Chapter – 2

DECENTRALIZED PLANNING: A BRIEF
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The idea of “decentralized planning”, “grassroots planning”, “planning from below” people participation in planning,” and “multi-level planning”, which have their basis in the Gandhian thought, have been mentioned, time and again in the Indian five year plan documents. However, attempts at crystallizing these ideals into concrete administrative and political structure have remained rather tentative.42

The Ripon Resolution of 1882 laid the foundation of modern local self-governments in this country. It proposed the establishment of rural local boards for which non-official members would be elected. However, nominations in place of elections became the practice. Though the resolutions stated otherwise the district magistrates were made chairmen of these boards. The rural local boards started establishing elementary schools, dispensaries, construction minor roads, etc. However, the work of these boards was not satisfactory in the final analysis. The Royal Commission on Decentralization (1909) pointed out the inadequacy of funds and excessive official control as the prime reason for the unsatisfactory functioning of the boards. This Commission recommended ways for increasing the revenue of the boards. It also proposed setting up of taluk boards and village panchayats. The years preceding independence saw these boards being logged by myriad problems of reduced grants, inadequate resources, official control and domination by elites. The boards functioned very badly is in many states and were on the verge of closing down. India became free and a new constitution was adopted in 1950. The Directive Principles of State Policy commented in detail on the position of the village panchayats in the new situation. Furthermore, the division of power and functions enshrined

in Article 246 read with the Seventh schedule of the Constitution (Directive Principles of State Policy) states that the state should take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government.

In accordance with the Directive Principles, several legislations are enacted for establishing village panchayats, the central government helped the state governments in their task of local strengthening the local self-government institutions. Conferences of state ministers dealing with local self-government were convened periodically by the central government for stock-taking and new suggestions towards strengthening these institutions were made. Though our early economic thinkers understood the importance of decentralized or multi-level planning set-up, they did not go in to the details of operationalising the same. During the first Five-Year Plan period experimental work on community development, in accordance with the ideas of decentralization, was started with ‘pilot project’ on rural development blocks. An infrastructure was also established which would facilitate coordination of development blocks were assigned the task of developing clusters of village. During the mid-fifties the planners emphasized the importance of people’s participation in the planning process. This according to them, could be achieved through democratic decentralization with the district as the kingpin of the planning structure.43

The establishment of country-wide network of community development blocks on October-2, 1952 was a major administrative innovation in the history of India because these 5,000 old blocks were a new intermediate liar between the village and the districts which had existed, in one from or the other, since times immemorial. The idea of CDPs, the creation of NES and the establishment of institutional structure of command, control, and co-ordination of developmental activities at the block level were, in one sense or the other, major innovations in the

administrative history of India which went a long way towards giving birth to what is now being increasingly dubbed as a development administration as a contrasted people, political elite and policy planners have been familiar for several millennia.

The administrative decentralization of development administration in rural India in the form of blocks level CDPs and NES was a part and parcel of the process of innovative adaptation of Soviet-style economic planning to the Indian conditions and the Planning Commission can take full credit for it even though the planning origins of the CDP and NES were obscured by the rhetorical appeals to treat the CDPs as an exercise in community development or at least as an effort preserve and restore the ancient rural traditions of community self-management. The unreality of such appeals is apparent, as argued elsewhere in this volume, from fact the size and population parameters of the community development blocks were determined without any detailed ethnographic or sociological survey of the distribution of different rural communities so that the administrative perimeters of these newly created blocks rarely coincided with any pre-existing sense of communitarian solidarity.  

The romantic appeal of the vision of Indian villages as a harmonious and co-operative communities before the advent of alien ideas and imperial rulers was certainly very strong amidst the euphoria of India’s hard-won-freedom, but it can be said without any fear of contradiction that the sense of “belonging” to the blocks where one resides and receives an array of developmental benefits is yet to develop even after forty years of the existence of such blocks which were and remain – designed to be administrative artifacts for management of rural development under successive five year plans formulated by the same planning commission which was responsible for allocation of a lion’s share of invertible funds in to industrial projects whose products had very little circulation and / or

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consumption in the rural areas or even amongst the affluent strata of the rural population.\(^{45}\)

