

**Working Paper 114**

**PANCHAYATI RAJ AND WATERSHED MANAGEMENT  
IN INDIA: CONSTRAINTS AND OPPORTUNITIES**

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December 1998

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## **Acknowledgements**

This report is based largely on interviews with representatives from the Government, Panchayati Raj Institutions, NGOs, Self-help Groups and Academic Institutions. I would like to thank all of the respondents for the generous amounts of time they spared to discuss their experiences of Panchayati Raj and Watershed Development with me. I would like to thank Ashok Kumar of Development Alternatives in Bangalore for accompanying me on the visit to Gram Panchayats in Tumkur District. I would like to thank Write Arm in Bangalore for their logistical support in Bangalore, and for providing an inviting base from which to plan the work. Thank you also to Janet Seeley and Peter Reid, of the Rural Development Office of the Department for International Development in New Delhi, for suggesting contacts for interviews and for their interest in the study.

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## Summary

This report examines the institutional links between Panchayati Raj and the Guidelines for watershed development that were issued by the Ministry for Rural Areas and Employment in New Delhi. Panchayati Raj is a three-tier system of local government, which became a constitutional part of democracy in India in 1993. The Guidelines were issued to rationalise the approaches and delivery mechanisms of various watershed development programs and provide them with a common framework. The Guidelines are widely accepted as being unprecedented in their emphasis on involving local people and providing them with the necessary autonomy to develop their watersheds.

This report examines four particular issues in the links between the two systems

- The philosophy and objectives of these bodies with respect to watershed development.
- The difference in roles and modes of operation between the two bodies and how the balance of power between these is established.
- The nature of the linkages – both formal and informal – between watershed institutions and political bodies.
- The mechanisms that exist for ensuring the transparency and accountability of these institutions at the district, block and village levels. (Terms of Reference, 1998).

### *On the philosophy and objectives*

- The 73<sup>rd</sup> Amendment and the Watershed Guidelines are entirely different legal entities. The Guidelines, as an executive order of a Ministry, are subordinate to the 73<sup>rd</sup> Constitutional Amendment. Panchayati Raj Institutions at all levels have full statutory powers. Watershed Institutions have no statutory powers and no authority that is independent of the project (section 3.2.2 and section 6.4)
- Decentralisation of development planning and implementation are central objectives of both Panchayati Raj and the Guidelines. However they are based on fundamentally different notions of decentralisation (section 3.1), state-society interaction (section 4) and collective action in the community (section 5).
- The concept of the community and empowerment differs in Panchayati Raj and the Guidelines. The 73<sup>rd</sup> Amendment reserves seats for scheduled castes, scheduled tribes and women at all three tiers of Panchayati Raj Institutions. The objective is to bring socially and economically weaker segments of the community into mainstream politics and ensure that their priorities are incorporated into development planning and implementation. The Guidelines make normative recommendations on reservations for women and scheduled castes but do not enforce these in the various tiers of Watershed Institutions (section 5)
- All of the respondents, without exception, believed that the 73<sup>rd</sup> Amendment is progressive and that Panchayati Raj Institutions are the most important and sustainable local institution. However the respondents differed on whether or not Panchayati Raj Institutions are ready to

take on the responsibilities of development planning. Approximately half of the respondents felt that full responsibilities should be given to PRIs at once, as the constitution requires. The other half felt that PRIs were not ready and that a transferral of responsibility would have to be preceded by progress on literacy, land reforms, and empowerment of socially and economically disadvantaged (section 5.1 and section 5.2).

- There is a large gap between the spirit of the legislation and practice in both Panchayati Raj and the Guidelines (section 3.3 and section 7.1).

*On the roles and balance of power:*

- Panchayati Raj Institutions and Watershed Institutions created by the Guidelines overlap in several of the areas of responsibility prescribed in the Amendment and the Guidelines (section 3.2.2 and section 6.4).
- There is a fundamental confusion over the respective roles and responsibilities of PRIs and Watershed Institutions. These emerge when the PRIs are treated as an implementation mechanism for projects rather than as a unit of local self-government. The functions of the two are in fact perfectly compatible once the different roles of the two systems are appreciated (section 6.4). In particular, Panchayati Raj Institutions can play an important role in ‘scaling-up’ watershed management (section 7.2).
- The balance of power between PRIs and Watershed Institutions at district and block level is dependent on the wider policy environment and the progress taken on merging Zilla Parishads with District Rural Development Agencies. The balance of power between Gram Panchayats and Watershed Committees depends not only on the policy environment but also on the particular constellation of power in the village, and on the approach taken by project implementing agencies (sections 6.1 and 6.3).
- Many of the respondents mentioned that development planning at the moment is in a transition phase. The transition will have costs and benefits for the state administration, NGOs, PRI representatives and groups within local communities. It is important to evaluate these, and the political positions which the costs and benefits give rise to. The transition cannot be treated as a purely technical question of which institutions are most appropriate for different purposes (section 4.4).

*On the nature of the formal and informal linkages:*

- In Karnataka the Guidelines are being implemented by the Chief Executive Officer (CEO) and his subordinate staff in the Zilla Panchayat. The role of the elected members is formally a supervisory one. However the power relations between the elected President and the Chief Executive Officer are interdependent. Many respondents mentioned that the implementation of development projects is dependent on the informal links that exist between the Adhyaksha of the Zilla Panchayat and the CEO. In Andhra Pradesh there is almost no interaction, formal or informal, between the DRDAs and the Zilla Praja Parishads for watershed management (section 6.1).

- The links between the Panchayati Raj Institutions and Watershed Institutions are most apparent at the village level. The boundaries between the two types of institutions are very permeable, with local élites often dominating both. However, many disadvantaged members of Self-help Groups and Watershed Committees, in particular women, have been encouraged by NGOs to contest Gram Panchayat elections. Conversely, in Andhra Pradesh the recent Watershed Committee elections were contested on party political lines. The links between the two systems therefore, need to be considered in the broader context of local politics and local power bases (sections 6.3 and 6.4).

*On the mechanisms for transparency and accountability:*

- The mechanisms for ensuring transparency and accountability are weak in Panchayati Raj. The respondents all stressed that the Gram Sabha is the single most important body in Panchayati Raj and that the system will not work properly until the Gram Sabha can demand accountability (section 7.1).
- The mechanisms for ensuring transparency and accountability are still weak in the Guidelines. Andhra Pradesh has been more innovative than Karnataka in finding ways to improve the transparency of the system. However the emphasis in both states is still on monitoring finances and physical targets (section 7.1).
- With both the Guidelines and Panchayati Raj, respondents thought that the ‘spirit of the legislation’ was being avoided by creating too many rules. The obscurity in which accountability is enshrouded, prevents an understanding of the mechanisms through which it operates. Decentralisation is therefore frequently tantamount to ‘passing the buck’ in both systems (section 7.1).



## Acronyms

AFPRO	Action for Food Production
CBO	Community Based Organisation
CDP	Community Development Program
CEO	Chief Executive Officer
DDP	Desert Development Program
DPAP	Drought Prone Area Program
DWD	Department for Wasteland Development
DRD	Department for Rural Development
DDC	District Development Committee
DRDA	District Rural Development Agency
DWDAC	District Watershed Development Advisory Committee
EAS	Employment Assurance Scheme
GOI	Government of India
IAS	Indian Administrative Service
ISS	Institute of Social Studies
IWDP	Integrated Wasteland Development Program
KAWAD	Karnataka Watershed Development Project
MLA	Members of Legislative Assembly
MRAE	Ministry of Rural Areas and Employment
NIRD	National Institute for Rural Development
NOVIB	Netherlands Organisation for International Development Cooperation
NGO	Non Government Organisation
ODI	Overseas Development Institute
PIA	Project Implementation Agency
PRI	Panchayati Raj Institution
RDT	Rural Development Trust
SHG	Self-help Group
SWIPRC	State Watershed Implementation Program and Review Committee
UNICEF	United Nations Children's Fund
WA	Watershed Association
WC	Watershed Committee
WDT	Watershed Development Trust
WI	Watershed Institution
ZP	Zilla Panchayat or Zilla Praja Parishad

## Introduction

### 1.1 Introduction

This report examines the institutional links between political decentralisation, in the form of Panchayati Raj, and administrative decentralisation, in the form of the Guidelines for watershed development, issued by the Ministry of Rural Areas and Employment in India (MRAE). The report was commissioned by the Overseas Development Institute (ODI), and is part of a larger project of technical and institutional support to the MRAE and the Department for International Development in New Delhi. The ODI has evaluated how the Guidelines are being implemented and how they can be improved to ensure better watershed development. This report is part of this process of support on institutional matters. The study was conducted and written in April–May 1998 in New Delhi, Karnataka and Andhra Pradesh.

### 1.2 Background

Panchayati Raj is a system of democratic governance. It is an integral concept to the Indian political debate since Independence, with fervent arguments made both for and against the system. Until 1993 it operated sporadically and was included in the Constitution only as a directive principle. In 1993, forty-three years after Independence, the Constitution was amended and Panchayati Raj became part of the democratic system. The Constitution specifies that there should be three tiers of local government: the village, the block and the district. The XIth Schedule, which accompanies the Amendment, specifies development areas over which Panchayati Raj Institutions (PRIs) will be responsible. Article 243 G (3) of the XIth Schedule is watershed development.<sup>1</sup>

These resources can also be developed under watershed development programs. Watershed development projects started to make a prominent appearance on the development agenda in the 1980s and 1990s. They were part of a variety of programs, such as Joint Forest Management, which started after the explicit policy recognition of the link between environmental degradation and poverty. The argument for a watershed approach was that it is an effective unit, in technical terms, for soil and water conservation. The acceptance that these physical boundaries may not coincide with human ones, whether defined geographically, socially or politically, has led to a spread in the scope of watershed projects. Watershed projects now commonly include a focus on wider rural development such as employment generation, credit, capacity building, afforestation and livestock improvement.

The policy support for watershed development, the increase in funds for such development, and the widening scope of the programs themselves, led to a proliferation of projects.<sup>2</sup> The Guidelines for watershed development were framed by the MRAE in 1994 to ensure that the approaches being used by the various programs complement each other.<sup>3</sup> So far the Guidelines cover four government programs for which they outline a procedure for implementation which operates from the state, to the district, and down to the local body. The Guidelines specify what institutions should be formed at each level to monitor the program, what their functions should be, and how the institutions should coordinate with each other.

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<sup>1</sup> A brief outline of Panchayati Raj and the 73<sup>rd</sup> Constitutional Amendment is included in Appendix 1.

<sup>2</sup> Appendix 2 contains the MRAE budget for watershed development.

<sup>3</sup> A brief outline of the Guidelines are included in Appendix 2.

The Guidelines are impressive in their scope, and in the emphasis that is put on local participation in the design and implementation of the program. However there is one institutional area in the Guidelines which stands out as having very particular constraints and potentials. This is their procedure for the involvement of Panchayati Raj Institutions. The Guidelines specify that ‘the Zilla Parishads (ZPs)/DRDAs, as the case may be, shall be responsible for implementation of these guidelines at the district level’. Further, that ‘the ZPs, Panchayat Samithis and the Gram Panchayats are also entitled to take on the responsibility of implementing a cluster of watershed projects in the capacity of project implementation agencies, if they so desire’.

These provisions have a special significance because the Panchayati Raj Institutions are constitutionally part of a national democratic system. The ideology, mode of operation, and objectives of PRIs differ from those of the district administration. The Guidelines, by using clauses such as ‘as the case may be’ and ‘if they so desire’, remain vague about responsibility, roles and coordination. The implementation of Panchayati Raj varies from state to state, within the broad parameters specified by the constitution. In some states, PRIs have been given authority at the district levels, and considerable power to wield this. However in most of the states the relations between Panchayati Raj Institutions and the district administration hangs in a balance. Despite their constitutional importance, the former often lacks political and administrative support as well as funds.

This is the context within which the Guidelines will be implemented. The uncertainties of the Guidelines are not, by definition, a problem. There is a possibility that the uncertainties can be resolved at the district, block and village level to the mutual benefit of the two systems. However, there is also abundant empirical evidence of conflict between the district administration and PRIs, which impairs the development of the systems, especially PRIs, and dilutes the effectiveness of development programs.

### **1.3 The Terms of Reference and research methodology**

This report investigates the links that exist between the administrative and political institutions in the Guidelines. Although this report focuses narrowly on the institutions as they relate to watersheds, the issue of political administrative links is much broader. I will draw on some generic issues and wider empirical evidence where it is useful, for an understanding of watershed development. The ultimate objective, of which this report forms only a small part, is to isolate means by which the two systems can complement each other to ensure effective local development.

There are four particular areas that this report will investigate:

- The philosophy and objectives of these bodies with respect to watershed development.
- The nature of the linkages – both formal and informal – between Watershed Institutions (WIs) and political bodies.
- The difference in roles and modes of operation between the two bodies and how the balance of power between these is established.
- The mechanisms that exist for ensuring the transparency and accountability of these institutions at the district, block and village levels. (Terms of Reference, 1998).

This report cannot hope to be exhaustive in the exploration of these questions. There is too much variation and too little time for such an ambition. It is also too early; the Guidelines have only been effective since April 1995 and the Constitutional Amendments since 1993. Instead, the intention is to isolate broad differences in opinion and preliminary evidence on the questions above which will assist in future policy and implementation. Both systems are in a transitional phase; this report is a contribution to this process.

### *Research methodology*

The report starts with a brief review of the empirical experience of cooperation and conflict between Panchayati Raj and the state bureaucracy. Panchayati Raj has, since Independence, excited great differences in opinion. I examine these and consider some of the conceptual issues around which they revolve. For this I draw briefly on some of the literature on decentralisation, institutional change and collective action.

The research was conducted in Karnataka and Andhra Pradesh. The federal structure of India, in which states have considerable autonomy to adapt legislation and institutions, makes generalisation very difficult. However, because it means variations within a common framework, comparisons between states can be very useful. Karnataka was chosen because it has been progressive in the implementation of Panchayati Raj prior to the 73<sup>rd</sup> Constitutional Amendment. It has also been comparatively progressive in engaging with the provisions of the 73<sup>rd</sup> Amendment. Andhra Pradesh was chosen because it has a comparatively effective bureaucracy, but has not given as much support as Karnataka to the implementation of Panchayati Raj.

The bulk of the research is based on extended interviews with those involved in the implementation of the Guidelines. This includes government officials in MRAE in New Delhi; state government officials; donors; members of Zilla Parishads and Gram Sabhas; Non-Governmental Organisations (NGOs); Project Implementation Agencies (PIAs); Watershed Associations (WAs); and academics doing applied work on Panchayati Raj.<sup>4</sup> The questions explored in detail, what the interviewees considered to be strengths and weaknesses of the political-administrative link, and how and when these could be practically resolved. The exploration of this detail was important because there is a general consensus that both Panchayati Raj and state planning are necessary. In this case the clauses in the Guidelines as the case may be and if they so desire do not constitute a problem. The differences in opinion emerge in considering the practical resolution of questions of authority and power.

### *Outline of the report*

Section 2 goes into some detail about the historical background of Panchayati Raj and state planning for rural development. The section briefly reviews the development of both systems and how they differ in operation and objectives. The purpose of this section is to illustrate that the ideal juncture between Panchayati Raj and the state administration is a subject of many debates. There is much which can be learnt from past experience on this subject. The section ends with an isolation of the key conceptual and practical research questions.

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<sup>4</sup> The itinerary is provided in Appendix 3 and the list of interviewees in Appendix 4.

Section 3 evaluates the gap between the spirit and the letter of the law on decentralisation in both the Guidelines and Panchayati Raj. It considers the ideology or assumptions about decentralisation in the two systems and whether they are compatible.

Section 4 reviews some theories on how to build capacity between institutions in civil society and the state. The section examines the relations between the institutional 'stakeholders' in watershed development, and identifies areas of likely conflict and collaboration between them.

Section 5 explores the question: what induces people to act collectively for development, and how do the two systems differ in their ability to facilitate this? This section considers these questions through drawing on the literature as well as on past evidence.

Section 6 traces the interaction of the Panchayati Raj Institutions and Watershed Institutions in watershed management from the state to the village level in Karnataka and Andhra Pradesh.

Section 7 evaluates the two systems by looking at their actual and potential accountability and sustainability. The section ends with a comparison of watershed development in Karnataka and Andhra Pradesh.

Section 8 concludes with a summary of the findings.

## **2. The legal framework and historical background**

### **2.1 Brief outline of the new policies<sup>5</sup>**

This section will provide a brief outline of the historical evolution of the Panchayati Raj system and the events that led to the 73<sup>rd</sup> Amendment. It will also detail some general features of development planning in India and the context within which the Guidelines were introduced. The objective in relating this history is to show that the development of Panchayati Raj and the instruments of state planning are closely linked. Political decentralisation has often been accompanied by an increase in the functions and power of the state bureaucracy. A consideration of the past swings between centralisation and decentralisation, and between Panchayati Raj and the state, planning is therefore useful in understanding the context of the Guidelines.

### **2.2 Panchayati Raj and the 73<sup>rd</sup> Constitutional Amendment**

The history of Panchayati Raj can be divided into three phases (Mathew, 1995). The first phase began in 1959 when the failures of state planning made it necessary to establish local bodies to ensure people's participation in development. Panchayats, for reasons I will outline, stagnated from around 1964 until the second phase began in 1977 with the appointment of the Ashok Mehta Committee. The Committee was given a mandate to find ways to revitalise Panchayati Raj. The recommendations made were intended to give Panchayats a new lease of life as democratic bodies. The third phase is the one that we are now in which is marked by the passing of the 73<sup>rd</sup> Constitutional Amendment.

The first and second generations of Panchayats were established with different principles and objectives. The first generation was established as a local body to ensure people's participation in development programs. The priority was for Panchayats to be institutions for development. In the second generation the emphasis was on establishing Panchayats as democratic institutions and local units of self-government (Mathew, 1995). The third generation has enshrined both principles in the constitution and therefore has the potential to be the most 'revolutionary' and perhaps end the phases and establish Panchayati Raj Institutions as a stable feature of Indian democracy. An assessment of this potential can usefully start with an exploration of the reasons for past failures and successes.

Panchayati Raj Institutions, despite Gandhi's insistence that they were central to a restructuring of India, were only included in the directive principles of the Constitution which is not justifiable. The process of development was entrusted to the Community Development Program (CDP), administered by the state, which was introduced in 1952. The first phase of Panchayati Raj began in 1959 due to the failure of the CDP to enlist local participation. The Balwantrai Mehta Committee, set up to explore how to redress this situation, recommended that local participation should be encouraged through statutory representative bodies which provided local people with a feeling of ownership over the projects. By 1959 all the states had passed Panchayat Acts and the system had spread throughout the country by the mid-1960s. By the early 1970s it was on a decline.

There are varied opinions on why this was so, which I will consider in more detail in various parts of the report. There is a broad consensus on two issues:

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<sup>5</sup> A brief outline of the main features of the 73<sup>rd</sup> Amendment and of the Guidelines are provided in Appendix 2.

The first area of consensus is that the state administration and state level politicians felt threatened (and still do) by Panchayati Raj Institutions. PRIs, if they fulfil their mandate, have the potential to make many of the functional roles of the state administration redundant. There is therefore, a direct conflict between the state administration and PRIs. State level politicians feel threatened by PRIs because they have the potential to erode their power base. Observers point to a deliberate plan by the bureaucracy to retard the growth of PRI, by launching state development programs (see next section) without going through the Zilla Parishads (Mathew, 1995). Funds to the Zilla Parishads were slowed down and Panchayats as agents of change were replaced by state administered development programs. The second area of relative consensus is that most Panchayats had by the 1970s become corrupt power bases for local élites (and still are). Elections were not held, allowing those who had come into power to entrench their positions and create links with state level political leaders. The centre was more interested in the vote banks created through this system than in taking any action to ensure that PRIs were democratic.

The differences in opinion lie in the achievements of Panchayati Raj during that period, and what would have happened if they had had state support. Mathew (1995), whilst admitting that many Panchayats were corrupt, argues that there are many official reports during the mid-1960s which show that there were also positive developments. These reports reveal local recognition of the value of Panchayats, the emergence of competition for local leadership, and the successful implementation of schemes, especially for education. Most critically, Mathew argues that the domination of Panchayat by élites 'is essentially a socio-political problem and could have been tackled to a great extent by holding elections at regular intervals. The resulting political education of communities, oppressed for ages, would have certainly changed the scenario' (Mathew, 1995:10). This same question, of whether democratic practice can bring development and change local power bases, is at the heart of the discussion over PRIs today. It is also the main issue that emerges, (along with practical project boundaries) in comparing the potential of WAs and Gram Sabhas.

The second phase of Panchayati Raj began in 1977 with the appointment of the Ashok Mehta Committee. There are several reasons for a renewed focus on PRIs. One was the emergence of regional parties representing regional concerns on the national agenda. States began to argue that the centre had dominated the development process and had not respected the autonomy of the states as is required by the Federal Constitution. For example, the Karnataka Minister for Panchayati Raj, Abdul Nazir Sab, demanded a 'four pillar state' based on genuine federalism and the establishment of local Panchayats. The Ashok Mehta Committee recommended that PRIs be genuine units of self-government, not merely institutions that execute state centred development programs. The Government of India (GOI) recognised the political necessity of decentralising, and appointed various committees during the 1980s to explore Panchayati Raj.

The experience of the second phase of Panchayati Raj varies from state to state. It is generally acknowledged that the most earnest efforts were made by West Bengal, Karnataka, Andhra Pradesh and Kerala. The Karnataka experience in particular has been recognised as revolutionary with a new form of district administration in which the power is devolved to Zilla Parishads, with the Adhyaksha (President) having the status of the Minister of State. However the GOI has continued to doubt the ability of PRIs and has simultaneously rearranged administrative structures at the district level and below to administer centrally sponsored development programs. Every new scheme has come with new agencies, and the business of ensuring public participation has been entrusted to voluntary organisations and NGOs.

