CHAPTER -1

INTRODUCTION

India has a long tradition of rural local self governance. For centuries Indian villages functioned as autonomous self republics governing. The Local Panchayats (rural local governments) in the villages looked after the basic social, political and economic needs of the people. Between ancient, medieval and modern periods the history of rural local government of India, is marked by ups and downs.

When the British East India Company introduced the permanent land revenue settlement and modern revenue administration, the functioning of the traditional rural local governments was severely eroded. The colonial government replaced the traditional rural local governments with legally established local administrative systems. Lord Mayo’s resolution of 1870 regenerated interest in local governments. In 1882, Lord Ripon gave his recommendations for strengthening local self government. The British introduced a number of legislations to establish formal rural local governments.

The Freedom Struggle and Regeneration of Rural Local Governments

During the freedom struggle Gandhiji highlighted the importance of Gram Swaraj or Village Self Governance. After
independence, he wanted to establish a village based system of governance. However, when India got independence, a parliamentary system of government with federal features was established.

**Indian Constitution and Rural Local Government**

The Indian Constitution did not give a significant place to Panchayats, which could find a place in the Directive Principles of State Policy, which are not enforceable. Article 40 of the Directive Principles says, “the state shall take steps to organise Village Panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of local self government.” The Constitutional assembly did not want to give powers to rural local governments. B.R. Ambedkar, the Chairman of the Drafting Committee of the Constituent Assembly of India, said that the Indian villages were not fit for local self government as rural Indian society was feudal. Caste system of Indian villages institutionalized. Ambedkar considered powerful local rural self government a threat to social equality and marginalized sections of the village community, particularly the Scheduled Caste (SC) and the Scheduled Tribe (ST).

**Later Developments**

In 1958, based on the Balwantrai Mehta Committee report, a modern Panchayati Raj System was introduced in the Indian states. Between 1958 and 1964, a powerful movement for the establishment of rural local self governments was led by Jawaharlal Nehru, then Prime Minister of India. Panchayati Raj Institutions were established in
most of the state Panchayats and got support from State and Central Governments. But, after the demise of Nehru, the Panchayati Raj Institutions did not get sufficient support from government and gradually they declined.\textsuperscript{9} Elections to local bodies were not regularly conducted in many states. In 1992, the 73\textsuperscript{rd} Constitutional Amendment was introduced in Parliament and Panchayati Raj Institutions were given constitutional status.\textsuperscript{10} The 73\textsuperscript{rd} Amendment Act has introduced a uniform 3-tier system of Panchayati Raj Institutions in all the states of India. In the new system elections to Panchayati Raj Institutions must be conducted once in five years. Elected representatives are given a tenure of five years. One third of the positions in Panchayats have been reserved for women. SC and ST people have reservation for all elected officers according to their proportion in the population of the state. A district planning committee has been constituted in every district. Gram Sabha or Village Assembly has been introduced by the 73\textsuperscript{rd} Amendment. The Gram Sabha consists of all eligible voters of that Village Panchayat. It has the powers to deliberate and make decisions on issues related to that Village Panchayat.

**Traditional Village Institutions**

The institutional pluralism of the Indian village is a well documented fact.\textsuperscript{11} A rich diversity of local institutions based on the local needs of the community was the great strength of Indian villages. Local institutions were mainly responsible for the management of common property resources, resolution of local conflicts and disputes
and attending to the religious and cultural needs of the community. These local institutions were known by different names. The diversity of the names indicates the diverse nature of the institutions. They had the capacity for resilience and adaptability and could adapt to changing historical and social contexts. Their structural arrangement was flexible. This gave them strength to survive for centuries. In spite of historical changes, all over India, such institutions were functioning and attending to the needs of the rural community for centuries. These institutions functioned autonomously but they were governed by certain principles evolved by tradition. These institutions functioned from the street level to the regional level, individually and collectively. 

1 Caste system played a significant role in the formation and functioning of these institutions. There were single caste and multi caste institutions. Lower level institutions were sometimes integrated with higher level institutions. Mostly the village level institution had members from different caste groups living in that village. In single caste villages the local institutions mostly functioned as caste institutions.

