CHAPTER VI

PANCHAYAT AND DEVELOPMENT

PLANNING


(1) Planning and Development - A Concept.

(2) Village Panchayat - Its Functions and Finances.

(3) Planning Process in Mogri.

(4) The Budget Pattern.

(5) The Development Pattern.
(1) Planning and Development:

The Balwantray Mehta study team had visualized that the Panchayati Raj bodies should be made responsible for planning and development within their jurisdiction and emphasized that these will be able to function effectively only if there is "devolution of power and decentralisation of machinery and thereby sought to inject an element of autonomy" in their working.

In view of the under-developed conditions of our country it is very important to emphasize the development functions of panchayati raj institutions as units of local government. Great stress has been laid on the development aspect of Panchayati Raj by the Sadiq Ali study team. The Study Team has observed:

"In the context of widespread poverty and low level of social services, Panchayati Raj without development would be a barren and sterile concept. Development is essential and vital. The local government institutions here have not only to administer a few municipal functions, but they have to initiate a process of growth and development in many fields and they have to do this in the context of meagre resources and paucity of the right type of technical and administrative personnel."

This imperative necessity of development in the context of meagre resources brings us to the question of planning in Panchayati Raj.
Planning is essential in order to avoid waste of our resources which are very limited. Planning does not mean a mere collection of projects or schemes but a well thought-out approach of how to strengthen the base and the pace of progress so that the community advances on all fronts.¹

A consciousness must develop amongst the people towards planned development and a modern and progressive outlook must permeate the villages. The panchayati raj institutions, being nearest to the people, can do much to bring about this consciousness and fresh outlook.

Development depends upon new attitudes to life and change therein. In developing societies administrators will have to undertake first the task of development, because of their precedence in education and progressive ideas rather than leaving it to the people themselves.

But, if the development is to be permanent, the community should prepare itself to initiate it on its own and to increase its own receptivity and acceptability potentials.

**Community Development:**

The development of community can take place only when the community understands its problems, realises its responsibilities, exercise the necessary powers through its close representatives and maintains a constant and intelligent

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vigilance on local administration.

Before community development movement, there was a traditional sense of community life working through informal and undifferentiated institutions and customary compulsions, with of course, no connotation of development. Community had been persuaded, cajoled and induced by the officials to develop.

What is meant by the development of a community? Development implies orderly movement of an organism or a social system from a lower level of functioning to higher level of functioning and integration.\(^2\)

Community Development is the term used to describe the technique many governments have adopted to teach their village people and make more effective use of local initiative and energy for increased production and better living standards. Community Development is a process of social action in which the people of a community organise themselves in planning and action; define their common and individual needs and solve their problems, execute these plans with a maximum of reliance upon community resources, and supplement these resources where necessary with services and material from governmental and non-governmental agencies outside the community.\(^3\) Lucian Pye


\(^3\) Defined by The International Cooperation Administration; quoted by S.C. Jain; *op. cit.*, p.5.
puts the problem in a slightly different context. He writes:

"The problem of Community Development is an aspect of the larger problem of creating, by political and administrative action, a modern nation, in which secular and industrialised modes of behaviour will be secure and dominant, out of an earthbound society predominantly composed of population which is fragmented into tightly ordered village units but nonetheless possesses a restless urban segment from which its decision-makers come."\(^4\)

The community development movement, when it was introduced in 1952 and intensified from 1953 onward, had sought for a regional approach to planning and development of the rural areas. It also wanted at the same time to ensure that the people of the area, at least the elite of these villages, should be associated with the process of decision-making, where the community development programmes were in operation.

The question of effective public participation in community development programmes soon led to a further search for institutional devices which would ensure public participation, not merely in decision-making, but in their implementation as well.

One of the main aims of Panchayati Raj is to take the development programmes to the masses and to get their cooperation in implementing those programmes and to do so with

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the support and cooperation of non-official leadership at the local level.

"The Panchayati Raj institutions have certainly brought in their wake development consciousness. The average villager now understands and can often even speak the language of development."\(^5\)

**Planning from Below:**

The local institutions of Panchayati Raj have to play a significant role in the planned development of rural India. Besides formulation and implementation of programmes at the local level within the framework of state and national levels, planning in developing country committed to democratic socialist method cannot be an exclusive preserve of any one level. There has to be an interweaving of planning process coming from above and coming from below. There must be synthesis of the centralised process of national planning and the decentralised process of Panchayati Raj.

Planning, as understood in the sense of preparing for action, is the most ubiquitous administrative activity. Apart from its administrative utility, local planning provides opportunities to local population, technicians and leaders of voluntary agencies to participate in definition of the needs, determination of goals and means by which such goals are to

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be reached. It is a process of educating the people and involving them in self-development.

Tarlok Singh\(^6\) prescribes objectives of local planning as the following:

1. to maximize the possibilities of development through the mobilization of local resources and energies;
2. to secure the participation and initiative of community and community leadership in solving their own urgent problems; and
3. to involve the rural people and mobilize their support and cooperation in the context of the planned development in carrying through major national and state priorities at the base level.

Though the panchayati raj institutions are regarded as mainly developmental agencies, they have been burdened with a number of administrative and regulative functions which take away a large slice of the time and energies of the panchayati raj personnel. Thus the panchayati raj institutions which have been entrusted with the promotion of economic development in rural areas have got bogged down into administrative bottlenecks and Panchayati Raj is yet to emerge as a full-fledged vehicle of development. While they are expected to usher in an era of self-reliant economy, their actual financial

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condition is weak, especially in the case of panchayats which, in many cases, do not have enough funds to meet even the cost of establishment. When, even the State Governments under our political system depend on Central aid, it is unthinkable that these local units could develop as self-sufficient and autonomous units of Government.

Civil Amenities Vs. Development Work:

It has been complained that in the wake of Panchayati Raj a greater emphasis has been laid on civic amenities than on development work. It may be pointed out, however, that civic amenities are a part of development activities — a fact which has been brought out in bold relief by the Balwantray Mehta Report in its scope of the term "development activities." In fact the line of demarcation between the two cannot be sharply maintained in a welfare state. Again, when people's elective local bodies will handle development activities, they, as people's representatives, have to care for the provision of civic amenities also. However, civic-amenities would depend upon the development of the village. There can be no civic amenities in the absence of basic development of the village.