The issues that have influenced the evolution of PRIs in the first two phases are still essentially the same issues that are being debated after the 73<sup>rd</sup> Amendment. These issues revolve around whether PRIs can manage development, and the appropriate division of tasks between the state and PRIs. Almost all government representatives, with notable exceptions, were sceptical of the ability of PRIs to implement the Guidelines. There are two main differences in the current discussions. One is the presence of NGOs in the equation, and the differences in opinion over what their role should be. The other is that the centre is less stable and increasingly has to concede to regional demands, including the demand for a decentralisation of power.

### **2.3 State planning and the Guidelines**

India adopted a strategy of state-led capitalism after Independence in which the state justified its role as directing a program of development on behalf of the nation (Chatterjee, 1994). The educated professionals, as leaders of a consensus nationalist movement, took the responsibility of planning development and assumed control of the state apparatus (Roy, 1997). They depicted planning as a rational way to pursue policies outside the political process. State planning provided for the flow of authority from the central government to the state and from there to the district, block and village. The local development bureaucracy expanded enormously after the CDP was started in 1952.

The main justification for not fully adopting Panchayati Raj, was that development has to proceed without being politically corrupted. The state did recognise the practical and political need to involve local people in development and made sporadic moves at establishing Panchayati Raj. However because elections were rarely held, and PRIs were not given funds, they became bodies which were dependent on the government for their survival. Chatterjee has noted that ‘a developmental state operating within the framework of representative politics would necessarily require the state to assume the role of the central allocator if it is to legitimise its authority in the political domain’ (Chatterjee, 1994:68). From the sixth five year plan onwards, the planning process became increasingly centralised and programs and the selective distribution of these benefits became part of the process by which the GOI retained political control. Many of the poverty alleviation programs started during this period and were directed straight to the District Rural Development Agencies (DRDAs). These are registered societies under the Collector, and were established for the central purpose of implementing centrally sponsored programs. The Gram Panchayats became part of the delivery system, and a means through which to harness votes. Most programs established their own institutions at the village level for the implementation of the project. The 1980s and 1990s have seen an enormous growth of local level institutions established by the government. Community based Organisations (CBOs) and Self-help Groups (SHGs) often carry the name of the project: Women and Child Committee, Village Forest Committee, Watershed Association etc.

The central government has been under increasing internal and external pressure to decentralise since the 1990s. The external pressure had come from rising balance of payments problems that led the central government to seek external financial assistance and accept the combined international development agenda of liberalisation and governance. The involvement of NGOs in implementing development programs in partnership with the state has been a central part of the agenda. The Eighth five year plan recognised the ‘need to decentralise control over nature and natural resources’ (GOI 1992 and 1997), and to involve voluntary organisations and NGOs in this process. The internal pressure to decentralise comes from state governments and regional movements. The 73<sup>rd</sup> Constitutional Amendment is a manifestation of the political need to incorporate these demands.



The congress (India) proposed these Amendments because of the patent popularity of non-congress parties and because the dangers of over-centralisation were becoming increasingly obvious.

This is the context within which the Guidelines were framed and are being implemented. The Guidelines specify a line of coordination for watershed projects from the central government to the village. All of the conflicting pressures for centralisation and decentralisation are manifest in the Guidelines. It is basically a centrally sponsored (with state contributions) Poverty Alleviation Program that operates directly at the district. There is an unprecedented move to give local Watershed Committees (WCs) control over the program. However centralised control over these is still a problem.<sup>6</sup> The Guidelines specify that PRIs should be involved but the legislation to do so has not yet been put into place. NGOs have been centrally involved in implementing the Guidelines but their role, and how they relate to the other stakeholders, is unclear. The resolution of these issues is heavily influenced by particular constellations of power in different states, and has to be considered within the broader perspective of the policy environment for development programs.

## 2.4 The research question

The development of Panchayati Raj and state planning, as the overview in section 2.2 and 2.3 indicates, has been intertwined since independence. The immediate question of the links that exist between institutions established for watershed development and the Panchayati Raj system is part of the broader question of how the political and administrative system should work together.

The implementation of this institutional model is complicated in practice. The Guidelines operate on ideal types and do not address existing areas of conflict and cooperation between institutions. All interviewees thought that the Panchayati Raj Amendments are a step in the right direction, and that PRIs should ultimately be responsible for implementing development programs. The differences in opinion, and debate, emerged in discussing the principles and practice of decentralisation, institutional change and collective action.

- First, what kind of decentralisation is necessary for watershed management? Although all of the interviewees thought that PRIs are important, many also thought that their involvement in watershed management in the near future was not practical. They argued that we should concentrate on effective administrative decentralisation to the institutions created by the Guidelines. The difference in opinion is essentially one over whether or not democratic decentralisation can be a means by which to achieve development. Are the people ready for Panchayati Raj or will it be captured by local élites?
- The second question is whether the implementation of the Guidelines, and the involvement of PRIs, requires institutional change. The Guidelines refer to PRIs, Watershed Institutions, the government and NGOs as ideal types. These ideal types are however based on already existing

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<sup>6</sup> At the state level, watershed activities are supervised by the State Watershed Implementation Program and Review Committee (SWIPRC), and at the district level the DRDA/ZP has administrative, financial and executive control. It constitutes the Watershed Advisory Committee for advice and assistance. The projects are actually implemented by Project Implementation Agencies which are chosen by the DRDA/ZP and which may be constituted from a wide range of organisations whether government, PRI, NGO, academic, commercial or private. To implement watershed programs these PIAs constitute a multi-disciplinary watershed development Team that can handle 10–12 watershed projects. In the village itself Watershed Associations (such as Gram Panchayats), whose members are project beneficiaries, are established for the operation of the project which should register themselves as societies. The Watershed Committee (which includes Panchayat members), subject to the approval of the Watershed Association, runs the project from day to day. See Appendix 2 for an overview of the Guidelines.

institutional alliances and conflicts. For example; alliances and conflicts between sectors (NGO, government); within the government (centre, state and district); and between PRIs and the government and NGOs. Is it necessary to change the underlying relations between these institutions for the Watershed Guidelines to be implemented? If yes, what role will the different institutions play and will there be winners and losers?

- The third question is how to stimulate and support local collective action. The existing state administration and PRI stimulate links of patronage and clientelism that lead out of the village or Gram Sabha. How can social capital be built which enables local decision-making and demands state and PRI accountability? How do the Guidelines and PRIs, and their treatment of the community, gender and caste, compare in their potential to achieve this? Critically, do political structures encourage or retard the growth of local participation and awareness

Political ideological differences on these issues are manifested in the implementation of the Guidelines in practice. Panchayati Raj and the state administration differ in their vision of decentralisation; in the institutional change they propose, and in how to organise collective action. Section 6 will explore some of the ways in which these issues are resolved in practice. In particular the routine interaction between the DRDA and the ZP; the practical resolution of boundary problems (physical, social, political); how PRIs and Watershed Institutions compare in their treatment of disadvantaged sections of the community; and what systems exist for monitoring and accountability.

The PRIs and state administration are in a period of transition. In the case of the latter this is inevitably true, but it is particularly evident now with the breakdown of central authority, and the emergence of regional state agendas for development. This is manifest in the state wise implementation of Panchayati Raj and the Guidelines. The respondents all wavered between cynicism about the potential of Panchayati Raj, and optimism that the transition was in the right direction. The Guidelines, despite the rigid structure that they lay down, leave much of the identification of authority open between hierarchies. There is a danger that this will simply mean a continuation of the status quo. However there is also the potential to make the transition to a more decentralised and inclusive development program, through both the political and administrative system. As Gandhi said of the realisation of Panchayati Raj ‘We must have a proper picture of what we want before we can have something approaching it’.

### **3. Decentralisation: the spirit and the letter of the law**

#### **3.1 Different types of decentralisation**

Decentralisation of development planning and implementation are central to both Panchayati Raj and the Guidelines. It is important therefore to examine the compatibility of the definitions of decentralisation, development and governance embodied in both systems. There are two main objectives of decentralisation: one is to enable communities to meet their basic needs to ensure physical well being and the other is the realisation of civil and political freedom, democracy and autonomy (Freire, 1970; Blair, 1986). Whether these latter are included as an explicit purpose, and if so, whether they are included as fundamental rights or simply as laudable goals, affects the political character of the decentralisation program. These questions address some fundamental issues: what counts as development? What role should the state play in development and what criteria should confine their areas of control?

The practical resolution of these issues in India has been especially influenced by two factors. The first, as partly explored in the last section, is pressure from state governments and sections of the electorate to devolve power. The second is pressure from international donors for the state to scale down direct implementation of development programs. Donors have insisted that India decentralises management and works towards good governance, described as ‘the manner in which power is exercised in the management of a country’s economic and social resources’ (World Bank, 1997:1). The agenda for good governance includes a reformed public sector to ensure efficiency and transparency. Development programs should be implemented through cooperation between the state and institutions in civil society, especially NGOs. The logic behind the construction of these partnerships is that both the state and NGOs have comparative advantages which combined, can improve the delivery of development programs. In particular, NGOs can ensure that projects stimulate ‘participatory development’ because they operate at a smaller scale, slower pace, and are more flexible and attuned to local needs. State withdrawal in India is still slow, but the importance of involving NGOs was centrally accepted in the seventh five year plan and has been manifested in the rapid proliferation of NGOs during the late 1980s and 1990s. It is especially evident in programs on poverty and the environment such as those for watershed management.

The governance agenda has a powerful influence on the way in which democracy and development are conceived in India. The governance agenda recognises the principle of democratic rights and the importance of accountability. However there is little consideration in the governance agenda of the role of democratic politics in deciding the principles of governance. ‘The question of whether demands for governance – good, or efficient, or equitable – should emanate from the citizens of a polity, and exclusively from them, is not generally raised’ (Jayal, 1997: 410). The practical relevance of these questions was manifested in the discussions that I had with respondents over the implementation of the Guidelines. What relation does governance (as exercised through the Guidelines) have to democracy and politics (as manifested in Panchayati Raj)? In practice, the state administration takes the decisions on development, and these are implemented by the Guidelines. The exclusion of politics results in a restrictive definition of democracy as defined by the formal institutions and procedures. PRIs are included in the system not as a check and balance on accountability, or as part of the procedure for making policy decisions, but as an implementing agency.

There are several implications that can be drawn from this interpretation of democracy and development. The first is that development (and the system of governance to implement it) is not

open to political contestation. The second is that good governance can ensure accountability and transparency. But to who? If institutions of governance (such as the Guidelines) are not accountable to the democratic polity (PRIs) then to who are they accountable? Third, and conversely, if the formal conditions of democracy are fulfilled (73<sup>rd</sup> Constitutional Amendment), does 'good governance' necessarily follow? As Lateef observes, 'accountability exists in the formal sense in India. We have the option to "throw the rascals out" and frequently do. But accountability is eroded by the lack of true choice for voters' (Lateef, 1992:297 in Jayal, 1997). A democracy that ensures good governance, and accountability to voters, has to be politically contested and constituted. This conclusion was abundantly clear in the operation of the Panchayati Raj system in Karnataka

The central question in most development projects today, which includes those for watershed management, is not how to work with the democratic system, but how to generate 'participation'. Participatory development describes the principle that people have to be part of the identification of their development needs and problems, and have to be part of the design for the solution. The concept of participation has been much studied and different 'depths' of participation have been identified, ranging from 'passive participation' to 'self-mobilisation' (Pimbert and Pretty, 1995). Participation is now identified, arguably, as the most important element in development programs, and the lack of participation the reason that development programs fail.

There is no doubt that participation is important: but how do participation in democratic development and participation in development projects compare? An assumption of the participatory logic of the latter is implicit in the participatory logic of the latter is the assumption that the root cause of social problems can be located in local social attributes, rather than the structures, property regimes and social orientation of the state. Participation is intended to empower local people and enhance project effectiveness by ensuring that people have a stake in the project. Participation in this context is a component of a project and confined to implementation. The participatory process does not influence the definition of priorities at the district, state or national level, and as a component of an externally assisted program, it is insulated from formal political processes.

The notion of what decentralisation entails, and how communities should participate, is a major difference between the Constitutional Amendment and the Guidelines. The usual reason given for not working through PRIs is that they are governed by élites and too corrupt. This logic assumes that governance can bring development, and that development should precede democracy. As Jayal notes a person becomes a 'citizen-in-the-making', 'a subject: a passive recipient of rights, enjoyer of governance, beneficiary of development' (Jayal, 1997: 410). Whilst this option sounds unattractive, there is plenty of evidence from East Asia that the benefits of state administered development can be substantial. There is also plenty of evidence from the early days of Panchayati Raj that the human costs of challenging power structures at the local level can be hard.

I have drawn the lines between participatory development (as envisaged in the Guidelines), and democratic development (as provided for in the constitution), sharply for illustrative purposes. The difference is tangible. However in practice, both government officials and NGO interviewees saw the boundaries between the two as more fluid. They all agreed that democratic development is the final goal and that building local capacity could lead to this objective in a less confrontational, more efficient manner. Local opinion on how to do this varied, as I will go on to discuss. However, there is some positive evidence of the interaction between WIs and PRIs that I will return to consider in section 6.

## 3.2 Decentralisation in practice

The discussion above considers the 73<sup>rd</sup> Amendment and the Guidelines in the ‘spirit’ in which they were written. The difference between ‘the spirit of the law’ and practice was a recurring theme in all the discussions. The Guidelines and the 73<sup>rd</sup> Amendment are both progressive on paper. However it is important to recognise the loopholes which provide escape routes from transferring power and authority to local bodies. The Guidelines provide for devolution of decision-making power from the central government down to the local level. They are also considered to have the potential for stimulating ‘a tremendous change in the attitude of government functionaries...[and so]...a quiet revolution in rural India’ (Eswaran Committee Report: 21 in Turton et al. 1998a). The 73<sup>rd</sup> Amendment provides for units of self-government that will fundamentally and permanently alter the democratic process. This section takes a closer look at the legislation on each system and then considers the implications of these for decentralisation in general and the implementation of the Guidelines in particular.

### 3.2.1 Decentralisation in the 73<sup>rd</sup> Constitutional Amendment<sup>7</sup>

The 73<sup>rd</sup> Amendment has been widely welcomed as constituting landmark legislation (see appendix 2) which provides a constitutional basis and continuity to the Panchayati Raj system. It specifies that Panchayats shall be established throughout the country at all three tiers, that elections shall be held every 5 years, that one third of all elective seats shall be reserved for women and about 15–18% for scheduled castes and tribes. It has specified a developmental role for Panchayats at all three tiers and a District Planning Committee to coordinate these. The 29 areas over which the PRIs have jurisdiction are provided for in the eleventh schedule of the constitution. A state Election Commission has been established to supervise Panchayat elections and a state Finance Commission to make recommendations about the principles that should govern the distribution, sharing and raising of revenue. The state governments have been given considerable freedom over how the ‘spirit’ of the Amendments is to be implemented. These are specified in the Conformity Acts that the states are required to submit to the central government. As a long time observer of Panchayati Raj commented ‘PRIs have now become an inalienable part of the Indian polity. We cannot work around them any longer. They are here to stay.’

These are all positive developments. Unfortunately there is a considerable gap between the spirit of the legislation and the manner in which it is being implemented. In almost all states the implementation of Panchayati Raj has gone through phases of focussed attention and decline. Political parties often disable PRIs established by a previous government in order to disable what they perceive to be local power bases of that government. Political parties also frequently promise Panchayati Raj as part of their election manifestos, and then establish these in some form, however diluted, when they are elected. Both these swings are apparent in Karnataka and Andhra Pradesh. Karnataka passed a very progressive Panchayati Raj Act in 1987 under the Janata Dal government that attracted attention all over the country because of its radical provisions for the devolution of power to districts and villages. The general approach was that any activity whose area of benefit did not extend beyond the district should be managed at that level. The DRDA was abolished and merged with the Zilla Parishad, which was given wide-ranging functions. Detailed orders were given by the state government specifying the programs, personnel and funds of each department that would be put under the Zilla Parishad. The Adhyaksha was given the status of State Minister. In Andhra Pradesh the Telugu Desam Party made a reconstruction of Panchayati Raj system part of

<sup>7</sup> This section is drawn in particular on the legislation and conformity acts of Karnataka and Andhra Pradesh.

their election manifesto in 1984. They created a third tier that brought ‘government closer to the people’ and held elections in 1986.

There has been some progress in both states to implement the recommendations of the 73<sup>rd</sup> Amendments. However this is a slow process and many observers have commented that in both states PRIs are actually less decentralised, autonomous and progressive than before. In Karnataka the congress government rolled back many of the provisions of the earlier act in the early 1990s. I will consider the provisions of Panchayati Raj in more detail in section 6 in the context of the Guidelines. The remaining part of this section will focus on some problems in the implementation of both the spirit and the letter of the law, which are common to most states. The broad areas of concern are:

- the lack of functional autonomy and poor identification of what constitutes self-government
- the lack of financial autonomy
- lack of legal authority. Underlying all of these is political and bureaucratic opposition to the full-scale decentralisation of power

### *Functional and administrative decentralisation*

Although the Constitution identifies Panchayats as institutions of self-government, the scope of ‘self-government’ has not yet been defined. The state governments have been given the freedom to decide on the operation of PRIs and many have chosen to interpret self-government as ‘agency for the implementation of development programs’. The accepted norms of decentralised self-government are:

- A function that can be done at a particular level should be done at that level and no higher
- the allocation of functions at the various levels should complement each other
- the line of command should be clear so that the autonomy of each tier is observed
- PRIs can never be units of self-government if they continue to function as agents of the government
- local level planning of local resources should be an important function of Panchayats, and should be backed by financial and judicial powers (Institute of Social Studies, 1995:19)

In most states decentralisation has been limited to development works on the 29 subjects listed in the XIth Schedule, and even in this narrow domain the transfer of authority has been haphazard and the division of powers unclear. The state government retains the power to assign or withhold functions, which is constitutionally a job for the state legislatures. The bureaucracy has been reluctant to frame the rules for decentralisation and most poverty alleviation projects still flow through the DRDA. Watershed development, which is on the XIth Schedule, is a case in point. However in Karnataka, as section 6 will explore further, the process of decentralisation has gone further than in most states. Watershed projects are run by the Chief Executive Officer (an administrative officer) who operates from the Zilla Parishad of which the Adhyaksha, an elected

representative, is the President. The balance of power between them is a delicate matter that I will also return to in section 6. In Andhra Pradesh watershed projects are presently run through the DRDAs.

### *Financial autonomy*

Functional autonomy has little meaning unless it is backed by financial autonomy. PRIs have survived mainly on 'grants-in-aid' from the central and state governments. Central funds for specific schemes are meant to flow directly to PRIs (through DRDAs if they exist) with Panchayats acting as the delivery agents for these schemes. In addition Gram Panchayats receive an annual grant from the state government. Under the 73<sup>rd</sup> Constitutional Amendment Gram Panchayats are eligible to raise revenue and to a share of state revenue. However the details of this are left to the state Finance Commissions and most of these have yet to specify their conclusions.

Commentators have argued that the devolution of revenue-raising powers to the Gram Panchayats is critical (Oomen, 1995; Rajaraman et al. 1996; GOI, 1997). Rajaraman et al. argue that fiscal devolution should be linked to the functions which are listed in the XIth Schedule. These subjects, such as levies on water resources, and royalties on the use of common property, constitute the 'natural domain' of local government. However presently they are being collected by the state. The approach paper to the ninth five year plan states that 'the Panchayati Raj Institutions must mobilise local resources and the State Act must empower them to levy taxes and cesses at different levels'. Further that 'in the case of Centrally Sponsored Schemes, it is proposed that during the ninth plan the flow of funds would be directly tied to the Panchayati Raj Institutions' (GOI, 1997).

The details of the provisions for tax assignments and tax sharing are given in appendix 3. The details of how to assign tax duties and revenue-raising powers to different tiers of the PRIs is a very complex issue. Many commentators argue that it is a vital starting point for autonomy. Revenue collection from; water, forests and other common resources are not so complicated and have the potential to provide large revenue to the Gram Panchayats. The ability to raise revenue, or to collect public contributions, is important not only as a source of income but as a means through which to promote participation. It is also a means through which to promote accountability to local people.

### *Judicial autonomy*

Finally, the transformation of PRIs into units of self-government is hindered by their lack of judicial autonomy. Local self-government without any policing or judicial powers lack credibility, and therefore one of the provisions that many observers have stressed is essential are Nyaya Panchayats; a system of decentralised justice.

## **3.2.2 Decentralisation and the Guidelines**

The Guidelines provide for a devolution of decision-making powers to the district and for the transfer of funds from the central government, along with the share from the state government, to the district, and from there directly to the Watershed Committees. As such it is no different from most of the poverty alleviation programs which run through the DRDA. The Guidelines also specify that the Watershed Committee should open a bank account for the receipt of money for watershed development. Another interest bearing account is to be opened for money generated by the project

in contributions, user fees etc., to be used for post-project watershed maintenance. Both funds are under the management of the Watershed Secretary, a member of the Wasteland Development Team, and the chairman of the Watershed Committee. This provision for decentralisation of funds is new. So is the emphasis that the Guidelines place on cooperation between government institutions, NGOs, and PRIs.

The extent to which the Guidelines are able to ensure decentralised watershed development is limited by several factors. First, the Watershed Secretaries, PIAs, watershed development Trusts (WDTs), WAs, and WCs are all approved from the hierarchy above them. All of these institutions are dependent on the hierarchy for funds and are in the final instance accountable to the government. The tendency for the Collector to retain control over decision-making persists in the implementation of the Guidelines. 'Collectors continue to retain control over decision-making processes, rather than moving towards a more facilitative and supportive role emphasising a decentralisation of power and responsibility' (Turton et al. 1998a:6). The extent to which the Guidelines can ensure watershed management can only be judged by what remains in terms of physical or institutional capacity and structures once the project withdraws. This is a subject that I will return to consider in section 6.

The Guidelines specify throughout that the PR institutions can, may, and should be involved in the implementation of watershed development programs. However without specifying their areas of authority the Guidelines leave the operation of the Guidelines to the status quo in power relations, and in most states the upper hand is held by the state administration.