A study team under the leadership of Balwant Rai Mehta was set up in 1957 to review the working of the Community Development Programme and National Extension Service. Among other things, it recommended the setting up of a three-tier Panchayati Raj system at the village, block and district levels to ensure participatory rural development. The Panchayat Samiti at the block level and the zila parishad at the district level were organically linked through the device of indirect elections. It suggested a new administrative structure specially trained to work with people and promote development from below. The committee made a distinction between delegation of power and devolution of power. The latter amounted to decentralisation whereby the government divests itself completely of certain duties and responsibilities and devolves them to local level bodies. Delegation on the other hands means engaging the local governments as agents of the higher level governments. Devolution was thus seen as an orderly transfer of authority, resources and institutional capabilities to local governments. Democratic decentralisation, to become a reality, must be backed by a political will.\(^{46}\)

Following the recommendations of the Balwant Rai Mehta Committee, Panchayati Raj legislation was introduced in various States starting with Rajasthan and followed by Bihar, Gujarat, Punjab, Maharashtra and Uttar Pradesh in 1961; Madhya Pradesh in 1962; West Bengal in 1963; and Himachal Pradesh in 1968. Though Jammu and Kashmir, Kerala, Manipur and Tripura had also introduced legislation but these States had only one tier (at the lowest level) and, therefore, in a strict sense they did not follow the panchayati raj concept as envisaged in the report. Based on the provisions in the States legislation, it is possible to classify the states into three categories. In the

\(^{45}\) Ibid

first category, the recommendations of the Balwantrai Mehta committee were fully incorporated. Members of the gram panchayat were directly elected by village adults; they in turn elected the members of the panchayat samiti at the block level and the members of the zila parishad at the district level were elected by the members of the respective lower tiers. In the second category (characterised by the Maharashtra pattern) though there was a three-tier system, it was not closely knit as in the first category. The members of the gram panchayat and zila parishad were directly elected by village adults. There was also some difference in the function too. The third category followed an intermediary pattern between the Balwantrai Mehta model and Maharashtra model. In certain States, the district level body was either non-existent or weak; for all practical purposes only two-tiers existed. The initial enthusiasm of setting up Panchayati Raj Institutions along the lines of Balwantrai Mehta Committee report was short lived. A number of programme introduced in the sixties for agricultural and rural development created various parallel agencies at the village level. In most cases the Panchayati Raj Institution were not associated with these activities. Thus, the period of the late sixities and the seventies witnessed a somewhat inactive period for Panchayati Raj Institutions.47 “The formulation of structural functions and the utilization of financial, administrative and human resources in PRIs should, in our opinion, be determined on the emerging functional necessity of management development” stated the report.

Though the recommendations of the committee were not accepted by the Union Government due to change again in the ruling party within it, some of these did exercise varying influence upon the working of Panchayati Raj in a few states. Some years later (1983-85) Karnataka and Andhra Pradesh remodeled their respective Panchayati Raj system under this influence, by and large. The recommendations of the Ashoka Mehta

47 Ibid- PP.11-12
Committee were considered by a conference of Chief Ministers held in 1979 which favoured the continuance of three-tier system. They suggested the drawing up of a model bill which should be adopted and enacted by the States with necessary modification to suit the local needs.48

The most important committee was set up in 1977 after the Janta Party came into power at the Centre. The sport-lived Janta Government, an while appointing the Ashoka Mehta Committee, stated its exact purpose. “The government accords the highest priority to rural development, so as to increase agricultural production, create employment, eradicate poverty, and bring about an all-round improvement in the rural economy. The government considers that the maximum, degree of decentralization, both in planning and implementation, is necessary for the attainment of these objectives. It has accordingly been decided, in consultation with the state government and union territories, to set up a committee to enquire in to the working of the panchayati raj institutions, and to suggest measures to strengthen them, so as to enable a decentralized system of planning and development to be effective.”49