(2) Functions and Finances:

Gujarat Panchayat Act, 1961, gives a long list of the

8. Schedule I, p. 139.
functions a Gram Panchayat should perform. Many of them have some bearing on development - planning at the village level. Following may be considered as most important among them:

(1) **Sanitation and Health:**
   (a) Supply of drinking water.
   (b) Construction of public roads, drains, ponds, tanks and wells.
   (c) Sanitation and conservancy.
   (d) Establishing and maintaining public hospitals, and dispensaries.
   (e) Maternity and child welfare.
   (f) Construction and maintenance of public latrines.
   (g) Constructing drainage works, sewage works, baths, washing places, drinking foundations etc.
   (h) Constructing and maintaining residential quarters for the conservancy staff.

(2) **Public Works:**
   (a) Lighting.
   (b) Constructing and maintenance of Dharamshala, markets, houses for the staff, cattle pounds etc.
   (c) Extension of village sites.
   (d) Construction and maintenance of buildings necessary for development activities.

(3) **Education and Culture:**
   (a) Spread of education.
(b) Establishment and maintenance of places of recreation and entertainment.

(c) Provision of school buildings, libraries and reading rooms.

(d) Financial assistance to needy students.

(e) Provision for light meals for school-children.

(f) Promotion of social and moral welfare of the village including prohibition propaganda, removal of untouchability, amelioration of the condition of the backward classes, eradication of corruption and discouragement of gambling and other antisocial activities.

(4) **Planning and Administration:**

(a) Preparation of plans for the development of village.

(b) Assisting the implementation of social improvement projects of the State Governments.

(c) Economic survey of the village.

(d) Registration of births, deaths and marriage.

(5) **Community Development:**

(a) Relief of the crippled, destitute and the sick.

(b) Assistance to the residents when any natural calamity occurs.

(c) Organising, encouraging and assisting cooperative activities in the economic and social fields.
(d) Propagation of family planning.
(e) Organising voluntary labour for community works and works for the uplift of the village.
(f) Opening fair-price shops.

(6) **Agriculture:**
(a) Planned improvement of agriculture.
(b) Establishment and management of model agricultural farm.
(c) Bringing under cultivation of waste and follow lands.
(d) Production of improved seeds.
(e) Ensuring conservation of manuraial resources.
(f) Minor irrigation.
(g) Crop-protection and crop-experiments.
(h) Promoting the use of improved seeds.

(7) **Animal Husbandry:**
(a) Improvement of cattle and cattle-breeding.
(b) Promotion of dairy farming.

(8) **Village Industries:**
(a) Surveying and harnessing industrial and employment potential of the village.
(b) Promoting hand-spinning, hand weaving, dyeing, printing, embroidery, sewing, oilpressing industry, leather industry, pottery, carpentry, smithy, industries processing agricultural raw materials.
into finished products etc.
(c) Providing necessary raw materials for cottage industries and arts and crafts.
(d) Making efforts for the production by the village craftsmen of modern and improved tools for cottage industries and making such tools easily available to them.

Finance:

In order to make Gram-panchayats financially viable, the State Government of Gujarat has decided to give grants-in-aid to the extent of the average collection and recovery of land revenue of the three immediate preceding years.\(^9\) Besides these annual grants, there are various funds from which special grants and loans are given to the panchayats; e.g. grants to the backward panchayats from the District Equalisation Fund; incentive grants to encourage panchayats to raise their income by levying taxes from the District Gram Encouragement Fund and loans from District Development Fund.

In addition to the grants from the government, the Gram Panchayats are allowed to levy the following taxes and fees so that they can cope up with development activities:

1. A tax on buildings and lands;
2. Octroi;

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10. Supra; Section, 178.
(3) A pilgrim tax;
(4) A tax on fairs, festivals and other entertainments;
(5) A tax on bicycles and on vehicles drawn by animals;
(6) A tax on shop-keeping and hotel-keeping;
(7) A general sanitary cess;
(8) A general water rate;
(9) A fee on markets and weekly bazaars;
(10) A tax on factories;
(11) A fee on cart-stands and tonga-stands;
(12) A fee for grazing cattle on grazing lands;
(13) A tax on any trade or calling or the profession (other than agriculture).

**Mogri Panchayat:**

In the opinion of the Anand Taluka Panchayat, Mogri is considered a progressive panchayat. It has following activities to its credit:

(1) Supply of drinking water
(2) Washing Ghats
(3) Lighting
(4) Cattle pounds
(5) Extension of village site
(6) Construction of school buildings
(7) Registration of birth, deaths
(8) Organising voluntary labour for community work like approach road

(9) Assisting government in their projects like eradication of malaria, family planning, vaccination etc.

(10) Distribution of water for irrigation

(11) Repairs of roads, ponds, etc.

(12) Sanitation and conservancy

(13) Contribution to charity funds.

The success of a panchayat in development planning depends to a great extent on its efforts to mobilise resources. Mogri panchayat has levied following taxes. Its financial position is not bad. It has enough resources to meet its normal expenses. But it lacks standing reserve fund to undertake big projects.

(i) House tax

(ii) Factory tax

(iii) Water tax

(iv) Shop-keeping and hotel tax

(v) Water rates for irrigation

(3) Planning process in Mogri:

The Gujarat Panchayats Act 1961, has envisaged three types of committees for the purpose of development planning at the village level. One for "Production"; second for "Education" and the third for "Public Works and Public Health".
A production committee is supposed to perform the functions relating to agricultural production, animal husbandry and industries. The Education Committee is devised to perform functions pertaining to literary drives embracing pre-primary education, primary education, adult education and other cultural activities. A public Health and Public Works Committee is to devote itself to the rest of the functions assigned to the panchayat.

It is obvious from the above that most of the planning in respect of development activities is to be done through the above mentioned committees. In Mogri, all the three committees were formed immediately after the election of the panchayat. Similarly, they were constituted in 1961 and 1965 by the respective panchayats after the elections.

In addition to the aforesaid committees, a Gram panchayat is permitted to constitute one or more committees consisting of such members of the panchayat and other residents of the village as the panchayat may determine, to execute any work or scheme decided upon by the panchayat. 11 Accordingly, a special committee for Water Works was appointed since 1961 by the Mogri Panchayat to execute and look after the whole scheme.