- There are several areas in which immediate questions arise. The Guidelines (article 39) provide for the establishment of a District watershed development Advisory Committee (DWDAC). The 73<sup>rd</sup> Constitutional Amendment (Article 243 G) provides for the establishment of a District Development Committee (DDC). The XIth Schedule lists watershed development as one of its areas of control. Is this a duplication of activities?
- The Guidelines state that 'the DRDA/ZP, as the case may be, shall be responsible for the implementation of these Guidelines at the district level.' (article 29). The ZP can be responsible for the implementation of the watershed program 'once they come into operation with adequate powers and resources'. Where the DRDA has been made responsible, the Chief Executive Officer will be a member of the advisory committee. 'The Zilla Parishad at the district level and the Panchayat Samiti at the block level shall have the right to monitor and review the implementation of the program' (Article 29). As I will go on to discuss in the report, given the past experience of working relations between PRI and the administration (an experience which is being currently repeated) these provisions are very vague and will not change the status quo
- WIs are not legal or statutory bodies and there is considerable uncertainty over their legal rights over renewable natural resources and the contractual arrangements that should govern the relations between them and the owners (state governments or PRIs). WIs have the right to register themselves, and are encouraged to do so in the Guidelines. Sporadic efforts have also been made to federate these groups at the district and sub-district level. As independent organisations these groups can federate at whatever level they want to, but if they are supported by development organisations and donors then they may conflict with higher level PRIs (Arora, 1998). The PRIs have been created for decentralised development so perhaps there should be more of an explicit appreciation of their ability to provide the umbrella institution. The Karnataka Panchayati Raj Act through an Amendment in 1997 provides for committees to be set up by the GP for specific purposes with provisions to have non-elected persons to be members.



This arrangement has been provided to fill the gap that existed at the village level of any institutional arrangements to involve the community in development work

- The ninth plan provides for the provision of funds for centrally sponsored schemes to go directly to Panchayati Raj Institutions. Interviewees from the Department of Rural Development (DRD) in New Delhi confirmed that this was being considered. How will this be coordinated with the funds going for watershed development? What is the position of the state governments on this? All of the interviewees from state governments saw the devolution of funds to the district level (whether PRI or DRDA) as, in the words of one interviewee ‘a vote of no-confidence against the state’. They considered it to have detrimental affects for the evolution of decentralised government. I will return to consider this issue again in some detail in later sections

### 3.3 Summary

There are several conclusions that can be reached from considering the history of decentralisation in India. The first is that a common way to avoid implementing the spirit of the law is to pay a lot of attention to the letter of the law. A respondent in Bangalore commented about Panchayati Raj ‘the law itself is a shifting target. How can we possibly implement it?’ Without specific measures to implement laws on decentralisation, it is likely that the status quo power will continue to dominate, and in most states this is held with the bureaucratic and the political élite. The publication of the 73<sup>rd</sup> Amendment is therefore a necessary but not a sufficient condition for decentralising democracy. The second related conclusion is that it is important to deconstruct what is meant by decentralisation and not to confuse the roles of the administration and the political system. Both systems have very vital and very distinct roles to play, as the summary in section 6 explores. An efficient bureaucracy that can deliver services and goods continues to be important in a decentralised political system. However decentralisation without a transfer of authority and autonomy is effectively ‘passing the buck along’ and diversifying opposition to central control.

## 4. Institutional change, cooperation and conflict

### 4.1 Institutional failure

The respondents in this study often commented that India today is in a period of institutional transition. There is a widespread recognition that the state, and in particular the central government, has 'failed' in planning development, and that a broader institutional alliance is now critical for this purpose. The Guidelines are a representative reflection of this transition and change in approach. They provide for collaboration between the government, democratic institutions and NGOs. This section will look at the linkages, both formal and informal, between these institutions. The guiding questions are: what are the determinants of institutional change? What comparative advantages do the different institutions have for watershed development? What are the areas of conflict and collaboration? If we follow the 'spirit' of the 73<sup>rd</sup> Amendment and the Guidelines, which institutions, if any, have to change and how?

The pressure for institutional change in development planning and implementation, as noted in the last section, has come both from international donors and from internal political and economic pressure. Within Indian State Governments, regional movements, and an increasingly mobilised electorate have put pressure on the central government to decentralise. International donors have at the same time placed pressure on the government to continue economic liberalisation and to scale down the public sector. The emphasis is no longer on state withdrawal (as it was in the early 1990s) but on public sector reform and capacity building. This change in perspective is partly due to revisionist perspectives on the role of the state inspired by development in East Asia and the role of state bureaucracies in enabling this (Evans, 1996). Empirical and conceptual work arising from the new institutional economics framework has also challenged the dominant role ascribed to the market during the 1990s. The general trend has been to a reconsideration of the role of the state, rather than prescribing its withdrawal. 'Matching role to capability involves not only what the state does but also how it does it. Rethinking the state also means exploring alternative instruments, existing or new, that can enhance state effectiveness' (World Bank, 1997:27).

These ideas provide the official context of development policy and the operating principle for donors. In India the importance given to institutional cooperation in development planning is manifested in the eighth and ninth five year plans and in the rapid growth of NGOs involved in poverty alleviation projects throughout the 1990s. The rethinking of the role of the state has led to a large literature on cooperation between the state and civil society institutions. The role that political institutions should play in this collaboration is less evident. The importance of 'democracy' and of social movements is generally recognised but the practical role of politics or of local political institutions remains unexplored (World Bank, 1997).

This policy failure to examine the role that political institutions should play in the development programs is reflected in the discussion around the implementation of the Guidelines. The theoretical and practical concentration has so far been on the role that the government should play, where and how it should cooperate with the voluntary sector, and in which areas there is a need for capacity building. However, as White argues, an effective crafting of institutions requires us 'to think systematically about the political dynamics of democracies in developing societies' (White, 1995:35). This section will first look at the arguments made for state-society collaboration in the literature and in practice. The importance given to political institutions, and their potential role, can be deduced by what the literature assumes, and what it leaves out.

## 4.2 Collaboration between the State, NGOs and Civil Society Institutions

Most recent poverty alleviation projects in India have emphasised the importance of involving both NGOs and local civil society institutions, such as CBOs or SHGs. The Guidelines for watershed management are typical in this respect. The rationale for NGO involvement is that: they operate on a smaller scale; have a better understanding of local priorities, and are more flexible in their methods of implementation. They are able to synthesise practice and policy because they are embedded in both worlds (Edwards, 1994:116). These comparative advantages hold true for watershed management, as an exploration of the performance of NGOs and the government as Project Implementation Agencies has established (Turton et al. 1998a).

These arguments about the comparative advantages of NGOs in the implementation of projects have been expanded to a broader consideration of state-society synergy. The principle is ‘that active government and mobilised communities can enhance each others developmental efforts’ (Evans, 1996:1119). A recent collection of studies (World Development Special Edition, Vol.24, No.6) on state-society relations has identified two underlying processes that contribute towards synergy. The first type are complementary relations between the state-society where putting together the resources of both results in a greater joint output than either can deliver on their own. In watershed development the classical division would be the government providing the technology, the people providing the labour and the local knowledge and the NGOs facilitating the interaction between the two. The other type of relation is one of embeddedness; the notion that state-society relations are affected by ties that cut across the public-private divide. Such relations have conventionally been considered in terms of the hazard of corruption and rent seeking. Empirical studies have shown the beneficial affects of such ties by increasing accountability and building on behavioural characteristics such as trust and obligation.

The seminal studies on the operation of complementarity and embeddedness in the context of development projects and programs have been done on irrigation departments and their clients. Like those departments working in watershed management termed as ‘street level bureaucracies’. The operators of these departments:

- Interact daily with citizens-clients in the course of their jobs
- have substantial discretion in the execution of their work
- use their discretion in ways that are not easy to monitor, in the sense that it is difficult to identify precisely what they do. Wade (1993) has compared the operation of the irrigation department in India and South Korea and tried to understand why the latter operates more effectively

Wade examines the structure of incentives and supervision in the two national departments, and the role of the patroller who links the bureaucracy with the clients. The Indian patroller is a full-time employee who is appointed to the area by the engineer in charge and then rotated every six years and not allowed to work in his native area. The thrust of these rules is to minimise contact with the locality and maximise that with the bureaucracy. The Korean incentives are the reverse; the patroller is a part-time employee who must farm in the area in which he works. He is appointed by the headman and must be re-nominated every year. The supervision arrangements in the two departments differ as dramatically as the incentive structure. In the Indian department, supervision proceeds up to the central level in a strict geographical hierarchy. By contrast, the supervision arrangements in Korea operate in a much flatter hierarchy; the supervisor travels up and down the command area, observing the operations and stopping to chat with the patroller and farmers. Wade argues that the essential difference in the

performance of the two departments is that ‘the Korean type of irrigation structure itself maximises the spillover of community social capital into the irrigation organisation and then generates more inside the organisation, while the Indian structure minimises it’ (Wade, 1993:53). An attempt to build institutional capacity would most probably miss the mark if it did not recognise the importance of these wider relations in organisational behaviour. The Indian system, with a high cost of moving information, a single tall hierarchy, and no downward accountability, permits opportunistic behaviour between the department and their clients.

These case studies are interesting for the case of watershed management because they illustrate how bureaucratic structures can influence the behaviour of officials and also, how the operation of these structures cannot be understood without considering the effects that they have on the informal relations between the bureaucracies at the ‘street level’ and their clients. The Guidelines have made a commitment to changing both bureaucratic structures and behaviour. The emphasis has so far been based more on the construction of complementary relations than on increasing the embeddedness of the relations between state and society. Sections 6 and 7 will explore these relations in the context of the Guidelines.

### *‘Endowments’ and the potential of institutional ‘construction’*

The notion of complementarity and embeddedness are useful in an understanding of different elements in state-society synergy. However they are descriptive and leave the question of ‘how to get there’ unanswered. The concept of endowments and constructability are fundamental to answering the question of how to create state-society relations. Does the creation of such relations depend on pre-existing endowments of social capital? Or can the application of ‘soft technologies’ such as capacity building of various kinds construct synergy over relatively short periods of time (Evans, 1996)? These are some of the questions that arise when considering the institutional alliances which the Guidelines are based on. Communities are usually not homogenous, governments and NGOs compete, and governments are not accountable to people. Can these relations be reversed within the cycle of a watershed project? At least reversed enough so that the benefits of watershed management are sustainable?

‘What of the empirical evidence of the importance of endowments of social capital in the three parts of watershed projects: civil society; the public administration and the political system?’ Putnam (1993) has stressed that good governance is created by social capital that is accumulated over long periods of time in civil society. The imputed scenario for watershed development is the proliferation of CBOs of different types who build networks of local trust and reciprocity. These networks will in time create good and accountable government from the bottom up. But how long will this take? The case studies in World Development find to the contrary that whilst micro-level social capital, such as exists between homogenous communities is positive, it is not a key constraining factor in successful state-society synergy. ‘The limits seem to be set less by the initial density of trust and ties at the micro-level and more by the difficulties involved in “scaling-up” micro-level social capital to generate solidary ties and social action on a scale that is politically and economically efficacious’ (Evans, 1996:1124).

An exploration of irrigation systems in Taiwan (Lam, 1996) collective action in Mexico (Fox, 1996) and, most relevantly, development in Kerala (Heller, 1996) all find that the stock of social capital were not the main reasons for state-society synergy. Heller (1996) argues that Kerala’s success in community mobilisation is not a consequence of pre-existing social ties. Traditional parochial loyalties, underlined by caste, would have resulted only in the same type of vertical linkages that are

a problem in the rest of India. Instead, success lay in relating these ties to a more universalistic set of identities, and scaling-up personal and community ties into encompassing forms of organisation that can effectively pursue developmental goals. This conclusion has very positive implications for the operation of the Guidelines. Section 6 will consider in more detail the comparative advantages of PRIs and Watershed Institutions in scaling-up personal and community ties.

What endowments of social capital are necessary in public administration and what shape should state-society relations take? There are two competing perspectives on this question: one that emphasises the importance of Weberian bureaucracies in making sure that embeddedness does not become a cause of clientelism. The other perspective emphasises the importance of decentralising the bureaucracy and sensitising it to in-puts from the 'bottom-up'. Both perspectives are represented in discussions over the role of the bureaucracy in India and both are evident in the Guidelines. Whilst there are hopes for a 'quiet revolution' in India through a reorientation of the bureaucracy to the grass-roots (Eshwaran Committee), this is not yet represented through a change in the structure. The case studies in World Development, especially those of Taiwan, Korea and Kerala, suggest that a tightly controlled hierarchical bureaucratic structure does not negate the construction of state-society synergy.<sup>8</sup> In fact, in Taiwan the structure of the irrigation department gives farmers the confidence that water will be delivered and increases the incentive for cooperation at the local level. The tight bureaucratic structure does not interfere at the grassroots, leaving local officials and people to work out their problems. What is critical in the operation of the bureaucracy is the structure of incentives, authority and responsibilities. In Kerala, land reform and the identification of party and state officials with their constituents has been a critical part of the construction of state-society synergy. In Taiwan, authority at the top is closely linked to responsibility, and incentives at the bottom are closely linked to an accountable performance. The public administration in India, as I will go on to suggest in section 6, is weak in both areas.

What of political interests and their effect on endowments of social capital? This is the third influence in the operation of the Guidelines but it is often relegated to the background in discussions. Further much of the discussions of state-society synergy, recognise conflict but then goes on to ignore the operation of this in practice. Most of the studies implicitly assume that communities are relatively homogenous. They then extend that assumption to the public sector and assume that this sector has shared interests with its constituents. The creation of state-society synergy then becomes a question of overcoming collective action problems. However what if a community is divided by conflicts created by property rights and caste, and the public sector is not accountable to its clients? The question that then arises is whether political competition is a useful way to resolve these conflicts. 'Political regimes no less than bureaucratic structures condition the possibility of synergy and social capital formation' (Evans, 1996:1127).

The World Development case studies generally find that political competition has a positive influence on the creation of social capital. The case study of Kerala illustrates how political competition has sustained the commitment of parties to mobilisation and capacity building, amongst weaker groups. Competition can help prevent the ability of individual élites to interfere in development projects and make projects accountable to local people. However there are two preconditions for the effectiveness of political competition in creating state-society synergy. First the competition must follow mutually accepted ground rules, and power groups must not be allowed to interfere with violence or coercion. Second, a technical issue, there must be an efficient administration which can deliver the goods and services offered by competition.

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<sup>8</sup> The positive depiction of Taiwan and Korea is not intended to convey that they are free from problems. South Korea in particular is well known for its political corruption. The picture is therefore one of relative capacity.

### 4.3 The process of institutional transition

State 'failure' in development planning is a widely acknowledged fact and has led to the recent moves to reform the state and to involve other institutions. Complementarity in state-society relations is generally acknowledged as a critical component of successful development programs. The Guidelines are a recent and innovative attempt to build institutions according to a stylised ideal of state-society interaction for development planning. There are two critical questions that an examination of the system in practice raises. First, how can we explain differences in institutional performance? Secondly, having identified the desired institutional combination, why do we not establish these? If rigid bureaucratic structures with flexible local officers are the ideal then why not change all line departments to operate in this fashion? If political competition is positive for breaking traditional caste and hierarchical alliances then why not allow such competition to flourish? The Kerala design is widely acknowledged to have enabled development: so why not replicate it throughout India?

On the first question, Khan (1996) has argued convincingly that understanding why similar institutions perform differently depending on the context requires an understanding of the political settlement. The political settlement is a balance of power: 'the balance of power determines what is demanded, by whom, and on what terms. It also determines the feasible responses of the state to such demands, given the structure of supply' (Khan, 1996:18). An understanding of the political settlement is critical in understanding how institutions work. Why, when the Guidelines are so uniform, is their implementation so different in Karnataka, Andhra Pradesh and West Bengal? 'One consequence of recognising differences in the political settlement is that it is possible to explain why performance rankings of institutions in one political settlement may not be transportable to another' (Khan, 1996:77). Andhra Pradesh has a relatively accountable bureaucracy, but it would not be possible to reconstruct this in Orissa without an understanding of the political settlement within that state. Similarly, it is possible to decentralise a political system without changing property rights or the political settlement through which it operates. A comparative analysis is therefore useful only if these differences in the balance of power are taken into account.

Which leads to the second related question; why are successful models so difficult to replicate? The notion of transition costs suggested by Khan is useful in providing a framework within which to ask this question. He argues that 'most important institutional changes are politically resisted by the losers ... the intensity and extent of resistance is the real 'cost of change' faced by its initiators, namely, the transition cost' (Khan, 1996:81). This transition cost is one of the main reasons that institutions do not simply change in the direction of increasing efficiency, for as Khan notes, even a predatory state could benefit from growth. So, it may be more efficient for the entire system if development projects reached their clients and stimulated growth, but such a transition faces political obstacles.

This notion of the transition, and the costs of transition, was one often remarked on by the respondents in the study. 'The government will not like to give up its power. The Collector now is like a Nawab during the colonial times. He is a very important man and everyone gives him respect.' These transition costs were most often mentioned in relation to Panchayati Raj: 'It will take time because there are vested interests who will lose if PRIs become powerful' was one explanation, 'it is important not to be impatient, Panchayati Raj is part of a long-term program. There are powerful interests against it at the village level. We need a long-term program to change these interests'. The transition period, for PRIs, was most commonly placed at around ten years. 'Everyone says that Panchayati Raj is a good thing, but this is only lip-service. The bureaucrats and Members of Legislative Assemblies (MLAs) are against it'. The following comment is also

representative: 'it will take a long time to change which is why we have to start working with PRIs right away'.

#### **4.4 Conflict and collaboration in the implementation of the Guidelines**

What are the transition costs in the manifestation of the Guidelines? What is the political settlement that will influence the way in which they are implemented? The Guidelines will have to operate with already existing institutional alliances and conflicts. For example: alliances and conflicts between sectors (government, NGO) within the government (centre, state and district); and between PRIs, governments and NGOs. This section will briefly consider some likely trends in the relations between them based both on the literature and on the fieldwork in Karnataka and Andhra Pradesh. Section 5 will look at these relations at the village level.

##### *Party political conflict*

Panchayati Raj has been used as a political tool, in various ways, by all of the governing parties. This is not inherently bad, but very few have delivered on promises to establish an empowered Panchayati Raj system. The congress government oversaw the establishment of PRIs in the 1960s but by working around them and suspending elections, rendered them virtually useless. Instead PRIs became a means through which the congress government could gather vote banks in exchange for the selective distribution of some development projects.

The major movements to re-establish functioning PRIs in the last decades have all come from state governments, often as part of their drive to gain autonomy from the centre. The governments of West Bengal, Karnataka and Andhra Pradesh have all at various times included PRIs as part of their election manifesto. This has often been established in the face of enormous opposition from the central government: the Minister for Panchayati Raj in Karnataka only managed to get the GOI to pass the Act after threatening to fast unto death.

PRIs established by a given government are often perceived to be a threat by succeeding governments who perceive them to be the local power bases of that regime. Thus the first thing that congress did on being re-elected in Karnataka was to roll back many of the powers that the Janata Dal had given to PRIs. Panchayati Raj will always be affected by the agenda of the Party in power at both the centre and state level. This is inevitable, and in itself not a problem. The problem lies:

- in the fact that most of the parties are reluctant to decentralise real power down to PRIs
- that they are able to give and take power away from PRIs, more or less as they wish

However, PRIs are increasingly able to exert pressure on the government, whatever the party, to devolve power. 'So far as political parties are concerned, whatever may be their reservations, and some reservations still continue, they should recognise that in recent years there has been a great deal of public debate and discussion and indeed demand for decentralisation. And I think what has lent further power to this demand is our accumulated experience of development in this country over the past four decades. The crux of this lesson is that development cannot acquire dynamism, equity, speed and fuller mobilisation of resources and their efficient use without the aid of decentralisation' (Jain, 1991:20). The 73<sup>rd</sup> Constitutional Amendments are evidence of this recognition that some power will inevitably have to be decentralised. A retired Indian

Administrative Service (IAS) man commented ‘the government feels as if it is holding a tiger by the tail. They know that in the long run they cannot hold a tiger, but they are scared that if they let go it will bite them’.

### *Administrative and political conflict over decentralisation*

The single biggest obstacle in the way of Panchayati Raj is political and administrative conflict against decentralisation. This is common to all political parties, although less of an issue with cadre based parties like the Communist Party of India (Marxist) in West Bengal. It is also not a single ‘organised’ obstacle against decentralisation, but a complex web of shifting alliances the operation of which is a much-debated subject. This section can therefore only present a stylised version of some of these alliances and some widely accepted arguments about how they operate.

One of these general trends is that the central government, until recently mostly congress but this is true for all Parties, has been opposed to decentralisation. Many of the subjects that were on the state list have been shifted onto either the concurrent or the central list. Therefore in practice the centre has taken functions, powers and authority that are well beyond what had been allotted to them in the constitution. The enormous growth of centrally sponsored poverty alleviation schemes on subjects that are on the state-list are a good example. Many observers argue that the first necessary step in decentralisation, either for Panchayati Raj or development programs, is the restoration of powers to the state. The centre prefers to allocate them directly to the District Rural Development Agencies, which are registered societies established especially for this purpose.

This conflict between the centre and the state is still apparent and is a major conflict in the implementation of both Panchayati Raj and the Guidelines. Respondents at MRAE in New Delhi said that the reason for sending funds directly down to the DRDA, is that if they are sent to the state, they will take a long time to reach the district, and may be temporarily diverted for other purposes. In fact at the centre many expressed a preference to by-pass even DRDAs and Zilla Parishads and channel funds directly to Gram Panchayats and Watershed Committees. This proposal was incorporated into the approach paper of the ninth five year plan. A respondent in the Department for Rural Development in Delhi said that strengthening the Gram Panchayat was imperative. ‘Let the Zilla Parishad and the DRDA fight it out. The ZPs can take it, they are not innocent fellows. We should target the Gram Panchayat directly’.

So what is the problem with this? I asked a retired IAS respondent and he commented ‘it is like a vote of no confidence against the state governments’. Nobody denied that the state governments are slow to release money, but they all argued that bypassing the state was not the solution. Most commentators would argue that the centre does not have the necessary information to make decisions about what is appropriate at the village level. Chief Minister Naidu of Andhra Pradesh criticised this process: ‘even what is to be done at the village level is being decided in Delhi’ (Deccan Chronicle 29 May 1998). Further, the funds are allocated through political filters and have political favours that have to be repaid in return. A retired IAS respondent: ‘they are sending the funds straight to the district level because they want people to think that it is only the central government that can help. It is a populist move’.

