in the hands of people, without the mediation of elected representatives. It ushers in major change from representative to direct democracy. Some states have gone on to empower not only the elected local governments but also their electorates by providing a larger role for the *Gram Sabha*. However, as Dror (2001) observes "Direct democracy can work reasonably well in small communities, where the voters have

personal experience of most issues, provided that this is combined with suitable deliberative processes and professional explanation of complex issues”.

The Union Food Ministry has brought the Revamped Public Distribution System under the control of *Panchayat* Raj institutions. The new guidelines issued by the Ministry advise the State Governments to make arrangements for displaying the list of beneficiaries from poor households in fair price shops and at the offices of the Gram *Panchayat*. Gram *Panchayat* have been advised to form Fair Price Shop Committees, and the Gram Sabha will review the reports of the committees. In Madhya Pradesh, state government has issued directives to hold meetings of the *Gram Sabha* in all *Panchayat*. Patwari's presence in Gram *Panchayat* meeting has been made compulsory, and they are expected to attend to the meetings with all records to answer people's queries. In Rajasthan, the government has decided to make it mandatory for the general body meeting of the *Gram Panchayat* to be held at least four times a year. The dates have also been fixed.

### Financial Devolution

Without financial devolution, decentralisation has no meaning. As mandated by the amendments to the constitution, State Finance Commissions were constituted by the states. Many State Finance Commissions have submitted their reports. Some of these have been tabled in the State Legislative Assemblies and a few states have accepted the recommendations. These Commissions address issues of sharing of resources between the state government and the PRIs, including other instruments of augmenting resources of the PRIs such as powers to levy tax, access to control over use of natural resources such as minerals, forest products, etc. The state governments as well as PRIs are also addressing the issue through other means such as reduction of personnel through privatisation, issue of secured redeemable bonds, user charges for services, etc. Besides, the Government of India decided to allow direct lending to Gram *Panchayat*, Self Help Groups and NGOs for providing roads, drinking water, primary schools, etc. A two member team of the World Bank in fact visited Ahmedabad to discuss a proposal seeking assistance to meet financial requirements of urban local bodies for augmenting infrastructure.

There is enough empirical evidence that the people are quite capable of participating in governance. Experience has also demonstrated that it is best to avoid detailed instructions from the top; that the people know and can prioritise their needs and they will readily contribute and supplement resources, if the projects are beneficial and developed by them. Even Land Survey is now being conducted by the PRIs and they are also maintaining land records. Many *Gram Panchayat* have started maintaining a register of bio-diversity. But this does not mean that they are fully equipped to take part in governance. Information and knowledge base of the general population have to be enhanced. Creating informed people is not a task that can be performed by governments, since that could end up in political marketing. There is a need to raise the knowledge base of political class as much as there is a need for increasing knowledge base of the general masses.

### People's Participation and Social Change

Many state governments utilised the opportunity while enacting the *Panchayat Raj* Act, to usher in social change by various provisions in the Act for contesting *Panchayat* elections. Besides reservation for the socially deprived sections and women, some have introduced provisions to promote small family norms - people with more than two children are barred from contesting elections. Such two-child norm, in the case of Municipal Corporation of Delhi, also applies to nominated members. Section 12 of the Karnataka *Panchayat Raj* Act lays down that only those who have latrines in their houses can contest *Panchayat* elections. High courts have upheld many such provisions. Though the spirit behind such a rider is good, in reality it prevents poor people from contesting the poll.

In Kerala, over 12,000 elected PRI members were disqualified for not submitting accounts of their election expenses within the stipulated time.

In the Punjab the *Panchayat* have started working as agents of social reforms. through resolutions to avoid wasteful expenditure on rituals. Violators are fined and socially boycotted, it is taking the form of a movement in parts of the Punjab. On the other hand, in the neighbouring state of Haryana, *Panchayat* continue to order death sentence for inter-caste marriages and elopement. *Nyaya Panchayat* are slated to be formed in Karnatak, which will be a five member body and no member of PRI can be a member of the *Nyaya Panchayat*. The *Nyaya Panchayat* will look into petty offences and problems within its territorial jurisdiction and it will not have powers to punish the culprits, but only impose a fine. Rules have been framed, but they will not override the Indian Penal Code.

