CHAPTER VIII

COMMUNITY DEVELOPMENT, CO-OPERATION AND PANCHAYATI RAJ

The Community Development programme calls for the improvement of village communities in all spheres - economic, social, cultural, moral and political. The programme lays special emphasis on the growth of self-reliance in the individual so that the people as a whole are able to manage their affairs themselves. In a democratic country, the efforts of the people, to be successful, must be based on the co-operative principle. The foundation for this should be laid in the village community - all families united in a co-operative should undertake, through their own efforts, as free and equal partners, the programmes of improvement they have approved for themselves.

One of the most important objectives of Community Development programme is to promote a co-operative life. This can be achieved by organizing the entire village population in such a way that it functions as one community. In this context, the co-operatives acquire a new meaning. To achieve this end, the co-operative must look after the economic and social life of the village community by bringing all the village families within its fold and
fostering a sense of both individual and joint responsibility so that they may rise individually to a full personal life and collectively to a full social life. This is the aim of community development as well. Therefore, cooperation is inextricably linked up with Community Development.

The unique feature of the Community Development programme is that it is both a community development and an extension programme. It is an extension programme because it leads to the establishment of links between all the higher centres of information and the villages, and helps to create a cadre of trained personnel for disseminating knowledge in the fields of agriculture, education, health and other matters. The slow pace of progress in India is due to the democratic character of the Indian programme. The same is true of cooperation as well. In our country, therefore, it has been recognized that there should be a co-operative society in every village and that every family should be represented on it, in its own right. Co-operative is the primary school of democracy and community development is pursued with a view to strengthen democratic structure of Government in the country. It is far more easy to
dictate than to induce men into action - making self-respecting peasants into conscious, productive citizens after rational conviction. We have deliberately opted for the latter. It is not only because it allows men his freedom, but also because the growth-rate is faster in the long run and is more abiding. This method enables people living in village communities to improve their economic and social conditions and thereby become effective working groups carrying out programmes of national development. We have adopted this method for we thought that villagers would be dynamic members of the community only if they were permitted to take decisions and encouraged to take up projects of immediate utility.

The co-operative movement received a great impetus with the adoption of Community Development programme in our country. This also shows the inter-dependence of the two movements. The co-operative movement was started in our country in 1904 while the Community Development programme was launched in 1952. The co-operative movement has developed at a faster rate during the last two decades than what it developed prior to the starting of the Community Development programme.
It has also been noted that the co-operation of the village community can be achieved by efficiently organizing supplies and credit under proper leadership. In this respect, the Community Development programme has to depend on the co-operative movement which is the most important current programme of economic development in India. The supply of credit, fertilizers, improved seeds etc., is the normal function of co-operatives though they discharge a number of other functions too. Since the beginning, the service co-operatives have been engaged in preparing production plans for their members, giving technical advice, and meeting their requirements of cash and goods according to their ability. Moreover, they link credit with marketing and provide incentives to the farmer to produce more service co-operatives and other single and multi-purpose co-operatives are also engaged in mobilizing group efforts for the successful implementation of the programmes like digging of field channels, maintenance of bunds, contour-bunding, development of local material resources, etc. This, undoubtedly, underlines the great contribution of co-operatives in the successful implementation of the Community Development programme in India. If the co-operatives are incapable of rendering this service, the village and Block leadership
should scrutinize this problem. The greatest dis-service the Block staff can render to the village people is to misguide them in their efforts to find appropriate measures of solving their traditional problems by encouraging them to expect too much with too little effort and without active participation. If properly organized on sound principles with enlightened membership, the co-operatives can help the village people to earn their living and in their dealings with the outside world particularly about agricultural and industrial development. It is, however, of utmost importance that the Block staff clearly understand that the co-operative is a method of assisting the village people to do things through defined group relations which they cannot effectively do as individuals.

In the case of Community Development, there should be no imposition from the outside, and it is also the case with co-operation. If there is imposition from the outside, the programme cannot be described to be a programme of either Co-operation or Community Development.