The committee submitted its report on 17 August 1978. The Ashoka Mehta Committee gave primacy to the district as the basic unit of decentralization which was a fundamental departure from the system that had developed following the Balwant Rai Mehta Committee recommendations of making the block and panchayat samiti as the key units of decentralized. The Asoka Mehta Committee assigned practically no role to block. It suggested a two-tier panchayati raj structure comprising the zila parishad at district level and mandal panchayats at the sub-block level with a jurisdiction over a number of villages and covering a population of 15,000 to 20,000. The existing block level panchayat samities were to be converted into “non-statutory executive committees of zila parishads and when the

Mandal Panchayats became active, most of their functions would be taken up by the Mandal Panchayats.\textsuperscript{50}

In 1982, the Planning Commission set up a Working Group on District Planning under the chairmanship of its member – C. H. Hanumantha Rao. The Working Group (WG) submitted its report in May 1984. This was a major event in the history of decentralized planning in the country. The Group endorsed the need for decentralized planning. It advocated the concept of integral area planning within the frame work of multi-level planning. It argued in favour of integrating various activities at the district level as against their current practice of functional fragmentation. In the Group’s own words “District Planning, in our view, is a kind of area based sub-state planning and arises from the need to supplement to national and state plans with a more detailed examination of the resources, problems and potentials of local areas (i.e. district), so that investment programmes more specifically more specifically tailored to the particular need of each district could be evolved and implemented. In other words, district planning implies evolving a development scenario at the district level consistent with the specific needs of the people, the growth potentials of the area and budgetary allocation available\textsuperscript{51}.

Thus, the concept of district planning adopted by the Working Group is a kin to the concept of integrated area planning. It assumes that the district is a sub-state decision-making unit within the system of multi-level planning in contrast to the national and state plans, the district plan would represent a district multi sectoral package of area specific investment proposals and institutional arrangements suited in this context.” The Group, after surveying the different levels of progress made by the state towards decentralized planning, advocated a stages and phases approach. The state which are in stage I would be in the phase I of “initiation” those in stage II

\textsuperscript{50} Pranab Banerji, “Grassroots Planning”, in S.N. Mishra Course Material of Tenth Course on Development through Participation (July 25 – August 5, 1994), IIIPA, P. 45.
\textsuperscript{51} Mahipal, Decentralized Planning And Development In India”, New Delhi, Mittal Publications, 2008, PP. 16-17.
would be in the phase of “Limited Decentralization” while state III states would be in the “Final phase”. These stages must be sufficiently backed by political will as well as effective implementation measures. As the Northeast Region has an entirely different geotopography, a separate methodology for preparation of district plans in these areas needed to be evolved, according to the Working Group.52

Thus, the Working Group provided a detailed guidelines and methodology for reparation of the district plan. The Group envisaged that all the states should reach the final phase by the turn of this century or even earlier. In any case, the I and II phase should be completed by the end of the Seventh Plan period. The Seventh Five Year Plan endorsed these recommendations of the Working Group. Since decentralized planning was a new experiment (although it had been talked about since the ‘First Plan’). The Planning Commission was expected to play a promotional and guiding role to operationalize it in the shape of district planning.

In order to achieve the objective, the Working Group purposed:

(a) To update the inventory of the natural resources by using remote sensing techniques about 100 district in the country should be selected to build up this system initially during the Seventh Plan period.
(b) The scheme to strengthen the district planning machinery should be continued during the plan period.
(c) Training programme for district level personnel needed be intensified.
(d) A new projects, including one for action-based research, should be taken up in different states to improve the methodology and procedures for decentralized district planning.

The Working Group gave detailed guidelines and methodology for district planning. However, a major flow of its report was that it did not

52 Ibid.
favour entrusting of decentralized planning to PRIs although it emphasized
the need for popular participation in the planning process at different levels
which could be secured through other arrangements. The quote the report
"The formal channel of participation through the Panchayati Raj Institutions
with a view to adhering to democratic principles has not guaranteed actual
people’s participation in the running of the affairs at the local level." It
further said that the remedy "lies in developing new forum of popular
participation through all kinds of spontaneous action groups."\(^{53}\)

In 1985 a twelve member committee was appointed under the
chairmanship of G.V.K. Rao for reviewing the administrative arrangements
for rural development and poverty alleviation programmes. While
recommending that the district should be the basic unit for policy planning
and programme implementation, this committee emphasized the need for
regular elections to the PRIs. These grassroot bodies are to be assigned
important role in respect of planning, implementation and monitoring of
rural development programmes. Some of the planning functions of the State
level may have to be transferred to the district level for effective
decentralized district planning.\(^ {54}\)