11. Supra, Section 81(8).
Committees:

TABLE 14
Composition of the Committees

<table>
<thead>
<tr>
<th>Members</th>
<th>Production Committee</th>
<th>Education Committee</th>
<th>Public-works &amp; Public Health Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Patidar</td>
<td>3 3</td>
<td>3 2</td>
<td>3 3</td>
</tr>
<tr>
<td>2. Bariya</td>
<td>1 1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>3. Harijan</td>
<td>- -</td>
<td>1 1</td>
<td>- 1</td>
</tr>
<tr>
<td>4. Others</td>
<td>- -</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>5. Woman</td>
<td>- 1</td>
<td>- 1</td>
<td>- 1</td>
</tr>
<tr>
<td>Total</td>
<td>4 5</td>
<td>4 5</td>
<td>4 5</td>
</tr>
</tbody>
</table>

Table 14 shows how the committees responsible for planning in the village are composed. The major component happens to belong to the dominant Patidar caste. This is not surprising because the Patidars have been in the majority in the panchayat since its inception. Apart from being in the majority, the Patidars are progressive, educated, rich and dynamic as compared to others. The table also reveals one significant trend. A member from the Bariya or the Harijan community is always elected on the committees. This is important from two aspects. Firstly, it does justice to the democratic functioning in the panchayat and secondly, it provides opportunity to members of different social classes to participate in the process of development planning. Cooperation of all
classes of the people is necessary for the success of vital projects. A detailed scrutiny of the membership of various committees of the last two panchayats (1961 and 1965) reveals another significant trend. Women members who generally abstain from the meetings are also accommodated in one or the other committee. Their presence helps to give a representative look to the committees. A practical consideration also enters here that representation to a woman member who is, so far, a 'Patidar-member' will enhance her social prestige.

Composition of the committees in Mogri is not a very formidable task. No election has ever been held to fill up the memberships of the committees. Members are generally nominated after mutual consultations. Sometimes important senior members have to be persuaded to be on the committees. However, a member from the lower class, say FP from the Bariyas, is never requested for such purpose, notwithstanding his seniority. This shows the Patidars' dislike for the Bariyas. It hurts their ego in requesting a member from the inferior class. Mogri being a faction-ridden village, care has to be taken to see that all factions are accommodated in the various committees, with reference to their strength and representation in the panchayat. It must be said to the credit of various factional leaders that they have shown profound understanding in working together for the development of the village.
**Decision-Making:**

Presence of lower caste members on the committees becomes notional when we take into account the actual working of the committees. It should be frankly admitted here that in view of their poor background and training, the members from the lower class are not capable of taking leadership roles in terms of decision-making and policy-implementation. What is expected here is their meaningful involvement in the process of decision-making which would ultimately prepare them for head-roles. Table 15 below, lists some of the important projects taken up by Mogri panchayat during the period from 1961 to 1969.

**TABLE 15**

<table>
<thead>
<tr>
<th>No.</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Water Works</td>
</tr>
<tr>
<td>2.</td>
<td>Lighting</td>
</tr>
<tr>
<td>3.</td>
<td>Washing Ghats</td>
</tr>
<tr>
<td>4.</td>
<td>Rooms for Boys' School</td>
</tr>
<tr>
<td>5.</td>
<td>Rooms for Girls' School</td>
</tr>
<tr>
<td>6.</td>
<td>Distribution of surplus water from water-works for irrigation</td>
</tr>
<tr>
<td>7.</td>
<td>Extension of village site</td>
</tr>
</tbody>
</table>

The projects listed above can be classified into two categories: (i) civic amenities; and (ii) development-work.
Project 1, 2 and 3 fall in the first category and 4, 5, 6, and 7 in the second category, respectively. Of all the projects, that of water-works was most ambitious and prestigious. One Mr. Lavingwala, a resident of Mogri now settled in East Africa, had expressed his desire to donate Rs. 30,000 for the water-works in Mogri. The offer was promptly accepted and money was deposited with the leading firm of a local businessman, who was also Sarpanch at that time. A special committee under the chairmanship of the Sarpanch was appointed for the purpose. The committee included some prominent members of only the Patidar community. There was no question of panchayat taking members of other communities into confidence as to the desirability of having water-works in preference to some other schemes. It was a felt need of upper middle class people, mostly Patidars, who were in a position to spend a fraction of their budget for this kind of amenity which lower class people considered a luxury. Out of the 300 water-connections given in the village, less than 30 houses from the lower class people have availed of this amenity. The same is true of the electricity. Although the Panchayat looks after the street lighting, nearly fifty per cent of the houses in Mogri are still without illumination. The above illustrations amply prove that the decision-making process in the panchayat is necessarily influenced by the elite perception of the local needs.

The Panchayat committees appointed for various works
rarely meet on a regular basis. Whatever discussion takes place is always within the private circle and on an informal basis. No agenda is prepared for the committee meetings and minutes are hardly kept. Whenever urgent consultation is required a word is sent to the members through a panchayat messenger. If majority of them are present, discussion takes place and decisions are arrived at. Absentees are informed about the development in the matter. If an important member is absent, no decision affecting vital aspects of the problem is taken. A member from the lower class is never deemed to be an important person. Such members have never been 'consulted' in the right sense of the term. At the best they are kept informed about the development. Their presence in the meeting is taken for granted; their absence not a cause of anxiety. Decision-making has been a prerogative of the Patidar elites in Mogri. If a project is important one, like construction of school building or water-works, a broad based committee is formed, though actual work is done by a coterie of persons like NS, RS, RK and DB.

Plan Priorities:

Table 15 shows that Mogri Panchayat has, in all, seven major projects to its credit. The seventh project, which relates to the extension of village site, is actually shelved for the time being as it is sub-judice. Out of the remaining six projects completed so far, only three can be claimed to be development projects. They are: Class rooms for Boys'
School, Girls' School and distribution of water for irrigation. The remaining three fall in the category of "civic amenity". It is difficult to make any clear cut demarcation between the two. However, one aspect of it cannot escape our attention. Table 15 does not include any project on development of agriculture, small industries and animal husbandry. This suggests that those who are at the helm of affairs in the panchayat do not feel the necessity or urgency for expenditure in these sectors, even though majority of the population happen to be small agriculturists. It further suggests that those who matter in the decision-making, are rich and capable of meeting their needs outside of the panchayat. It is true that the panchayat distributes surplus water from its water-works in the surrounding agricultural land, but this is more with a view to augmenting its financial resources rather than planning for irrigation. The accent on meeting 'civic needs' points towards the pattern of priorities decided by the panchayat.