To bring about social change and economic development, there appears to be great scope for co-operation. This fact has been recognized in the First Five Year Plan.
"We have in several parts of this report expressed our preference for the co-operative organization of the economic activities of the people, especially of those activities, e.g., agriculture, marketing, cottage and processing industries and internal trade, which form the most important part of the development schemes included in the plan. As an instrument of democratic planning, combining initiative, mutual benefit and social purpose, co-operation must be judged among other things, by the extent to which it is implemented through co-operative organization."¹

The United Nations Evaluation Mission endorses rightly in its report, "Co-operative endeavour in general is of fundamental importance in community development because co-operative principles can be applied equally in the economic, the social and indeed in many relationships of individuals and communities."²

The basic problems of rural sector are: low saving because of small income, unemployment due to

¹ First Five Year Plan. op. cit. p. 164.
seasonal work in agriculture and absence of rural industries, lack of a desire to improve the existing conditions due to illiteracy, inadequate means of communication, and, poor leadership and political bankruptcy. To overcome all these handicaps from which rural economy suffers, the co-operatives offer the best possible remedy. We have ample opportunities of starting cottage and small scale industries on a co-operative basis; of organizing agriculture on modern lines by adopting co-operative principles; of forming labour co-operatives to solve unemployment and of changing the outlook of the rural population and rousing them from mental lethargy. If co-operatives are guided properly by selfless dedicated workers, they can achieve the targets of agricultural production. If properly developed, the co-operative sector can help the Community Development programme in achieving the desired targets of economic, social and cultural advancement. A very brief account of the many sided advances made by co-operatives in the rural sector is given below.

From its beginning in 1904, the co-operative movement in India has advanced under the aegis of the Government. The Government now provides financial assistance to co-operatives by way of share capital participation
loans for various purposes and also grants for meeting part of managerial expenses, initial expenses in opening branches and sales depots and contribution to risk funds like special bad debt reserve fund and price fluctuation fund. The Government also provides guarantees in certain cases to financing institutions for repayment of principal and payment of interest by co-operatives and allows certain tax concessions.

The expanding activities in sectors of rural development are a testimony to the impact co-operation has been able to make. Marketing of agricultural produce by co-operatives increased by over three times from Rs. 175 crore in 1961-62 to Rs. 600 crore in 1969-70. Of this, the progress in the marketing of foodgrains has been spectacular. The value of food-grains marketed by co-operatives increased from Rs. 40 crore in 1963-64 to Rs. 210 crore in 1969-70. The number of co-operative processing units assisted rose from 516 in 1961-62 to 1759 in 1969-70. Paddy processing units registered an increase from 164 in 1961-62 to 770 in 1969-70 boosting up the processing capacity from 0.3 million tonnes to 2.7 million tonnes. The value of fertilizers distributed by
co-operatives shot up from mere Rs. 32.7 crore in 1961-62 to Rs. 232.40 crore in 1969-70, forming 55 per cent of the total fertilizers distributed in the country. Similarly, the value of consumer articles marketed by co-operatives in rural areas showed a remarkable rise. It increased from Rs. 28.4 crore in 1962-63 to Rs. 225 crore during 1969-70. Storage capacity in the co-operative sector increased from 0.9 million tonnes in 1961-62 to 2.7 million tonnes in 1969-70. Most of the important crops grown in the country such as sugarcane, cotton, paddy, oilseeds, fruits and vegetables, etc., have been covered in the last decade or so by the co-operatives for the purpose of their processing. Special efforts are being made to set-up cold storage in important fruit and vegetable growing centres. The blueprints for cold storage of different capacities have been circulated with other relevant information. Technical assistance is also made available to the co-operatives whenever needed. As a result of these and various other measures taken for enlarging this programme, the number of co-operative cold storages rose from 13 in the year 1960-61 with 12000 tonnes capacity to 90 in 1970 with 1.30 lakh tonnes capacity. This speaks for the increasing support fruit and vegetable marketing is receiving.
Co-operation has played a pioneering role in initiating many schemes of importance in the rural sector, which, without its assistance, would perhaps not have been able to get started at all. These are, to name a few, the establishment of tractor hiring and servicing centres, soil testing laboratories, seed processing units for fabrication of agricultural implements, and units for formulation of insecticides and pesticides. In the field of minor irrigation, with the help of co-operative loans, about one-and-a-half million electric pumps and nearly 2,00,000 tubewells have been put up.