Once again in 1986, another committee headed by L.M. Singhvi was
appointed by late Rajiv Gandhi, to suggest approaches as to how Panchayati
Raj Institutions could be given constitutional status. The Committee
recommended the reorganization of village to make village panchayata
more viable. It also suggested that more financial resources should be made
available to these institutions. It further recommended that Panchayati Raj
Institutions should be viewed as institutions of self government which
would naturally facilitate the participation of the people in the process of
planning and development following from below as part of the concept of
self-government and development planning should be democratic planning.

\(^{54}\) Government of India, Report of the Committee to Review the Existing Administrative
Arrangements for Rural Development and Poverty Alleviation Programmes (CAARD)
Department of Rural Development, New Delhi, 1985, P. 17.
While these activities were going on, in the meantime Sarkaria Commission was already enquiring into the ‘Federal structure’ particularly with regard to Centre-State relations, which also made a passing remark in its report on nature of rural and urban local self-government. The commission observed that many of the local self-governing bodies were being superseded on flimsy grounds. The need of uniformity of law in the state regarding holding of periodical elections and supersession of the Panchayati Raj bodies was also emphasized by the Commission.55

A sub-committee to the Parliamentary Consultative Committee attached to Ministry of Personnel, Public Grievances and Pensions was set up under the chairmanship of P.K. Thungon to consider the type of political and administrative structure needed in the district for district planning. The committee felt that the PRIs should be constitutionally recognized and recommended that a constitutional provision should be made to ensure timely and regular elections to these bodies with their terms lasting for five years. The Zila Parishad should be the only planning and development agency in the district according to the opinion of this sub-committee. It also suggested setting up of a planning and coordination committee at the state level under the chairmanship of the Planning Minister and Presidents of the Zila Parishads should be made members of the committee.56

CONCEPT OF DECENTRALIZED PLANNING

Having discussed the concept of decentralization we need to know about decentralized planning and its conceptual frame work as found in India. Decentralized Planning is actually level, state level, district level, block level, panchayat level, etc. Again this kind of planning could be for a particular region with agro-climatically homogeneous features.57

56 Ibid
District Planning is a kind of area based sub-state planning and arises from the need to supplement to National and State plans with a more detailed examination of the resources, problems and potentials of local area i.e., districts, so that investment programmes more specifically tailored to the particular needs of each district planning implies involving a developmental scenario at the district level consistent with the specific needs of the people, the growth potentials of the area and budgetary allocations available. Thus, the concept of district planning is similar to the concept of integrated area planning. It assumes that the district is a sub-state decision making unit within the system of multi-level-planning. In contract to the National and State Plans, the district plan represents a district multi-vectorial package of area specific investment proposals and institutional arrangement suited this context.  

The concept of decentralized planning in this country is not of recent origin. In fact its antecedents can be traced back to the pre-independence days and the philosophy of Mahatma Gandhi. Mahatma Gandhi was an ardent advocate of small village – based communities which would be more or less self-sufficient. To make the dream of Gandhiji come true the Directive Principle of State Policy had commented in detail on the importance of village panchayats which are one of the principal institutions of a decentralized system of governance. The Ripon Resolution of 1882 laid the foundation of modern local self-government institution in this country. It proposed the establishment of rural local boards for which non-official members would be elected. However, nominations in places of elections become the practice. Though the resolution stated otherwise the district magistrates were made chairman of these boards. The rural local boards started establishing elementary schools, dispensaries, constructing minor roads, etc. However, the work of these boards was not satisfactory in the final analysis. The Royal Commission on Decentralization (1909) pointed

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out the inadequacy of funds and excessive official control as the prime reason for the unsatisfactory functioning of the boards.\textsuperscript{59}

After independence, development through planning and state initiative was the aim of the policy makers. With the establishment of Planning Commission at the national level and launching of the First Five Plan in 1951, the planning process started in the country.\textsuperscript{60}

