CHAPTER - IV

VILLAGE ADMINISTRATION AND ITS ROLE IN VILLAGE DEVELOPMENT

Indian Scene

4.1 Historical Background Before Independence

Rural development in modern India was initially the work of European free traders who emerged in the second half of the 18th century. They advanced loans to private entrepreneurs and got themselves involved in the development of cash crops.\(^1\) Government involvement in rural welfare emerged, in fact, from the recommendations of the Famine Commission of 1880.\(^2\) The activities were restricted to agriculture, so as to check the recurrence of famine. This called for corresponding administrative changes. As a first step, circle offices consisting of nearly 100 villages were established all over the country, headed by a circle officer, who was later replaced by a Block Development Officer, to undertake development.\(^3\)

1. B.B. Misra, *op.cit.*, p.V.
2. Ibid. p.VI.
3. Ibid. p.103.
Administrative decentralisation meant for devolution of decision-making authority from Centre to Provinces and from Provinces to Districts was introduced by the Government of India Act of 1919. Rural Boards were established; powers were steadily transferred from District Boards to Rural Boards by the Local Boards Act of 1920.

Mahatma Gandhi strongly felt that the ethos of India could be understood only by knowing the villages. During freedom struggle he staunchly supported 'Gram Swaraj'. In the Gandhian concept of Swaraj, that is self rule, the village occupies a Central place and local self-sufficiency is regarded as essential. Gandhi replied to a question from Maurice Frydeman, "Industrialisation on a mass scale will necessarily lead to passive or active exploitation of the villages, as the problems of competition and marketing come in. Therefore we have to concentrate on the village, to make it self contained, manufacturing mainly for use. Provided this character of the village industry is maintained, there would be no objection to villages using even modern machines and tools that they can make and can afford to use." For Gandhi, the really significant choice did

4. Ibid., pp.128, 152 & 156.
5. Ibid., pp.270 & 272.
7. 'Harijan' 29 August 1936 (Ibid. p.248).
not lie between capitalism and socialism, but between a centralised economic system and a decentralised economy.\textsuperscript{8} Gandhiji was aware of the oppression that would come from a centralised power structure, building itself mainly on heavy industry, armament and advanced technology. This was the reason why he advocated that India should go the other way and follow the system of self-government functioning through Panchayats.\textsuperscript{9}

4.2 \textbf{Since Independence}

Just after the launching of the five year plans in the country, a programme of community Development (CD) as a part of planned development was introduced in 1952. These projects were started after independence, primarily for encouraging the rural folks to utilize scientific methods of production and the main emphasis was on joint efforts for common benefits.\textsuperscript{10} Closely following this, 'National Extension Service' (NES) agency was inaugurated in 1953, based on the report of 'Grow More Food Enquiry Committee' which submitted its report in 1952. The NES was to work hand in hand with the CD Programme. NES was proposed as the agency through which our five year plans

\textsuperscript{8} Ibid, p.249.
\textsuperscript{9} S.N. Misra and Kushal Sharma, \textit{op.cit.}, p.79.
seek to initiate a process of transforming the social and economic life of the villagers.

In effect, Community Development (CD) Projects work for intensive and comprehensive programme of development covering all aspects of rural life - agriculture, rural industries, education, housing, health, recreation etc., through utilising the surplus labour force in rural areas. The implementation of the programmes was expected through National Extension Service (NES) blocks (circle office of pre-independence period) headed by Block Development Officer (former circle officer) assisted by six technical extension officers at the block level and Gram Sevak at the village level. The pre-independence circle office was agriculture-oriented, whereas NES block of the later period was comprehensive in its development outlook. Marked feature of the programme was too much dependence on Government initiative and assistance and it was also found that the benefits of the projects were quickly reaped off by the better-offs than the have-nots.