The village was governed by two main bodies. One was the Oorsabhai (Village Assembly) and the other, the Village Executive Committee. The former functioned as the general body of the village. It functioned as an instrument of direct democracy wherein the villagers directly took part in deliberations and decision making. The Executive Committee attended to the day to day functioning of the village. It consisted of representatives of different caste groups or
different family groups of the village.\textsuperscript{13} It was not formed on the principle of equality. Indian rural society had institutionalized inequality based on the caste system.\textsuperscript{14} Many of the marginal groups were excluded from the local institutions. Particularly, women were not permitted to participate in the affairs of the local institutions. The Scheduled Caste people were not part of these village institutions and they were not permitted to participate in these institutions. But these groups had their own institutions of self governance. In general, in ancient Indian rural society, every individual was a member of an institution functioning at the local level. His conduct was influenced and regulated directly and indirectly by the norms, traditions and rules of the local institutions. Violation of norms, rules and traditions was not permissible and individuals who violated them were punished and sometimes they were even excommunicated from the community.\textsuperscript{15}

\textbf{The 73rd Amendment}

In 1992 Constitutional Amendment was introduced in Indian Parliament and Panchayati Raj was introduced in Indian Constitution.\textsuperscript{16} The Constitutional Amendment Act has established a three tier system of Panchayati Raj (rural local self government) all over the country. The new system has established local governments at district level, block level and village level. At village level Village Panchayat has been established. Every Village Panchayat has a Village Assembly in which all eligible voters of the Village Panchayat are the members. Gram Sabha is expected to facilitate direct peoples participation of the
people in the governance of the Village Panchayat. It has to approve
the annual plan, annual budget and the audited statement of accounts of
the Village Panchayat. Apart from Gram Sabha Village Panchayat
consists of a President, Vice-President and a Council of Members
democratically elected. The Village Panchayat is expected to provide
municipal facilities and undertake development activities also Village
Panchayats are expected to function as participatory and self-governing
institutions.

Review of Literature

Participatory Management of Natural Resources: Irrigation
Tanks in Panchayats,17 a study by V.Ragupathy in two districts of
Tamil Nadu, reveals that most villages have some form of traditional
local self governing institutions of traditional Panchayats. These
traditional Panchayats normally has a Village Assembly (Oorsabhai)
and a Village Executive Committee. These institutions mainly attend to
the religious needs of the local people, settle local disputes and manage
common property resources. The study points out that these institutions
are able to adapt to the changing socio-economic scenario. These
institutions are able to work with Panchayati Raj Institutions for the
collective good of the village community. Apart from traditional
functions they also attend to contemporary requirements like
education, health and public distribution system for essential
commodities. The participation of the people in these institutions is
very high compared to that in the Panchayati Raj Institutions. Village
assemblies are regularly organised by these institutions and decisions are taken after discussion. Some of the critical issues like management of scarce irrigation water are skillfully handled. The managerial capacity of these institutions is very high. They are transparent in their financial transactions and they enjoy a high degree of credibility. They are able to accommodate traditionally marginalized groups like the Scheduled Caste within their fold. The study points out that the leadership, the level of education, the political awareness and the presence of development agencies play a critical role in modernizing the traditional institutions.

Synergisation of Traditional Panchayat with Formal Panchayati Raj System in Managing the Community Affairs, a study by G.Palanithurai in Karisalpatti Village. Linkages with traditional panchayat helped the Panchayat to strengthen its power and so delivery was qualitatively good. The common property resources could be improved, income to the Panchayat would be augmented in which the Traditional Panchayat plays an important role. Special funds are needed to improve common property resources. Expenditure on establishment, EB bills and maintenance is always high. Prudent counsel provided by the Traditional Panchayat helped the Panchayat to manage its finances. Mobilisation of the community is the prerequisite for any development activities and it is not easy for the government machinery to mobilize the people. The Village Panchayat, under the New Panchayati Raj System of governance has ample opportunities to interact with the people for a better orientation of the community to
plan and work for the better utilization of common property resources. In circumstances where in the Traditional Panchayat understands the power and responsibility of the New Panchayati Raj Institutions the Panchayati Raj leadership should be proactive, the leadership of the Traditional Panchayat and its strength have to be understood by the President and ward members of Panchayati Raj Institutions.

Needing Social Action for Effective Panchayati Raj Functioning, a study by G. Palanithurai. In his article, he has indicated the fact that in this process of democratic decentralization of powers initiatives are from the centre and not form the people. But to ensure success to this dispensation, initiatives have to come from the people. Social action, community participation, owning the institutions and taking responsibilities are the imperatives for the success of Panchayati Raj Institution. In the process of devolution of powers, people have to come to the forefront by pushing the government to the back ground. He has underlined the importance of conscientisation of the people on the role of the people in governance at the grassroots.