The concept of decentralization is based on the belief that the human activities, programmes and institutions can be so devised that it is possible to delineate their various parts, to plan and implement programmes. It is also assumes that the smaller the unit of decentralization is, the more direct is the participation and the greater is the involvement and control of those directly affected. Decentralization is, a process of transfer of responsibility, authority and / or function from a ‘superior’ governmental unit to a ‘lower’ governmental unit. These functions may relate to planning, management and resource raising and allocation the operational jurisdiction of the ‘Superior’ unit is obviously large. However, the ‘lower’ unit may exercise some degree of autonomy from the ‘Superior’ unit. Decentralization is one of a range of administrative or organizational devices that may improve the efficiency, effectiveness, and responsiveness of various levels of the government under suitable conditions.\textsuperscript{61}

Decentralization is, ultimately, a political decision, and its implementation is a reflection of a country’s political process. The decision to decentralize may stem from the government’s own assessment of the inadequacy of highly centralized arrangements, from the demands of the local organizations and officials, from increasing regional dissidence or ethnic tension, or, not uncommonly, from fiscal and intellectual pressures from international donors. For instance, the decentralization of government in Eastern Europe represents a reaction both from below (to fight central

\textsuperscript{59} B.M. Sanyal, Op cit, PP. 9-10.
\textsuperscript{60} B.M. Joshi, “Evaluation and Practice of Decentralized Planning in India, in IJPA, Vol. 35, PP. 244-245.
political control) and from above (to pervasive the economic and relieve the central government’s fiscal stress).  

Although the idea of decentralized planning is as old as Gandhian economic though, it was given a precise articulation in December, 1954, when the Parliament adopted “the socialistic pattern of society” as the objective of social and economic policy. This concept embodies the values of socialism and the approach of planned development. At the initial stage, soon after Independence, the planning and decision-making functions remained centralized at two political levels, namely the union (of India) and the states. Municipalities or rural institutions, namely village panchayats functioned not as instruments of micro-level planning and development.

The concept of a local horizontal plan was discussed in considerable details in the Second Five Year Plan. The Third Five Year Plan outlined a methodology of preparing state plan for rural development on the basis of District and Block plans. Attempts were made to develop a 3-tier Panchayati Raj System based on the Balwant Rai Mehta Committee recommendations, and with it the idea of “planning from below” gained currency. The concept of district planning is a kin to the concept of integrated area planning. It is a kind of area-based sub-State planning; and the rational of district planning arises from the need to supplement the national and state plans with a more detailed examination of resources, potentials and problems of districts. The district planning implies evolving a developmental scenario at the district level consistent with specific needs of the people are growth potentials of the area and the budgetary allocations available. District is a sub-state decision-making unit within the system of multi-level planning.

The totality of all planning activities at the level of the district would vest with a single District Planning Body who would determine the priorities and allocate funds accordingly among the various development

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sectors. District planning implies the budding up of a capability and authority equal to the task of district planning. The capability in this respect concerns not only technical and professional skills but also political and economic power, on the basis of which the planning decisions could be made and implemented. In the district planning process Panchayati Raj Institutions and other local government planning institutions, namely Municipalities etc. should play a crucial role. Ultimately district planning will have to be taken over by these bodies.⁶³

**OBJECTIVES OF DECENTRALIZATION**

Decentralization refers to a process of assigning the public functions and responsibilities of planning and implementation from central government to sub-district level in order to carry out specific tasks at the local level. As indicated by this definition, the public affairs are to be managed at the local level and there are certainly specific objectives for the need to choose the path of decentralization. The prominent among them are:

- Firstly to handle promptly the local specified development needs. There are functions, which have only or predominantly local significance, along with functions which depend substantially for their performance upon information and resources available locally, can be better managed by the local bodies. For example, community roads, local water supply, school and markets can be better handled by the local administration.

- Secondly to improve the efficiency of programme implementation: considering the issues from the point of view of administrative efficiency, we need to divide up and dispense the workload to the organization in the field to benefit from local knowledge for their efficient implementation. Decentralization of functions gives

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dividends in terms of speed and efficiency in service and performance. It helps in achieving better coordination of related functions assigned to a variety of local officers and it takes lesser time in taking decisions at the local level than the time taken in centralized planning system.