4.3 Balwant Rai Mehta Committee

The then Prime Minister, Pandit Jawaharlal Nehru quickly realised this phenomenon and was quick in appointing a committee on decentralisation (to look into the
effectiveness of CD and NES) headed by Balwant Rai Mehta M.P. in 1956. The committee recommended village panchayats at the bottom, Panchayat Samitis at the block level and Zilla Parishad at the district level. Village Panchayats were already established under Article 40, Constitution of India, Directive Principles of State Policy which reads, "The State shall take steps to organise, village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government." As panchayats were already existing, only the two upper bodies were to be created. Panchayat Samiti was to be constituted from among the people's representatives of the Panchayats through indirect elections, and zilla parishad by Panchayat Samiti presidents, MLAs and MPs in the Zilla. The essential link of these representative organisations to the Government was achieved as follows - gram sevak to be the Secretary of the village panchayat, the block development officer and his assistants to implement block development activities and district collector to be the Chairman of the Zilla parishad.

Regarding finances, it was recommended that, budgets of panchayats were to be scrutinised and approved by

11. S.N. Misra and Kushal Sharma, op.cit., p.79.
Panchayat Samitis and those of Samitis by Zilla parishads. The required finances for development activities, over and above, what the representative organisations can collect from the people, were to be provided by the Government.

One of the major findings of the team was that, in the past, stress was on welfare activities more than on economic development and hence urged that emphasis should shift without delay to more demanding aspects of economic development.  

4.4 Panchayati Raj Institutions

The Government accepted these recommendations and Pandit Nehru termed it as, 'Panchayati Raj' Institutions (PRI). Accordingly PRIs were introduced in the early 60s in many states, and they were assigned three major tasks - development, economic, administrative and political. The basic philosophy behind PRIs was to ensure people's participation. At the grass-root level, the Mandal Panchayats (Panchayat Samitis) will be the hub of development activities, it was thought. Panchayati Raj Institutions are not yet introduced in the State of Kerala, only village Panchayats are created and they have not been assigned any economic development function, but only occasional social

security functions. The states which introduced the PRIs found that it was not different from the CD and NES in providing benefits to the better-offs.

4.5 Sectoral Programmes

In the meantime a number of programmes for the development of agricultural sector were being introduced - Intensive Agriculture Development Programme (IADP) in 1960-61; High-yielding Variety Seeds (HYV) in 1963-64; Multiple Cropping in 1967; Small Farmers Development Agency and Marginal Farmers & Agricultural Labourers Development Programme (SFDA & MFAL) in 1969; and Drought Prone Area Programme (DPAP) and Tribal Area Development Programme (TADP) in 1974. Central and State Governments gradually reduced financial allotment to CD and NES and more over the special programmes cast their shadow on the already weak CD and NES Programmes.

These sectoral, area and weak economic group oriented programmes were later found to be partial, overlapping and cumbersome. These programmes were actually implemented through the administrative infrastructure created for CD and NES. Though CD and NES went into disrepute, their administrative framework was useful for the later programmes.
Even these multiple special programmes evaded the needy and the much expected development of villages did not take place to the required extent. A comprehensive programme aimed at the development of villagers living below poverty line was strongly felt. All special programmes were government sponsored and executed ones, and were lacking in people's participation and representation. Representation may be defined as the ratio of people actually engaged in the pursuit of a specific activity to the number of people required to pursue that activity adequately; and participation is defined as the ratio of actual involvement over involvement required to effectively pursue specific activities at a given level of representation for the group concerned.  

4.6 Introduction of Integrated Rural Development Programme

It was the existence of more than 40 per cent of the population below poverty line, inspite of the introduction of special programmes, which were lacking in people's participation and representation, that prompted a new strategy for the development of the poor. This is the much needed

grass-root level development. The result is launching of Integrated Rural Development Programme (IRDP) in 1976 and its implementation from 1979. Simultaneously National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP) were introduced, both connected to IRDP.