The farmers have thus been considerably freed from their traditional dependence on monsoons. Despite some well-known organizational weaknesses in the credit co-operatives, the short and medium term crop loans, advanced by them to the farmers have risen by about thirty times during the plan period - from Rs. 220 million in 1950-51 to about Rs. 6000 million in 1970-71. Long term loans for investment in minor irrigation works, land development, farm machinery etc., have similarly risen, during the same period from Rs. 70 million in 1950-51 to Rs. 1700 million in 1970-71.

_Panchayati Raj_ provides a broad-base for democracy in the country. A democratic Government at the
Gettti' e am nevej todtlon satisfactorily if it is not supported by democratic organization of local administration at the bottom. In this way the creation of village panchayats - small representative self-governing units - all over the country was considered inevitable to give to the masses practical education in the art of self-government and to make democracy a living reality for them. Panchayats are also essential for a healthy decentralization of our over-centralized administration. Centralization works against the development of the initiative and capacity of the common man. It leads to concentration of power and that in turn strengthens the forces of centralization. With central planning and the state assuming more and more responsibilities in the economic field, the forces of centralization have been strengthened in the post-independence years. In this situation what is needed is a bold policy of decentralization which is inspired by the same ideology as Community Development based on the faith in the capacity of the common man and the desire to develop that capacity to the maximum extent and to harness it for the country's development, recognizing the fact that this can be achieved only by securing direct participation of the largest number of people in the
management of the affairs of the community. The recommendations of the Balwant Rai Mehta Committee for democratic decentralization is in tune with this and is due to the realization of this fact. In the words of the Committee:

"So long as we do not discover or create a representative and democratic institution which will supply the local interest, supervision and care necessary to ensure that expenditure of money upon local objects conforms with needs and wishes of the locality, invest it with adequate power and assign to it appropriate finances. We will never be able to evoke local interest and excite local initiative in the field of development."

There is much in common between community development and local government. Both have as their origin the desire for self-help. All the work to be done in the field of Community Development is of a voluntary nature and is directed towards the betterment of the villager's lot. So if the panchayats are actively associated with the work of community development and the various benefits under the programme are made to accrue to the villagers through the agency of panchayats not only the Community Development

work will become a truly people's programme but the institution of panchayats itself will be greatly strengthened and gain in prestige. Similarly, community development and local government can help each other. Community services and institutions begun by self-help efforts like schools, hospitals can be taken over and maintained by local government. Capital works which are created by community efforts can be maintained in a better way by local organs than by ad hoc bodies or central departments. The former lack of resources and authority on a continuous basis, while the latter lack interest and intimate knowledge of local situation. Local bodies as community organizations have direct interest in the maintenance of works created by community efforts and enjoy the necessary authority. Because of their accessibility, they can deal with local emergencies much more promptly if they have more powers and resources. A distant centre cannot do it without granting large chunks of powers to local bureaucrats which is inconsistent with democratic spirit.

A local government institution means a two-way traffic of ideas and problems. Local problems to which the Centre might remain insensitive because of sheer remoteness from the scene of the problem can be quickly
sensed and acted upon. It makes planning more realistic; on the other hand, the basic ideas underlying the plan policies can be conveyed through the forums of Panchayati Raj institutions where representatives of Panchayats and Samitis sit together with those of State Legislature and Parliament.

The organization of technical services through local government ensures better use of scarce technical personnel and better means of accessibility to use the service. The diffusion of improved practices can be quickened by reducing the resistance that arise out of having to deal with unfamiliar persons. The leaders of local government being intimately known to the people, a higher degree of reliability is placed upon them. The involvement of local leaders is, therefore, likely to increase the rate of diffusion of improved practices. By promoting the sense of community and willingness to work for community ends, Community Development programmes help to improve the quality of local government. Thus, Community Development should go hand in hand with the promotion and strengthening of local government - one helping the other.