- Thirdly, to reach the distance locations effectively: through decentralization the benefits of development can be extended to people in distant localities more equitable and to meet the different needs of a diverse population.

- Fourthly, to increase the responsiveness of local administration to people’s needs: the actions of local level development functionaries can be best monitored by the local population, and through their regular feedback, an effective control is possible, which will help in making the local administration more responsive.64

The board objectives of decentralized planning can be divided into two categories, economic and social.

**ECONOMIC OBJECTIVES**

1. Employment opportunities must be provided to each and every able member of the community including the poorest of the poor. Poverty has to be removed.

2. The local resources and the means of production should be gradually brought under the control of the local community so that true equality may be achieved.

3. Local resources (material and human) should be used in combination with external inputs if the necessity arises.

4. The production process should primarily be aimed at meeting the basic needs of the people. Whenever, any surplus is generated in

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the process this should go towards capital formation leading to development. The production process should be geared to maximize output with limited input of resources.

(5) The state plan goals should be met.
(6) Sustainable development should be achieved.
(7) There should be no duplication of work and there should be an effective inter-department coordination.
(8) Infrastructural facilities should be set up. This may include roads, warehouse, markets, power sources, distribution centres, cooperatives etc.65

SOCIAL OBJECTIVES

(1) The plan should try to do away with exploitation and injustice.
(2) It should be designed in away that people’s participation is fostered so that they may develop a sense of belongingness and become self-reliant.
(3) Local needs and aspirations should be reflected in the plan.
(4) It should aim at removing disparities (in may forms).
(5) Fellow felling and mutual help should be promoted through the plan and various groups should feel motivated to take up development tasks.66

ADVANTAGES OF DECENTRALIZATION

(1) Bridging the distance between Central and Local levels.
(2) Decentralization of responsibilities to lower levels facilitating implementation of technical programmes.
(3) Enhancing the influence of decentralized bodies in national politics.

66 Ibid.
(4) Ensuring poor, remote regions of fairer representation in national politics.

(5) Facilitating local authorities access to administrative resources at the regional level.

(6) Enhancing coordination of development administration from different line ministries.

(7) Facilitating complex development projects.

(8) Facilitating scaling up from the local level.

(9) Facilitating the upward flow of information from the local level and the responsiveness of central government.

(10) Combating absenteeism and irresponsible behaviour by government employees.

(11) Enhancing the accountability and responsiveness of regional level bureaucrats.

(12) Facilitating poverty alleviation and fairness of minorities.

(13) Facilitating fairness to women.

(14) Earning the problem of the fore-shortened time perspective of local level politicians.

(15) Facilitating collaboration between NGOs and decentralized authorities.

(16) Integrating the efforts of local level voluntary associations.

(17) Overcoming authoritarian enclaves.

(18) Facilitating the integration of local level politicians into national politics.

(19) Facilitating the integration of competitive political parties in to decentralized institutions.

(20) Combating urban bias.  

Decentralized planning is not a new concept in India and goes back to 1951. It has, however, been limited to sectoral programmes at lower administrative levels rather than comprehensive planning for units below the centre or state. While planning at the national and state levels are well organized and established, planning at the micro-level was initiated with the introduction of Community Development Programme for which a vast decentralized network of development administration was created by dividing the whole country into more than five thousand blocks. It was also contemplated that these development units will be responsible for preparing village production plans and by aggregating them at the block level, formulating block plans. Though the content of these plans were restricted to a few village level activities, nevertheless, it was a worthwhile exercise. This process, somehow did not last long as the CD Programme itself dwindled and ultimately faded away towards the end of the sixties.\footnote{Anil Dutta Mishra, “Decentralized Planning : A Study of Objectives and Operational Framework,” New Delhi, Uppal Publishing House, 1998, P. 67.}

First Five Year Plan (1951-1956)

The First Five Year Plan had recognized the district as the most important single unit of administration for the purpose, among other things, “developing the resources and raising the standard of living of the people.” The plan had recognized the need of integrating the various departments such as agriculture, animal husbandry, forests, industry, etc, at the district level “with the active support of the people.”\footnote{Mahipal, OP cit, P. 7.}