4.7 Conceptual Framework behind IRDP

Growing concern for equity and a balanced social and economic development has led to the attention being focussed on sub-national space and regions, as the logical focus for planning and implementation of integrated development. It is rarely realised that the lower the territorial level at which planning is done, the greater the comprehensiveness of planning exercise and the more integrated the plan. The same document further points out that, "priority should not be given to overall resource consistency supplemented with the belief that the activities that constitute that consistency will come forth. Instead the sequential logic should

rely on priority given to the decision-making potentials as generated at local levels by alternative representational participational approaches. Within such approaches co-ordination would have the nature of an anticipated response to actually emerging activities." \(^{16}\) Mehbub Al Haq points out that, 'we were taught to take care of our GNP since this would take care of poverty. Let us reverse this and take care of poverty first, since GNP can take care of itself, for it is only a convenient summation and not a motivation for human effort.' \(^{17}\) Further the trickle down theory has failed and now development must begin from the bottom with mobilisation of 'Loksakti' or people's power, points out Misra and Sharma. \(^{18}\) In support of local level planning V.V. Vadakkan points out that, 'growing search in almost all the countries in the region (Asia and Pacific) for appropriate and viable alternative strategies for development, largely motivated by the concern that the development strategies pursued during the past quarter of a century or so have failed to benefit demonstrably the majority of the people or to involve them in development.' \(^{19}\) Kurt Dopfer

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16. Ibid., p.150.
18. Ibid., p.44.
points out that, 'decentralised planning in Asia and Pacific region boils down to development of rural areas, the villages. The rural world in its specific way of life, modes of production and consumption, institutions and behaviour rules - may in its complexity be best conceived as a system.' 20

4.8 IRDP - Finance

Finances of IRDP are provided by State and Central Governments and various banking institutions in the country. Initially banks provide the necessary finance for investment to the beneficiaries of which 30 per cent will be reimbursed by the governments on an equal basis. This 30 per cent forms subsidy to the beneficiaries, which is limited to ₹3,000/- to any single beneficiary. Subsidy forms non-refundable assistance from the government.

4.9 Implementation

It is the Village Extension Officer (VEO) who selects the beneficiaries at the village level, from those living below poverty line. At the block level Block Development Officer (BDO) and at the district level

District Rural Development Agency (DRDA) co-ordinate their activities. The first two agencies are government officials at concerned levels under the Development Department. DRDA is constituted of district level officers of industry, agriculture, representatives of the banking system and BDOs headed by District Collector. IRDP is a government sponsored, officially executed programme providing enough participation and representation to the people to whom it is meant, aiming at comprehensive development of villages.

4.10 Administrative Agencies in the Village

The following four agencies are functioning in the village performing different lines of administrative function altogether completing the prevailing functional requirements of the village. They are -

1. The village office,
2. The agriculture development and extension office,
3. The village extension offices, and
4. The panchayat council and office.
4.11 Village Office

Village office, the last link in the chain of revenue administration of the State, is functioning in the village, manned by a village officer, two village assistants and a peon. The essential functions performed by this office are - maintenance of land records, particularly ownership-wise, collection of all revenues due to the government, issue of various certificates to village people, assignment of puramboke land to the landless, distribution of government sponsored social security benefits to people and submission of all reports required by the government on the village. Land tax and water cess, the permanent sources of revenue are collected and remitted to government Treasury; and the employees being government employees collect their salary from the treasury.

4.12 Economic Development Function of the Village Office

No economic development functions are either assigned to it or performed by it. Economic development programmes at the village level starting from CD to the present IRDP are not within the purview of the functions of the village office. Moreover, IRDP the new programme
of grass-root level development, excludes all dole recipients from its purview. In brief, village office is excluded from all developmental functions, and works mainly as the revenue collector, as it was before.

4.13 Agriculture Development and Extension Office

These are two functional units doing the work of general agricultural development of the village under an Agriculture Development Officer and an Agricultural Extension Officer, having under their administrative control, two neighbouring villages - the village under consideration and another one.

