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Grassroots Governance: An Abiding Challenge before India

Padma Shri Deep Joshi
Co-founder, PRADAN



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About Late Professor Ranjit Gupta

Born in 1934, Prof. Ranjit Gupta is one of the very distinguished and eminent social Development thinkers that India produced. He did his Masters in Arts with specialization in Economics from Lucknow University in 1954. He joined as a Research Scholar in the same University and rose to Research Director's position. He was an academician par excellence, scholar in many domains with lasting imprints in the minds of people and transcended gradually into an activist in development sector. He worked with Jay Prakash Narayan in the Association for Voluntary Agencies in Rural Development (AVARD). He was a revered faculty member at the Indian Institute of Management, Ahmedabad (IIM-A). Along with Prof. Ravi Matthai, he conceived and ran the Rural University project in Jawaja, southern Rajasthan, which inspired dozens of IIM-A graduates to work in rural development. He was the Founder Secretary & Research Director of Institute of Social Studies Trust (ISST), New Delhi. Later, in the mid 70s, he worked as a Consultant, Ford Foundation, New Delhi. He was also the Faculty & Chairman of Centre for Management (CMA), IIM-A and was instrumental in the establishment of IIM-A's Prof Ravi J. Matthai Centre for Educational Innovation. He was Hon. Adviser and founder of the TATA DHAN Academy in Madurai that has evolved as a centre of excellence in development education.

He served as a member on many Task Forces/ Working Groups appointed by the Government of India and Planning Commission in 70's like Whole Village Development, National Commission on Agriculture, Command Area Development, Drought Prone Areas Development etc. He had rich and varied experience in Institution Building. He was a member of Governing Body, Indian Institute of Forest Management, Bhopal (1982-94); IGNOU, New Delhi (1986-87-1988-89); Chairman of Governing Body, Pradan, New Delhi (1988-95) and Board of Trustees, Institute of Social Studies Trust, New Delhi (1994-2000). He was the President of Sampark, Bangalore (1996-2002) and Trustee, CDL, Bangalore.

He authored, co-authored and edited several books and monographs, and research papers. He had a keen interest in Development Management / Education Sectors and special corner for NGOs in Development sector. He believed in working with a focus on the disadvantaged groups by enabling development professionals to build people. Though he passed away in October 2008, he leaves behind a worthy legacy through his rich work and the contribution made to the sector.

2009 - Revisiting Rural Finance in India, Dr. Y S P Thorat, Former Chairman, NABARD, Mumbai;

2010 - India Shining VS India inclusive-A Balance required through Institutional Innovation, Padma Shri Aloysius P Fernandez, Member Secretary, MYRADA, Bangalore.

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**Prof. Ranjit Gupta
Memorial Lecture - 2011**

Grassroots Governance: An Abiding Challenge before India

**Ramon Magsaysay Awardee &
Padma Shri Deep Joshi
Co-founder, PRADAN**

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Grassroots Governance: An Abiding Challenge before India

Thank you, first of all to all the young people. This country belongs to you. This is a young country – two-thirds of Indians are younger than thirty five, so welcome to the world of practice after having got your education at the BASIX Academy, and good luck to you, as you figure life to hopefully help others to make some meaning out of it. Thank you guests, many of whom have been colleagues, for being here and lending your ear to me. We will begin with a few disclaimers.

Reluctant Speaker

I am not a very logical thinker. I am largely intuitive, I have a sense of things and a conclusion, this is the way it is, that's how PRADAN¹ was formed - it was an intuitive conclusion. To have young people, educated people to go and work in villages, to give part of themselves for other citizens, who were worse than them, so there was no logic, no analysis, it was just a thought inspired by seeing people like that in Maharashtra. So I have always remained intuitive, I can't build queries and logical constructs. I am also not an analyst. I am much happier in a dialogue, in a round table discussion than arguing. I would have been much happier to come here, pose a few questions, suggest a few things and then wait for people to throw stones or roses at me and respond to it, that's my idiom and that's my way of engaging with people.