Plan Preparation with the Participation of People in Tamil Nadu, article written by G. Palanithurai. In his article he highlights the importance of people’s participation in the process of development of the rural society. It underlines the efficacy of people’s participation in preparation of perspective plan for the development of the rural society. It indicates the methodological nuances to be adopted for plan
preparation. It outlines the steps to be taken to bring in the people in the planning process.

A study titled Active Social Capital\textsuperscript{21} by A. Krishna in the northern states of Rajasthan and Madhya Pradesh finds that every one of the 69 villages has some type of traditional local self-governing institutions. Village assemblies and Village Executive Committees are the parts of the traditional local institutions. The study shows that, inspite of the presence of the Panchayati Raj Institutions, people depend on these institutions for their varied requirements. Particularly with regard to natural resource management, these institutions play a critical role. Krishna points to many democratic elements in these institutions even though these institutions are dominated by locally dominant caste groups. But all caste groups have a roughly proportionate representation in these institutions.

A study titled “Relationship between Panchayati Raj Institutions and Community Based Organisations: Issues of Convergence”\textsuperscript{22} by Venugopal and V. Annamalai finds that, in 3 states, namely, Andhra Pradesh, Madhya Pradesh and Kerala, there are a number of traditional local institutions functioning. The study suggests that there is no significant degree of conflict between these two types of organizations. The study maintains that the local institutions have reasonable potential to work along with Panchayati Raj Institutions for development.

A study titled “Caste Panchayats and the Regulation of Fisheries along Tamil Nadu’s Coromandel Coast” by Maarten Bavinck m 64
villages in the coastal areas of Tamil Nadu has found that traditional fishermen Panchayats still play a role in the governance of local affairs in spite of the presence of legally established Panchayati Raj Institutions. The entire socio-political activity of the village of the local community is centered round the Village Assembly of the traditional local institutions. The traditional Panchayat is the main representative of the village to the outside, particularly when it involves any interface with government agencies. In spite of modernization and constant interaction with the outside world, there is hardly any role for outside agencies in the organisation, discipline and governance of the village. All development activities have to be approved and implemented with their cooperation. They are able to mobilize resources for development purposes. The candidates who stand for election to the formal legally established Panchayats require the approval of the traditional Panchayats. Although the elected Panchayati Raj representatives are respected by the fishermen, the Village Panchayats do not hold any influence within the traditional Panchayats. The traditional Panchayat is able to work with the constitutionally established ones for undertaking development projects like supply of drinking water, development of road facilities, construction of community halls and construction of group houses for the poor.

A study in Karnataka by Kripa Ananthapur on formal and informal local governance in Rural India, has revealed in many of the villages of Karnataka informal local governance institutions are functioning. Although generally perceived by educated Indians to be
oppressive, informal local government institutions also have progressive features and often perform a range of useful, collective functions at the village level. Rather than shrinking in the face of modernity these institutions have found ways to established elected local government institutions (Gram Panchayats). This study present a holistic picture of informal local governments, including their role in village governance and service delivery, the ways in which they interact with Gram Panchayats, and the implication of their existence and role of local democracy. According to this informal local governance institutions seem to be less repressive, more functional, and more likely to survive than in some other countries of the south.

In his monograph “Local Institutions and Participation for Sustainable Development”25 Norman Uphoff has studied many local institutions in Afro-Asian countries. He has found that the traditional institutions play a vital role in maintaining critical natural resources which are essential for the livelihood security of the local community. The legally established local governments are not able to fulfill this need like the community based local institutions with greater potential for participatory management of natural resources. He has found different varieties of local institutions functioning at the grassroots level. These institutions are more flexible and more responsive than the formal institutions.

A study titled “Expansion of Irrigation in West Bengal: Mid 1970s to Mid 1990s”26 by Vikas Rawal reveals that, in spite of 30
years’ rule by the Communists, the traditional institutions continue to play a significant role at the village level. These informal bodies discharge a variety of functions, particularly the functions related to local dispute resolution.

From the survey of literature, the following conclusions can be derived:

1. In Indian villages informal local institutions are functioning over a long period of time.

2. They are diverse in their structure and attend to functions related to religious ceremonies, management of common property resources and settlement of local disputes. Legally established local institutions are not able fully to attend to these functions. These institutions are inter-caste in nature. Representation to various caste groups is given in these institutions. In a few cases the Scheduled Caste are also given representation.