Agriculture development unit is headed by an agriculture development officer. He is assisted by a demonstrator, a lower division clerk and a sweeper. Schemes of agriculture development sponsored by the Government of India and Government of Kerala are executed at the village level by this unit. Current general schemes are - coconut rejuvenation, bio-gas plant construction, arranging short

term loans, distribution of plant protection chemicals and hiring sprayers, distribution of coconut seedlings at concessional price and arranging community nursery to provide paddy seedlings. Certain special programmes meant to benefit small and marginal farmers, scheduled caste and scheduled tribe (SC & ST) beneficiaries are also executed. They include cost price - charged and free distribution of mini kits (containing fertilizers and seeds) hiring agriculture implements and constructing irrigation units to SC and ST colonies.

In addition to the above, this office arranges aid to farmers suffering from natural calamity to the extent of at least 50 per cent crop loss extending to a minimum area of 25 acres (10 hectares).

Agriculture extension unit is currently providing advice and demonstration assistance to farmers of these villages under the current scheme, viz., training and visiting system. Farmers are arranged in groups and they are contacted at intervals and given the necessary guidance. These officers who advise farmers are given up-to-date information and training at a higher level by an assistant director.
4.14 Economic Development Functions

Agriculture development is fully taken care of by these departmental units. The officers concerned are directly responsible to the agriculture department of the Government of Kerala. The schemes are all sponsored by the Government of India and Government of Kerala. Other department units functioning in the village or the local self government body has no connection or control over the functioning of these units of agriculture department. These departmental units are doing solely the work of agriculture development as directed from above. It is, taking care of only one side of the village development.

4.15 Village Extension Offices

Starting of new cottage industries and petty business enterprises are taken care of by the two village extension officers (VEO) working in this village. Though starting and development of primary, secondary and tertiary sector activities come under this office, emphasis is on secondary and tertiary sector activities. These officers are entrusted with the duty of finding out families below poverty line, (i.e. having an annual family
income below ₹.3,500/-) and to chalk out economic programmes suited to the development of each family, as spelt out by them, and recommend financial assistance from the banking system. Now they are doing the work of verifying the individual plans, assessing their financial requirements and then recommending issue of loans to concerned families. These activities come under the Integrated Rural Development Programme sponsored by the Government of India. Banks are under obligation to issue such loans, limited to a maximum of ₹.25,000/- as per directions of District Rural Development Agency (DRDA), of which 30 per cent will be subsidy to the loanee, limited to a maximum of ₹.3,000/- which will be reimbursed to the banks jointly by the Government of India and the State Government. From October 1985, to March 1986, 54 projects costing ₹.3,40,335/- have been recommended by both VEOs together; of which 8 recipients belong to the secondary sector and 46 recipients to the tertiary sector activities. Respective amounts are ₹.34,335/- and ₹.3,05,800/-. This shows that only 10.15 per cent of the loan amount is utilised for the development of cottage industry and the balance 89.85 per cent utilised for the development of tertiary sector in the village. After development of agriculture and industry, it is the tertiary sector that is poised for development in the village.
IRDP assistance was started in the village in 1979. During March 1979, loans were issued to 126 beneficiaries amounting to Rs.2,97,350, all for milch cattle. From 1979 April to 30-6-'84, Rs.2,40,650/- was loaned out to 66 beneficiaries. From the very inception of IRDP scheme in 1979 to 1986 March, 246 beneficiaries were granted assistance amounting to Rs.8,78,335/-. Ninety-nine per cent of all loans are fully repaid. The aim of the IRD programme is development of local resources, including human resources through assistance to eligible families.

Village extension office is a government department office, and local self-government organisation has nothing substantial to do with this, except publication of the list of proposed beneficiaries on the notice board of the Panchayat office. Required amount of participation and representation of the people is secured by the VEOs. Since they have no thorough knowledge of the people, they rely on the ration cards to verify the income of the family. But this is not a correct record, because it is found to be understatements. More effective implementation of the programme could have been possible, had it been done with the assistance of the local panchayat member.
4.16 **Panchayat Council and Office**

This is a special grade panchayat having an annual income above ₹1.75 lakh per annum.* The council of this Panchayat has 10 elected members representing the 10 wards. The council is assisted by executive staff consisting of an Executive Officer, an Office Manager, a Head Clerk, three Assistants, a Peon and a part-time Sweeper. Executive Officer is the advisor to the elected council.

