CHAPTER 4.

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4.1. Introduction

The history of decentralized planning in India may be traced back to the first discussions of planning in the country. Shri. Vishveshwaraya, who was a pioneer of Indian planning, in his study called District Development Scheme—Economic Progress by Forced Marches, conceived of a four-tier planning system for Mysore. For the Gandhism school of planners, local-level planning process. Instead of confining themselves to the conceptual level, they made village studies, drew up local plans and attempted to implement them on an experimental basis. The influence of these experiments has survived into the post-independence period through the activities of some of the developmental voluntary groups and to a limited extent through official programs such as Community Development Block Programs. However, mainstream planning in the post-independence period moved away from Gandian ideals. Planning became centralized in the national capital, and to an extent in the state capitals. Local-level planning linked to the community development blocks became confined to a narrow spectrum of activities. Soon it degenerated into yet another departmental type of planning. Nevertheless, all the plan documents from the First Five-Year Plan onwards have emphasized the importance of decentralized planning and the area development approach. A comparative analysis of the degree of democracy in different states in India was studied by Heller (1998).
Proclamations about the significance of decentralized planning were perhaps necessary, given the strong rationale for decentralization as a means of accelerating economic growth in small-scale sectors and increasing the efficiency of services. In economics the most influential arguments have been drawn from the theory of fiscal federalism. Three basic functions of fiscal policy are allocation, redistribution, and stabilization. By their very nature, redistribution and stabilization are best served by a central agency, but allocation function is exercised most optimally at the local level. This enables it to fashion public services to correspond to the preferences that vary among groups of consumers. Decentralized Planning has also received considerable support from spatial planners. Area Plans require decentralization of planning at the regional and sub-regional levels.

The objective of planning brings about a transformation in the attitude of the participants, that require creativity and cannot secured through government order alone (Thomas Isaac, 1999).

In Indian policy literature, numerous arguments have been put forth in favour of decentralization, which can be summarized, in the following three points:

Decentralised planning facilitates the formulation of more locally relevant programmes with reference to the natural endowments and felt needs of the people. The universal and standardized packages of centralized planning cannot cater to the local specifics.

Centralisation inevitably leads to narrow departmentalization, fragmentation and duplication and lack of complementarity between the programmes at the ground level. Only through decentralization and by making the department officials
accountable to the elected representatives at the local level can horizontal linkages and integrated programmes be ensured.

Finally, a decentralized system facilitates the participation of ordinary people in the planning and development processes. People’s participation in turn facilitates additional local resource mobilization for planned development, prevents misuse and leakage of resources and contributes towards efficient implementation and social monitoring of the programmes.

4.2. Official Guidelines on Decentralised Planning

The Planning Commission took the first step to operationalise the oft-repeated need for decentralization in 1969 when it issued Guidelines for the Formulation of District Plans. The Commission concluded that the area development approach couldn’t be undertaken at the state level, given the widely varying physical, geographic, and economic characteristics of most states. The district was considered ideal for area level planning as a database existed for that level and also because it had suitable administrative structure to undertake the planning.

The Guidelines specified the procedure for creation of a district plan: After a critical appraisal of the existing the level of development in the district, an integrated strategy based on availability of resources and hierarchy of priorities are to be drawn up. The guidelines elaborated the factors that had to be considered in assessing the level of development of different sectors and the approach to be adopted in formulating local-level plans. The plan was to be based on “available statistical and administrative data, the advice of knowledgeable farmers and entrepreneurs, experience of local officials, and systematic appraisal of ongoing programmes.”
After detailed consultations with department officials, block development officers, "progressive farmer entrepreneurs", a round of discussions was to be arranged with representatives of co-operatives, local self-government bodies, banks, and Panchayathi Raj institutions to obtain their views about ideas contained in the preliminary framework." Surprisingly, the role of local self-government was confined only to this round of general discussions.