It is interesting to note here that in response to a query about the neglect of agriculture sector in the activities of the panchayat, the leading members were of the opinion that since Gram Sevak is there to look after the needs and requirements of the small farmers, there remains little to be done by the Panchayat. Of course, they were not happy about the manner in which the Gram Sevak was working in Mogri at that time (1968-69). General complaint about the Gram Sevak was that he was not taking interest in the agricultural
development activities of the village. The fact is that he was in charge of two villages, namely, Mogri and Jitodia. He used to excuse his absence in Mogri by saying that he was in Jitodia and vice-versa. The truth is that he was living most of his time in his nearby native village and helping his family in its agricultural business. It was alleged in some quarters that the Gram Sevak managed to keep his superiors and some local leaders pleased in the village.

A marked success has been achieved in the field of education. From a small primary school it has, at present, one school for Boys and another for Girls, both managed by the panchayat. The Boys' school has a fine edifice worth Rs. 50,000. The plan for Girls' school is ready. This progress, it should be noted, has been possible on account of the magnificent donations by the leading philanthropists of Mogri, coupled with the pragmatic leadership of the panchayat. It is pointed out that the progressive outlook of the villagers was a decisive factor in forcing the panchayat to make rapid strides in this field. The net result of this is that they now have their own High School, just started in a new building with modern facilities.

Projects like water-works, washing ghats and street-lights are in nature of primary needs of the village. Water-works in Mogri was taken up because of donation. The total cost of the project has come to nearly Rs. 90,000, which was well nigh impossible for the Mogri panchayat but for
the donation and matching grant from the government. The construction of washing ghats is an adjunct to the main plan of water-works. As regards lighting, it is more of a government enterprise than a panchayat-undertaking. Even here, the poles were supplied free-of-charge by the then Sarpanch. However, at present, the panchayat spends nearly 20% of its budget on the maintenance of village lighting.

In view of paucity of fund and limited resources it is not possible for a panchayat to meet all of its needs at a time. There is a general complaint in Mogri about the neglect of works like public latrines, public urinals and approach road. Anybody who visits Mogri during monsoon would immediately appreciate the above complaint. It is shocking to see people, deprived of such basic facilities. It displays nothing but elitist perception of panchayat. This is really an urgent need since it is a problem of public health and hygiene.

(4) The Budget Pattern:

Financial requirements of any set up are determined by the functions assigned to it and the expectations regarding its performance. From this point of view, it should be mentioned at the very outset that the enlarged scope of activities has resulted in large budgets of the Panchayati Raj bodies and the growth of local expenditure has, thus, far exceeded the available local resources. The gap between actual income and desirable level of expenditure in Panchayati Raj is too
wide and needs serious consideration. The tremendous increase in liabilities, centralization of fiscal resources and the inelastic nature of the sources of local revenue have had the cumulative effect on the inadequacy of available resource. Raising resources, thus, is a major challenge and it is interesting to see, how this challenge has been dealt with. Of no less importance is the problem of the utilization of available fund. Panchayati Raj was introduced with the immediate objective of ensuring that the development of the countryside is carried out as rapidly and efficiently as possible and through democratic process.

Resource Finding:

Table 16 gives a comprehensive picture of the income pattern of the Mogri panchayat, from 1961 to 1970. The above period covers the working of two panchayats, namely the third panchayat from 1961 to 1964 and the fourth panchayat from 1965 onward (i.e. the present panchayat). The pattern of income would help one understand the efforts made by the panchayat to mobilise the resources for its development. A panchayat, that wants rapid development, has to make special efforts to mobilise additional resources to meet the increasing need of development expenditure. It has to fully explore the area of taxation along with other sources of non-conventional nature so as to augment its resources. Since help from the government for development projects is in the

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Income</th>
<th>Revenue from Taxes</th>
<th>Percentage</th>
<th>Revenue from other sources</th>
<th>Percentage</th>
<th>Grants</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961-62</td>
<td>18378.37</td>
<td>2903.25</td>
<td>15.75</td>
<td>1276.08</td>
<td>6.98</td>
<td>14199.04</td>
<td>77.27</td>
</tr>
<tr>
<td>1962-63</td>
<td>36468.17</td>
<td>6996.76</td>
<td>19.25</td>
<td>9108.76</td>
<td>25.25</td>
<td>20362.65</td>
<td>55.60</td>
</tr>
<tr>
<td>1963-64</td>
<td>24816.38</td>
<td>8830.52</td>
<td>35.60</td>
<td>1857.60</td>
<td>7.50</td>
<td>14128.26</td>
<td>56.90</td>
</tr>
<tr>
<td>1964-65</td>
<td>24551.10</td>
<td>9466.33</td>
<td>38.27</td>
<td>3971.43</td>
<td>16.58</td>
<td>11113.34</td>
<td>45.15</td>
</tr>
<tr>
<td>1965-66</td>
<td>34458.57</td>
<td>7544.59</td>
<td>21.90</td>
<td>9012.78</td>
<td>26.15</td>
<td>17901.20</td>
<td>51.95</td>
</tr>
<tr>
<td>1966-67</td>
<td>35519.08</td>
<td>8755.00</td>
<td>24.80</td>
<td>7501.52</td>
<td>21.25</td>
<td>17262.86</td>
<td>53.95</td>
</tr>
<tr>
<td>1967-68</td>
<td>18824.98</td>
<td>9113.75</td>
<td>49.47</td>
<td>7316.23</td>
<td>38.87</td>
<td>2195.00</td>
<td>11.66</td>
</tr>
<tr>
<td>1968-69</td>
<td>23193.69</td>
<td>9344.00</td>
<td>40.29</td>
<td>5448.58</td>
<td>23.49</td>
<td>8401.11</td>
<td>36.22</td>
</tr>
<tr>
<td>1969-70</td>
<td>24126.48</td>
<td>10514.75</td>
<td>43.57</td>
<td>9157.01</td>
<td>37.96</td>
<td>4454.72</td>
<td>18.47</td>
</tr>
</tbody>
</table>
form of "matching grants", the government transfer will always depend upon the local efforts.

Levying new taxes is not always a pleasant task. Sometimes there are practical considerations which prevent a panchayat from imposing a tax otherwise considered to be "must" from revenue point of view e.g. octroi in Mogri. In Mogri, it is estimated that the panchayat would be able to collect about Rs. 20,000 per year if it decides to introduce octroi on tobacco. However, the vested interests of the rich tobacco-businessmen come in the way and hence no effort has been made so far in the direction.

Table 16 gives the break-up of yearwise income of Mogri panchayat. In 1961-62, the total income of the panchayat was Rs. 18,378.37 out of which revenue from direct taxes was Rs. 2,903.85 (15.75%) and Rs. 1,276.08 from other sources (6.98%). However, the main bulk of income was in the form of government grants (77.27%). The revenue from taxes comprised mainly of House-tax, Shop-tax and water rates. The revenue from other sources consisted mainly of penalty charges from irrigation. The government grants included grants on development projects like water-works and washing ghat. It is clear from the above that the panchayat did not make the maximum effort in 1961-62 to tap the resources and depended mainly upon the grant received from the government.