4.17 **Sources of Income**

Income of this Panchayat, for that matter of any Panchayat, could be divided into two -

1. income from own sources - taxes, fees and other incomes.
2. Grants from the Government of Kerala - general purpose grants and specific grants.

* It may be noted here that the Panchayats in the Kerala State are divided into four, according to the annual income from their own source, viz., Special Grade Panchayat (annual income above 1.75 lakh rupees); First Grade Panchayats (annual income between 1 lakh and 1.75 lakh rupees); Second Grade Panchayats (annual income between 0.5 and 1 lakh rupees); and Third Grade Panchayat (annual income below 0.5 lakh rupees).
4.18.1 Income from own Sources

a) building tax,
b) profession tax including agriculture,
c) auction of rights to take sand from the river, to ply country boats between crossing points, and from agriculture lands owned by panchayat,
d) licence fee from business enterprises, and use of electric motors,
e) entertainment tax, show tax and surcharge.

4.18.2 Government Grants

a) Basic tax assistance - 3 per cent of the surcharge on documents registered from this panchayat,
b) Share of basic land tax collected by the village - 75 per cent allotted to panchayat,
c) Establishment grant - 60 per cent of establishment expenses,
d) Special purpose grants - there are 23 types of special purpose grants from which the panchayat can avail according to need, of which this panchayat has availed -

i. Grant of land development scheme,
ii. building grant,
iii. village road maintenance grant, and
iv. 'one-lakh house scheme' grant.
The annual income of the panchayat has steadily increased from ₹1,88,136/- in 1979-80 to ₹7,12,546/- in 1985-86, an increase of 378 per cent. During the same period the content of government grant has varied from 14.67 per cent to 21.77 per cent. It has also been found that out of the total income, a minimum of 53 per cent and a maximum of 75 per cent is found spent on management, public works and lighting. Again out of the total income 56 to 78 per cent is found to be the total expenditure of different years (1979-80 to 1985-86). Balance amount is utilised for refund of loans from the Government, and recently, construction of a two-storied building. Public works of the panchayat mainly form acquisition of land and construction of roads. During none of these years any economic development activity was found to be taken up by the panchayat. Social welfare activity, very near to economic development activity, gets a budget allotment of only less than one per cent. Of course there are special purpose grants, but they are occasional and do not form the general annual budget of a year.

4.19 Functions Performed

It could be seen from the above that the dependence of this panchayat on government is only minimum. Income earned from its own sources is mainly spent on salary of
the staff, construction of roads and lighting the streets. The panchayat is devoid of any economic development function as is seen from the items of expenditure. Moreover a minimum of 25 per cent and a maximum of 45 per cent income is spent on land and building for the panchayat office. Expenditures on construction and maintenance of roads and lighting are the proposals of panchayat members, expenditures on salary is administrative exigency, so also refund of loans; and allotment of balance amount which is negligible to different purposes are only a formality. Since there are committed annual expenditures for radio maintenance, assistance to anganwadis, a few cash awards to top ranking students, it is easy for the panchayat to allot this small amount for these purposes. Economic development functions are taken for granted as agriculture will be taken care of by agriculture development and extension units; development of cottage industries by VEOs. Therefore the Panchayat has road construction as its main activity.

Conclusions

It is found that the different administrative agencies are given specific functions and they perform them without any overlapping. The Panchayat, the village self
government body is devoid of all economic development functions and therefore grass-root level planning and development are not having the required popular base. Government financial assistance and delegation of powers are negligible. Therefore panchayat is now doing only routine functions of collecting taxes, maintaining an office, constructing roads and involving itself in some social service functions.