The next important document reflecting official thinking about decentralized planning was the 1978 Report of the Working Group on Block Level Planning, headed by Professor M.L. Dantwala. By then the development blocks had ceased to be "community development blocks," but rural development blocks were mainly carrying out a rapidly growing number of schemes formulated by the central government for poverty alleviation and employment generation. Large amounts of money were going into the blocks. It was considered important that they be implemented in an integrated manner keeping in mind their possible linkages with other government programs and overall development needs of the area. This provided the context for a greater interest in block level planning. The Working Group was to suggest methods for preparing block level plans, which were to be implemented on an experimental basis in selected blocks throughout the country.

The Working Group suggested that the preparation of the block plans be entrusted to a single district level planning team. Two reasons were given. Firstly, the capability of preparing comprehensive area plans could be aerated only at the district level, and even that would require significant expansion in the number and
capabilities of the technical staff. Secondly, the existence of such a team would contribute to greater integration of district and block level plans.

The committee rightly noted that “except in few states, there is hardly any worthwhile set up of Panchayathi Raj institutions.” Where they existed, adequate safeguards would have to be provided against the likelihood of dominance of Panchayathi Raj institutions by vested interests, giving the poor a decisive voice in the preparation of micro-level grassroots plans.

Therefore, the committee did not consider that the Panchayathi Raj institutions could play an important role in local level planning. Essentially the approach was bureaucratic planning helped by voluntary agencies and professional institutes. It was sceptical of the effectiveness of public participation in planning.

First, we should be clear as to who we do have in mind when we talk of the people: their representative political institutions such as the district and taluk panchayaths of class organizations where they exist (khedut mandals or trade unions), political or caste leaders or target groups. It is well known that the public is not a harmonious entity; it really comprises of groups with conflicting interests. If we wish to plan for the weak, the plan may have to be imposed from above and cannot be a product from below in which “the below” is dominated by the rich and the strong (Govt. of India, 1984).

Second, people can make a contribution to planning only if they are presented with a well-articulated and feasible framework of approaches, objectives, measures, and alternatives. If, however, they are asked to indicate their needs in a
vacuum, they are bound to put up a charter of demands, which will be far beyond the capacities of the government (Govt. of India, 1984).

A third constraint on public participation "emanates from technical imperatives of planning." The planning process has to be a continuous dialogue between the experts and the public; it does not begin with the public (Govt. of India, 1984).

A concrete outcome from the Dantwala report was the preparation of model block level plans in a large number of selected blocks across the country, by agencies such as NIRD (National Institute of Rural Development) and voluntary agencies such as Association of Voluntary Agencies for Rural Development (AVARD). These experiments created a large pool of methodological experiences, which have influenced some local level micro-plans. The methods perfected in these experiments concentrate too much on identification of a hierarchy of settlements and optimum allocation of social and physical infrastructure. They also demanded such elaborate data collection and analysis that the experiments did not spread to very many new areas. Most block level programme remained in the old groove of departmental and adhoc public works programme.

The next important document on decentralized planning in India is the Report of the Working Group on District Planning, headed by Professor C.H. Hanumantha Rao (1984). As the name suggests, the focus had shifted back to district level planning. In an appendix, the report presented the state of the art of district level planning in each major state prepared by the respective State Planning Boards (SPB). These state reports allow the systematic review of the progress achieved since 1969.
when the Planning Commission had issued the first guidelines. This district planning machinery was known by various names: District Planning Board/Committee/Council, District Development Committee/Board/Council, District Planning and Development Council, and so on. Either a state government cabinet minister, district collector, MLA, or non-official expert chaired the group in various states. However, it may be noted that in no state was the district panchayath president deemed fit for the post. The district planning bodies generally had such large memberships that they had to be primarily deliberative. The technical planning personnel at their disposal were few and mostly drawn from the general administrative cadre.

In most states the actual planning process went as follows: Usually, after the state budget is voted in the assembly, the different heads of departments are requested to make a district-wise break up of the outlays provided in the plan budget. This is then communicated to the districts, either by sectoral departments or by the planning department of the state. This is then communicated to the districts, either by sectoral departments or by the planning department of the state. This usually takes four-five months after the commencement of the financial year. After this communication is received, the district attempts to incorporate a write up for the district-wise outlay and a document called `district plan` emerges in this manner, which is purely an aggregation of departmental schemes.