3. These institutions interact with Panchayati Raj Institutions and are able to contribute to the development of the village. The Panchayati Raj Institutions are of very recent origin and constitutionally established. For the success of the Panchayati Raj Institutions, the participation of the people is essential. The Panchayati Raj Institutions are not able to generate much people’s participation. The main reason suggested is the absence of credibility in the case
of the Panchayati Raj Institutions. The Panchayati Raj Institution is still considered an agency of the government, even though it does provide opportunity for self governance at the grassroots level. Against this background, the present study proposes to study functioning the legally established Panchayati Raj Institutions and traditional local self governing institutions and people’s participation in their respective development activities.

Theoretical Perspective

Olson’s Theory of Collective Action

Manour Olson (1971) has challenged a generally held view that groups of individuals having common interests usually work together to achieve them. She argues that unless the number of individuals in a group is quite small, or unless there is coercion or some other special device to make individuals act in the common interest, rational, self interested individuals will not act to achieve the common or group interests. 27

According to Olson participation in a group will not come on its own, because members of the group are not assured that like participation will bring proportionate returns to them. In groups assurance is very important. Participants must be assured of the benefits of the participation. If members are assured that the participation will bring the desired results the scope for participation
will be more. Olson says that in small groups where members know each other and influence the behaviour of each other, the scope for participation is high. In large groups members are not able to influence each other’s behaviour. They also do not know each other. So in small and well defined communities’ participation for collective action is more. Olson also argues that assurance is a key determining factor in assuring participation. Only institutions can give assurance to their members that their participation will bring returns to them. Institutions should assure that the benefits will be shared only by the contributors.

Free riders must be prevented from sharing the benefits of participation. It is the duty of the institution to give this guarantee to genuine participants. Olson also argues that leadership plays a critical role in giving assurance to the members of the group. Olson’s theory helps to explain the relationships between participation and factors like size of the group, nature of the group, benefit sharing system of the group and the leadership.

Olson says, “Certain small groups can provide themselves with collective goods without relying on coercion or any positive inducements apart from the collective good itself. This is because in some small groups each of the members, or at least some of them, will find that his personal gain from having the collective good exceeds the total cost of providing some amount of that collective good.
Design Principles of Ostrom

After studying a number of grassroots self governing organisations in Asia and Africa Ostrom evolved her design principles for self governing organisations.

Ostrom studied community based organisations of farmers, fishermen, tribals and others. From her study the following key determinants of the participation of individuals in collective action in general and particularly in management of common property resources emerged.

1. The rules of the organisations must be very simple and well known to the members of the organisations.

2. The members of the organisations must have the capacity to modify the rules according to their needs.

3. The members must have the power to control the management of the organisations.

4. The members must have the capacity to regulate the behaviour of each other in relation to the management of the organisations.

5. The institutions must assure that the benefit of the participation is proportionately shared by the members of the group.

6. The violators of the rules of the organisations must receive graduated sanctions from the organisations.
7. The rights of the members to make operational decisions must not be challenged by any external government agencies.

Ostrom’s design principles explain the working of self-governing organisations. Ostrom’s design principles help to understand the efficiency of various types of self-governing organisations at the grassroots. Particularly in the study of local organisations like panchayats and community based organisations (traditional panchayat), Ostrom design principles are very helpful.

Olson’s logic of collective action and Ostrom’s design principles are very much useful in understanding of local self-governing organisations. Ragupathy in his comparative study on Panchayats and local community organisations used the Ostroms and Olson’s framework. Against this background Olson’s logic of collective action and Ostroms design principles are used in this study.

Title of the Study

“A Study of the Working of Traditional Panchayats and Village Panchayats in Tamil Nadu

Operational Definitions

The important concepts used in the study are Operationally defined hereunder:
1. Panchayat

The Tamil Nadu Panchayat Act, 1994 Panchayats and the rural local governments established. The Act facilitates people’s participation in development programmes at the grassroots level. For this study the Village Panchayats taken for study purpose.

2. Traditional Panchayat

Traditional Panchayat is the local community organisation evolved by local tradition and governed by the rules evolved by the local community. The traditional Panchayats have a Oorsabhai or village assembly, an executive committee and a leader. Traditional Panchayat do not have any legal sanction. But in most of the villages of Sivagangai District Traditional Panchayats are functioning. They attend to matters related to the collective good of the village.