One of the arguments made at the Centre for Direct Intervention at the district level is that state governments themselves centralise power. This is also generally true. One of the biggest sources of opposition to Panchayati Raj has come from the state level and from MLAs in particular. This is true even of states like Karnataka which have introduced fairly progressive Panchayati Raj



legislation. Today the biggest problem in decentralisation is the opposition of MLAs. In particular they are reluctant to give powers to the Taluk Panchayats, because that is their constituency. This is a generally accepted fact, repeated often in both Karnataka and Andhra Pradesh. The MLAs have a considerable amount to lose from a fully functioning Panchayati Raj system, especially if the Taluk Panchayats are fully empowered. The Taluk is their constituency, and it is there that they harness votes and deliver favours. 'Even the Janata Dal MLAs were not fully convinced of the rationale for the erosion of their power and status. How can lesser mortals – the small village leaders – usurp their (the MLA's) powers "to hold all that they surveyed", the latter would ask' (Mathew, 1995:62).

The MLAs have fought hard to prevent any real devolution of power. The most evident manifestation of their control is that they are members of the Taluka Panchayats of their constituencies and therefore have a direct influence on developments there. In Karnataka the MLAs have an 'MLA development program' which directly competes with the development programs of the Zilla Parishad and is a clear avoidance of the spirit behind Panchayati Raj. Several respondents at the workshop on watershed development in New Delhi mentioned conflicts between the MLAs' contractors and the Zilla Parishad contractors for tenders.

The centralising tendencies, and the conflict between the state administration and PRIs, continue at the district level and below. Within the Panchayati Raj system the centralising tendencies work against the transfer of powers from the Zilla Parishad to the Taluka Panchayats and the Gram Panchayats. Within the state administration the tendency for centralisation within line departments, for the long line of command and upward accountability, and for Collector Raj, is well-known. The struggle between the state administration and the PRIs for control is also most apparent at this level, and there was plenty of anecdotal information from the respondents about this conflict. It is at the district level and below that many of the votes are gathered, that funds are diverted, and that promises are made.

In the context of watershed management this is especially apparent in the frequent vague mentions of Contractor Raj, of projects being delivered to specific blocks, and of favoured appointments of PIAs, and WCs. These jobs, positions and allocations, have a price on them, as was frequently pointed out in Karnataka. It is at the district level and below that many of the costs of transition will be determined. Khan has noted that it is often assumed that the political settlement that underlies the operation of the state is patrimonial. That is, the state is the 'patron' that distributes benefits to its clients for a share of rents or political support. In fact the evidence suggests that this vision does not depict the reality of the operational constraints on the state. Khan proposes an alternative depiction – the clientelist political settlement – that recognises that states often lack legitimacy. The main characteristic of the clientelist political settlement is that 'the property rights defined by the state are weakly defined and are contested by well-organised social groups who are able to challenge the rights being enforced by the state' (Khan, 1996:18).

This alternative conceptualisation of the dynamics underlying transactions between the state and civil society has several implications for a consideration of transition costs. Because existing rights are likely to have been negotiated politically in the past, it will be difficult for a weak state to withdraw and transfer these, because the political costs will be too steep. The state may thus prefer to create new rights than transfer existing ones. I will consider these questions in some detail in the watershed context in section 6.

### *Relations between PRIs and the state administration*

Many of these structural conflicts over power and resources are manifested in differences over work patterns, incentive structures, and work cultures between PRIs, NGOs and the state administration. Some of these differences are themselves structural and some are more behavioural. There has been plenty of work done recently on differences between the state administration and NGOs, as well as plenty of good work on how some of the more superficial differences can be resolved. Many initiatives to resolve these conflicts have been relatively successful; the partnership between the government and NGOs for watershed development is one example of this. There is still plenty of conflict; the government can be reluctant to make NGOs PIAs, and NGOs are often highly critical of the work-culture of line departments. However much progress has been made and NGOs are now involved not only in implementation but also increasingly in formulating policy and planning. A lot of attention, much of it supported by donors, has been placed on establishing areas of complementarity between the government and NGOs and building on these.

The relations between the state administration and PRIs are more complex and there has so far been less room for cooperation. On paper the complementarity of these two systems is obvious and an integral part of any democratic system. However the bureaucracy has since Independence been given such a central role that it is now unwilling to consider itself as a tool, a merely administrative arm, of elected representatives. This fact was clearly established and confirmed by all the respondents. The only difference in opinion was over whether this opinion had any merit or not. In the opinion of a personal assistant at the Department for Rural Development and Panchayati Raj 'the Adhyaksha and the members of the Zilla Parishads are only elected fellows. They don't understand anything about how to do development work'. Another respondent commented 'the Collector will not like to have an elected fellow telling him what to do. He is used to being King in his district'.

The Ashoka Mehta Committee on Panchayati Raj in 1977 found the conflict between the administration and the PRIs to be the single biggest cause for the failure of PRIs. 'Bureaucracy has probably its own role in disassociating the PRIs from the development process...The system of line hierarchy would find favour with them as an organisational principle. The officers would feel that they are primarily accountable for results and financial proprieties to the state governments. The officials know no better than to trust their own fraternity. They would, on the one hand therefore be averse to PRIs being entrusted with additional functions and on the other would not easily get adjusted to working under the supervision of elected representatives' (ISS, 1995a:2).

The conflict between PRIs and the state administration, and for that matter NGOs, is also one of class. The PRIs may be dominated by the local élite, but they are a local élite. Government officials, especially IAS, and NGOs, often have whatever their differences, a common class background. The informal links between the IAS and NGOs in particular are manifold, with an increasing slippage from one system to another, English as a common language, and a common middle-class, often urban, background. There is considerable room for embeddedness in the construction of positive synergy between the IAS and NGOs. A respondent from an NGO in Bangalore commented 'now we have close working relations, and we are realising that our differences are often just ones of perception. Many of the IAS officers are becoming more aware of participatory approaches. There are several officers who come around to talk and we give them informal help if they are having problems with some of their work'.

The potential for such relations is far less between the IAS and NGOs on one side and PRIs on the other. A former Secretary of Agriculture commented 'the IAS is an élite system and we are totally different from those who are elected to PRIs. I think there is no difference between an Adhyaksha and a MLA. But most people do not agree and do not give much respect to the elected members in PRIs'. Most of the IAS respondents however, and this is of course a subjective comment, perceived the PRI has populated by backward, short-sighted and feudal people. This is also true of many of the NGO respondents. Mathew has commented on the preference of many NGOs for working with the government: 'they prefer to deal with the district collectors and senior government officials rather than with the unsophisticated, rugged villagers, that is to say, these middle-class, English-educated social workers and activists are more at home with their own class in the bureaucracy than with the villagers' (Mathew, 1995: 47). The same argument has been made about MLAs whose alliance with the state administration has so far been stronger and more enduring than that with other elected representatives in PRIs.

I have so far concentrated more on areas of conflict than on collaboration between the state administration and PRIs. Perhaps this is because their record of constructive and collaborative work has been short. There has however been some positive experience of complementarity in work between the PRIs and the bureaucracy, particularly in Karnataka after the 1987 Panchayati Raj legislation was passed. Instead, resources should be made available to Panchayati Raj Institutions with mechanisms established for the monitoring of resources and programmes. However the Karnataka experiment was relatively successful, with a clear demarcation of power, incentives, and suitable promotional avenues for senior functionaries working underneath PRIs. Section 6 will explore further the current working relations between the PRIs and the state administration. Although these are still volatile, at the moment their effective resolution is despite of rather than because of legislative support from the top.

Finally, the judiciary has often supported Panchayati Raj legislation against the arbitrary decisions taken by state legislatures. For example, the Karnataka high court responded to a petition presented by fifteen citizens that their Zilla Parishad elections had been delayed and ordered that elections be held. There have been similar actions and responses in Orissa and in Uttar Pradesh.

### *NGOs and PRIs*

What role will NGOs play if the Panchayat system starts to work and how do NGOs feel about the Panchayati Raj system? The answer from one respondent in ActionAid is representative: 'frankly, NGOs feel threatened by Panchayati Raj Institutions'. The role and scope of NGO involvement in development projects, development programs and now even development policy formulation has grown enormously in the last two decades. Their role has in part been facilitated by the lack of a viable grassroots system for promoting local development. It has also been facilitated by the increasing allocation of funds available for NGOs. 'Over Rs.2000 crores comes from abroad every year through the Foreign Contributions Act and the so called registered voluntary societies receive another Rs. 10.000 crores from foreign funds' (Roy, 1997). The Department of Wasteland Development (DWD) within MRAE administers a grant-in-aid scheme in which funds are allocated directly to NGOs specifically for wasteland and Micro-watershed development.

The potential conflict of interest between NGOs and PRIs revolves both around the role that they would play and the funds that they would access. One of the main reasons that PRIs failed to operate in the past is because of the non-availability of financial resources and the absence of clearly defined financial powers. The State Finance Commission now has the mandate to establish

the financial powers of the PRIs, both through allocating them funds and specifying areas in which they can raise revenue. Suggestions have also been made that NGOs should not receive funds from either the government or foreign agencies. 'Instead Panchayati Raj Institutions may be strengthened through opening of new resources for their income with critical backing from resource agencies established for the rigorous monitoring and management of programmes and resources' (Bajpai in Raj and Mathias, 1998).

However there is also room for collaboration between PRIs and NGOs as section 6 will discuss further. It will take some time before PRIs are operating effectively and it is quite likely that PRIs in the immediate future will be run by local élites. For that matter, anyone who is elected will feel the pull of a power structure where the incentives lie upwards. This pull will only stop when the Gram Sabha is working effectively and when elected representatives are locally accountable. NGOs have much potential to fulfil this role. Many NGOs have over the last decade been specialising in 'capacity building' skills, which provides an ideal basis for informing people of their rights and encouraging them to act collectively to claim them. A close consideration of the subjects in the XIth Schedule which are under the jurisdiction of PRIs, and those issues in the seventh plan identified as being the role of NGOs, reveals that there is room for cooperation. Most of the XIth Schedule concentrates on subjects that should be developed by the PRI (such as: watersheds, schools and drinking water). The description of the role of NGOs in the seventh plan concentrates on facilitation: 'to supplement the government efforts...' 'to disseminate information' ... 'to de-mystify technology'. Whilst there are certainly areas of conflict, there is also a lot of room for collaboration. Many NGOs have already taken this initiative and have started working directly with Gram Panchayats to strengthen their capacity. Others are encouraging the Self-help Groups (SHGs) that they have formed to run for elections to the Gram Panchayat or to place pressure on the Gram Panchayat to listen to their needs.

#### **4.5 Summary: the political settlement**

Development planning and development in India are currently undoubtedly in a period of transition. There is a widespread recognition that the state has 'failed' in development planning. The general solution has been both to decentralise and to involve a range of civil society institutions and develop areas of complementarity between them. The Guidelines for watershed development are a representative example of a development program that has tried to institutionalise this approach. However these Guidelines are built on pre-existing alliances between different institutions, and between levels within the same sector or institutions. An understanding of the operation of the system, in particular of the links between PRIs and WIs, needs to examine how these systems operate and likely points of conflict and collaboration.

The stylised account I have presented of these points of conflict and collaboration is almost entirely based on comments that were made during the fieldwork. An analysis of these areas of conflict, and how they can be resolved, will depend on the particular view of the political economy of India taken by the observer. The operational implications of viewing the state as an agent of the dominant ruling classes, as an impartial agent with no room for autonomous action and as a predatory state driven by rent-seeking impulses are entirely different. However, whatever the political spectacles, an understanding of how the Guidelines operate in different states and the links which exist between PRIs and WIs, is only possible through an understanding of the balance of power between the groups involved. Further, building institutional alliances, and changing structures is usually not a technical, but a political exercise. This is because all such changes have transition costs and it is important to be explicit about the values and notions of justice on which particular choices are made

(Khan, 1996:85). Khan notes the importance of making these costs explicit and avoiding a false sense of objectivity in deciding between alternate institutional arrangements. 'It is worth remembering that a 'mistake' in the assessment of transition costs involved in implementing particular programmes of institutional change can ultimately result in civil war and a large scale loss of lives' (Khan, 1996:86).

Most of the speculations and comments about transition costs mentioned above, and discussed in the interviews, were about the 'modern sector' of India. Those who are in formal institutions, already have access to resources, and are reluctant to part with them. Most of the arguments this sector makes about desired institutional systems are made in the name of those who are not in these institutions. Many of the IAS officials commented that the people are not ready for Panchayati Raj because, basically, the transition costs, will be too high. This is undoubtedly a real danger: The costs of challenging elite power structures in a village in Bihar are very real, for example. Others argued that the people had suffered enough through Collector Raj. As a proponent of Panchayati Raj comments, the central question in development planning continues to be what it was 100 years ago: 'that is, what place should be given to the Collector rather than what place should be given to the community' (Jain, 1985:211). Both sides concede that ultimately the effective functioning of both the administrative and the political system depends on a local community, whether the Gram Sabha or a Watershed Committee, which can demand accountability and ensure equitable distribution.

## 5. Collective action and empowerment

The arguments for decentralisation and different types of institutional collaboration examined in the previous sections are all based on assumptions about what induces local collective action. The notion of participatory development which underpins the Guidelines and Panchayati Raj are both justified on particular visions of how they can induce local development. Despite these claims, the evidence on the operation of these systems is always the most vague and bare at the grassroots. Within the Panchayati Raj system, there is more evidence of how it operates at the Gram Panchayat level upwards than on the effect it had on the Gram Sabha. Within the Guidelines, the discussion and evaluation has concentrated on the performance of the various actors at the intermediate level. The information on how watershed projects have affected the poor is vague: ‘élites still dominate’, or ‘the main benefits are wage employment’ are fairly common statements. Little is known of the processes through which local people become empowered in either system.

This section will consider explicitly the notion of local collective action and of community empowerment implicit in Panchayati Raj and in the Guidelines. I will argue that they are very different, but that recognising their difference can be a means through which to build on their strengths. Some of the recent work that has deconstructed different types of social capital is very useful for this purpose. This section will briefly consider the potential of both Panchayati Raj and participatory development in externally funded programs. A closer examination of Watershed Institutions, and PRIs involved in watershed management, follows in section 6.

### 5.1 The community and development in Panchayati Raj and the Guidelines

Panchayati Raj and the Guidelines differ in their interpretation of how to promote collective action, and how to relate this to community development. Both systems have different visions of how the community operates and how to build social capital. Social capital has been defined as ‘features of social organisation, such as networks, norms and trust, that facilitate cooperation and coordination for mutual benefit’ (Putnam, 1993).<sup>9</sup> An exploration of the debate about how to build social capital is useful because it asks the question: is social capital a necessary basis for effective local government? This question lies at the heart of much of the debate on decentralisation and institutional change explored in the last two sections. In the context of the comparison between PRIs and WIs and the linkages that exist between them the critical question is:

- Can Watershed Institutions provide a basis for the establishment of social capital, and if so, can this be institutionalised and scaled-up?
- Can Panchayati Raj Institutions provide a basis for the establishment of social capital, and if so, can this be institutionalised and scaled-up?
- How do the two systems compare in their capacity to build social capital?

The revived interest in social capital grew out of some comparative empirical work on the social, political and economic development in north and south Italy (Putnam, 1993). Putnam argues that

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<sup>9</sup> There have been many interpretations of social capital both before and after Putnam. I draw on Putnam because it was his definition, and subsequent critiques of his definition, which brought the concept of social capital into official development discourse. This section draws heavily on Harris (1995); the World Development Report (1997) and the special edition of World Development (1996) edited by Evans.

the most important determinant of the performance of democratic local governments, and of differing levels of socio-economic development is 'civic tradition' and the level of 'civic involvement'. Strong interpersonal ties (like kinship) are less important than weak horizontal ties (like membership in an association, which could be watershed management) in sustaining collective action and building capital. Putnam argues that in southern Italy such horizontal ties are weak and institutions are locked into a vicious spiral that reflects this pervasive mistrust of each other. The north, by contrast, has experienced a long history in which networks have been established and social capital has been developed. This has led to positive cycles of cooperation and 'norms of generalised reciprocity' in which cooperation is the first tactic. The central variable here is trust, which comes through repeated interaction and sanctions for defection.<sup>10</sup>

The implications for building social capital in the context of an Indian village community is that associations, such as Watershed Associations, and all of the other user groups which are being formed, slowly establish horizontal ties of collective action. These cut across kinship ties and develop norms of cooperative behaviour through repeated interaction and sanctions. These in turn develop the social basis and demand for effective local government. So, the growth of 'associational life', through participatory development, will build the social capital on which effective government, Panchayati Raj, has to be based.

This argument is convincing and in the context of PRIs and WIs has many adherents. However there are some difficult questions about how this process of 'associational life' starts and how to scale it up. Putnam has noted that 'most institutional history moves very slowly'. Does it mean heavy NGO involvement in every village? And for how long? How does one break the vicious circle of 'pervasive mistrust' and start building 'norms of generalised reciprocity?' Some of the responses to Putnam's work are relevant for a consideration of the social dynamics that exist and have the potential to form in PRIs and WIs.

First, Putnam argues that social capital is the property of a group, but that everyone can become part of this group, and that it has no negative externalities. But groups, by definition, are exclusive. Putnam does not account for the possibility that they may not necessarily co-exist peacefully with other groups, and that they may have negative externalities. The elections to Watershed Committees, for example, are now often being fought on party political lines. In many villages Watershed Committees become powerful pressure groups, and have the power to take decisions, such as closing the commons, which may go against the needs of another group. It is therefore not necessarily true that the more 'associational life' the better, or that the social capital that is created by these groups is there for all. In fact many observers have noted that there is a 'civil society grab' with associations at both the village and intermediary level, taking advantage of the opportunities now being provided by development programs, and crowding out others.

Secondly, and related to the above, there is no political variable in the explanations Putnam provides for the construction of social capital through 'associational linkages'. How do these tightly knit networks of civic engagement lead to more effective government? What mechanisms would be used to make the government more responsive to their needs? For example; how would a Watershed Committee influence the MRAE to provide more or less of a specific input? And, related to the above, what guarantee is there that the claims which are made are representative of the wider society. The answer to these questions depends critically on the wider political setting and the means through which groups can press demands.

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<sup>10</sup> Putnam's argument is more sophisticated. I justify this brief version of it because this is the essence that has been adopted into the official development language.

Thirdly, there is significant evidence that participatory development and the establishment of civil society links do not necessarily make for better government. Tandler (1996) has argued that there is at least as much evidence that the causal relationship goes the other way. That is; basic structures of local government are created in which 'associational life' and social capital can grow. Some critics have taken another look at the empirical work on north and south Italy and argued that Putnam has missed an important element in the cause and effect cycle of social capital. The underdevelopment of southern Italy can be explained by the fact that it was semi-colonised by the north and that no room was provided by the state for local government. Conversely, the performance of regional governments in the north today may also be explained by the legacy of progressive political parties operating in the area in the nineteenth century.

The combined directions of these criticisms of the notion of social capital formation cannot be considered without the political context, or as an alternative to local government. The combined articles from World Development all argue that a minimal stock of social capital, in the form of kin relations or cooperative work relations, will exist in almost any community. There is nothing wrong in building on these relations through forming associations, or SHGs. What makes the critical difference is how this social capital is scaled-up and there is considerable evidence that associations themselves are not sufficient for this purpose. This criticism is very relevant for a consideration of Watershed Institutions, which have been established to build local capacity and social capital. The question, which I will leave hanging for a moment, is whether WIs, provide an avenue through which social capital can be scaled up, and if not, whether this role can be taken by PRIs.

This exercise of distinguishing different types of social capital is useful because of the current enthusiasm for building social capital through 'local institutions'. Local institutions can build social capital through information sharing (credit schemes); coordination of activities (water user groups) and collective decision-making. All of these different types of social capital are themselves affected by the 'macro-level social capital' in the institutional framework of society as a whole. But there is very little exploration of how different institutions interact. This is true of the Guidelines, where the Watershed Committees and Gram Panchayats are mentioned interchangeably in the text, although their functions and potentials (see section 6) are very different. There is also very little exploration of the political dynamics of the system. As Harris (1995) notes, the World Bank Report recognises that local institutions are more effective 'when the local distribution of assets is more equal', and that 'the application of social capital in development is not a distribution neutral process', and that by themselves, without other resources, 'these institutions may not make much difference'. Yet the recommendation remains that donors and the government should promote 'desirable forms of social capital' as if that makes it any clearer.

This broad sweep across the notion of social capital means that the term has attracted a diverse constituency. This was apparent in the discussions with the respondents in my interviews. Some respondents saw WIs as part of an effective delivery system and put primary emphasis on effective watershed management, and the economic benefits generated, to provide a base for further development. Others said that whilst economic benefits are critical, the formation of WIs is a vital end in itself as a contribution towards local empowerment. There is also a difference between those who consider PRIs as a part of the delivery system, and those who see their inclusion in the Guidelines as an opportunity to strengthen the democratic system. There was also a big difference between those who saw WIs, along with other SHGs as a necessary foundation for PRIs, and those who considered that PRIs were necessary to scale-up social capital. I will consider all of these opinions in more detail in section 6.



## 5.2 Collective action and empowerment in Panchayati Raj

There was a general recognition amongst all of the respondents, and in the literature; that the effectiveness of Panchayati Raj ultimately depends on how well the Gram Sabha works. The whole democratic principle is that the relevance and the accountability of the system will be determined from the bottom. The Panchayati Raj system depends on the operation of the Gram Sabha. If the Gram Sabha is working then automatically all the other levels will work also. There was nobody who disputed the ultimate importance of having a local democratic system. The arguments for and against Panchayati Raj are based mainly on different opinions of whether the Gram Sabha is ready to play such a role and if not, why not. Similarly, there is a consensus that part of the reason that Panchayati Raj failed in the past was because it was opposed by vested interests, deprived of funds, political support, or executive autonomy. The debate centres on what would have happened if it had external support and all the resources necessary to function as a system for local self-government.