The only exceptions to this pattern were some minor innovations introduced by the governments in Maharashtra, Gujarat, Karnataka, Uttar Pradesh, and Jammu and Kashmir. These states made serious efforts to classify the plan schemes into state level and district level. District schemes were defined as location-specific within the
district with the benefits largely staying in the district. Thirty to forty-five per cent of the state plan schemes was identified as district schemes. Differing criteria, population weights and backwardness indicators were used to allocate schemes among the districts. The truly innovative feature in these states was the introduction of a non-scheme component, that is, untied funds constituted 20% of the district outlays of which one-third was set apart as incentive funds to match local resources mobilized at the district level. Karnataka made a lump sum provision to each district. Maharashtra that had pioneered this innovation, started a “state pool of district schemes” on the analogy of centrally sponsored schemes. Attempts were also made to set up district level databases or to formulate improved procedures for releasing funds, reappropriation, and giving administrative and technical sanctions. However, in none of the states, mentioned above, was any attempt made to involve the local bodies in planning. Planning remained strongly bureaucratic with the public and others performing only consultative roles.

Planning procedures continued unchanged through the 1980s and early 1990s for two notable exceptions: Karnataka and West Bengal. In both these states political factors triggered pioneering attempts at linking local self-governments to the planning process in a meaningful manner. In Karnataka, a Janata Dal government came to power in 1983 with an electoral promise for radical decentralization. Some of the leaders, particularly the Local Administration minister, had high regard for the Ashok Mehta Committee Report, an outcome of the short-lived Janata Dal government at the centre. In West Bengal a CPI (M) government that had given high priority to local self-government won re-election to a second term.
4.3. Decentralised Planning in Karnataka

When Karnataka State was formed in 1956 divergent systems of local bodies existed in the constituent regions. These were unified according to the recommendations in the Balwantirai Mehta Committee Report, which laid the basis for comprehensive legislation on local self-government. A three-tier structure of village panchayaths, taluk boards, and an indirectly constituted body at the district level was set up. As was the case with the first generation of Panchayathi Raj institutions in the rest of the country, in Karnataka also degeneration set in. Elections due in 1964 were postponed until 1968 to be held only in 1978. When the Janata Dal came to power in 1983, the party set out to frame a new legislation on the model of the Ashok Mehta Committee’s recommendations. After a delay of two years, the Indian President approved the new law and elections were held in January 1987 to the zilla parishads and mandal panchayaths. The zilla parishad was given primacy with a wide range of powers including the power to formulate a district plan. The mandal panchayath, or a group of villages with eight to twelve thousand inhabitants, was conceived as an implementation agency. The intermediate tier of taluk-panchayath samithi was not directly elected, but consisted of the presidents of the mandal panchayaths, MLAs, and other nominated members. It had only a coordinating function. Only the mandal panchayaths had rights to tax. On the whole, the institutions depended on state government grants.

Karnataka had a good track record in early district planning experiments of the 1970s. As a result, by the time the second generation panchayaths were formed, every district had a fairly reliable database, a perspective plan, at least a core team of
personnel with formal training in local level planning, and, more importantly, the experience of a variety of systems of plan fund allocations such as untied funds and major head and minor head allocation systems. All these helped Karnataka to go forward with the boldest decentralized planning in India at the time. Up to 20% of the plan outlay which was earlier devoted to district schemes was devolved to the zilla panchayath as a lumpsum grant. Criteria for inter-district allocations and for further devolution from the districts to the mandal panchayaths were clearly laid down. The district plans were to be finalized by the zilla panchayaths and submitted to the state government to be formally incorporated into the plan document and the state budget.