#### Corruption, Transparency and Accountability

The issues of corruption, transparency and accountability are not only related with each other, but need to be addressed at all levels simultaneously in order to be meaningful. The issues are also becoming complex with decentralisation of decision making and devolution of administrative and financial. These issues are sought to be addressed through various instruments.

"To ensure that public servants behave as public servants, and this includes all of them namely the political administrators, the civil servants, members of judiciary and the elected representatives of the people, they will have to be subjected to full accountability not only for misfeasance but also for nonfeasance. And this will have to be ensured strictly, even ruthlessly. Some of the pillars of democracy lack accountability while they seek accountability of others. This will have to be rationalized. I have no doubt in my mind that the next 20 years will witness the strengthening of the process of accountability not only of the limbs of governance but even the Press and the Media, the Controller and Auditor General, members of the judiciary and the components of civil society" (Gupta 2001).

In his address to the National Development Council meeting held on February 19, 1999 the Prime Minister stated: "People often perceive the bureaucracy as an agent of exploitation rather than a provider of service. Corruption has become a low-risk and high-reward activity. Frequent and arbitrary transfers combined with limited tenures are harming the work ethics and lowering the morale of honest officers. While expecting discipline and diligence from the administration, the political executives should self-critically review its own performance. Unless we do this, we can not regain credibility in the eyes of the people who have elected us to serve them."

In the broader context, it is realised that accountability should go hand in hand with necessary authority and responsibility, appropriate delegation of powers, and making every unit of government a discrete entity for the performance of its assigned tasks. At the national level, the agenda in this regard includes enactment of Right to Information Act. Pending the enactment, several actions are on the anvil, such as easy access to information regarding procedures, awards of tenders/contracts, government performance relating to expenditure on programmes and schemes and criteria of selection of beneficiaries of government programmes being easily made available to the public. Legally people can get extracts from *Panchayat* documents, photocopies, etc., at a prescribed charge. Computerisation in government departments/organisations are getting scaled up not only to promote efficiency at all levels of government, specially at the level of citizen interface, but also to increase transparency and reduce corruption.

However, it is important that till such time that physical and economic access to technology based information system is substantially expanded, traditional forms of information would continue to be improved so that in the name of modernisation weaker sections are not excluded in sharing of rapidly expanding knowledge and information base. While an expanded system of acquisition of knowledge and information is a pre-requisite for it is insufficient to ensure wider people's

participation. It must also be realised that participation is not an event such as attending community meetings but is a process, which has to be embedded in the social ethos. It is therefore, necessary to promote a whole range of opportunities besides *Panchayat* institutions, which are limited to participation in political arena and local development efforts.

In Kerala, the state government intends to bring about necessary changes in the rules in order to make public auditing of all plan accounts possible. There are also suggestions to exclude contractors from plan implementation as far as possible, with village committees of the beneficiaries taking up developmental projects. In cases of complaints, the voters will have the right to examine all documents. Rules relating to government contracts will, however, need amending. Similar experiments in the District Primary education Programmes, where school buildings are constructed by the community with necessary technical supervision have been successfully completed in many parts of the country.

#### **Increasing Awareness, Conflicts and Judicial Recourse**

Increasing level and spread of awareness about the rights of the citizens has led to increasing legal actions, both individual and of public interest, demanding compensation for negligence on the part of governments.

The ongoing processes of decentralisation have also articulated a number of latent conflicts. The decentralisation process envisaged greater decision making powers to be vested with the elected bodies at local levels and the bureaucracy is little inclined to work with non-officials at that level. Thus one set of conflicts arise between the bureaucracy and the elected representatives of the PRIs. Duplication of authority and lack of clear demarcation between political leadership and officials, with each standing on personal prestige and ego are found to be responsible for such situations, resulting in neglect of work and waste of money.