3. Gram Sabha

The Gram Sabha is the village assembly created by the New Panchayati Raj System. All the registered voters are the members of the Gram Sabha of that Village Panchayat. As per the Tamil Nadu Panchayat Act it has to meet four times per year and at least once in six months. The President of Gram Panchayat is the presiding officer of the meetings of the Gram Sabha. The Gram Sabha has to give approval to the budget proposal and annual plan of the Village Panchayat.
4. Oorsabhai

The Oorsabhai is evolved by the people in the study villages to work collectively to achieve their common felt needs. The leader of the Oorsabhai is selected by the members of the Oorsabhai. It is hereditary to the particular family. The leader of the Oorsabhai is the deciding authority with the consent of the members. The Oorsabhai decides on the festivals, festival amount, village security, punishment and punishment amount, approval of income expenditure statement.

5. Participation

For this study participation is defined as the process where in people contribute to the attainment of institutions objective, decide the contribution for common activities, and follow rules, regulations and other decisions made by the institutions in the context of people’s development activities in the village.

6. Common Property Resources

Common property resources are the natural resources collectively managed and used by the village community under certain regulations. For this study irrigation tanks, common lands, fisheries and trees managed and used by the community are considered as common property resources.
Objectives of the Study

The study has set the following objectives:

1. To study the role of the traditional Panchayat and the Village Panchayat in the study area.

2. To compare the level of people’s participation in the Oorsabhai and in the Gram Sabha.

3. To compare the types of activities carried out by the traditional Panchayat and the Village Panchayat.

4. To compare the level of people’s participation in the development activities undertaken by the traditional Panchayat and the Village Panchayat.

Hypothesis

The hypotheses formulated for the present study are:

1. People’s participation in the Oorsabhai is greater than that in the Gram Sabha.

2. People’s participation in the development activities relating to common property resources undertaken by the traditional Panchayat is greater than that in such activities undertaken by the Village Panchayat.

3. Traditional Panchayats give more importance to locally designed programmes while Village Panchayat gives more importance to government designed programmes.
Methodology

Sivagangai and Kalaiyarkoil Blocks of Sivagangai District, Tamil Nadu, were selected for this study based on the vibrancy of the local community organizations functioning in the blocks and district. In each block there are 43 Village Panchayats. From each block one Village Panchayat was selected through the lottery method. The two Village Panchayats thus selected were Nallukottai Panchayat in Sivagangai Block and Maravamangalam Panchayat in Kalaiyarkoil Block.

The two Village Panchayats were subjected to a detailed survey. Focused group discussions were held with the villagers. Interviews were conducted with the leaders of the Village Panchayats and the traditional Panchayats of the two villages. Before undertaking the field work a checklist was prepared to collect the required information under the guidance of experts in the field. The study was conducted in 2005 and 2006.

Collection of Data

Data on the Village Panchayats were collected from the records of the Panchayats. The local community organizations also maintain records related to their meetings, income and expenditure. These were also perused. Primary data were collected directly from the villagers by administering an interview schedule prepared under the guidance of experts in the field and pre-tested on twenty respondents, ten from Nallukottai Village and ten from Maravamangalam Village outside the
selected sample. The pre-test validated the interview schedule, which consisted of questions related to the hypothesis (The interview schedule is appended to the thesis). The voters list available with the Village Panchayat office was used to select the respondents to be interviewed, 5% of the voters in the voters list being selected based on random sample method with due weightage to different caste groups, accounting for 151 respondents from Nallukottai Village and 180 respondents from Maravamangalam Village.

**Tool of Analysis**

The simple statistical method of percentage was used to analyse the collected data and draw inferences.

**Presentation**

The analysed data is presented in tables.

**Chapterization**

The thesis is organised as hereunder. The first chapter introduces the study and offers an overview of the research problem. The second chapter traces the history of rural local self governance in India. The third chapter presents the profiles of Sivagangai District, Sivagangai Block, Kalaiyarkoil Block, Nallukottai Village and Maravamangalam Village. The fourth chapter analyses the data collected and draws inferences relevant to the hypotheses. The fifth chapter sums up the findings of the study and draws conclusions. A bibliography is appended to the thesis.
References


7. A.K. Majumdar and Bhanwarsingh, op.cit, pp.84-88.


15. Ibid, pp.73-98.