The mandal panchayaths were to send their proposals within the outlay indicated to them by the zilla panchayaths after consultation with the hamlet-based Grama Sabhas. The zilla panchayaths would then integrate the proposals from below into the district plans along with the district level schemes that the zilla panchayaths had prepared. A format for the district plan document was also prescribed. The document was to have 12 chapters, with the first 10 devoted to detailed situational analysis of the natural resources, infrastructure, sectoral development problems, and reviews of ongoing schemes. The last two chapters were to offer a long term perspective for the development of the district and the priorities of the district plan. A timetable was laid down to assure that the procedures were completed well in advance of the finalization of the state budget.

The bold initiative was characterized by many as path breaking but it never got a chance to be fully realized. The first year saw considerable delays and teething
troubles. By 1988 serious factional infights in the ruling party began to undermine the will to carry out any large-scale devolution. The fate of the decentralized experiment sealed when the Janata Dal government lost power in 1990. The new government had little sympathy for the nascent lower level democratic bodies. The powers of the zilla parishads were systematically scuttled. In the wake of the 73rd and 74th amendments these powers were given a quiet burial and a much-watered down version of the law was enacted.

4.4. Decentralisation in West Bengal

West Bengal was a late starter in decentralized planning. At the time of independence, its local government structure consisted of grama panchayaths at the village level, anchal panchayaths-indirectly elected from the grama panchayaths at the intermediate level, and district boards at the state level. Though a panchayath act was passed in 1957, only half the grama panchayaths were actually formed, even in 1963. District boards from colonial times continued to function. Local self-government had few resources and few functions. In 1963 the law was amended to create anchal parishads coterminous with the blocks and zilla parishads in place of existing district boards. In the political turmoil of the mid-1960s nothing much got to be done to implement the legislation so that in effect no local self-government functioned in the rural areas.

In 1973 the West Bengal Panchayath Act was passed, constituting a four-tier structure: the Grama Sabha at the hamlet level, the grama panchayath at the village level, the panchayath samithi at the block level and the zilla parishad at the district level. Even though the Congress government then in power passed the Act, it was
only when the left front government came to power in 1977 that steps were taken to organize local elections. The June 1978 elections to local self-government units heralded a new era in which elections to the local bodies were held at regular 5-year intervals in 1983, 1988, and 1998 as required by the Act. This is a remarkable record for any Indian state. Not only were elections held regularly but the state also witnessed a consistent enhancement of the powers and functions of the local self-governing units. Since 1978, under the Left Front government, West Bengal provides the longest and her most elaborate experiment in local democracy in India.

In the first term of the local self-governments between 1978 and 1983, their primary activity was related to implementing West Bengal’s land reforms. They became the main administrative instruments for detecting illegal landholdings, identifying the sharecroppers and their rights, and distributing the land. The panchayaths were able to carry out these tasks successfully because the 1978 elections held in the upturn of the peasant movement in West Bengal brought forth a Corp of local leaders from the ranks of the landless and poor peasants into panchayath leadership positions. Studies on the class composition of the panchayath members in 1978, 1983, and 1988 show a dramatic shift in the rural power structure in favour of the poor. As Kohli (1983) observed, this was “a break from the past political patterns in India. The panchayaths in West Bengal or in most parts of India have seldom been so free of domination by landlords and rich peasants.”

The newly formed panchayaths were also forced by circumstances to plunge into relief work after the devastating floods of 1978. Observers were surprised that
the unprecedented floods did not result in a massive influx of migrants to Calcutta as was experienced during earlier natural calamities. The panchayaths were at work.

Initially, the management of the Food for Work programs and later the National Rural Employment Program was organized through the panchayaths. This was an activity they conducted credibly, using the funds for creating infrastructures essential in the post land reform period. The panchayaths also began to play important roles in identifying and channeling credit to the neediest peasants and in helping to create marketing facilities. These events and developments set the stage for devolution of planning to the local self-governments after the 1983 elections.

In 1985 a three tier planning machinery was constituted. At the state level was the State Planning Board (SPB). At the district level were two institutions: the District Planning and Co-ordination Committee (DPCC) and the District Planning Committee (DPC). The zilla parishad chairman headed the DPC with the District Collector as member and secretary. It also included representatives of the panchayath samithis and municipaliies. The DPC headed by a minister and including the members of the DPC, MLAs and MPs was a more of a deliberative body. At the block level was the Block Planning Committee (BPC). The BPC was headed by the chairperson of the block level samithi and had the Block Development Officer (BDO) as member-secretary.