Second Five Year Plan (1956 – 1961)

The Second Five Year Plan too had duly recognized the place of public cooperation and participation in the process of democratic planning.
It also laid more emphasis on decentralized planning than the first plan had done and devoted a full chapter to district development administration. The second plan document also took up the question of viability of the villages. It said: "All over India there is need to review village boundaries so that there might be evolved good efficient working village units with live panchayats." It said that more than half of the rural population lives in villages with a population of below 1000. With some exception in hilly areas the possibility of combining villages into units with populations of about 1000 each deserves to be examined. The second conference of local self government ministers held in 1954 recommended that "Where individual villages are not large enough to serve as units for panchayats a single panchayat may serve a population of 1000 to 1,500."70

Third Five year Plan: (1961 – 1966)

It was here that the idea of decentralized planning started taking shape. By the end of the second plan the states had strengthened the administrative machinery at the district level and established below the district a new administrative unit called block for implementing community development programme equipped themselves with statistical information, and started insisting for participation in the planning process. Realizing the capabilities of the state governments, the planning commission indicated the process of involving the states in plan preparation. The states were asked to compile date in respect of their development performance, indicate their developmental performance, show their resource position and suggest the ways for bringing the gaps between developed and underdeveloped regions. The plans as emerged, were made flexible so as to allow the states to adopt such strategies which suited to the circumstances imposed by geography, climate traditions and customs. This was evident from the fact that the

70 Mahipal, Ibid, P.9
central government changed its procedures of giving schematic grant to block grant from the Third Plan.\textsuperscript{71}

\textbf{Fourth Five Year Plan (1969 – 1974)}

The period of Fourth Five Year Plan was a land-mark so far as decentralized planning is concerned. During this period the call for decentralized planning came into prominence. When the preparation of the Fourth Five Year Plan started, the attention of the government was drawn to the widening of inter-personal and inter-regional disparities resulting from the adoption of new agriculture technology and thus the need for shifting to the newer concept of equity and social justice. It was also pointed out that the states were not able to strengthen their own planning apparatus because of the shortage of financial resources. This led to introduce certain important departures both in the planning process as well as in the concept of planning. These changes were related to (i) the pattern of devolution of plan funds to the state level embodying in it a measure of weightage to backward states (ii) emphasis on wide diffusion of initiative, decision making and participation, and (iii) initiative for strengthening the planning apparatus at the state level, through a centrally sponsored scheme, so as to enable them to share the responsibilities.\textsuperscript{72}

\textbf{Fifth Five Year Plan (1974 – 1979)}

The Fifth Five Year Plans were directed towards decentralization taking district and the block as the macro-levels of planning to speed up the works of planned rural development. But it was not translated into action. For the first time an attempt was made to treat the village as the lowest unit of decentralized planning by adopting the scheme ‘Antyodaya’ (whole village development programme) in 1977 in order to bring about the


\textsuperscript{72} Ibid, P. 40.
integrated development of the village as a whole. Real thrust on
decentralized planning was given in the late seventies when the surplus
production in wheat induced the Central Government to undertake new
programmes like ‘Food for Work’ to combat rural poverty.

Sixth Five Year Plan (1980 – 1985)

The Sixth Five Year Plan provided for strengthening the process of
democratic decentralization. The Plan Document said: “Planning at the
local level has an important role to play in investment decisions in the
agriculture, minor irrigation, animal husbandry, fisheries, marketing and
processing cottage and small scale industries, local infrastructure and social
services, including water supply, housing, health, education, sanitation and
local transport. During the Sixth Plan, planning at the block level will be
further strengthened. The programme will be made area specific at the grass
roots level based on local endowment and potential for growth and regular
employment. It is proposed to formulate comprehensive block level plan
and identify programmes for development of the area, which aim at making
full use of local endowment. The object of these plans will be to integrate
various programmes for optimum utilization of local endowment with plan
objectives and local needs.”