There are tensions at the local level, the village community being divided on caste, class and political lines. In order to reduce the problems arising out of such conflicts, in Uttar Pradesh, the defeated candidates (who finish second in the polls) have been made special invitees to all *Panchayat* Committee meetings. In order to empower socially deprived section, reservations for women, scheduled castes and tribes were mandated. Some states also introduced reservations for other backward castes. Both in Bihar and in Tamil Nadu, High courts quashed such reservations. In *Panchayat* of Rajasthan, over sixty no-confidence motions were moved against women belonging to weaker sections.

The third kind of conflict arises out of use of local resources, say land, by commercial enterprises.

The Orissa High court has asked the state government not to evict residents of a village for the proposed Tata Steel plant at Gopalpur. The directives came in the wake of petitions filed by the village *Panchayat* president and the Orissa Unit of People's Union for Civil Liberties. A *Gram Panchayat* in Himachal Pradesh, has decided to file a petition in the High Court against state government's decision to privatise the golf course in its area. Similarly, we have had *Zilla Parishad* opposing power plant, as in the case of Cogentrix thermal plant in Karnataka, wherein the state government had observed that such issues were beyond the jurisdiction of the district bodies. On the other hand, we have successful struggle of the people of Querim in Goa, armed with its new found powers under the Goa *Panchayati Raj* Act, against the US multinational corporation Du Pont's plan to set up a Nylon plant in their area. In the *Gram Sabha* meeting held on July 17 1997, it was resolved to refuse permission to the project as it was bound to cause pollution in the villages of the area and also affect population within a belt of 10 kilometres from the proposed site.

The fourth kind of conflict arises out of the disparate financial arrangements, devolution of powers and differential development programmes between the urban and rural entities.

The Bangalore Urban Zilla *Panchayat* in Karnataka decided to challenge the amended section 205 of the Karnataka *Panchayat Raj Act*, which deprives *taluk Panchayat* of their right over the entire proceeds of the stamp duty cess collected in their respective jurisdiction. The amended section enabled the government to pool together the 3 percent cess on stamp duty collected all over the state and distribute it among *taluk Panchayat* on the basis of their population. This has affected the *taluk Panchayat* in urban areas, which collected huge amount through the cess, which they now have to share with their rural counterparts, which hardly contributed to the kitty.

Similar, urban-rural dichotomy could be seen when the question of amalgamation of villages in town and the resultant loss of development benefits of anti-poverty programmes to the amalgamated villages occur. About 45,000 residents of 18 villages included in the expanded municipal limits of the twin cities of Cuttack and Bhubaneswar have expressed apprehensions over the continuation of the poverty alleviation and rural development schemes. The *Gram Panchayat* presidents and the *Panchayat Committees* were not consulted on the issue, and neither was there any assured infrastructure benefit of urbanisation. The village population is also concerned with higher stamp duty on transfer of immovable property. In Tamil Nadu, 45 of the 67 *Town Panchayat* have sought rural status, which will benefit them through centrally sponsored schemes to the tune of Rs. 500,000 to 10,00,000. In Karnataka, we have the complaints of *Gram Panchayat* presidents in Bangalore Urban district, of neglect by the *Zilla Parishad*.