The local plans had three components: the district-level sector schemes of the state government departments, centrally sponsored anti-poverty and rural employment programs, and projects prepared using untied funds. The main operational component of the plan consisted of the funds from centrally-sponsored
programs which, from 1978 onwards, were routed through the local self governments. The untied plan funds proved to be meager; ranging from 0.58% of the 1993-1994 outlay to 5.71% in 1989-90. Departmental sectarianism and the resistance of bureaucracy proved to be serious impediments before meaningful integration of the district sector schemes with the local plans.

There is little progress in regard to co-ordination and vetting of departmental plans – in so far as they affect a district – by district planning and co-ordination committee. Power is not shared easily or voluntarily by any individual: and the departmental mandarins at the state headquarters have not in general relinquished their control or authority over departmental outlays.

Detailed analyses by scholars have shown that the disbursements that appear to increase by as much as 57% in 1993-94 were more a matter of definitional changes. Further, the actual plan expenditure on district schemes was much lower than the initial allocation and the share of district sector schemes in many development sectors display violent fluctuations from year to year. If district sector schemes are devolved under minor subject heads the autonomy of district planners would be severely restricted to. It is also necessary to distinguish between district sector schemes, which are implemented through the local bodies and directly through the line departments. In the latter case, district level planning may effectively be a consultative process. The actual experience varied from district to district, depending mostly on the political clout of the district panchayath president.

Another major problem with the district sector schemes was the failure of the department authorities to inform the district planning authorities of their likely
allocations. For this reason, the first year’s plan in 1985-86 was more in the nature of an ex-post facto exercise. Despite serious efforts by the SPB, during the following year, there was inordinate delay in departmental communication to the local self-government about their district sector schemes. So, for the next year, 1987-88, a strict calendar was drawn up, improving the situation somewhat. But the problems persisted. Given this situation the effective planning was related to Centrally Sponsored Schemes. These plans were prepared on the assumption that the previous year’s allocation would continue.

The efficiency of planning varied from district to district. In districts such as Midnapur and Bardhaman the district plan documents produced even in the first year were impressive. In these districts the grama panchayaths forwarded Felt Needs List to the panchayath samithi which prepared a priority list of proposals within a financial ceiling indicated to them by the district panchayath. The district level planning machinery integrated the block and municipal plans, and the independent programs of the district panchayaths into an overall district plan. Of the total plan outlay of Rs 62 crores, Rs 25 crores were for district sector schemes, Rs 22 crores from centrally sponsored schemes, and discretionary funds 1 crore. The rest was the expected finance from the banking sector. Over the next decade, West Bengal’s approach became more efficient and stable. The mid-1990s saw initiatives for greater Grama Sabha involvement in identifying needs and in the planning process in general, but it would be difficult to identify any qualitative break with the system that had been brought into being in the mid-1980s.
4.5. Decentralised Planning in Kerala

With its land reforms, universal literacy, powerful grassroots organizations, and vibrant civil society, Kerala should provide fertile ground for nourishing self-government institutions. But the history of local self-government in Kerala is dotted with half-hearted reforms, partial successes, and blatant reversals. The attempt of the Communist ministry that came to power in the first elections to the new constituted state of Kerala for a comprehensive legislation for local self-government could not be consummated as the government itself was dismissed before its term ended. The legislation in 1961 integrated the Panchayathi Raj and Municipal arrangements that existed in the three constituent parts of Kerala into a uniform system. However, the functions of gram panchayath remained confined principally to traditional civic functions and their autonomy was severly restricted by departmental controls. Despite the repeated efforts made from time to time, elected representative bodies at the district level could be realized only in 1991. The district council law had been passed in 1978, but had to wait for more than a decade for a conducive political environment for its implementation.