However, the picture is quite different, at the end
of the decade (1961-70). The revenue from direct taxes has gone up by three times (43.57%) reaching an all time record of Rs. 10,514.75. Similarly, the revenue from other sources has also kept pace with the net increase by 31.%. In the year 1961-62 the revenue from other sources was Rs. 1,276.08 (6.98%) which has reached Rs. 9,157.01 (37.96%) at the end of 1969-70.

**The Tax-Efforts:**

Raising of resources through direct taxes is said to be the most positive effort in the realm of development. Table 16 shows how the Mogri panchayat has maintained a steady rate of growth of income from direct taxes. In 1962-63, the increase in revenue from direct taxes over the previous year was by 3.50%. In subsequent years of 1963-64 and 1964-65, the increase was almost double (38.27%). This was possible due to new taxes, viz., Hotel-tax and Factory-tax imposed by the panchayat. The years 1965-66 and 1966-67 showed a slight decline in the tax revenue due to big arrears in tax collection. Inadequate rains and consequent drought conditions during these two years also affected the revenue collections. The magnitude of the problem of arrears can be realised only if we know the exact figures. In 1966-67, the House-tax totalling Rs. 3,858.50, the Shoptax and Factory-tax totalling Rs. 484.00 and the Water tax totalling Rs. 4,245.00 were in arrear. However, years 1967-68, 1968-69 and 1969-70 showed improvement in the income pattern.
The steady growth of revenue from direct taxes in the Mogri panchayat is likely to prove misleading unless properly scrutinised in terms of progressive efforts made to raise revenue from time to time. No doubt, the growth of revenue is impressive. But the real efforts in mobilising resources through direct taxes are not what the figures reveal. It is true that the panchayat did introduce new taxes like Hotel tax and Factory tax from 1964-65 onward, but the maximum revenue accruing from these taxes amounted to Rs. 550.00 only. The main source of the revenue still comes from the earlier taxes like House tax and Water-rates, which form 92.23% of the total income. In 1969-70, the panchayat received Rs. 9,731.30 out of total tax revenue of Rs. 10,514.00 from these two taxes alone. This shows that although the panchayat has made efforts to explore new avenues of taxes, its efforts have not yielded sizeable amount of revenue. It is the House-tax and Water-tax which form the backbone of its economy. But, then, these are not new efforts. They were there from the very beginning. Had the Mogri panchayat taken a bold step of introducing octroi on tobacco brought in the village for processing, its revenue pattern would have been more elastic. When inquiries were made regarding this, the explanation was given that the farmers insist on octroi on 'processed' tobacco and not on the raw produce. The tax burden, then, would fall on tobacco-merchants, who are vehemently opposed to any such move. Both groups are very
powerful; the former being numerous and the latter being rich. Hence the panchayat has not been successful in introducing octroi or the tax on tobacco. It means, there is no chance for spectacular rise in the revenue of the panchayat. It is clear that the sufferer would be the poorer section of the people. This provides one more illustration of elitist perception and its role in the panchayat.

**Income from other sources:**

While the Mogri panchayat has not been able to widen the area of direct taxation to a desirable extent, it has fairly made up the deficiency by raising revenue from non-tax sources. Table 16 shows that the revenue in 1961-62 from other sources amounted to Rs. 1,276.08, which formed only 6.98% of the total income. It shows a phenomenal growth of 25.15% in 1962-63, which was due to the sale of dead-stock. Although the growth of revenue has been continuous, the rate of growth is not consistent and uniform. The total increase in the field of miscellaneous income from 1961 to 1970 has been seven-fold. The main source of non-tax revenue is the sale of surplus water from the water-works, for irrigation purpose. Other sources include the proceeds from the sale of babul trees (Accacia-arabica) and penalty charges. The revenue from irrigation-water is the real and permanent source which fetches nearly 50% of the total revenue derived from miscellaneous sources. Besides providing facility for drinking...
water, the panchayat by its businesslike consideration has developed water-works into an important source of revenue. This no doubt is a good example of foresight in planning and serves as a model for other panchayats at least in respect of finding out extra source of revenue. By its efficient management the panchayat has been able to save a good amount from the earnings of water-works, which brought accumulated interest to the tune of Rs. 2,557.08 in the year 1969-70. Although not very reliable and expanding the sale of babul trees (Accacia arabica) has been a good source of income with the Mogri Panchayat. In 1967-68, the panchayat earned Rs. 2,442.00 from the auction-sale of these trees. In the following year also it got Rs. 2,191.00. In short, the panchayat has been able to earn an average revenue of Rs. 1,300.00 from the sale of babul trees, for the last seven years, which comes to one-fifth of the total revenue from other sources. This points out the fact that the panchayat is aware of its responsibility of finding out non-tax resources. The Patidars of Charotar have a general dislike for governmental interference in civic affairs. They are also averse to imposition of taxes. Left to them, they would find out some extra source of income rather than resorting to taxation. In Mogri, the Patidar leaders have always tried to raise money through voluntary contributions rather than levying taxes.

Grants:

Grants to the panchayats from the Government are of two
types: (i) Annual grants and (ii) Development grants. Development grants are given to help panchayats to undertake development work. They are sometimes called "matching grants" in the sense that the panchayat has to match a certain portion of expenditure from its own revenue. Generally, it is on the basis of 50:50.

Amount of development grant received from the government is generally an indicator of the development work done by the panchayat. It is a good sign of measures undertaken by the panchayat for the development programme. If a panchayat has received a large amount of money, it naturally means considerable effort towards development activities.

Table 16 shows break-up of the grants received by the Mogri panchayat from the government. It shows that during the period between 1961 and 1967, it has continuously received good amounts of grants. In 1961-62, the amount of grant came to be 77.27% of the total income. Similarly, it formed 55.60% in 1962-63; 56.90% in 1963-64; 45.15% in 1964-65; 51.95% in 1965-66 and 53.95% in 1966-67. There is a downward trend from 1967-68 onward which indicates a decline in the developmental efforts. The grant received in 1967-68 forms only 11.66% of the panchayat's total revenue, which is also the lowest in the last nine years. In the following years of 1968-69 and 1969-70, there is no marked improvement in the situation. It means that no development work has been taken up since 1967. The difference can be seen in...
terms of the grants received from the government. The highest amount of grant received so far comes to Rs. 20,362.65 (1962-63) as against the lowest of Rs. 2,195.00, received in the year 1967-68.