On the other hand, Community Development programme strengthens local government in a variety of ways. By
promoting a sense of community belonging and self-help attitudes, Community Development strengthens citizens' participation in local community projects and community organizations and gives to the organizers and participants the necessary experience which might be of use in running the local government. Community Development provides a chance to the constructive leadership to present itself before the people and gain their support. Community Development increases the scope of local government activity, its resources and lends it additional prestige. In fact, the discharge of civic functions by the local government may be severely handicapped if there is economic stagnation and deterioration. By promoting quicker economic development, Community Development provides more surplus upon which local government might draw to improve their civic functions. Besides the leadership training programme, special grants-in-aid, decentralization of powers etc., add to the strength of the local government. Promotion of the sense of belonging to the community, of community solidarity, of the habit of co-operative action and of the urge to work and sacrifice for the achievement of goals of common benefit to the community are important objectives of Community Development and they also help to strength local government. Finally,
local government is the school for learning lessons of
democratic responsibility. The functions of the Panchayats
as per the Second Plan in regard to development activities
are preparing production plans, supply of credit, procure-
ment of foodgrains, supply of seed and fertilizers, let-
ting machinery on hire, crop protection, land improvement
schemes, developing common lands, construction, repair and
maintenance of common village buildings, public wells, tanks,
road etc., promotion of co-operative societies, organizing
voluntary labour for community work, promoting small savings,
 improvement of live-stock and so on.

In brief, we expect the panchayats at the village
level to take up every piece of work that they can really
undertake on behalf of themselves or on behalf of Govern-
ment where the services of outside agencies are not requi-
red.

A question that is often asked is whether pancha-
yats can become instruments of economic progress and social
change. The fear is that vested interest and the moneyed
and influential people in the village will get entrenched
in the panchayats. This danger is certainly there. Legal
provisions such as reservation of seats for backward and
weak sections of the community and other procedural devices cannot ward off this danger altogether. Ultimately, the answer to this question will depend on how far we succeed in our policy of promoting a socialist pattern of society and economic progress in line with it. The Panchayats supported by Community Development programme can mobilize better than any other agency the resources of the village people - the idle manpower, the talent and ingenuity of the community's leaders, make the best use of the land and water resources, can look after and improve the community assets - such as village roads, the school building, the tank and irrigation sources and revive customary obligations of the community. The Panchayats can also play an important part in conserving the community's resources and assets, preventing waste, promoting the efficiency of its services. It can protect the village pasture lands, regulate proper grazing on it, look after village forests or plant one where it does not exist and regulate the use of timber from it. It can assure the best utilization of its fallow lands, of the water from its irrigation sources, of the village refuse for composting of the hides and bones of dead animals. It can see to it that the village school is well run and all children
of school-going age attend it. It can encourage the activities of youth and women's organizations. It can organize Shramdan to keep villages clean, repair its streets, clean wells and tanks. Above all, the panchayats will have a vital role to play in the production plan, for the prosperity of the village community including that of non-agricultural classes, will ultimately depend on that, and therefore, their capacity to look after and promote their welfare in other fields. In much of this, the panchayats will have to follow as much the community development method as the Community Development organization has to. But panchayat is not a substitute for Community Development, but an institution which will be better able to follow the methods of Community Development for it will be in better touch with the people, their needs and aspirations and, therefore, better able to take decisions in participation with the people and better able to mobilize the people for carrying out these decisions.

The developing of community organizations is an important ingredient of Community Development because such organizations are needed to shoulder for community improvement on a secure, continuous and responsible basis. Ad hoc organizations have been found lacking in these characteristics. The institutions of local-self government which
fulfil these requirements in an excellent way have to be developed to shoulder new burdens. Thus, one of the basic requirements of Panchayati Raj is complete integration between Community Development and Local Government. The basis of Panchayati Raj is democratic devolution of power and responsibility and not merely delegation of power. It is a pity that at present, there is only devolution of responsibility and not devolution of power. While the terms of devolution of power and responsibility and Panchayati Raj are synonymous, delegation of power and Panchayati Raj are contradictory to each other. This apart, there is neither democratization nor decentralization as far as the existing Panchayati Raj system is concerned. Power must be commensurate with responsibility.