As in the rest of the country decentralized planning in Kerala started in the early 1970s with the establishment of District Planning Offices and identification of district schemes. A number of methodological exercises for district level planning was taken in the mid-1980s with decentralization of the Special Component Plan (SCP) and Tribal Sub-Plan (TSP).

For district planning of the SCP and TSP a Working Group was set up chaired by the District Collector and co-ordinated by the District Planning Officer.
All the senior line department officers were in the working group. Each department was to indicate the funds it set apart for the SCP from their departmental plan allocation in that particular district. The schemes were to be prepared by the working group taking into consideration the local conditions. For this purpose a habitat and colony survey was carried out and a fairly comprehensive database was prepared on the living conditions of the SC and ST populations. The working groups were empowered to sanction schemes up to a fairly high limit without seeking permission from the higher bodies. Every year, a plan was to be prepared and placed before the District Advisory Committee of Scheduled Castes for reactions and approval. The decentralization of planning for SCP/TSP had a positive impact on the functioning of the schemes, but there was very little popular participation and plan formulation remained highly departmentalized. Integration of projects was only formal. Lack of transparency led to increases in leakage and misuse of funds over time.

The next major event in Kerala's not so exciting history of decentralized planning was formulation of the 8th five Year Plan. The Left Democratic Front (LDF) government was taking serious steps towards setting up district councils in the state and overhauling the local self-government system. The draft approach paper for the plan prepared by the SPB reflected this concern of the government and emphasized decentralization of planning as a precondition for popular participation.

Departing from traditional plan preparation methods, line department heads were asked to formulate proposals only for state sector schemes. A list of schemes and topics for which proposals could be sent from the districts was distributed. Each district was given a rough indication of the maximum outlay for which proposals
should be submitted. The DDC was assigned the duty of preparing the district plans in consultation with the BPC and the grama panchayath committees. The DDC was to form three subcommittees: for agriculture, industry and social welfare, each with twenty members, divided evenly between government and non-government persons. A non-official was to be the chairman, and official the convenor. The DDC was to set apart a portion of the district allocation for district level schemes and apportion the rest on a clearly set out formula to the various development blocks. The district level department officers prepared schemes for the district level allocation while the BPCs prepared the schemes for the block level allocation in consultation with the grama panchayaths. The District Collector was in charge of the overall program in each district. The plans approved by the DDCs were to be forwarded to the SPB for inclusion in the state plan.

The proposals from the districts varied in quality. Only a few districts varied out the planning in the manner visualized in the SPB guidelines. To what extent the proposals from below were incorporated into the draft state plan cannot be said with certainty. The integration was probably very limited. In many cases the proposals from below had to be set aside to accommodate alternate proposals from the department heads. In most cases the proposals from below turned out to be mere reformulation of the departmental schemes. The draft 8th plan document identified 24%, i.e. Rs 151 crores of the Rs 635 overall plan outlay for 1990-91, as district sector schemes. Another 5.6%, or Rs 36 crores were identified as programme that could be effectively carried out only with the full participation of the grama panchayaths. Before implementing these schemes sanction was required from the
panchayaths concerned. The plan also provided for an untied fund of Rs 18 crores, or 2.35% of the outlay for the grama panchayaths. In the absence of elected district councils in 1990-91, the 24% district sector schemes could only have been implemented through the line departments.

A major change came with the formation of district councils in 1991. The 1991-92 annual plan provided for an increased district plan outlay of Rs 250 crores to be implemented by the newly formed district councils. A major break in the planning process in Kerala was expected to follow, but the hopes were dashed with the unexpected defeat of the LDF in the 1991 elections. The new government systematically withdrew all the powers that had been devolved to the district councils so that the district schemes continued as in the past in the hands of the line departments. In the following year, 1992-93, the plan allocation to the district councils was reduced from Rs 250 crores to 1.97 crores. Thus ended the brief interlude of decentralization and local democracy.