The basic issue underlying all of these debates is whether 'the people' are ready for a fully operating Panchayati Raj system. In all of my interviews about the role that PRIs should play in watershed management, this was the basic question to which we returned. The most well known early proponent of social change first, PRI later, was Dr. Ambedkar. In his famous argument against giving Panchayats power after Independence he asked 'what is the village but a sink of localism, a den of ignorance, narrow-mindedness and communalism?' Many still argue that it is imperative that democratic decentralisation should be preceded by land reform and literacy campaigns. Without this, democratic decentralisation will simply end up as a means to decentralise responsibility without authority.

These fears are not groundless, and the consequences of local institutions vested with power is that the élite often do not merely take control, but violently enforce it, particularly when it is challenged. This has led observers to argue that expecting the disadvantaged to take such a risk, even if they have been elected through reservations, is optimistic without providing them with support. In Madhya Pradesh, which was the first state to hold elections after the Amendment, there was a report of a woman in the Gram Panchayat being raped, another being publicly stripped, and a scheduled caste man being tortured and beaten. In Tumkur, in the Taluk I visited a scheduled caste man who had been made to eat human excreta. How can PRIs be anything but a farce in villages where the system basically remains feudal?

There are several arguments made for the immediate transferral to PRIs of the powers with which they have been vested by the Constitutional Amendment. The first is that the state administration has had 50 years to promote community development and has not been able to achieve this. The second is that 'a Panchayat is a microcosm of the society of which the village forms a part, and should be part of the process through which local structures of inequality are changed. Further, democracy requires practice. A current proponent of Panchayati Raj said in response to the quote by Ambedkar given above: 'what instruments did Ambedkar leave behind or has anybody devised in the past 40 years by which the village he described could be or has been changed? In forty years at least in 1 lakh villages out of 5 lakhs a change would have taken place if they had periodic elections' (Jain, 1991:30).

Hirschman's (1970) formulation of exit, voice and loyalty are useful for a consideration of the dynamics of change operating in villages today. The first option, exit, breaking all relations, is preferred when the outcomes of continued interaction are all negative, although exit may have high costs (defamation, loss of livelihood, etc). Loyalty represents a situation where the interests of all members are integrated and the rules are not contested. Loyalty and rudimentary forms of cooperation

have been sustained over the years by traditional authority structures. Although the behavioural norm was loyalty, these were often based in unequal patron-client relations. Voice stands for a bargaining situation, in which the individual or the group does not exit, but also does not remain loyal, and instead decides to change the terms on which they are integrated into the community.

Many of the respondents in this study argued that the Indian village community is changing rapidly. A large part of the reason for this is the advent of participatory politics that is eroding traditional authority structures in myriad ways. Bardhan (1993) argues that whatever the final effect, they improve the options that common people have for 'voice', 'exit' and the construction of new social relations. He notes that there are 'appeals to supralocal authorities for conflict resolution and arbitration' and that 'with increased social and political awareness villagers are, however, increasingly able to differentiate between domains of relationships which formerly used to be lumped together in a dense all-encompassing network' (Bardhan 1993:638). Section 6 will look at the evidence for this in the context of watershed management. For example, several observers argued that Radegaon Sidhi was not replicable because people would no longer consent to hardline rules from an upper caste individual whether it was for their benefit or not. In the Gram Panchayat I visited, several of the upper caste members commented on 'the times' and how they are finding it very difficult to enforce their decisions. As one respondent mentioned 'the élite know that if they are not careful they will kill the golden goose'.

The argument that democracy needs practice, and that PRIs should be part of the process of development and change, are at the heart of the case made for empowerment of PRIs. There is considerable evidence from the first phase of Panchayati Raj in the 1960s that some places were beginning to benefit from the system before elections were stopped and it was derailed. There is evidence that local people understood the Panchayati Raj system and were aware of the significance of the transfer of power from the Block Development Officer into their hands. Further, there existed the rudimentary beginning of local development plans (ISS, 1994; 1995a and 1995b). The report found that conferring power to people's representatives had improved the attendance of teachers in primary schools, while block administration had become more responsive.

It is widely accepted that the effectiveness of local government is one of the explanations for the development of Kerala. Observers also point to the past experience of Panchayati Raj in Andhra Pradesh and Karnataka as an important part of the explanation for the political awareness in those states. Mathew notes of a meeting of Zilla Parishads and Mandal Parishads in Karnataka that 'their leadership, boldness and sense of achievement were especially noteworthy. There was a general agreement that in the last five years resource mobilisation had been excellent and sources that had been previously untapped have been tapped. Works, which had not been taken up for thirty years, had been implemented during the term in office of these leaders. A woman leader from Neelamangala had recounted that till the new Panchayati Raj came into existence she was the only woman in that area who used to come out in public. But after five years of Panchayati Raj the situation has changed dramatically; many women now participated in the affairs of the village' (Mathew, 1995: 60).

The evidence of the breakdown in caste based alliances in Karnataka, and the empowerment of women through Panchayati Raj, is overwhelming (Subha, 1995). After the Panchayati Raj Act was passed in Karnataka in 1987 many people asked whether Gram Panchayats would not simply fall into the hands of the dominant Lingayats and Vokkaligas? The answer to this last question is that most of the time dominant castes did get elected. But as the President of the Ford Foundation commented, 'the politicisation of once oppressed castes had reached a point where it was no longer easy to dominate these village bodies in all places at all times'. Further, 'initial evaluations of this system show that the elected councils have been more responsible to their constituents needs than the appointed

administrators were under the previous system. The district and sub-district councils have also played an important role in nurturing new political participants, especially women and members of disadvantaged castes... it seems clear that the concept of democratic decentralisation has been proven effective in Karnataka and deserves to be considered more widely' (in Mathew, 1995:57).

### *Should there be party politics at the Gram Panchayat level?*

Whether or not political parties should be allowed to participate in Panchayati Raj elections is an issue over which even firm supporters of the immediate implementation of PRIs are divided. The Panchayat acts in different states do not say anything about the official participation of political parties. The Sarvodaya notion of PRIs inspired by Gandhi and Jayaprakash Narayan believe that political parties have corrupted village societies. Jayaprakash Narayan believed that political parties hinder local self-government and initiative by making the poor and illiterate pawns in the party contest for power. The ultimate aim of the Sarvodaya movement was to encourage partyless democracy built on Gram Swaraj. In fact around 1961 Jayaprakash Narayan even advised the states to give rewards to villages which had elected Panchayats without any contest (Mathew, 1995).

The other argument is that Panchayati Raj elections held on a party basis, will heighten the politicisation of people and give them choice. In Karnataka the 1987 Panchayat elections were held along party lines. Individuals who had dominated the villages on the basis of their existing social and economic power were challenged by candidates put up by national or regional parties (Mathew, 1995). Some studies have also found that often the harassment of women and scheduled caste members of the Gram Panchayat only became public because it was taken up as an issue by opposition parties. Consensus candidates will only further perpetuate existing power structures in the village. Mathew has commented of Karnataka, Andhra Pradesh and West Bengal that 'it has now been clearly established that local bodies elections on party lines have made the villagers of these three states much more politically conscious, giving the elected Panchayat bodies a political standing of their own. The local leadership has also become more politically responsible' (Mathew, 1995:20).

I asked several respondents about the effect of politics on PRIs and whether or not party politics is desirable at the village level. One respondent said 'elections without politics is wishful thinking. Politics are here anyway, better to make it formal and educate people about how it works'. Another respondent said 'people like to be connected to power bases at the centre through a political party. It gives them the feeling that they have some power and are part of the system'. This perception is also evident in Andhra Pradesh; as Mathew's comments on local PRI elections suggest 'these elections were held on party lines. They evoked great popular interest throughout the state, generating heated debates on political personalities, ideologies as well as people's issues and were popularly referred to as the 'ini general elections' Another respondent commented: 'it is not only that party politics are working in Gram Panchayats. They are part of the local system. The recent elections to water user groups were fought along party political lines'.

### **5.3 Collective action and empowerment in the Guidelines**

The Guidelines do not say anything explicit about collective action and empowerment. However the implicit notion of the dynamic between social capital and collective closely follows that which is provided by Putnam. That is that participatory development, through the construction of social capital, can lay the basis for effective government. The vision of community development in the

Guidelines is similar to that being promoted in many natural resource programs today. That is the importance of incremental and sequential steps in the establishment of institutions. Small Self-help Groups with common interests, linking into the larger community, with NGO or government partnerships providing a link between the group and the wider political and economic structure.

The overwhelming evidence on CBOs is that they are dominated by the élite and that very few remain sustainable once the external input which motivated their formation is gone. As section 6 will explore further, when CBOs have been successful, this is usually due to a sustained input from an NGO, which then prompts the question of how to scale-up the success. The combined evidence from respondents points to two enduring consequences that CBOs appear to have had on the empowerment of local people. On the one hand because CBOs are usually formed in the context of a project, local people have become dependent on external inputs. On the other hand, whilst this dependence may not appear positive, it has made people more aware of demands which can be placed. Further, CBOs have a lasting institutional impact in terms of building local awareness of possibilities, even if the organisation itself is not sustainable.

## **5.4 Summary**

This section has argued that the current enthusiasm for building 'local capacity' and 'local institutions' often does not distinguish between different types of local processes. WIs and PRIs are mentioned in the Guidelines as interchangeable institutions for watershed management, when in fact their roles and functions are very different. As section 6 will explore, both systems have different inherent potential for stimulating local empowerment and collective action.

## **6. The project interface between Panchayati Raj and the Guidelines: constraints and potentials**

This section will trace the interaction between PRIs and WIs in watershed development from the state to the village level in both Karnataka and Andhra Pradesh. Section 6.1 will examine the system from the state to the district. Section 6.2 will look at the intermediary institutions in the system: PIAs, NGOs, and the intermediary PRIs. The PRIs are not involved in watershed management at the intermediary level in Andhra Pradesh so the discussion will focus on Karnataka. Section 6.3 will look at the implementation of the Guidelines at the village level. In particular I will look at how Watershed Committees and Gram Panchayats interact, and their comparative experience on equity. The final section will consider the different roles and functions of PRIs and WIs on paper and in practice.

### **6.1 The operation of the system from the state to the district**

The operation of PRIs and WIs varies drastically from state to state. Karnataka has had a relatively long and successful experience of Panchayati Raj since its radical legislation in 1987. The Panchayati Raj system now operating is less radical, but Karnataka was still one of the first states to pass its conformity act to the 73<sup>rd</sup> Amendment and is still considered to be fairly progressive. The Zilla Parishads are centrally involved in the implementation of the Guidelines. Andhra Pradesh has also had a relatively progressive experience of revitalising Panchayati Raj in the 1980s and holding elections. However although it has passed its conformity act, PRIs have not been given a very central role, and are not involved in the implementation of the Guidelines. The two states also differ in their experience of implementing the Guidelines. Karnataka has had a long history of watershed management projects, but has been slow in taking up projects under the Guidelines. Andhra Pradesh on the other hand is way ahead of all other states in the scale, scope and rate of watersheds adopted under the new Guidelines.

#### *Karnataka*

The administrative system for the implementation of the Guidelines in Karnataka is very decentralised. The state remits the program funds to the district level, in the appropriate centre-state share, and is thereafter responsible principally for monitoring the program. Monitoring is basically an auditing procedure of money spent and tasks achieved, with a heavy bias on physical targets. The state sometimes intervenes if there are disputes between different institutions involved in the implementation of the program, such as DWDAC and the PIA, but this is rare. The Secretary of the DRD and Panchayati Raj said it was a policy decision to decentralise such daily operation. Consequently there is minimal information available at the state level (either on paper or in person) on more qualitative aspects of how the Guidelines are being implemented. The main executive function at the state level is the convening of the SWIPRC once a year under the Chairmanship of the Deputy Commissioner. The various line departments and NGOs involved in watershed development are invited to attend this meeting to discuss operational and logistical issues, in particular those related to coordination between them.

The district level is therefore the principal executive and administrative centre for the implementation of the Guidelines. The structure of the district administration in Karnataka is unique

because the District Rural Development Agency has been abolished and merged with the Zilla Panchayat. The President of the Zilla Panchayat is called the Adhyaksha. He is indirectly elected by the other elected members of the Zilla Panchayat and has the ultimate responsibility for planning development for the district. The routine administration of development programs and projects, such as the Guidelines, is done by the Chief Executive Officer. S/he is an IAS officer and in charge of coordinating the various line departments. The CEO subordinates at the Taluk Panchayat level are called Executive Officers, and at the Gram Panchayat level they are called Secretaries.

The administrative and the political system are therefore closely intertwined in planning development at all three tiers in the district. The power relations between the CEO and the Adhyaksha are finely balanced. The CEO is able to object to any decisions taken by the Zilla Panchayat if he can show that they are against either the spirit or the letter of any law. Recent legislation in Karnataka has given the state a time limit to respond to such objections. If the matter is not decided then the Zilla Panchayat can proceed with its decision. In the 1987 Panchayati Raj Act the Adhyaksha was responsible for the appointment and transfer of the IAS staff serving the Zilla Panchayat. The fact that transfers are no longer under the jurisdiction of the Zilla Panchayat was considered a big step backward by one MLA. It means in effect that IAS officials are not accountable to the people whom they are serving. Many respondents stressed that the good relations between the CEO and the Adhyaksha are critical for the operation of the Zilla Panchayat. Both signatures are needed for the implementation of most decisions and for the release of funds. Because the daily functions of the two are different, it is possible for them to work in cooperation. However it is also easy for the relation to develop into a power struggle, driven for control over each other, and autonomy from each other.

The main district level responsibility is the appointment of the District Watershed Development Advisory Committee (DWDAC) and the PIA, and the financial accounting for the program. Few operational decisions, and very little active monitoring or evaluation is done at the district level. For the operation of the Guidelines the procedure at the district level is fairly straightforward. The CEO is in operational control and he constitutes a DWDAC of the selected PIAs, NGOs, and relevant line departments. Its objective is to provide a forum in which all of those involved in implementing the Guidelines can exchange experiences. The DWDAC is meeting, by all accounts, as per the Guidelines. It is well attended and afforded with considerable importance. The Adhyaksha of the Zilla Parishad reviews the decisions taken by the DWDAC during the sub-committee meeting on finance and planning which convenes once a month.

Most of the field level monitoring of the system and operational decisions are taken at the taluka level. The responsibility for this is devolved to the Executive Officer who sits within the taluka Panchayat. The Executive Officer is directly involved in checking sites and actively monitoring the progress to ensure that the work is being carried out. These progress reports are then sent up the hierarchy, ultimately to the GOI. The elected members at the taluka level have more direct involvement in the operation of the Guidelines than the elected members in the Zilla Panchayat. Although this remains in essence an administrative task, rather than a strategic or political one, interviewees at the Zilla Parishad in Bellary said that the routine appraisal of programs by elected members contributes towards accountability.

### *Andhra Pradesh*

Andhra Pradesh has been one of the most progressive states in implementing the Guidelines and contributing to policies on watershed management. The Hanumantha Rao Committee incorporated

many of its suggestions after examining watershed management in Ananatapur district in particular. Andhra Pradesh has implemented 750 out of the 850 watershed programs sanctioned and is widely recognised as being at the forefront of watershed development. The reason for this appears to be the synergy that has been generated between a relatively politically conscious public, a relatively responsive political system, and a relatively accountable bureaucracy. Another reason is that Andhra Pradesh, especially under the Telugu Desam Party, has struggled to maintain some distance from the centre in the implementation of development projects. The State Level Coordination Committee decides on how and where to implement projects within months. Andhra Pradesh can cheerfully bend and amend the Guidelines to local needs and priorities. Other states follow, or try to, every letter of the Guidelines. The result is a rapid turnover rate of projects, the attraction of more funds, creation of more capacity, and more projects.

Panchayati Raj Institutions are not very active in Andhra Pradesh and have not been given the mandate to implement the Guidelines. Andhra Pradesh had Panchayat elections in 1996 and issued its Conformity Act with the 73<sup>rd</sup> Amendment, and has a party in power that is officially committed to Panchayati Raj. A reform of the Panchayati Raj system, and devolution of powers, was part of the election manifesto of the Telugu Desam Party in Andhra Pradesh. When it came to power the Party took drastic measures to change the defunct Panchayati Raj system. In the 1986 Act it abolished 330 Panchayati Samities and established 1,104 Mandal Praja Parishads in their place. Each Mandal Praja Parishad is controlled by a group of villages with a population of 35,000 to 50,000. Reducing the size of the middle unit by one-third was intended to take the administration closer to the people.

However the reluctance of the 500 MLAs to devolve power has prevented the Amendments being implemented in the spirit with which they are intended. The PRIs are therefore not operating as institutions of self-government in Andhra Pradesh. PRIs are heavily dominated by the bureaucracy and, apart from education, have been assigned very few functional tasks. The District Collector remains a member of the Zilla Praja Parishad committee and has the power to suspend or remove any member of the Panchayati Raj body including the chairperson of the Zilla Praja Parishad. The government retains the right to suspend PRIs and they have not been given sufficient work or the financial powers with which to implement them.

Although PRIs have been constrained in their operation, there has been considerable political and administrative support for CBOs. The DRDA in Andhra Pradesh is widely recognised as being very efficient when compared to other states. The Chief Minister has supported the establishment of CBOs for all sorts of activities, and has publicly expressed his views that political power as represented by PRIs has a corrupting influence. At the same time there is recognition that PRIs are ultimately important, and that there is a need to build up the capacity of local people to manage PRIs. Some work is being done with the Gram Panchayats through Janma Bhoomi and there is a move to involve Gram Panchayats in watershed management. Subjectively, I would say that the government staff in Andhra Pradesh seemed to put more emphasis (than government staff in New Delhi or Karnataka) on building CBO capacity as part of a wider strategy for empowerment that would lead to development. A respondent in the Department for Rural Development commented 'CBOs are a kind of kindergarten for Panchayati Raj'.

### *Comments*

In Andhra Pradesh the implementation of the Guidelines has been facilitated by good working relations between the administration and the political leadership. The combination of a political

leadership with a particular vision of development through CBOs, and a relatively accountable bureaucracy has provided the DRDAs and the WIs with strong central support. The political leadership has given the Department for Rural Development considerable freedom to select Project Directors who have the skills required for the work. The routine political pressures which influences many transfers, and often results in badly qualified and poorly motivated staff, have been eased. Although operational decisions are taken at the district level, the respondents I met at the state level had centralised information and a good grasp of the routine status of watershed projects. This centralised information, apart from the bare basics of money spent and projects sanctioned, was not available in Bangalore. Decentralisation of watershed management to district level is more complete and the role of the state in operational decisions is more limited.

The developmental role of the state and the links that have developed between the political leadership and the administration for the implementation of watershed programs is certainly a major reason for the rapid uptake of programs in Andhra Pradesh. This is probably part of the reason that there were fewer complaints in Andhra Pradesh than in Karnataka about logistical obstacles, such as delayed payments. This state level support is probably the biggest difference between the two states. Apart from that, the fact that watershed programs in Karnataka are being implemented by the Zilla Panchayat does not appear to make a big difference. Essentially, it is still the administration (through the CEO and his subordinates) that is in charge of implementing the programs. They provide a delivery system, as they would if they were an independent DRDA, and are subject to many of the same constraints and incentives. The fact that the CEO works in the ZPs does place some constraints on how the Guidelines are implemented, although it is hard to specify the effects of these. The system is still in transition, the legal relations between the CEO and the Adhyaksha are evolving, and the balance between them is heavily affected by personal negotiations over their role.

The Andhra Pradesh approach is interesting because government support for CBOs has been part of a sustained program, and because it is a program that is supported by an articulated philosophy. Therefore, is Andhra Pradesh the right state to ask: does it work? Are CBOs a sufficient basis with which to stimulate and sustain development? I will return to consider these questions in the following section on the community level. As far as the implementation of the Guidelines themselves are concerned, there is nothing that can help in the central question of the links between PRI and WIs, because there aren't any. The Guidelines are being implemented by the DRDA, and the institutional system - SWIPRC, DWDAC, PIA, WDT, WA and WC - has been more or less established. A review of this system can be found in Turton et al. (1998a).

## **6.2 The intermediaries: NGOs, PIAs and PRIs**

The lack of centralised information means it is impossible to get an overview of which institutions are PIAs in Karnataka. It is also difficult to assess the relative contribution of NGOs, the government, and PRIs, in implementing the Guidelines. The working relations between the government and NGOs in Karnataka have taken some time to develop. The problems (conflicts in working styles, time frames, approach, incentive structures, operational areas) are typical of those which have been recorded all over India. The fact that the DRDA has been abolished, and that NGOs have to work with the Zilla Panchayats, has not made much difference to these conflicts.

The lack of centralised information, and the shortage of time for this study, meant that trying to understand the operation of the Guidelines was akin to guessing the shape of an elephant blindfolded. However it appears that the constitution of the DWDAC, the selection of PIAs, the



establishment of WDTs, and the whole procedure for establishing the hierarchies from there downwards, is being done as per the Guidelines. Copies of the Guidelines abound and at both the district and state level there was a comprehensive understanding of their contents. Almost all of the PIAs for the Drought Prone Area Program (DPAP), Desert Development Program (DDP) and Employment Assurance Scheme (EAS) projects are NGOs. In fact at the state level one interviewee in the government commented that the Guidelines are basically a program for the employment of NGOs. The PIAs for the Integrated Wasteland Development Program (IWDP) tend to come from the government, which means one or two line departments under the control of the Chief Executive Officer. This is because the IWDP does not operate at the village level but starts with the whole district as its principal unit of operation.

The working relationship between the government and NGOs depends on whose perception is solicited on this question. Several respondents commented that five years ago it would have been unthinkable for the government and NGOs to cooperate on projects as they are doing now. Government employees are being seconded to NGOs and vice versa. The suspicion that characterised the relations between the two is disappearing as projects are designed which draw on the comparative advantages of both. There is a general acceptance, from both NGO and government respondents, that many NGOs are corrupt. Karnataka has a large number of NGOs who have been blacklisted. Of course no NGOs will include themselves in this category, and so from their perspective the government appears to go through lengthy selection procedures.

