



Workshop on

## “Strengthening Panchayats for Livelihoods”

Organised by

National Resource Centre for Rural Livelihoods (NRCRL)



India Habitat Centre  
Lodhi Road  
New Delhi-110003

November 21, 2012

In 1992, the Indian Parliament passed the 73-rd amendment to the Constitution of India, which bestowed a constitutional status on the Panchayati Raj Institutions (PRI) with an objective of actively decentralizing power and enabling inclusive development. Decentralization was expected to result in better economic efficiency, larger resource mobilization, better service delivery and higher satisfaction because of more involvement of the local people in planning and implementation. It was also expected to bring about political inclusion of the disadvantaged sections, particularly women. The PRIs offered an opportunity for the common villagers to participate in local governance and lay the foundation of a vibrant democracy. After more than two decades today, the reality is nowhere close to the scenario envisaged in 1993. The State Governments that were supposed to breathe life into this dream by actively devolving funds, functions and functionaries to the Panchayats almost uniformly failed in their obligations.

The Schedule XI of the Constitution lists 29 subjects on which powers are to be devolved to the Panchayats. But as matters stand now, no States have devolved powers in the true sense. Similarly, the structure of the Panchayats (multi-village, large population, representative-based) and the control of the bureaucracy are all issues that have held back the ascendance of the Panchayats. Party-based-politics in Panchayats too have compromised the spirit of grass root democracy. In some States MPs and MLAs are ex-officio members of the PRIs at different levels, which hinder the space of the grass-root leadership to flourish. Overall, the Panchayats are perceived as the last mile implementing arms of the Government rather than as assertive Village Republics.



Even in the face of such an inadequate performance on the devolution front, there are positive trends emerging which are gradually bringing the focus back on the Panchayats and builds hope for more such changes. Mandatory involvement of Panchayats in implementing large-scale programmes such as MGNREGS and BRGF by the Centre has provided a crucial boost to the space for Panchayats in programme implementation. Executed effectively, these programs can have significant positive impact on the livelihoods of the village people. Similarly, it is possible to see a vital role for Panchayats in all the centrally sponsored schemes. However, the concern is, do Panchayats have the capacity to absorb the allotted funds and convert them into a set of well-thought out activities?

Panchayats are crucial for meaningful implementation of livelihood programmes as the livelihood assets of most of the poor people such as land, water, commons, small enterprises, etc., and local markets fall under the purview of Panchayats. If the PRIs are able to actualize their role as envisaged in the Constitution it will have a game-changing effect on the quality and sustainability of livelihoods. Therefore, it is important to ensure that the Panchayats have the necessary capabilities to plan and implement livelihood programmes. Capability enhancement of the Panchayats can be explored at multiple levels.

### ***At the level of flagship programmes***

MGNREGA is an important flagship programme of the Government. It aims to generate



wage employment and create livelihood assets in private and public lands. Even though it is a Central Act, its implementation in the field is in the hands of Panchayats. It is assumed that Panchayats have the trained human resources, adequate capacities and systems, and are capable of handling the large sums of funds that are channeled to them, and plan and implement the programme effectively. However, we do witness that in most of the places, more so in

the poverty pockets, Panchayats are not able to effectively utilize the funds in a systematic and transparent manner. They lack human resources, systems and processes, and technical competency for carrying out bottom up planning, and implementation of the plans. This is an important lacuna.

### ***Social mobilization***

A matter of crucial importance is about ensuring that the silent and marginalised sections in the village participate in the Gram Sabha meetings and other decision making processes in the Panchayat. In fact, this is also the reason for the Panchayats really not able to carry out bottom up planning and also ensure that the real needs of the people are reflected in the plans. A strong Gram Sabha becomes crucial when we envisage a vibrant grass root democracy, which in turn is the basic building block of a democratic nation.





### ***Integration with parallel implementation structures***

Already under National Rural Livelihood Mission (NRLM) there is this discussion as to how to seamlessly integrate the institutions of the poor and the Panchayati Raj institutions. Kerala has demonstrated one model in which the NHGs and the PRI structure are integrated under the Kudumbashree programme. Is it the best way? What are the lessons? How do we take those lessons to other States? This integration is important to ensure that the livelihood plans made by the households as members of the SHGs find a place of prominence in the Panchayat plans.

### ***Convergence***

As per the 73-rd amendment, there are many areas that affect the livelihoods of the



people directly, over which the Panchayats have the technical oversight. But various government departments operate in their own silos. There are many initiatives of various central ministries such as NRLM and Integrated Watershed Management Programme (IWMP) of MoRD, Rashtriya Krishi Vikas Yojana (RKVY) of MoA and many others which are also well-funded and implemented through the line departments but impact

many areas which are supposedly Panchayat subjects. If Panchayats were strong, they would have had an important say in the rolling out of these programmes and build synergy among these multiple allocations. But again, such convergence is not happening today leading to a lot of efficiency loss in implementation.

### ***Community Forest Rights***

One more important matter that demands attention is the one related to rights over forests. Even though there are instances of individual plots of lands being handed over to families, but villages or communities exercising rights over forests is still highly restricted, even though the Forest Rights Act 2006 confers such rights on the Gram Sabha. Overall, PRIs do not exercise any role presently in the management of forests which cover half as much area as agriculture and have critical impact



on rural farming/ livelihood systems and ecology. Historically, farms and forests were closely interconnected, especially in the rain-fed, undulating, hilly and mountainous parts, which accounts for over two-thirds of the Indian landmass. This link, broken with the creation of government forests during the colonial period, remains to be appreciated, much less restored.

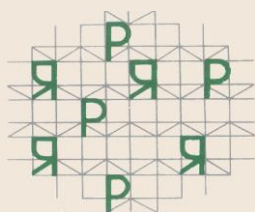
These are some of the issues that have direct relevance to livelihoods of people, where Panchayats need policy and implementation support. There are a number of remarkable experiences across the country today where Panchayats have dealt with one or more of the above issues. These are interesting examples that can be studied and lessons drawn from.

PRADAN is organising a workshop in Delhi on the topic of **Strengthening Panchayats for Livelihoods on November 21, 2012.**

The objectives of the Workshop will be:

1. To highlight the various opportunities that the progressive legislation on Panchayat offer us in promoting rural livelihoods and the issues and problems thereof
2. To discuss the various good practices that exist across the country, including Civil Society Organisations' experiences, where good work has been done in building capabilities at the Panchayat level, given local / programmatic constraints
3. Generating policy lessons from these experiences and working out a way forward to ensure that the good experiences are taken cognizance of.

The workshop is to be of one-day duration and bring together CSOs, representatives of Panchayats, Government departments of Panchayati Raj, Rural Development and Agriculture and other stakeholders who are interested in the subject. We hope to work out some concrete steps of action regarding building space for the PRIs, and enhance their capabilities in manner that they truly emerge as the community governed institution as envisage in the Constitution.



AGA KHAN FOUNDATION



*(Supported by the Aga Khan Foundation through the European Union co-financed SCALE Programme)*