4.6. People’s Campaign for Decentralised Planning

A new LDF government came to power in 1996. In the context of newly constituted local self-government institutions following the 73rd and 74th amendments, it decided to pick up the unfinished task of decentralized planning. One of the first decisions of the new ministry was to devolve 35-40% of the state’s 9th plan outlay for projects and programs drawn up by the local self-governments. The unique feature of Kerala’s decentralization is the high autonomy granted to the local bodies to determine their own priorities. During 1997-98 the total resources devolved worked out to be Rs.1,025 crores, not counting funds from centrally sponsored
schemes. 75% of the devolution, that is, Rs 749 crores, was in terms of grant-in-aid and the rest in the form of schemes sponsored by the state government. The latter component was to be further reduced over time. For 1998-99 funds earmarked for local self-governments were raised to Rs 1,178 crores. The share of grant-in-aid component was raised to 81 per cent (Rs 949 crores). In the rest of India financial devolution mainly takes the form of schemes. The grant-in-aid component was confined to a relatively small amount of so called untied fund.

Another important feature of the financial devolution adopted in Kerala is the insistence on a comprehensive area plan to be prepared by each local body before they can lay claim to the grant-in-aid. In Kerala itself, during the first year of the new local bodies in 1996-97 a total of 212 crores of rupees had been provided to them as untied fund “to initiate the preparation and implementation of local level need based plan programs for development.” But no local body had prepared any plan. The most common method adopted was merely to divide funds equally between ward members for various works, mostly road, selected by them. An attempt is being made to break with this tradition by insisting on comprehensive area plans. The plan outlay is not to be confined to the grant-in-aid amount. The grant-in-aid is to be integrated with the different state and centrally sponsored schemes and own revenue surplus of the local bodies. The grant-in-aid is also to be supplemented with additional resources that the local bodies may mobilize through loans from financial institutions, voluntary labour, donations and other sources. In no state in India are the grass root level local bodies entrusted with the task of preparing such comprehensive area plans.
The distinctive contribution of the most advanced experiments in West Bengal and Karnataka was to link decentralized planning with local self-government institutions. Even in these experiments, a heavy overhang of the earlier bureaucratic traditions persisted, such as predominance of the so-called district schemes, restriction of non-officials into consultative roles, and focus on the district as the basic planning unit. Kerala is attempting to do away with ‘District schemes’ themselves. A calculation had shown that the district level schemes during the previous decade in Kerala had ranged between 25-30% of the annual plan outlay. Devolving 35-40% of the plan outlay to the local bodies, predominantly in the form of grant-in-aid, implied that sooner or later the state government would have to confine itself to state level schemes alone.

The planning process is to start from the grassroots with maximum involvement of the masses. It is a genuine bottom-up planning process. Mass participation is not limited to elected representatives or voluntary agencies but includes ordinary people assembling in Grama Sabhas and nonofficial experts and volunteers participating in the preparation of reports, formulating projects, and drafting the plan. The officials are to work alongside the non-officials.

The state Government in Kerala has initiated a number of steps for administrative reorganization and statutory changes in order to institutionalize the process of local level planning and plan implementation. The recommendations of the committee headed by the S.B. Sen regarding necessary changes in the existing laws and statues to ensure maximum autonomy to the local bodies, redeployment of employees and related administrative reorganization have been accepted by the
government. The government has also appointed yet another Administrative
Reforms Committee to make recommendations on total overhauling of the state’s
administrative machinery in the context of decentralization.

The institutional changes that we have just discussed as well as other
preconditions for successful devolution such as training of personnel and creation of
local data base will require a few years to fully materialize and become operational.
During the interregnum the local bodies are to be empowered informally to
undertake the task of preparing and implementing the plan as per the schedule of the
9th Five Year Plan. For this purpose a Campaign for Decentralised planning was
launched. Its objective is to rally behind elected local bodies, the officials, experts,
volunteers, and the mass of people, so that the impediments to the local level
planning can be overcome. Further, certain attitudinal changes towards the
development process, so that it becomes a more participatory, scientific and
transparent process, are sought to be brought about. The Campaign is also expected
to generate a political will to institutionalize these new values generated by the
movement. In short, the pre conditions for successful decentralization are to be
created in the very process of decentralization.
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