### Concluding Observations

- Given the continental dimensions and the range of diversities in physical, human and cultural traits, the progress of Independent India has been described as the "Great experiment" and perhaps the most ambitious in human history (Jasjit Singh 2001). However, in the context of rapid transformation across nations, there is an urgency to hasten the reform process and improve governance of the nation. Such reforms would not be confined by a minimalist approach of curbing corruption, improving delivery of service and creating a transparent and accountable bureaucracy but include putting in place structure and processes to address long term critical choices to place the nation in a position that it merits in the global community. In a democratic set-up, the sustenance of a bold agenda of reform requires political will at the highest level of government to withstand the pressures of vested interest and sustained pressure by the people. Such pressures would have to be exercised by the civil society.
- The nation would improve its capacity to shape the future rather than wait to be shaped by it. "Ongoing global transformations need guidance, to avoid very negative looming consequences and realise very positive potentials. Markets, civil society etc., however important, cannot provide the needed guidance; normatively and realistically only governance can do so.... Governance should be moral, knowledge-intense, future committed, consent-based, high energy but selective, deep thinking, holistic, learning, pluralistic and decisive ... in order, to adequately fulfil crucial future-building tasks, politics must be revitalised. Democracy must be refocused, governance must be radically redesigned. At the heart of the idea of good governance is some rolling back of the state and providing more space for civil society" (Dror 2001).
- It will strive to improve the quality of legislation so that the common people could more easily follow the import of legislation, move from over governed to better governed state and help to remove redundant layers in government functioning through streamlining of processes and systems as well as increasingly deconstructing the power centres.
- Participation and decentralisation share a symbiotic relationship. Some level of gap between people's expectation of their role in decision making and the real world situation may work as a propeller and impetus for greater decentralisation but persistent large gaps could only alienate people from government and pave the way for large discontent.
- While, to start with the process of decentralisation and empowerment of people was initiated from the top rather than from the pressures from the grassroots, over a time, pressures from below have started building up. Given the high stakes provided for the country's future, the fact that (from a relatively uncertain and slow-moving situation) a paradigm shift is being effected throughout the system of governance. Politically, the importance of the PRIs is that they are closest

to the people and would command the influence if they performed well. This may however, lead to over-politicisation of societies, which if sleepy would have little energy for transforming society and if over active would raise demands, which could only be met through redistribution - a zero-sum game (Beteille, 1999).

- These changes have tended to produce a kind of tense social and political equilibrium, which needs to be addressed jointly and collectively, at various levels of government apparatus, the politicians, bureaucrats, the non-governmental organisations and the media. While the bureaucracy, in general, and the established political power do offer some resistance to the ongoing changes, there is no dearth of elements in each of these segments, which have positive attitude towards decentralisation, as a value in it self. A much more active role from a combination of non-governmental organisations and such positive elements from the bureaucracy and the political executive would be necessary to build up the pressure from below.

- It is important that decentralisation design provide for ordinary people to express their views and see them translated into future policy; that it enables citizens to participate in policy formulation and not merely pre-selected choices. The decentralisation process could and should be viewed as an attempt to create a new framework of governance towards fundamental restructuring of society. An analysis of on going processes in India lead us to believe that this is what is emerging, although only a short stretch of the long road to decentralisation has been traversed. Given the low literacy level particularly among women and the highly stratified society, the route will be bumpy. The ultimate objective is the empowerment of people and to bring the reins of the power closer to them. Since such an empowerment is perceived to result in dis-empowerment of the existing power structure, there is, and will be, many hiccups on the way as evidenced by a spate of litigation between the 'old players' and the 'new players'.

- The Union and the State Governments would essentially play a strategic role in the development of Policies and Plans relating to the development of physical and human resources and facilitate arenas of people's forum for wider participation in policy choices. By 2020 the Government of India would not only put in place a policy framework for a transparent and responsive (to people's needs) government but also nurture an environment where citizens will play a leading role in decision making and developmental activities. Establish a robust mechanism for public scrutiny of government functioning. Build an ethos of public service and collective well being.

- An active citizenry and effective participation can only be achieved by enabling access to all citizens (IT for e.g.). It is necessary to establish specific systems and procedures for storage, dissemination and updation of information and ensure that the disadvantaged segments have both economic and physical access to the information base.

- The mid term review of the Ninth Plan lists eight aspects of governance that would need to be addressed to improve governance: Stability of tenure (of civil servants), transparency and corruption, reduction in size and scale of civil services, professionalism in performance, effective implementation of development programmes, accountability to people, improving quality of life through greater attention to environment, decentralisation and redefining role of government. Each tier of government would play a role that is appropriate to that level.

(This paper is prepared by Dr. H. Ramachandran, submitted to Planning Commission and also available at Commissions' website.)

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