There is also a perception in the government that NGOs should stick to capacity building, whilst the government should be responsible for any physical work. This perception was expressed both at the state and district level. Several NGOs have applied to be PIAs, but have been offered only the 'drum-beating' preparatory part of the project. Having said this, other NGOs, such as Myrada, have been offered more work than they want to take up. In their opinion the procedures for monitoring and evaluation by the Zilla Panchayats, basically giant audit sheets, are too superficial. They are reluctant to accept more work until they feel that the programs are being monitored properly. In Bellary the NGOs and the ZPs work closely together on watershed development, as well as all the other projects under the CEO. The ZPs has monthly meetings with NGOs to discuss future and on going projects.

These complaints and differences of opinion over the respective roles of NGOs and the government are the same in Karnataka as they are in other states. The fact that the Zilla Panchayat is in control does not appear to make much difference. However several respondents mentioned that NGOs are not satisfied about their working relations with the PRIs, because they ask too many questions. The Panchayats at the Gram, Taluk and Zilla level require NGOs to be accountable and have created a forum within which people can demand evidence. Several NGOs in Bellary, and the Deputy Secretary for Development, said that a 'three-way watch dog' system has developed between the government, PRIs and NGOs. One NGO member in Bellary said 'at the Taluk level elected members are asking lots of questions. Some rebel members are pushing for explanations for every decision'. Whilst this was generally considered positive, the NGOs also complained that the motivations for much of these questions were narrowly political.

The future working relations between PRIs and NGOs depends on the extent to which democratic decentralisation is actually pushed through. The Karnataka Watershed Development Project (KAWAD) in Bellary will be interesting to observe for this reason. At the moment, whilst this evidence of three-way accountability is encouraging, the relations between the ZPs and NGOs are more or less the same as if it were the DRDA. Despite questions which may be asked at the Taluk or Gram level, the accountability of the NGOs is upwards, to the district, state and centre.

There is quite a wide variation in the ways in which NGOs work with PRIs, as the next section will explore further. In Bellary, NGOs attend monthly planning meetings and some elected members may attend these. However in Bellary the relations between the CEO and the Adhyaksha, apparently for personal reasons, are very good. In most districts NGOs coordinate and collaborate with the CEO and his staff. The general perception of the other half of the Zilla Panchayat is they are elected fellows, they will not have any interest in watershed development. Most of the NGOs work with PRIs at the district level, because they have to, and coordinate with Gram Panchayats at the local level. However there are fewer NGOs who are implementing watershed projects and working with Gram Panchayats as an explicit policy decision to strengthen local democratic institutions. Most are working with Gram Panchayats either because it is practical to do so, or because they cannot avoid doing so.

I came across no NGOs in Karnataka who were working directly with elected members at the taluka or Zilla level. The general perception appears to be that progress at the Gram Panchayat level is possible, but at the taluka and Zilla levels the game is basically a political one which has no bearing on development. This seems a missed opportunity, as the development plans for the whole district are formulated at the district. The experience of an NGO, PRADAN, in West Bengal is interesting to consider in this context. The PRIs in West Bengal have taken complete control over the implementation of the Guidelines. From its work in the Purulia district of West Bengal, PRADAN has recorded the difficulties it has faced in establishing its role in watershed projects. Some of these difficulties have been positive, in that they have been required to demonstrate the effectiveness of their methods. The Sabapatti of one Panchayat in which PRADAN was working gave them one day to demonstrate the purpose of Participatory Rural Appraisal. However although PRADAN's work has been appreciated by the Panchayat, PRADAN has not been given a secure institutional niche in watershed development. 'As of now PRADAN does not have a legitimate space, recognised by the government'.

### **6.3 Gram Panchayats and community based Watershed Institutions**

The Guidelines and Panchayati Raj, as discussed in section 5, are based on different philosophies of how to generate collective action for development. This section will consider the evidence on the comparative advantage of Gram Panchayats and Watershed Committees in the implementation of watershed projects. There are two main questions that this section seeks to address:

- What are the comparative advantages of PRIs and WIs for implementing watershed programs?
- Can PRI and WI complement each other or are they mutually exclusive?

The following sections will consider the performance of Gram Panchayats and Watershed Institutions, differences in their roles and functions, and their effectiveness in addressing issues of equity.

#### *Performance of Gram Panchayats and Watershed Institutions*

Although the Guidelines specify that Gram Panchayats are also entitled to take on the responsibility of implementing a cluster of watershed projects in the capacity of project implementation agencies, if they so desire, there are very few Gram Panchayats operating as PIAs or WCs. Watershed Committees and associations are formed from what will be the user group for the watershed. The procedure for this follows a common pattern in Karnataka and Andhra Pradesh. If possible the WAS

were established drawing on pre-existing SHGs or CBOs which had been working in the village. If there weren't any, SHGs are usually started to implement the work of the WA.

It is too early to assess the success of the WIs in implementing the works, ensuring equity in benefits, and sustainability. The only comment available at the state and district level in Karnataka on the performance of WIs is that the money is being spent and the structures are being built. The fieldwork done for this study was also insufficient to count as an evaluation of how well WIs are performing. The following comments are therefore drawn from the evidence gathered in interviews and papers.

The performance of WIs has to be judged against the two complementary aspects of watershed management projects specified in the Guidelines: 'improving the economic and social condition of the resource poor...through more equitable distribution of land and water resources...and greater access to income generating activities'. To this can be added the implicit objective of empowerment through participation in development projects. The respondents had considerable doubts about the evidence for a sustainable improvement of the economic and social conditions of the resource poor. Most of the projects have contributed greatly to income generation, and the benefits of these activities do appear to be relatively just in their distribution of benefits to the poor. In many project areas, migration, an ongoing problem in the improvement of drought prone areas, has almost stopped. Watershed management to most people means employment generation because most people do not have the time for soil and water conservation. If the project has good results then sometimes people get convinced of the value of soil and water conservation and do not only think about employment generation.

The record of WIs in managing a sustainable improvement in the economic and social conditions of the resource poor through a distribution of land and water resources is more mixed. A recent study of projects that have been ongoing for several years could not identify any significant benefits (Kerr and Pangare, 1998). The review of the Guidelines (Turton et al. 1998a) also found employment generation to be one of the major benefits and could not identify a clear improvement in the social and economic status of the poor. One of the major problems in establishing such benefits is that watershed management involves everyone in the watershed, which usually includes comparatively wealthy and large landowners. Their preference will be for projects that will benefit their land that is often situated in the valley, and they will be able to influence the WCs to concentrate on such projects. In any case, many of the poorer farmers with marginal lands do not object. They spend most of the year either working as labour on the land in the valley or migrating, so they do not have a big objection to watershed management work which will benefit the land in the valley as long as they are paid.

Another problem in watershed management is the difficulty of developing common lands. The common lands, almost always seriously degraded and situated in the upper slopes, are particularly important for the livelihood of people with little private land. A healthy upper slope is also an important component of soil and water conservation further down. The development of this potentially productive land is impeded by several factors. First, most people will prefer working on private land, as the distribution of benefits from common land are always an uncertainty. This uncertainty is exacerbated in most places by encroachments and complicated mixture of *de jure* and *de facto* property rights. Secondly, the wealthier members of the WCs are usually particularly opposed to working on common land, as they do not depend on these. Finally the opportunity cost of developing these is often too high for poor people, as the commons may have to be closed for afforestation.

To summarise, improving the social and economic conditions of the resource poor through a redistribution of land and water resources is difficult because firstly, it is a physically difficult task, and secondly, such moves are blocked by the élite when they feel that they could stand to lose either directly (diversion of water) or indirectly (benefit flows from a project going to others). To understand why this is so, when PIAs are meant to explicitly target the poor, brings me back to my main question that is an understanding of the roles of PRIs and WIs and the links between them. Much of the physical work and capacity building for watershed management is done in SHGs, often composed of women or the poor. The attendance and performance in these groups is often appreciated as being impressive. However the final decisions on watershed management are taken in the WA and WC, in that the rich are also represented. The review of the Guidelines found that women in particular, are poorly represented on WCs (Turton et al. 1998a). Attaining a consensus here is much more difficult. As a contractor from Madanapalle in Chittoor district commented ‘we build the tanks, bunds, whatever else is required with the participation of the whole watershed. If the rich people do not like the effect they simply knock it down again afterwards. Who will complain?’

The celebrated successes of watershed management are usually those in which an NGO has had a sustained input over a period of years. The Rural Development Trust (RDT) in Anantapur, for example, has allegedly achieved a sustainable process of involvement in many villages. Myrada has managed to transform (from what I saw on a video) a barren watershed into a green watershed that is so productive that the decrease in migration has become a sustainable fact. The secret of the Myrada success, apart from being an effective NGO, is the commitment to generating participatory development and the sustained input of time and resources. They started by creating Self-help Groups for credit and then took up other activities such as watershed management. The SHGs were strong enough to influence the WCs to take up work which benefited them directly, and Myrada contributed with technology which was able to harness benefits for all without too many costs being imposed on any particular group.

These indicators of success prompt the question of the sustainability of such an approach. Aloysius Fernandez of Myrada argues that for watershed management to be equitable and sustainable the participatory process will take five years, with no short-cuts. Myrada has in fact been working in its successful watersheds for much longer. Several reviews (Kerr and Pangare, 1998, and Turton et al. 1998b) have noted poor participation to be a principal reason for project failure. They have recommended that projects have a start-up phase of capacity building before watershed management work starts, and possibly a ‘sustainability phase’ as a follow-up. The move towards asking communities to make a contribution towards the work done in watershed management is one positive step towards ensuring local commitment.

### *What of the Gram Panchayats and their performance in implementing watershed programs?*

As mentioned above there are very few Gram Panchayats who are acting as a Watershed Committee or as PIAs. I came across Gram Panchayats who have undertaken watershed development schemes, but these are not on programs that work through the Guidelines. Out of these there were a few success cases. For example, a respondent from the Karnataka watershed development Society related a case where ten Gram Panchayats had contributed Rs.40 million towards watershed management. Development Alternatives, an NGO, is working with a Gram Panchayat in Tumkur

district, that has expressed its willingness to do the entire watershed management work on a loan of 5 lakhs, and to repay it all within an agreed fixed term.

I asked members of the Dasudi Gram Panchayat in Tumkur district whether watershed management was an issue that came up in their development plans. The Sarpanch said ‘We receive one grant a year from the government, and watershed management is not a priority with that money. But let the government give us a loan and we will do watershed management’. He said that one of the major problems for Gram Panchayats is that they have little autonomy to act and that most decisions have to be approved by the district or state. They had been waiting a year for permission to carry out drainage sanitation work. ‘After one year nobody is interested in doing the work any longer’.

These examples reveal that Gram Panchayats are able to support watershed development. However such extreme cases are the exception rather than the rule, and most NGOs are reluctant to work with Gram Panchayats. Four reasons are usually cited for this reluctance. The first is that the Gram Panchayat is too big a unit and its boundaries rarely coincide exactly with those of a watershed. Secondly, Gram Panchayats are too heterogeneous and are dominated by élites. Thirdly, Gram Panchayats pursue short-sighted political goals and these usually revolve around more immediate tangible projects such as house and road construction. Fourthly, and underpinning all of the above, is the perception that the Gram Panchayat and the Sarpanch do not represent the Gram Sabha. A respondent in Anantapur said ‘the Gram Panchayat is a one-person institution. He is indirectly elected by the other Panches and given a mandate by them to do as he pleases. So the Gram Panchayat is useless unless the Gram Sabha gets a mandate for development’. This opinion is entirely representative of everyone I spoke to (the difference in opinion as I will discuss below, lies in the solution to this problem).

Despite these problems, in both Karnataka and Andhra Pradesh the link between PRIs and WIs is strongest at the village level. The WAs and WCs usually include a few (1–3) members from the Gram Panchayat. The Sarpanch is an honorary member of these associations, but cannot be President. The logic behind this system is to include them in decision-making and to benefit from their power, but not to allow them to take over. A respondent from Anantapur commented ‘that is how we mesh the two systems together. The Gram Panchayat members are not in control, but they are also not out of control’. It is often the case that the members of the Gram Panchayat automatically become members of the Watershed Association because their land lies within the project watershed. In such cases, the chances are that they will be larger landholders so the benefits that they can bring to the WAs, in terms of official support, have to be weighed against the possible disadvantages of their priorities in watershed management for smaller landholders.

The reason for including Gram Panchayats, or forming links with them, varies from project to project. The reason given by many (over half the respondents involved in implementing projects) for forming links with Gram Panchayats was functional. They were contacted because they could not be easily avoided, for example: Gram Panchayats are contacted for permission when common land is taken up for afforestation or soil conservation work. Most PIAs I spoke to said that this was a routine procedure and that permission was usually given, although some PIAs have had problems with the Gram Panchayat withholding the land. Gram Panchayats are also on occasion contacted for logistical support, such as, information on administrative procedures or opening accounts. At other times they are contacted in order not to antagonise powerful local interests. Of more interest for this study are the instances when Gram Panchayats are contacted for the explicit purpose of building sustainable links between PRIs and WIs. I will consider these in the following section.

## 6.4 Equity in PRIs and WIs

What is the vision of the village community, caste and gender in PRI and the Guidelines? How are they able to contribute towards empowerment of the poor? PRIs and WIs have different approaches to empowering the poor. Both take the poor to mean, broadly, scheduled caste, scheduled tribes and women. The Panchayati Raj Act specifies affirmative caste and gender action of a 33% reservation for both legislative and executive offices (Article 243–c and d). The objective is to reserve seats for them at every level of the hierarchy thereby ensuring that their needs are represented at every level and that policy can be made at the national level, which is sensitive to these needs. The Watershed Guidelines provide for such affirmative action only at the level of the User Group and provide a normative guideline for the committees.<sup>11</sup> The WIs approach is to build the capacity of these groups by implementing projects that are relevant to their needs and motivating them to participate in these and thereby gain the confidence to plan others. The emphasis is on fostering the empowerment of the poor within groups especially created for that purpose: for example all women SHGs.

The Guidelines have three limitations in promoting equity in watershed management across the country. The first is that they do not provide an institutional mechanism with which to scale-up this empowerment or a process whereby the poor can enter mainstream institutions. The second is that watershed management projects are increasingly being targeted at communities that have shown a willingness to cooperate. Whilst this is a sensible move for a project, it also avoids conflict resolution, and therefore abandons many people who might stand to gain from watershed projects. Finally, most watershed projects are still land-based and have not seriously tackled the problem of how to build up the livelihoods of the landless or land poor. Common property areas have also received less attention than private land, which, assuming that the link usually made between poverty and dependence on common land is correct, biases projects towards those with more private land.

The PRIs are revolutionary in the institutional support that is given to the poor, and the opportunity for power that it presents to them. But how is it working in practice? Many of the issues involved, such as those surrounding collective action and the formation of social capital, have already been discussed in this report. As always the theme returns to the Gram Sabha. This is the key to the PRI system and as long as it remains weak, the whole system will be a farce. There has been little research done on if and how the Gram Sabha is changing. However the evidence collected in the context of examining watershed development suggests that some rapid changes are taking place. One respondent described these changes ‘the élite know that if they are not careful they will kill the golden goose’. He was speaking about broad changes in the village community, including both PRIs and WIs. In Hirschman’s (1970) formulation discussed in section 5: opportunities for voice. PRIs and WIs are contributing towards a process whereby disadvantaged people can negotiate instead of either remaining loyal or taking radical exit measures.

A respondent from Orissa commented that in both Andhra Pradesh and Karnataka there is a system for demanding benefits from the state, whether this is through the Zilla Parishad or the DRDA. The benefits may not get evenly distributed, but the system is there and people are learning to demand some accountability from it. An academic who has worked in Andhra Pradesh, Karnataka and Orissa compared the two. ‘Karnataka and Andhra Pradesh are ten years ahead of Orissa in administrative reforms. The people there are able to demand benefits and the state has to provide them with these. It is not working perfectly, but in Orissa it is not working at all, everything is still completely supply driven. It takes time for the system to work as it will swing along pendulums. In

<sup>11</sup> The Guidelines may in the future be amended to include a reservation for women. The need for this was firmly expressed and widely accepted at the recent workshop on Watershed Approaches to Wasteland Development in New Delhi: Vigyan Bhawan.

Karnataka the system after 1987 was working very well with the Adhyaksha having power. Now they have less power, but the pendulum will swing back again’.

In Karnataka there was a general perception that the experience of Panchayati Raj has had a positive effect on local understanding of politics and their rights. The same opinion was given in Andhra Pradesh, although the vehicle for social change was more often put down to the naxalites, government moves on transparency, the media, and general economic mobilisation. An NGO respondent in Bellary commented ‘the weaker sections are at a learning stage now, but this is the chance for the government to help them. In the next five years they will start coming up. They are learning how to mobilise for funds. The next elections will be very tough’.

The experience of such mobilisation is of course extremely diverse. I visited two adjacent Gram Panchayats with very different perceptions of what PRIs could achieve. In Hoyisalakatte the Gram Panchayat had not done anything substantial for years. Both the political and the administrative system were perceived as a single hopeless corrupt system. Those people who are strong enough to change the system just wait until it is their turn to be corrupt. In Dasudi the verdict on the operation of the Gram Panchayat was less bleak. Several of the women from the SHGs were considering applying to the Gram Panchayat for loans to support vermicompost businesses started under watershed development programs. One woman, a poor and abandoned Muslim woman, had despite her marginal status succeeded in pressing the Gram Panchayat for support. In both Gram Panchayats the potential for at least momentary inspiration about Panchayati Raj was evident when they remembered ‘Nir’ Sahib. ‘The time when Nir Sahib was in control was great for Panchayati Raj. We were all prepared to make sacrifices for our village’.<sup>12</sup>

The effectiveness of reservations as a means to ensure empowerment of the poor has been a much-debated issue. Most of the Gram Panchayat members in the village belonged to the élite, although both had a woman Sarpanch, in one case a scheduled caste woman. The sentiment expressed at the meeting (the latter Sarpanch was not present) was that reservations were bad because they allow inefficient people to take control. This is of course the classic case against reservations, and it is not surprising that it is expressed by Brahmins and Kshatriyas about a scheduled caste woman. From the evidence on the field trip, and in reports on reservations, the barriers against members of the scheduled caste/scheduled tribe appear to be much stronger than the barriers against women. The violence of this barrier was terribly evident recently in the Tumkur district when a scheduled caste man was made to eat human excrement to quell his political ambitions.

Gram Panchayat work at the moment is almost wholly focussed on what benefits can be harnessed from the Taluk and district. This does make it very difficult for a poor person with very local knowledge to be effective. A politically astute person who can make the right contacts and bring development schemes to the village, may in fact be better in the short-term. The poor in this Gram Panchayat were not aware of the system and they relied more on each other for assistance. For example, in one tribal village called Dabbagunte within Hoyisalakatte Gram Panchayat, a respondent commented ‘there is a strong community feeling in the village and we help each other. There is also a pride in not asking others for assistance’. A member of the Gram Panchayat commented ‘such communities are perfect for politicians because they can get their votes in one block and they don’t need to give the people anything in return’.

As for the scheduled caste woman President: ‘she doesn’t understand anything’. I did not meet her, but some people from her household said that she is not happy in the position and that she does not have enough time to work now. I met the other woman President and asked her what motivated her to become involved in the Gram Panchayat: ‘women have always been active in this village, and we

<sup>12</sup> Nir Sahib is the local name for Nazir Sahib, the former Minister of Panchayati Raj. Nir means water and he acquired this name because of his successful campaign to install boerwells in all villages.

have never received any problem when we give our opinions. Now it has been formalised, that is all. Before we would not have had the idea to have a formal position'. I tried to interview the female Adhyaksha of a Zilla Parishad, but was told by her office that she was at home. When I phoned her home, her husband answered and said that his wife does not go to the office unless there is something to sign, in which case they send for her by car.

There are abundant examples of the failures of reservations. Does this mean that they are a bad strategy? What about success cases? First, the positive influence that women have on shifting development priorities to sustainable 'soft' development issues (such as soil and water conservation, afforestation, sanitation) are now well-known. This was evident in the Gram Panchayats I visited where it was women who were pushing the Gram Panchayat to be more active in this respect. There is plenty of evidence that this effect is there even when women's representation is only nominal and the husbands are effectively signing the papers. Secondly, empowerment for women is often a very rapid process and Community Based Organisations have been an important part of this empowerment process. Thirdly, caste divisions in elections are fading and being replaced by coalitions that span caste barriers (Subha, 1995).

Building more formal links between the two systems is one way in which the 'capacity' built through WIs and other CBOs can be scaled-up. There are many instances of these linkages between CBOs and PRIs emerging. In Andhra Pradesh 800 women from SHGs contested the Panchayat elections of which 400 were elected. A respondent said that such a turnout would have been impossible if CBOs and SHGs had not enabled women to recognise their own capacity. At a recent Telugu Desam rally a women Sarpanch from Warangal district publicly asked the Chief Minister why there were no women in his circle of advisors (Deccan Chronicle, May 29, 1998). In the Myrada area 54 women who were part of SHGs have been elected to PRIs. The pattern is the same in the Khribhco areas of Gujarat, although the numbers are smaller.

The process from SHG to PRI often happens without any external encouragement. Government representatives in Andhra Pradesh were especially conscious of the success of this process and the rapidity with which it is happening. The habitation committees of the Janma Bhoomi project also consist of members of CBOs and Gram Panchayats. It is one of the most interesting findings of the linkages between PRIs and WIs and is a process whose potential needs to be explored further. Many organisations are already involved in assisting the poor to enter the Panchayati Raj system and to voice their demands. However most of these organisations are advocacy based, there are very few field-based NGOs amongst them. For example, ActionAid has recently released a CD-Rom on women in Panchayati Raj. United Nations Children's Fund (UNICEF) supported a telephone and television conference via satellite in which elected women from all over Karnataka could share their problems and ask questions to a panel in Bangalore.

## **6.5 Summary: roles and functions of Gram Panchayats and WIs**

PRIs and WIs have different objectives, different visions of the community, and a different perspective on the process of collective action. It is not necessary for these differences to be a point of conflict as long as policy is formulated which respects the designated roles of these two systems. The conflict is likely to arise if these differences are brushed under the carpet. PRIs are units of self-government which have been given a constitutional mandate to plan development, raise revenue, open bank accounts, spend money, and, importantly, to place democratic pressure on a system which is linked to political power at the top of the system. The vision of the community is not of an autonomous and atomistic local body, but of one which is affected by external influences and



decisions taken in the wider polity, and therefore has the right to be part of these decisions through the democratic process.