The period between 1961-67 can be considered as the golden period in the history of Mogri panchayat. It completed three major projects, namely (i) water-works, (ii) washing ghats and (iii) school-building, during this period. It was an era of planned progress. The same cannot be said about the subsequent years. Working of the panchayat also reflects the type of leadership provided by it. A weak leadership produces meagre results and dynamic leadership would go for more vigorous programme of development. Incidentally, this has proved to be correct in the case of NS, who, as a dynamic Sarpanch, successfully completed the scheme of water works. As against this, there is a general complaint by the people against the inactiveness of the present panchayat (1964-70). This can be borne out by the fact that little development work is done during this period. Hence, no development grants have been given by the government, to the panchayat, during the years 1967-68, 1968-69 and 1969-70. Viewed in the total context of its resource mobilisation and government grants, it can be said that Mogri panchayat would not have been able to finish those important and big projects it now has to its credit, had they not been financed by the private donations or supported by the government grants. In other words,
though the Mogri Panchayat is considered to be good, it does not find itself in economically sound position to undertake any big projects of its own.

**Expenditure Pattern:**

Table 17 explains the pattern of expenditure incurred by the Mogri panchayat. The expenditure is divided under three heads: (i) Establishment (ii) Maintenance and (iii) Development. The period shown in Table 17 covers the performance of the last two panchayats. Expenditure on the establishment is a recurring type. Similarly, expenditure on maintenance is also indispensable in many respects as a panchayat is supposed to spend every year some amount on the items like maintenance of roads, sanitation, conservancy and lighting. Expenditure on development works is purely voluntary and depends upon the degree of enthusiasm shown by the people in modernising their village life. However, the success of a panchayat lies in balancing the resources with its commitment. A good panchayat will always try to achieve a favourable ratio between expenditure on the establishment and provision for development works. For a progressive panchayat which regularly undertakes big or small development projects suitable to its needs, is bound to show a steady increase in the maintenance cost.
<table>
<thead>
<tr>
<th>Year</th>
<th>Total Expenditure</th>
<th>Establishment Charges</th>
<th>Percentage</th>
<th>Maintenance Expenditure</th>
<th>Percentage</th>
<th>Development Expenditure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 1961-62</td>
<td>17631.12</td>
<td>714.42</td>
<td>4.20</td>
<td>4022.06</td>
<td>22.80</td>
<td>12894.64</td>
<td>73.00</td>
</tr>
<tr>
<td>2. 1962-63</td>
<td>11918.10</td>
<td>1609.73</td>
<td>13.48</td>
<td>5149.20</td>
<td>43.20</td>
<td>5159.17</td>
<td>43.32</td>
</tr>
<tr>
<td>3. 1963-64</td>
<td>38638.03</td>
<td>2664.04</td>
<td>6.90</td>
<td>8796.62</td>
<td>22.80</td>
<td>27177.37</td>
<td>70.30</td>
</tr>
<tr>
<td>4. 1964-65</td>
<td>17052.60</td>
<td>2264.08</td>
<td>13.30</td>
<td>7575.04</td>
<td>44.40</td>
<td>7213.48</td>
<td>42.30</td>
</tr>
<tr>
<td>5. 1965-66</td>
<td>45555.13</td>
<td>2694.35</td>
<td>6.25</td>
<td>12749.97</td>
<td>28.00</td>
<td>29910.81</td>
<td>65.75</td>
</tr>
<tr>
<td>6. 1966-67</td>
<td>34823.97</td>
<td>2623.19</td>
<td>7.40</td>
<td>10149.53</td>
<td>29.15</td>
<td>22051.25</td>
<td>63.45</td>
</tr>
<tr>
<td>7. 1967-68</td>
<td>21862.75</td>
<td>2443.47</td>
<td>11.60</td>
<td>11072.28</td>
<td>49.98</td>
<td>8347.00</td>
<td>38.42</td>
</tr>
<tr>
<td>8. 1968-69</td>
<td>19596.75</td>
<td>4651.91</td>
<td>23.75</td>
<td>11170.91</td>
<td>57.00</td>
<td>3773.93</td>
<td>19.25</td>
</tr>
<tr>
<td>9. 1969-70</td>
<td>13724.36</td>
<td>3016.36</td>
<td>21.00</td>
<td>10708.00</td>
<td>79.00</td>
<td>NIL</td>
<td>----</td>
</tr>
</tbody>
</table>
Expenditure on the establishment includes, mainly, salaries of the panchayat servants as well as expenses on the office. It also includes contingent expenditure incurred during the year. For "maintenance" the Mogri panchayat spends heavily on electricity, fuel, road-repairing, sanitation etc..

The year-wise break-up of expenditure will help us to appreciate the development efforts made by the Mogri panchayat. As Table 17 shows, the year 1961-62 is perhaps, the best in terms of cost-benefit ratio. It is closely followed by the years 1963-64, 1965-66 and 1966-67 with 70.75%, 65.75% and 63.45% respectively of the development expenditure. The establishment expenditure in the year 1961-62 is lowest with 4.20% as against the expenditure on the development which is highest with 73% of the total budget. Expenditure on maintenance is also lowest in the same year as compared to the following years.

The year 1962-63 shows an overall increase in the establishment as well as the maintenance expenditure, with corresponding decrease in the development expenditure. This indicates that the panchayat has not been able to do any development work in that year. The year following to 1963-64 seems to be a year of achievement as 70.30% of its total budget is utilised for the development works. It is reported that the scheme of water works was completed during this year. The next year, 1964-65 is again a bad year in
terms of development planning as only 42.30% of the budget was earmarked for it. However, the years 1965-66 and 1966-67 can be considered as a period of "educational expansion" in the history of Mogri panchayat. During these years construction of schools premises was undertaken and successfully completed. It will also be noticed from the above table that the level of expenses on the establishment was considerably brought down during this period.

The last three years of the Mogri panchayat (1967 through 1970) have been a period of inactivity and lack of planning. Table 17 shows that the percentage of development expenditure from 1967 onward has steeply gone down so much so that no provision for developmental expenditure has been made for the year 1969-70.