Seventh Five Year Plan (1985 – 1990)

The Planning Commission appointed a working group on District
Planning in 1982 under the chairmanship of C. Hanumantha Rao and the
recommendations of this group formed the basis for evolving the district
planning and the approach was outlined in the Seventh Five Year Plan. The
recommendations of the working group was incorporated in Seventh Five
Year Plan and started to pursue the decentralization of the planning process
for development. It was also realized that planning activities at the district

73 Mahipal, Op cit, PP. 15-16.
level would rest in a single district planning body which would determine the strategies and priorities and allocate funds for various departments taking into account the planning and other capabilities available at the grass root level. The development strategy of the Seventh Five Year Plan aims at the direct attack of the problems of poverty, unemployment and regional imbalances. The success of this depends on effective steps of the decentralization of planning and development administration, on one hand and involvement and participation of people in the formulation and implementation process through elected grass roots level institution and voluntary agencies as well as organization of the poor on the other.\(^ \text{74} \)

**Eighth Five Year Plan (1992 – 1997)**

The Eighth Plan were based on the recommendations of the study group on training for district planning with a view to providing a sound data base and developing a system of continuous flow of information for it as the Planning Commission had suggested. They were also in accordance with the views expressed by the international seminar on district planning. Besides several new schemes were provided in the Eighth Plan for the preparation and estimates of grass fixed capital formation, private final consumption expenditure and input-output tables at state levels. Higher priority was given to build up estimates of important components of national income and related aggregates broken up into rural and urban sectors.

**Ninth Five Year Plan (1997 – 2002)**

One of the main objectives of the Ninth Five Year Plan was to promote and develop people’s participation in planning through democratic institutions like Panchayati Raj Institutions. The approach paper admitted that functions and powers assigned to the panchayats by the states through

\(^ {74} \text{K.K. Srivastava, Op cit, PP. 25-26.} \)
their legislations and executive orders have been inadequate to enable them to function as institutions of self-governments, envisaged under Article 243 G of the Constitution. Hence states are required to further endow powers and functions to the panchayats keeping view the 29 subjects listed in the 11th schedule of the Constitution. For performing these functions panchayats require not only additional finance but also additional technical and administrative infrastructure. Since the functions which have been performed by the states so far, are supposed to be personnel of the states who are handling these functions shall also be transferred to the panchayats. In this way instead of recruiting new staff, redeployment of personnel will be needed in this plan. Allocation of functions among three tiers of panchayats will be based on the cardinal principle i.e. what can be done at particular level should be done at the level only.  

Tenth Five Year Plan (2002 – 2007)

The Ninth Five Year Plan had called upon for devolution of more powers to the Panchayti Raj Institutions and formation of DPCs for formulation of District Plans. But not much progress has been made in this regard which is evident from what the 10th Plan Document says : “The 74th Constitutional Amendment Act provided for the Constitution of District Planning Committee (DPCs). However, the constitutional provision on DPCs is rather weak as it provides for the preparation of only draft plans by the DPCs. States government of India’s guidelines on district planning have not been fully operationalized. DPCs should be set up and its functionaries must be trained in the basics of planning. The gram sabha/panchayat should be associated with the preparation of village development plans based on the felt needs of the people. These plans should be integrated with the

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75 Mahipal, Op cit. PP. 19-24
panchayat samiti and district-level plans to make the grassroots planning process a reality in the Tenth Plan period.\textsuperscript{76}

**Eleventh Five Year Plan (2007 – 2012)**

On the eve of the preparation of the Eleventh Plan, in 2005, the Ministry of Panchayati Raj constituted an Expert Group chaired by V. Ramachandran to study and make recommendation, inter-alia, on “Formulation of district and sub-district plans at all levels.” The report of the Expert Group was accepted by the Ministry of Panchayati Raj and the Planning Commission issued its detailed guidelines for district plans in Eleventh Five Year Plan through its circulation dated 25-8-2006.\textsuperscript{77} The Eleventh Five Year Plan had stressed that it is absolutely critical for the inclusiveness of our growth process that the large number of elected local government representatives are fully involved in planning, implementing and supervising the delivery of essential public service.\textsuperscript{78}

\textsuperscript{76} Ibid, PP. 19-24.

\textsuperscript{77} V. Ramachandran, Expert Group Report on Grassroots Level Planning, Planning Commission, New Delhi, 2008, P.5

\textsuperscript{78} Eleventh Five Year Plan Document. Para 1 – 147.