Watershed management is one of the functions under the domain of the Gram Panchayat in the XIth Schedule. Gram Panchayats are in fact meant to develop a plan for the management of all the natural resources within their boundaries. However the jurisdiction of the Gram Panchayat is too big to manage micro-watersheds, and with all the other issues listed in the XIth Schedule, the Gram Panchayat would also not have sufficient staff or salaries for such management. There is therefore clearly a need for a Community Based Organisation to manage watersheds in a locally sensitive manner with a local negotiation of costs and benefits. This is the role of Watershed Institutions. There is no conflict if WIs aim to empower local people, educate them about their rights, or provide them with economic tools for a better life. Nor is there a conflict in the roles of PRIs and WIs if the latter chose to set up federations at regional or national levels.

The problems may arise when the roles of the WIs take on those of the Gram Panchayat and when WIs start planning the broader development process. The problem arises first of all because the Guidelines were not designed for this purpose: the WIs have no legal status, no representation at higher levels, and no statutory stability. Again there is not technically a problem with this until the WIs are supported as an alternative system to PRIs. As Arora notes; 'sporadic efforts have been made to federate SHGs/CBOs at the sub-district and district levels. These groups are independent organisations and can therefore federate at whatever level they want but if they are supported by development projects which are either donor funded or state funded, then one must examine whether such federations are likely to conflict with higher level PRIs. The fall out of such a conflict is likely to be faced by the state and so whether or not the state should finance a higher level federation has to be carefully assessed' (Arora, 1998).

There seems to be confusion about the roles of PRIs and WIs, when in fact they can be compatible. One of the main reasons given by respondents for not involving Gram Panchayats is that they are too big for watershed management. This is confusing a technical matter with a principle. The appropriate size for WIs is an on-going issue of debate and is usually negotiated anew with each project: should it be based on a micro or macro watershed? Should all the households in a watershed be included or only those belonging to a particular village. Similarly, the appropriate size of the Gram Panchayat is much debated: are they not too big to be representative of the needs of the village? Are they not too small to incorporate economies of scale in development plans? These logistical problems are not a reason for treating these institutions as if they are interchangeable. Whatever the size of a Gram Panchayat, WIs can flourish within them, as long as they are ultimately accountable to the Panchayati Raj system. In Karnataka the legislation for the establishment of societies within Gram Panchayats was established by an Amendment in 1997. Indian Food and Fertiliser Company, the agricultural cooperative, is already working with parts of different Gram Panchayats on this basis.

The success of PRIs depends heavily on the effective functioning of the Gram Sabha. But again, there is not necessarily a conflict as the evidence included in the Gram Panchayats on the success of CBOs getting marginal members suggests. Further, it is a mistake to think that WIs can forever be free from the influence of politics and power. 'You know what will happen when the project staff withdraw? The élite people will be waiting to crush the group. Their protection will be gone and they will be helpless'. This one step forward, one step back, was the very negative response of one project worker. It may be more a case of two steps forward, one step back, but there is certainly plenty of evidence of project gains being rolled back. Further, it is not possible for WIs, especially with the amount of money coming in, to be insulated from power and politics. Watershed Association members are often coopted by political parties that are attracted by their funds.

(Krishna 1996, in Turton et al. 1998b). The recent elections to the WCs in the coastal districts of Andhra Pradesh, for example, were fought on party political lines. It is better that these politics are made explicit and transparent.

The roles and functions of the WIs and PRIs also differ in their ability to raise revenue and tax. The PRIs have been given, in theory, the powers to raise revenue and collect taxes. In practice the ability of Gram Panchayats is usually restricted, and most state finance commissions have not yet specified the subjects which will be handed over to the Gram Panchayats. Since the Amendments were passed there has been some pressure on the state to devolve down to the Gram Panchayats all the subjects that are in 'their natural domain' for taxation. At the heart of this statement is the principle that an argument has to be made for decentralisation, rather than vice versa. One of the first areas that would fall in their domain is the collection of dues for all of the natural resources that lie within their boundaries. These are presently being collected by the Revenue Department and the Forest Department in particular. The Gram Panchayat would become an important nodal point for planning, as well as having the resources to invest in development.

At the district level it has been argued that the PRIs have short-time horizons for planning and are likely to favour projects which have immediate visible benefits. This may be true, but it has to be compared with an administrative system which also has rapidly changing fads, and whose staff are transferred every year. The District Collector in Anantapur, for example, has expressed his interest in water harvesting, and is not interested in the soil and water conservation work that has been the foundation of much of the work done by NGOs in the district. This lack of continuity, and the lack of local knowledge, is a frequently voiced criticism of the state administration. A respondent in the Department for Rural Development in Bangalore pointed out that the roles of the CEO and the Adhyaksha complement each other's expertise. 'The Adhyaksha is a local fellow who knows about local conditions and has to please the local people. He may not be having experience of how to implement programs. The CEO has experience of running development projects, but he may not be having local knowledge. It is a good combination. There should not be any conflict'.

## 7. Accountability and sustainability in Panchayati Raj and the Guidelines

### 7.1 Accountability and transparency

One of the defining differences between PRI and WIs is the principle of accountability on which they operate. PRIs are accountable to the electorate and the sanction is being voted out. WIs are accountable to the government, who can stop funds and disband committees if procedures are not followed as specified. PRIs seek to endogenise the mainstream political process to ensure its accountability. The Guidelines seek to exogenise the political process as this is seen to subvert accountability. The question of accountability is therefore at the heart of the operation of the political and administrative system. It is also at the heart of the question of what links exist, and should exist between the two systems.

Accountability is a central component of the good governance agenda and a frequent political promise in India, as elsewhere. The good governance agenda identifies several important components of accountability: accounting; decentralisation and NGO involvement; and micro-level accountability of public agencies to the consumers of public services. As Moore notes these are listed without asking or answering the questions; ‘accountability to whom? Through what mechanisms? And to what degree?’ (Moore, 1995:42). It is not at all clear, for example, why there should be a connection between NGOs and accountability. Accountability ‘is a highly abstract concept, sometimes interpreted in formalistic and legalistic terms, and sometimes used in a more concrete way to refer to the social, economic, political, etc. mechanisms through which some agents become responsive to other agents’ (Moore, 1995:42).

Moore suggests that the obscurity, in which accountability is enshrouded, prevents an examination of the mechanisms through which it could operate. This appears to be the case for both PRI and WIs. The former is enshrouded in so many Amendments, provisions and ordinances that, as one respondent put it, ‘the law itself has become a moving target. How can we possibly implement it?’ The latter has an elaborate system of monitoring and evaluation that disguises the fact that the accountability is to the top: governments and donors. A deconstruction of the concept of accountability is imperative for an understanding of the political and administrative systems for development projects. I will start backwards, by listing my conclusions, and then provide the evidence from the fieldwork to support these.

- Decentralisation without a devolution of executive, financial, and judicial powers is frequently tantamount to, at best ‘passing the buck’, and at worst, ‘decentralising corruption’. This is true for both the political and administrative systems
- Panchayati Raj Institutions will not work unless they are made accountable to the Gram Sabha. The Gram Sabha cannot work unless it is given power
- Watershed Institutions are accountable to the Zilla Parishad given the legislative remit of the Panchayati Raj Act
- Traditional bureaucratic mechanisms of accountability should not be downplayed in favour of a vague accountability to ‘the people’
- Authority and accountability must be linked

## *Karnataka*

A deconstruction of accountability is useful because it provides a means through which to test the claims of Panchayati Raj and the Guidelines. In Karnataka there was a widely felt and voiced opinion that 'the system' was not accountable to local people. There was no distinction made between the political and the administrative system in this respect. The problem with the Panchayati Raj system is that the Gram Sabha has not been sufficiently politicised and has not been vested with any judicial, executive or policing powers. 'We cannot do anything if the Sarpanch is not distributing any benefits. What should we do, you tell us?' To my response, vote him out, came the reply, 'the next one will be the same'. In the other Gram Panchayat the people were less pessimistic, but the general feeling of apathy with the system appears pervasive.

The reason for this lack of accountability is that the political system, the Zilla Parishad, has basically become a channel for the delivery of development projects to the village. They are not accountable for the delivery of these projects to the village but to the donors or higher hierarchies in government. In this sense the Zilla Parishad operates just like a DRDA and has the same lack of accountability. The monitoring and evaluation procedures are basically enormous audits of money spent and structures built. The physical monitoring is done by IAS staff at the taluka level and by the WIs but there is no check on the process or quality of the work. Myrada has declined taking on more work because of this lack of monitoring 'they require us to fill in enormous forms but there is no check on the quality.' It is important to note that the reason for this sort of accounting is not because it is a Zilla Parishad. The procedures are the same with a DRDA, and in any case, the Guidelines are implemented and monitored by the IAS within the Zilla Parishad.

There is also very little accountability and uniformity to the way in which the WIs are established. Government members of staff are often suspicious of NGOs and many NGOs have been blacklisted for bad work and corruption. They commented that NGOs are against PRIs because they are beginning to ask questions about NGO performance. NGOs concede that there are many corrupt cases, but point to the corruption and lack of accountability, within the government. One NGO/PIA commented 'we are refusing to pay and that is why we will not get any more work. If you really want to see how the Guidelines are working then don't spend only two days. Stay here for a month and go to each and every project site and look for the work that has been done. You will find exactly nothing.' He had written a letter to the CEO and the Adhyaksha accusing them of corruption and has consequently received no further work.

There are checks and balances between the PRIs and the state administration. This is true especially between the Adhyaksha and the CEO, and several respondents said that this is working well because both become accountable to each other, and both have the power to put obstacles in each others way. The perception of their relative power at the state level in Bangalore was also mixed. For the purpose of the Guidelines the Zilla Parishad is generally considered in terms of the CEO and his officers. There were some fears at the state and district levels of passing funds down to the Watershed Committees. 'They are not accountable to us. It is very difficult to control them. But the taluka level is maintaining a tight control.' One respondent talked about a 'three way watch dog' system between PRIs, NGOs and the state administration. They also mentioned competition between NGO and government PIAs as having a positive effect because both want to prove that they can perform better. The NGO respondent said 'for years we have been saying that we can do the work better and more cheaply than the government. Now that we are PIAs we want to prove it.' However whilst this system may improve efficiency it will not necessarily improve accountability.

Respondents within the PRI all commented that the system has taken some backward steps from the Panchayati Raj Act that was introduced by the Janata Dal in 1987. The PRIs themselves are now less accountable to the lower levels, and the state administration is less accountable to PRIs. One of the biggest problems is that PRIs no longer have the right to request the transfer of inefficient IAS officers. A former Adhyaksha commented ‘this is a real step backwards, it is terrible. It means that the state administration is totally unaccountable, and that if there is an inefficient officer there is nothing that can be done about it.’ Most respondents I spoke to did not think that the PRI system was inherently less likely to be accountable than the state administration. ‘The state has had its chance for 50 years, why not let the PRIs have their chance. They may be as corrupt but they can’t be more corrupt.’ A former Secretary at the Ministry of Agriculture commented ‘the irregularity with PRIs is far less than with the government. The Zilla Parishads are already handling large amounts of money, so why not trust them with implementing the Guidelines?’

It is difficult to judge the accountability of the PRI’s system as it has never been left in place long enough to be tested. One of the reasons given for aborting the Karnataka Panchayat Act of 1987 was that PRIs are corrupt. However there is much dissent on this conclusion. No one disputes the existence of corruption, but most argue that it is less than what occurs in the government. Further, it is argued that it is the people who should ultimately judge this. ‘If a case is built up by using charges of corruption in order to scrap the system or diminish the importance of people’s representatives, this is tantamount to throwing the baby out with the bath water. After all, in a democracy, isn’t it the people who should punish their corrupt and wicked representatives as and when the next elections take place? Instead these very elections were postponed indefinitely. What kind of logic is this?’ (Mathew, 1995: 61).

### *Andhra Pradesh*

The question of accountability in Andhra Pradesh is more broadly interesting because of the high profile campaign for transparency that has been pursued by the Chief Minister. Whether this transparency also ensures accountability is not a question that this report can answer. However two tentative conclusions can be drawn from a consideration of the structure for development projects in Andhra Pradesh. The first is that a positive synergy between the political and the administrative system is important. As one respondent put it ‘the political mindset does influence the bureaucracy.’ The second is that a good bureaucracy is important, and traditional systems of bureaucratic accountability should not be bypassed in favour of an undefined accountability to the people.

The IAS cadre in Andhra Pradesh has a good reputation and there is considerable prestige attached to working in the Andhra Pradesh cadre. There is an attempt to pick the right person for the work in Andhra Pradesh, as opposed to just allotting positions through routine transfers, and all the usual influences on these. For example, the Secretary of Rural Development has made a recent request to select fifteen Collectors as Project Directors for the Watershed Management Projects, and has received no political opposition. This is very unusual. The Andhra Pradesh IAS cadre has had a good reputation for being accountable since the 1980s but it has come to the foreground with the campaign for transparency pursued by the Chief Minister. For whatever reason (personal or the indirect circumstances under which he came to power, his background in social mobilisation, his pursuit of the female vote,) the Chief Minister has placed great emphasis on ‘bringing the government to the door of the people’. Some examples are his Chief Minister’s question time, (he can be asked anything by anybody) and his file clearance week, (when all pending issues are cleared). He has also promised to computerise governance down to the Mandal level so people have easy access to information. At the

village level a system of monitoring and evaluation has been introduced, with a prominently displayed social audit board detailing information on projects.

Whilst some of these measures have been criticised as partly gimmick, there is no doubt that it has a tremendous influence in contributing towards people's empowerment. The Eshwaran Committee recommended a quiet revolution through a change in the roles and responsibilities of the bureaucracy, and in Andhra Pradesh, it seems that this is moving in a generally positive direction. The link between authority and responsibility is more tangible in Andhra Pradesh than in many other states. Conventional systems of ensuring bureaucratic responsibility are important, and even a fully functioning Panchayati Raj system cannot replace this, also it can put pressure on the administration to instate this. Jain (1985) notes about state sponsored development programs that, 'monitoring and evaluation (which were rigorously applied during the 'community' development and 'Panchayati Raj' phase), are now conspicuous by their absence.' The public and prompt availability of reports of the Programme Evaluation Organisation in the past was distinctive of the Community Development Program. Such a public monitoring system is critical to the success of a program and Andhra Pradesh has made considerable moves to ensure that it is put into place.

However, whilst monitoring and evaluation are important, they are finally only technical tools. The critical issue is one of accountability. Although the state administration in Andhra Pradesh is more transparent than in other states, there is still little local accountability. At a workshop on Perspective Planning for watershed development, attended by the government and NGOs, the question of accountability came up several times. Several NGO representatives said that they had no idea of what funds arrive at the district level and how they are spent. They felt it was important to have some knowledge about the scale of the program. Others commented that monitoring and evaluation is still a numbers game, a giant audit, with little reflection on the success of watershed projects in targeting the poor. It is acknowledged that in Andhra Pradesh, as in most others states, the Watershed Committees are dominated by the resource rich who receive a disproportionate share of the benefits. A respondent from RDT commented that 'approximately 60% of the Watershed Committees are not democratic institutions', but are dominated by the powerful. In particular, contractors have a tremendous influence on the use of the resources within the WC. It is important to recognise that there is an informal and covert structure of accountability that underpins the distribution of resources from development projects. The government and civil society agents are often constrained in their operational flexibility by the demands placed on them by client groups.

In conclusion, the record of accountability to the 'beneficiaries' of development projects is poor in both Andhra Pradesh and Karnataka, (although better than in most states) most likely because they are at the moment only 'beneficiaries'. Accountability can only be achieved when members of the Gram Sabha and beneficiaries of development projects are given more rights, and are made aware of these. At a recent conference on Perspective Planning for Watershed Development in Hyderabad at the National Institute for Rural Development (NIRD) June 1-3, 1998, this question of local accountability was not considered. There were proposals to set up an apex body to oversee watershed development programs which would be accountable to its stakeholders: the government, NGOs and donors. But no mention was made of local people, and in any case to include them in the list would be avoiding the issue. At the central level some initial steps to look into ways of ensuring local accountability are being taken by the DRD in New Delhi. One possibility is through the institutionalisation of Jan Sunwai, the system for public hearings. In the meantime the campaigns for transparency in Andhra Pradesh and the right to information movement in Rajasthan are a step in the right direction. The latter movement has been a campaign sustained by the Mazdoor Kisan Shakti Sangathan. 'The Panchayats will break this centralised information system when 30 lakh elected members ask for information on a variety of matters that affect the people's lives. It is hoped that the work being done by Mazdoor Kisan Shakti Sangathan in Rajasthan will spread to

other states and that the Panchayats will be the most effective vehicles for it' Mathew and Nayak (1996). If the movement was part of the reason that the GOI published the Right to Information Act in April 1998 then it has already had some effect, although there are so many provisions to this act that it is virtually unworkable.

## 7.2 Sustainability and 'scaling-up'

One of the most debated issues in watershed management projects is the question of how to ensure that the project is sustainable and that the benefits are 'scaled-up' to other areas. The question of the sustainability of PRIs, in theory at least, because most of them are not functioning, is a moot point; they are constitutional and they will exist as long as the democratic system is perceived to be a good one. WIs are project specific and task specific organisations. Their sustainability will depend, political factors aside, on the support that they receive, and the extent to which local people feel they are necessary. The sustainability of the institution is not important. What is important is the sustainability of the process which they have contributed towards, that is an improved livelihood basis and the construction of 'social capital' through enabling the poor to act collectively and independently to find their own solutions.

The overwhelming evidence on natural resource management projects, such as watershed management, is that the benefits are not sustainable in the long-term. Plantations disappear, committees are disbanded or abandoned, the livelihood base of the poor remains only marginally improved, if at all. Indeed the record of the sustainability of most government projects is extremely bad. Perhaps in some cases they create some sustainable social capital by raising awareness amongst the poor. However the evidence suggests that most of the social capital which projects create is held by the rich, and that in fact most projects have contributed to a further entrenchment of their powers (Jain, 1985 and 1991). Part of the reason given for NGO involvement in development projects is to ensure the sustainability of a project by threading it into the fabric of the local social and economic structure. Some NGOs have ensured the sustainability of some projects by creating participatory development and negotiating conflicts before leaving the village. This approach takes time and needs resources, hence the question of how to 'scale-up' this process to cover wider areas. Further, these success cases are drops in the ocean, and even then they are not problem free. A respondent from RDT, an NGO with a very good reputation commented that 'there are a few villages in which the committees have the capacity to become partners of the government for development. But 60% of the institutions are not democratically elected.' Another study of natural resource management projects found that after NGO support ranging from 7–12 years, 'the social organisations or community groups involved do not appear to have reached the stage yet where external support – whether operational or 'institutional' – is no longer required' (Sinha and Sinha eds. 1996:139, in Turton et al. 1998b).

The question of sustainability and scaling-up featured prominently in a recent workshop on Perspective Planning for Watershed Development held in Hyderabad. A consensus was reached that watershed management is a necessary but not a sufficient basis for improved local livelihoods. Watershed management needs to be linked to other activities, especially for the landless, to ensure its sustainability. The concept of 'Watershed Plus' has emerged to describe this process. The precise meaning of the term is still being negotiated, as reflected in the exploration of this term by two different discussion groups at the Hyderabad workshop. One group included broader development objectives, such as; equity, gender equity and poverty alleviation as components of Watershed Plus. The other focussed more on the means; credit, employment, organic farming, drinking water.

Between them they covered (apart from health) a substantial part of the rural development portfolio of any country.

With the identification of such broad objectives, the next logical step in the discussion was the question of how to scale-up the capacity to implement such a program. One immediate conclusion was that the existing institutional capacity was insufficient. One NGO commented ‘we need additional capacity for capacity building, we need capacity building for mobilisation and we need capacity building for execution. RDT does not have even two free days to contribute to this process ‘we are already extremely busy’. The various suggestions which arose on how to solve this bottleneck, in scaling-up all involved building more institutions, recruiting more people, and building apex bodies at various levels to monitor these building capacity to identify capacity. The discussion on the institutional capacity to oversee this process focussed on resources within the government and NGOs. One idea is that these apex bodies would identify a representative in the village

This approach to sustainable watershed management raises several questions about the links that exist, and should exist, between PRIs and WIs. What should the role of PRIs be once watershed management becomes a broad rural development program rather than a narrowly technical one? Should PRIs not be involved in coordinating these issues? There are several reasons to suppose that this would ensure the sustainability of watershed management. First, they are responsible for development planning for the whole Gram Panchayat, and would be the natural apex body for linking watershed development into other objectives. Second, they are democratically elected, so they can reflect local needs and priorities as they change.

A third critical issue is that it will be more cost effective for PRIs to be the apex linking body as they were already established for this function. The infrastructure is already there, they have the power to raise revenue, and labour will be cheaper. Many small NGOs mentioned that they were not able to implement the program under the current financial allocations and an increased allocation of funds was a starting assumption for all of the programs planned at the workshop in Hyderabad. The project implementation and fund disbursement rate for watershed programs is rapid in Andhra Pradesh. However as a respondent from the Department of Rural Development in Delhi said ‘the DRDA in Andhra Pradesh is working very well at the moment because it is a bureaucratic body flush with funds.’ Whether or not this is sustainable remains an open question. The Panchayati Raj system is by its nature sustainable. Whether they will be effective remains to be seen. However many NGO respondents have already started working with them because, in the words of a respondent from AFPRO in Hyderabad: ‘what alternative do we have?’

### **7.3 Andhra Pradesh and Karnataka: a comparison**

Section 1 suggested that comparisons between states in India could be very useful because it means variations within a common framework. This report does not constitute the basis for a thorough comparison. However, there are several implications that can be drawn from the links between the political and administrative systems in watershed management on the basis of this comparison. The comparison between the two states is implicit in the report, so I will just briefly summarise them in this section.