The expenditure pattern shows two trends. Firstly, the establishment expenditure has gone up by more than four times in the last 9 years and, secondly, the panchayat has not been able to maintain uniform speed of development. Table 17 shows that almost every alternate year has been a 'slack' or 'bad' year in terms of development performance. This may be due to financial strain of the big projects like water-works or the school premises undertaken by the panchayat. The compulsory 'plan-holiday' is inevitable when a panchayat fails to raise necessary financial resources for the development projects. It is either through big donations or levying heavy taxes that
a panchayat can raise big amount. However, there are many practical limitations to such possibilities. This has happened in the case of Mogri panchayat. Most of the development works in Mogri have been supported by private donations. It is not possible for Mogri panchayat to undertake any big project out of its own resources. Almost half of its budget and sometimes even more is consumed by the establishment and maintenance overheads. This partly explains why Mogri had a 'plan-holiday' for five years in a period of decade.

(5) The Development Pattern:

The process of development in Mogri brings out three distinct aspects. Firstly, it reveals that the occasions for elections have been utilised to bring pressure on the authorities to speed up development work. In other words, it shows how democratic politics operates to the advantage of people. Secondly, there is a tendency as far as possible to avoid government patronage, for the development work. Thirdly, the rich people tend to utilise their money power, through the schemes of public donations, to work as leverage on the local politics.

(1) Development and election politics:

The second General Election (1957) has played unexpected but very important role in the development of Mogri. The water works for which Mogri takes pride owes its existence, partly, to the timely arrival of the General Election of 1957.
The Congress candidate for the Assembly constituency, who visited Mogri during the election campaign, was confronted with this problem. A good amount (Rs. 30,000) was received by way of donation to this end, but the government of Gujarat was not prepared to consider the project for the purpose of special grant due to some technical hitch. The Congress candidate, who was very influential with the high-ups in the party was taken into confidence on the understanding that the whole village would vote for the Congress if the candidate promised to use his influence in securing government grant for the project. The bargain worked well for both the parties. The candidate who became the deputy minister afterwards strove hard to get the scheme sanctioned. There is also another example of such pressure politics employed to get approved a longstanding need of Mogri. Mogri had a long felt need for a pacca (tarred) road, now known as Mogri-Gana road which would connect it with the state highway. The demand was not met with by the higher authorities of the District Local Board. In order to register its protest, Mogri, a faction-ridden village got united on this issue and decided to boycott the district local board elections. The impact of boycott was so tremendous that the authorities of the District Local Board had to move immediately into the whole matter. They assured the people of Mogri that the construction of the said road will be immediately taken up. Mogri was always considered as a Congress strong-hold. The Congressite President of the
District Local Board was quick and shrewd enough to grasp the implication of the threat. The road was immediately sanctioned.

(2) Development and official patronage:

There is a small dispensary in Mogri, started with a donation of Rs. 20,000 given by a member of the CB group. As there was no other dispensary in Mogri, either public or private, it proved a boon to the local people. However, it ran into huge losses every year. Its income was very meagre as it charged nominal fee from its patients. Being a private institution, it received no grant from the government. The annual loss which came to about Rs. 3,000 was met with from public contributions. It was inquired as to why the dispensary was not handed over to the government. It was also pointed out that the benefit would be immense if it were to be handed over to the government. This would not only meet the deficit but might help its expansion.

However, it was clear from their talk that they (people) did not like interference from the government in the form of inspection and auditing. They also expressed their doubts about the efficient working of the governmental agencies. It will be interesting to quote Kusum Nayar here at some length. She writes, "In fact, the villagers say that they do not like to take money from the government, nor do they borrow

from money-lenders..." "We help each other - without any documents even. The secret of our success is that, no one here is doing only one thing and, secondly, we cooperate with each other. "'These people do not believe in having just 'institutions' either. They are created primarily to deal with the government.' "Our panchayat does only municipal work... formerly Harijans used to do the sanitation work. Now the panchayat does it", says a villager. This attitude of self-reliance and general indifference, if not actual contempt, for official assistance to the from 'governmental institutions is widespread among the Patidars. In short, they would like to manage their own affairs as far as they can do without the help from the government. This can be described as an aspect of political-culture of Gujarat.

Two illustrations would suffice here to indicate the manner in which they manage their own affairs without the governmental patronage. There are, at present, two cooperatives functioning in Mogri -- one is known as Milk Producers' Cooperative Union and another is Consumers' Cooperative Society. The former takes care of the interests of the milk producers of the village. It is federated with the famous Amul Dairy, Anand. The union's main activities consist of collecting milk at a reasonable price, providing veterinary services to its members, distribution of cattle-food and running of artificial insemination centre for better breed. The union
is so nicely and efficiently run that not only has it accumulated more than Rs. 65,000 by way of reserve fund, but it has also donated about Rs. 8,000 to the cause of village development.

Similarly, they also manage to get things like improved seeds, fertilizers and other items through their Consumers' Cooperative Society. They do not rely much on official agencies like Panchayat Gram Sevak for their requirements. Truly speaking many leading farmers had expressed their dissatisfaction on the working of the Gramsevak in Mogri. In fact, ability to run their own affairs in an efficient manner has instilled in them a measure of self-confidence which reduces dependence on governmental agencies to the minimum.

(3) Development and donations:

In view of the overall paucity of financial resources experienced by the country in general and local bodies in particular, it is not possible for a panchayat like Mogri, poised for development and modernization, to avoid donations offered by the rich people for the public work. It is a known fact that grants from the government are not easily available for each and every project undertaken by the panchayat. Floating or raising of loans, as in the case of big municipalities, is clearly beyond the means of panchayats. It requires strong motivation for a person to give away his money. Desire for a name or love for charity sometimes motivate a
human being to give his money in donations. However, donation given with political motive may not be without strings. Persons giving such donations primarily intend to create their own sphere of influence in the local political arena. Influence, thus created should be a continuous process, if it is to be meaningful. This is best done by uninterrupted flow of big and small donations. This device of creating influence through donations, has been effectively used by the rich section of the Mogri people, especially by the members of the CB group.

**TABLE 18**

<table>
<thead>
<tr>
<th>No.</th>
<th>Projects</th>
<th>Main Donor</th>
<th>Amount Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Primary School for Boys</td>
<td>CB Group</td>
<td>40,000</td>
</tr>
<tr>
<td>2.</td>
<td>Dispensary</td>
<td>CB Group</td>
<td>30,000</td>
</tr>
<tr>
<td>3.</td>
<td>High School</td>
<td>CB Group</td>
<td>60,000</td>
</tr>
<tr>
<td>4.</td>
<td>Ramji Mandir</td>
<td>CB Group</td>
<td>25,000</td>
</tr>
<tr>
<td>5.</td>
<td>Water Works</td>
<td>Lavingwala</td>
<td>30,000</td>
</tr>
<tr>
<td>6.</td>
<td>Primary School for Girls</td>
<td>Panchayat, CB and others</td>
<td>15,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2,00,000</td>
</tr>
</tbody>
</table>

Table 18 shows that out of six projects, four are aided by CB group alone. Of the total donation of Rs. 2,00,000 given in the village for the development works, almost 75% of it has come from the CB group. This clearly indicates the hold of the CB group on the development work of Mogri.
It will be interesting to study the pattern of donations declared by CB group. This will help us understand how a financially powerful group creates a sphere of influence in the village politics through big and small donations.

The pattern of donations by the members of CB group is really very interesting. They have donated more than one and a half lakhs of rupees for the various projects in Mogri. Looking to their overall financial position, the total amount of donation is not very big. The fact that one of them gave Rs. 50,000 for a Girls' High School at Anand and Rs. 11,000 for a gold medal in the Sardar Patel University, speaks of their capacity for big donations. The most noticeable aspect of their donations is that they do not give their names after the institutions in which even major donations come from them. CB himself was given about Rs. 40,000 for a High School in Mogri, but has preferred to name it after "Mahatma Gandhi" instead of giving his own name. Similarly, SB, a member of CB group, has donated Rs. 50,000 for a Girls' High School and Rs. 20,000 for a dispensary. But he has preferred not to give name of the members of his family after these institutions, although it is a common practice to do so. The gesture is noble and laudable. However, there is a practical understanding weighing in their minds. They know that their group (CB group) is not popular with the local people. Giving of donations without direct identification would be an appropriate gesture to earn good will and command respect of the people.
Another noticeable aspect is the piece-meal way of giving donations. The CB group does not believe in underwriting the entire project, big or small, in the village although they are capable of doing so. No doubt, they have always positively responded to the cause of development in the village. There is nothing to which they may not have contributed. But, then, there is a method about it. They take care to see that the development of the village becomes the concern of all and not of a few. In other words, they would not like to make it their own affair or a liability. What they generally do is to agree to contribute a portion of the project and leave it to the care of local leaders to complete it. The idea seems to put the leaders on their toes. It is not so easy to raise the required amount of money from the ordinary people of the village. The leaders have, ultimately, to go to the rich persons like CB with a request to come to their rescue. CB would certainly oblige them with a promise of more money and greater interest in the project. Slowly the whole work would come under his shadow. This serves two purposes. Firstly, it shows that no work can be done without the help of CB. Secondly, it gives enough scope to the CB group to maintain their influence on the village affairs.

The extent to which this influence works in the local affairs can be measured from the following two cases: (i) It is now decided that the management of Mogri High School be...
handed over to the Charotar Education Society of Anand. This society, which runs a number of educational institutions, is controlled by the Congress Workers. It is clearly felt that the decision of Mogri leaders to hand over their High School to the Charotar Education Society was influenced by CB, the main donor and staunch follower of the Congress party. The second case is in regard to the sale of temple land. There is one Ramji Mandir started with the donation given by SB, a member of the CB group. The temple had acquired about 14 acres of cultivable land through gifts. The land, fragmented into small farms, was being tilled by various farmers of Mogri. Most of the farmers, it is said, had already acquired tenancy rights over these lands. In view of the impending legislation of the Gujarat Government (1969) which sought to take away land held by the temples, the trustees decided to dispose of the said land to the highest bidder in an open auction. SB, with whose money the temple was built, came forward with a proposal of Rs. 60,000. There was none to counter the proposal and the land, ultimately went to SB, with the result that a number of tenants lost their rights as well as means of livelihood. It was not possible for the poor tenants to go in the court of law against the powerful adversary like SB to safeguard their rights. In short, it is possible for the rich persons of Mogri like CB and SB to exploit the situation in their favour with the help of money (donations). They are becoming so powerful that they can...
even twist the direction of local affairs as they like or can make personal use of the services of the developmental agencies.

Summing Up:

The study of the process of development planning in Mogri provides better insight in knowing the actual working of the panchayat. Although, the Mogri panchayat tries to meet the statutory requirement by forming three development committees and showing one or two members from the lower class or scheduled caste or a woman-member on the board, the fact is that these committees are over-represented and dominated by the Patidars. The discussion is virtually confined to the concentric circle of the Patidars and mostly on an informal basis. The decisions are taken in pursuance of the elite perception of the 'civic needs'. Truly speaking, the decision-making has become a Patidar prerogative.

Resource mobilisation has been really a knotty problem with the Gram panchayats. Raising of revenue from direct taxes has certain limitations in the villages. However, Mogri panchayat has shown the way by making commercial use of its water-works. A panchayat which manages to get both ends meet easily, becomes complacent about raising new resources, a drawback seen in the Mogri context.

The question why a few rich business-families should have displayed so much interest in the panchayat affairs is...
answered by the fact that they have been successful in manipulating the political pressure to stall the proposal for octroi, which is considered to be against their business interest. This is a classic example of business community and landed aristocracy working together as an interest group at the village level.

The Mogri panchayat has demonstrated that it is the dynamic leadership that is needed to tackle the development problems. It is also observed that a panchayat feels financial strain when it goes from one development scheme to another without finding matching resources. A big slice of panchayat's income is spent on the establishment as well as the maintenance. This hampers the speed of development programme, causing compulsory 'plan-holiday'. The lack of fund compels the panchayat to seek donations from the rich.

The process of development and modernisation through panchayat in Mogri brings out three novel features.

(1) **Election as a Pressure Technique:**

The study has revealed that the occasions for elections have been utilised to bring pressure on the authorities to speed up development works. This suggests that if the village people and their leaders work unitedly and employ skillfully the technique of creating political pressure on such crucial occasions as elections, it can certainly bring desired results.
This shows how democratic politics works to the advantage of people.

(2) Government Patronage Disfavoured:

It has been found that there is a tendency, in the village, to avoid government patronage as far as possible for the development works, e.g. dispensary. This may be due to their lack of faith in the government agencies characterised by red-tapism, corruption and efficiency. This aptly illustrates Gujarat’s political culture.

(3) Donations as Leverage:

It is noticed that the rich people in Mogri tend to utilise their money power, through the scheme of public donations, to work as leverage on the local politics, e.g. building up of High School, Ramji Mandir etc. This has helped the donors to control the local affairs and thus enjoy political power.