First, the general experience of popular mobilisation has made a difference in both Karnataka and Andhra Pradesh. In Andhra Pradesh the Telugu Desam Party and its demands for more regional autonomy, the naxalite movement, as well as the periodic revival of PRIs, has been part of this



popular mobilisation. In Karnataka, the Janata Dal and the experience of Panchayati Raj after 1987 has made an indisputable difference to local awareness. A MLA respondent in Bangalore commented 'there are 80,000 PRI functionaries, and they are beginning to demand things.' The experience and character of popular mobilisation is subject to political swings: in Karnataka the provisions of the 1987 Panchayati Raj bill have been diluted, and in Andhra Pradesh the next government may be less enthusiastic about support for CBOs.

However, the gains that have been made cannot easily be withdrawn, because an awareness of rights is true social capital, and is not attached to any particular institution. Sunil Khilnani has commented on democracy in India that; 'democracy as a governmental form will no doubt suffer the vicissitudes to which all human institutions are prey. But as an idea, as a seductive and puzzling promise to bring history under the command of the will of a community of equals – a promise that, given the inevitable gap between intentions and consequences, can at best only hope for partial fulfilment – it has irreversibly entered the political imagination' (Khilnani, 1997: 60). This perspective appears a little hopeful when standing in the tribal village of Dabbagunte, that routinely delivers their block of votes and ask for nothing in return. However, the combined opinion of the respondents in the interviews suggests that it will not be possible to roll back all of the promises made to the electorate in Karnataka and Andhra Pradesh.

The second point that can be made by comparing watershed management in Andhra Pradesh and Karnataka is that in both states watershed management is still an externally funded activity. Comparing the accountability of the Zilla Panchayat and the DRDA (see section 7.1) reveals a common constraint in both the administrative and political systems. Essentially both systems, whether DRDA or the Zilla Panchayat, are delivery systems. There are slightly different influences operating on how and where they deliver, but they remain delivery systems, dependent on resources from above. Local development planning, whether through the Gram Panchayat, the WCs, the DRDAs or the ZPs, is still limited, although some of the Self-help Groups have begun to take autonomous initiatives. There is a need to make the system more accountable and to deepen and expand the scope of the democracy in both Andhra Pradesh and Karnataka.

## 8. Summary and future potential

### 8.1 Summary

This report has identified three questions that are critical to an exploration of the links between Panchayati Raj and the Guidelines. These questions, outlined in section 2, are:

- What kind of decentralisation is necessary for watershed management?
- Does the involvement of PRIs in the implementation of the Guidelines require institutional change or involve institutional conflict?
- How can one support local collective action and how do Panchayati Raj and the Guidelines compare in this respect?

#### *Decentralisation*

Panchayati Raj and the Guidelines are both systems that aim to decentralise control over development to local communities. The former is a constitutional part of Indian democracy and the latter is an executive order of a ministry. Apart from the fact that they both aim to decentralise, they differ (as outlined in sections 2 and 3) in their legislative status, objectives and approach. All of the respondents interviewed stated that the 73<sup>rd</sup> Amendment, which made Panchayati Raj a constitutional part of Indian democracy, was long overdue and is progressive legislation. Further, that ultimately PRIs are a fundamental and sustainable part of local empowerment. The respondents differed on whether they thought that PRIs were ready to take on this responsibility, and on whether Gram Panchayats are an appropriate unit for watershed management. The usual objection to Gram Panchayats being made responsible for watershed management, is that they are too big, and don't coincide with watersheds.

This report concludes that these debates about 'the perfect fit' between the physical watersheds, and the social units that should manage them, miss a fundamental point. This point is that the two systems were established for different purposes. The PRIs are not implementing committees or agencies for projects, but units of local self-government. It is more than likely that a Gram Panchayat will not coincide with a watershed, but it does have a mandate to make a plan for natural resource management within its boundaries. There is no contradiction in establishing Watershed Committees within a Gram Panchayat. However, when Watershed Committees receive GOI and donor funding to expand their roles, and take on many of the functions assigned to PRIs, there is a need to be careful of not undermining the respective roles of the two systems.

Much of the recent enthusiasm over 'Watershed Plus' has led watershed management into territory which is in the domain of PRIs. Whether or not this creates a conflict, as discussed in section 3, 4 and 6, is highly dependent on local and state politics. However in all cases it is a matter of missing the 'spirit' of the legislation underlying both Panchayati Raj and the Guidelines. Further it misses out the comparative advantages of both systems. In the case of the Guidelines, this is Committees especially established for watershed management with a support network of line departments, NGO expertise, and specialised supervisory teams. In the case of Panchayati Raj, this is a sustainable

local institution that has the statutory power to plan natural resource management, open bank accounts etc., and represent local needs at higher levels.

### *Institutional change and conflict*

One of the underlying questions in this report has been whether there is a conflict between Panchayati Raj Institutions and the Guidelines, and whether this will need institutional change to resolve. There are several areas, mentioned in section 3, where the functions outlined in the Guidelines are similar to those outlined in the Panchayati Raj legislation. In themselves, these do not constitute a significant issue or problem. However they are part of the larger process of the development of Panchayati Raj and administrative decentralisation. This process of institutional change has started in many states, and involves changes that will be politically negotiated. The negotiation, as outlined in section 4, is likely to occur between sectors (government, NGO); within the government (centre, state and district); and between the PRIs, the state administration and NGOs. The Guidelines refer to institutions as ideal types. It is important therefore to appreciate that they are based on already existing institutional alliances and conflicts, that institutional change is usually politically resisted, and that any 'negotiation' will take place between groups within uneven resources.

There is also unexplored room for cooperative work between PRIs, NGOs and Watershed Institutions at various levels. As section 4 discussed, many respondents felt that the development of Panchayati Raj Institutions, particularly Gram Panchayats, will lead to decreasing NGO involvement. This may be true in the very long-term, but it will take some time before PRIs are operating effectively, and many NGOs have accumulated skills in 'capacity building', which are needed by PRI members. The description of the role that NGOs and voluntary associations should play in the seventh plan, is in fact one of facilitation, supplementing government work, and capacity building. Planning development, which is part of the domain of PRIs, is not included, although many of the larger and apex level NGOs have in the last ten years been informally drifting into the policy planning process.

Finally there is room for cooperative work between Gram Panchayats and Watershed Committees at the grassroots. Power structures within a village are fluid, and as all grassroots workers are aware, it is not possible to change these by setting up new committees. SHGs can sometimes manage to insulate themselves from local politics, especially if they are composed mainly of women and receive little funding. However as soon as committees receive funds they attract local power groups. The evidence of this process is overwhelming, and is well demonstrated by the recent Watershed Committees elections in Andhra Pradesh which were fought along party political lines. It is therefore difficult to draw a line between Gram Panchayats and Watershed Committees, and maintain that the former is for politics and the latter for watershed management. However, as discussed above and in section 6, the roles of the two institutions are formally complementary. Many NGOs have made significant progress by supporting weaker groups to establish their needs in the sustainable and formal mainstream of village politics.

### *Local collective action*

Panchayati Raj and the Guidelines have very different approaches to supporting local collective action. In Panchayati Raj local collective action is formalised through the democratic process and unprivileged sections of the community are drawn into the mainstream of political life. In the

Guidelines, collective action is issue based, and unprivileged sections of the community are supported to make a united stand based around specific needs. The question of that is more effective, is at the heart of the debate over whether to support Gram Panchayats or Watershed Committees and how to construct the links between them. The implementing agencies I talked to all had a slightly different approach towards supporting local collective action for watershed management. Most were opportunistic, building links between Gram Panchayats and Watershed Committees based on the local reality. Some NGOs were more strategic, and had taken an active decision either to work mainly through SHGs, or to have the strengthening of the Gram Panchayat as an ultimate goal.

In all cases the comparative advantage of SHGs, Community based Organisations and Gram Panchayats was a central discussion point. This report concludes that both approaches are important, and that ultimately comparing their potential for watershed management is futile. As discussed above, their roles in watershed management are different. Further, many of the discussions about the comparative advantage of Gram Panchayats versus Community Based Organisations, become embroiled in a comparison of the track record of these institutions. This exercise has limited utility. It is now fairly clear that CBOs of all kinds need sustained external support, and that most are not particularly representative of the needs of the poor. It is also evident that Gram Panchayats are dominated by the élite, and that so far they have been used to entrench élite interests. The ultimate objective is local empowerment and development, and both types of institutions have an important role to play in facilitating this. However, this involves a political decision to follow the ‘spirit’ of the legislation in both Panchayati Raj and the Guidelines.

## **8.2 Further research and institutional links<sup>13</sup>**

There is an urgent need for action research on the grassroots of Panchayati Raj: the Gram Sabha and the Gram Panchayat. Many of the academic respondents commented that there has been so little comprehensive research on the Gram Panchayats that the whole debate over how they function is being steered by anecdotal information. There is therefore a serious knowledge gap on the process of local politicisation and local understanding of the Panchayati Raj system. The 73<sup>rd</sup> Amendment has inspired a renewed emphasis on action research which combines an understanding of the constraints faced by the Gram Sabha with support for possible solutions: this approach requires support.

There is a growing network of institutional support for the Panchayati Raj system. Part of this network includes organisations that have taken a policy decision to support Panchayati Raj. Part of the network includes individuals who support Panchayati Raj within organisations (the government, donor agencies, and NGOs) that have not taken an official decision to actively support Panchayati Raj. Of the former, organisations that have taken a policy decision to support Panchayati Raj, advocacy based NGOs and academic institutions are most active and vocal. In fact the link between these two types of organisations is often very close, with individuals simultaneously involved in both activities. The Institute of Social Studies (ISS) in New Delhi produces annual updates of the Status of Panchayati Raj in different states after the 73<sup>rd</sup> Amendment. It also publishes a newsletter called Panchayati Raj Update on the routine operation of Panchayati Raj; undertakes detailed research studies and conferences/debates on Panchayati Raj. Many other academic institutions (such as the Institute of Social and Economic Change) in Bangalore have departments and individuals

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<sup>13</sup> This section describes the institutions working with PRIs that I came across in the study. As this was not the central purpose of the study these were limited. A thorough examination of these would expand the list enormously.

whose passive support for Panchayati Raj over several decades has been rejuvenated by the 73<sup>rd</sup> Amendment.

Of the issue-based NGOs, many of the NGOs who work on gender, sanitation, health and education have started to work actively with Gram Panchayats. Perhaps part of the reason is that in many states, these are amongst the first activities handed over to the Zilla Parishads. Further, the statutory involvement of women and scheduled castes and tribes in the system has motivated many of these NGOs to support the role that they will play in the system. ActionAid has recently brought out an excellent CD-Rom on the role of women in the Panchayati Raj system. UNICEF in an innovative attempt to provide support to recently elected women members of PRIs sponsored a television and telephone satellite conference in Karnataka. Women from all over Karnataka were able to phone a panel in Bangalore to voice their concerns, ask questions and share their experiences. UNICEF has also produced a film called Sanshodhan (The Amendment) together with the National Film Development Corporation, about a woman who is elected to her local Gram Panchayat. Such awareness-raising activities as well as training courses and capacity building exercises are now increasingly also sponsored by the government. For example, to celebrate Panchayati Raj Divas in Orissa in 1993, Biju Patnaik, the Chief Minister, invited the assembly of 16,000 elected representatives, almost half of who were women, of PRIs to Bhubaneswar for a two day deliberation in the Kalinga Stadium.

NGOs involved in natural resource management activities, whether this is watershed, wasteland, water or forest based, have been relatively slow in forging working alliances with Gram Panchayats. Many NGOs work with Gram Panchayats simply because they cannot avoid doing so, but have no active program or ideology of support. ActionAid has taken a policy decision to support Panchayati Raj through its network of NGOs in all activities. In Andhra Pradesh Oxfam, the Centre for World Solidarity, and Action for Food Production (AFPRO) are all actively exploring ways of working through Gram Panchayats for resource management in the future. The Netherlands Organisation for International Development Cooperation (NOVIB) has supported a research study in Andhra Pradesh, Karnataka and Tamil Nadu to examine the links between PRIs and CBOs for natural resource management in particular. The Ford Foundation has also provided ongoing support on research studies and innovative experiments with PRIs. The planned Karnataka Watershed Development Project will experiment by implementing the entire project in Bellary district through PRIs. Finally, NIRD in Hyderabad, at the initiative of the MRAE, has produced a suggested scheme for the devolution of powers and functions to Gram Panchayats, and has dwelt at length on neglected areas like land reforms, protection and maintenance of village commons and water management.

## Appendix 1

### **Conclusions of the working group on Panchayati Raj and watershed development as presented by the moderator Dr. Rathin Roy at the conference on Watershed Approaches to Wasteland Development, Vigyan Bhawan, New Delhi.**

Panchayati Raj has a constitutional mandate: the current guidelines recognise this and provide an explicit role for Panchayat administrations. But where should the devolution happen?

- Zilla Parishads are insensitive to village level needs.
- Taluk Panchayats have limited capacity.
- Sarpanch takeover is a problem.
- Gram Panchayats may work– but do they have the capacity and is their remit coterminus with that of a typical watershed? Often not.
- Experiences in West Bengal and Maharashtra indicate that dovetailed cooperation with Panchayats can work. Other regions have diverse experiences.
- Empowering the Watershed Committees may be a solution, especially if such committees are brought within the framework of the ZP elected executive.
- Opinion evenly divided on the issue of making watershed participation more politicised.
- Ralegaon Siddhi style consensus mechanisms are optimal, but difficult to replicate.
- Affirmative caste and gender action in the Panchayati Raj Guidelines needs to be endogenised to a greater extent in the watershed case. This is both desirable and necessary since such action is constitutionally enshrined in Panchayati Raj legislation: hence, the greater the role of Panchayati Raj Institutions, the greater the need for formal affirmative action.

NGO-PRI relationships evolve, there are many cases where competitive rivalry has given way to cooperative work (Rajasthan, Maharashtra, Gujarat, West Bengal) especially when NGOs:

- recognise the PRI as the only democratically accountable actor in the implementation process
- (with all its faults);
- look for an ultimate ‘exit’ with a role for the PRIs afterwards.

Donors do have a relationship with ZPs, albeit not a direct financial one. Donor activity needs to be monitored, at the national and sub-regional levels, and more information is necessary on Donor-NGO relationships. The emphasis should be on increasing both choice and accountability. Watershed Development needs to appreciate the wider framework of rural development, and the fact that it is but one part of the larger district development initiative.

Watershed user groups and other specific action groups can enhance the effectiveness of PRI when adequately supported and networked with PRIs. This requires coordinated micro-planning by the watershed and PRI structures.

Consensus with dissent:

- Both the Watershed Guidelines and the Panchayati Raj process are in transition. It is important to study their evolution with the ultimate aim of dovetailing. Research in this area should be a priority.
- But for the moment, the emphasis must be on simplicity to maximise effective coordination.
- Watershed guidelines relevant to participation and PRIs, need to have a more flexible approach to different political circumstances within states.
- Gender (and less consensually) caste based affirmative action in PR constitutional provisions are far more progressive than those extant in the guidelines. These should be looked at for adoption, but recognising that mere legislative action is not enough. There are other, more profound, problems in this area that need to be addressed.

## Appendix 2

### Main features of the 73<sup>rd</sup> Constitutional Amendment

- Panchayats will be institutions of self-government.
- There will be a Gram Sabha for every village or group of villages comprising all the adult members registered as voters in the Panchayat area.
- There shall be a three-tier system of Panchayats at village, intermediate block/taluk and district levels.
- Seats in Panchayats at all the three levels shall be filled by direct election. In addition, chairpersons of village Panchayats can be made members of the Panchayats at intermediate levels, and chairpersons of Panchayats at the intermediate level can be members of Panchayats at the district level.
- Members of Parliament, Members of Legislative Assembly and Members of Legislative Council should also be members of Panchayats at the intermediate or the district level.
- In all the Panchayats seats should be reserved for Scheduled Castes and Scheduled Tribes in proportion to their population. Offices of the Chairpersons of the Panchayats at all levels shall be reserved in favour of Scheduled Castes and Scheduled Tribes in proportion to their population in the state. One third of these seats will be reserved for women.
- One-third of the total seats and of offices of chairpersons of Panchayats at all levels will be reserved for women.
- State legislatures can provide reservations for other backward classes.
- Every Panchayat shall have a uniform 5 year term and elections shall be held before the term of the elected members ends. If the Panchayat is disbanded, elections will be compulsorily held within 6 months.
- It will not be possible to dissolve the existing Panchayats by amending any act before the duration is over.
- An independent election commission will be established in each state for Panchayati Raj elections.
- Specific responsibilities will be entrusted to Panchayats to prepare plans for the subjects listed in the XIth Schedule. A District Planning Committee will consolidate these plans.
- The Panchayats will receive funds from the state government for the execution of the subjects listed in the XIth Schedule. They will also be given powers to raise revenue and tax.
- The State Finance Commissions will be established to determine the principles on the basis of which financial resources will be allocated to Panchayats.



## Appendix 3

### Enabling provisions regarding tax assignments/fees, tax sharing and grants-in-aid in respect of Panchayati Raj Institutions

#### Andhra Pradesh

##### Tax assignment

<i>Zilla Parishad</i> Nospecific tax Assigned	<i>Mandal Parishad</i> Surcharge on any tax Imposed by G.P	<i>Gram Panchayat</i> House tax Tax on produce sold in village Vehicle tax Tax on agricultural land Tax on advertisement Special tax on houses for meeting Public works expenses Land cess on rent for land Surcharge on seigniorage fee Any tax as directed by government Fees for the use of Porambokes Fees for occupation of buildings
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##### Tax sharing

<i>Zilla Parishad</i> Duty on transfer of property by the state government Share of land cess or local cess	<i>Mandal Parishad</i> Land revenue	<i>Gram Panchayat</i> Duty on transfer of property by the state government/  Tax levied under Public Health Act.
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##### Grants

<i>Zilla Parishad</i> Grants from central and state governments	<i>Mandal Parishad</i> Annual grant Rs.5 per person in Mandal	<i>Gram Panchayat</i> Grants from government, ZP&MP.
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#### Karnataka

##### Tax assignment

<i>Zilla Panchayat</i>  No specific tax	<i>Taluk Panchayat</i>  No specific tax	<i>Gram Panchayat</i>  Tax on building Tax on land not subject to
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agricultural assessment  
 Entertainment  
 Vehicles other than motor  
 vehicles  
 Water rate  
 Pilgrim fee, fee on cattle,  
 Grazing land, market

### **Tax sharing**

*Zilla Panchayat*

*Taluk Panchayat*

The entire amount collected  
 as surcharge on stamp duty

*Gram Panchayat*

The entire amount collected  
 as land revenue from a  
 Panchayat area.

### **Grants**

*Zilla Panchayat*

Discretionary grant by  
 government

*Taluk Panchayat*

Discretionary grant by  
 government

*Gram Panchayat*

Annual grant of 1 lakh to each  
 Gram Panchayat for electricity,  
 water supply, sanitation and  
 other  
 welfare measures. Further  
 discretionary grants  
 possible.

## Appendix 4

### List of interviewees

Mr. V. Arya	Consultant, New Delhi.
Dr. N.C. Saxena	Secretary (RD), MRAE, New Delhi
Ms. S. Pillai	Joint Secretary (RD), MRAE, New Delhi
Dr. G. Mathews	Director, Institute of Social Sciences, New Delhi
Mr. A. Revi	Taru, New Delhi
Mr. S. Kolavalli	Consultant, Bangalore
Mr. J.K. Arora	Retired IAS, Bangalore
Mr. J. Mascarenhas	Outreach, Bangalore
Mr. R. Palanna	Retired IFS, Bangalore
Mr. A.Kumar	Development Alternatives, Bangalore
Dr. K.Subha	Institute of Social Studies, Bangalore
Dr. Bhargava	Director, Institute of Social and Economic Change, Bangalore
Dr. Basappa	Director, Panchayati Raj, Bangalore
Dr. Geiger	Swiss Development Corporation, Bangalore
Dr. Jagannath	Swiss Development Corporation, Bangalore
Mr. K. Mukherjee	Karnataka Watershed Development Society, Bangalore
Mr. Narayanswamy	Ex-member of Parliament, Bangalore North
Ms. Yasmin Master	Myrada, Bangalore
Ms. Vidya Ramachandran	Myrada, Bangalore
Mr. Bhatt	Taru, Bangalore
Ms. Marta	Taru, Bangalore
B. Srinivas	Engineer, Madanapalle, Chittoor

A. Dasgupta	ActionAid, Bangalore
Ms. Laxmaama interview)	Adhyaksha, Rural Zilla Parishad, Bangalore (telephone interview)
Mr. S. Murthy Bangalore	Department for Rural Development and Panchayati Raj, Bangalore
Mr. Chendrashaker Bangalore	Department for Rural Development and Panchayati Raj, Bangalore
Mr. Keshava Bangalore	Department for Rural Development and Panchayati Raj, Bangalore
Mr. Mensinkai	Deputy Secretary Development Zilla Parishad, Bellary
Mr.Naidu	Leading Organisation for Rural Development, Bellary, Karnataka
Mr. K. Pushpangadham	Stella Marys, Hospet, Karnataka
Ms. S. Shapiro	Kishkinda Trust, Hanuman Halli, Hampi, Karnataka
Mr. Malla Reddy	Rural Development Trust, Anantapur
Mrs. A. Ferrer	Rural Development Trust, Anantapur
Mr. R. Bhargava	Collector and District Magistrate, Anantapur
Ms. Ramalaxmi Hyderabad	Department for Rural Development and Panchayati Raj, Hyderabad
Ms. Rupa	Taru, Hyderabad
Mr. Murali	Modern Architects for Rural India, Hyderabad
Mr. Shastri	Centre for World Solidarity, Hyderabad
Mr. Jain	IFS, Hyderabad
Dr. D.N. Rao	Cenderet, Bhubaneshwar
Chiknayakanhalli Taluk, Tumkur district, Karnataka	
President, Vice-President and Members of Hoyisalakatte Gram Panchayat	
President, Vice-President, Members and Secretary of Dabbagunte Gram Panchayat	
Members of Women Self-help Groups in Dabbagunte, Dasudi and Ganadalu Gram Panchayats.	

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