Remembering Professor Ranjit Gupta

But on a more serious note the reason why I agreed is because it's a lecture in the memory of Ranjit Gupta, someone who was very dear to me. Someone

¹ PRADAN (Professional Assistance for Development Action) is an NGO promoting livelihoods for rural poor communities. It was co-founded by Deep Joshi and Vijay Mahajan in 1983. Deep joined PRADAN full-time in 1986 and worked in it for another 23 years till he retired in 2009. Vijay moved on from PRADAN in 1991 and established BASIX in 1996 as a "new generation livelihood promotion institution". Deep serves on the BASIX Board since 1996.

whom I knew for many years. Some times he was a guru; some times, a peer; some times, he was a critic. Many a times we conjured up things together and for almost three decades we were engaged with each other intellectually, professionally and while drinking rum in the evenings. So to say 'no' to an opportunity to remember formally Ranjit Gupta was something I couldn't do. I met Ranjit in a chance encounter, totally unexpected, I think it was in May, 1977 at a place called Mahabaleshwar in Maharashtra. We were not together, we had gone there for different purposes, he was attending I think a workshop on decentralized planning or block planning, something that was very close to him, something on which he had worked for many years in the Association for Voluntary Action in Rural Development (AVARD). The famous Busari plan was written by Ranjit and his associates, He was attending a workshop. And I had gone there with the forest department. That was my beginning of a love hate relationship with the forest department trying to figure out in what way could management ideas and systems ideas could be introduced in forestry. And a program officer from Ford Foundation, Norman Reynolds, who passed away many years ago, as a member of Planning Commission in Zimbabwe, had invited me. I was new to my job at the Systems Research Institute (SRI) in Pune, and went on a trip with the forest department. When we reached Mahabaleshwar, Ranjit was there and Norman introduced me somewhere standing outside a pan shop, from there onwards, till he passed away, we remained engaged with each other.

I visited him many times during periods when I was still in Pune, trying to do something with government of Bihar, trying to introduce systems of management in government of Bihar during the hey days of Janta government in late seventies. Ranjit was a constant source of advice, gyan, critique and so on and so forth. On my way to Patna, I would often take a detour and go to Ahmadabad, meet him and go on. And then I joined the Ford Foundation and after about a year in a watershed program, I was asked to look after the portfolio of working with rural development NGO's and I discovered that in the files there was a thick report prepared by Ranjit about how to strengthen voluntary action in India, how to strengthen NGOs in India. That further deepened our relationship and our professional engagement that paper incidentally remains as valid today as it was in 1980, when I first read it.

It was Ranjit who introduced me to Vijay Mahajan. I had thought of this idea of, from the Foundation, promoting an NGO, which would bring professionals into grassroots work, and whenever I thought of a crazy idea I would make it a point to bounce it off Ranjit. I did that I went to Ahmadabad and met Ranjit, and he said “brilliant idea, do it”. So I said “yes, but I need someone who will run with the idea. I work for the Foundation and we can only make a grant, I can't run this, somebody has to start this. I can put together a constellation of people who would support it but somebody needs to run with it.” He said, “I know exactly the person who you are looking for. His name is Vijay Mahajan, and he is somewhere in Delhi. I contacted Vijay and that's how our personal, professional an emotional relationship began. Thanks to Ranjit. I don't know if I would have met Vijay, if I hadn't known Ranjit Gupta.

Subsequently we, Ranjit and I worked together while I was working as a program officer in the foundation, he reviewed some of the grants I was making, and he and I thought of a crazy idea of having an educational program like the one that you guys have gone through called “social entrepreneurship”. That was an idea very dear to him. And when the centre for educational innovation was setup at IIM, Ahmedabad, in the memory of Ravi Mathai², they were looking for crazy ideas and I was looking for a way whereby one could also train crazy people to go in to and work in villages, that's how the idea of promoting a program on social entrepreneurship was thought of, I egged Ranjit on to put together a proposal. He did, and I discussed with him and eventually I managed to get people in the Foundation to support it. Unfortunately it didn't go very far, because Ranjit in his inimitable way asked the management of the management institute that he would have no interference from anybody, no academic council, no senate, nothing. He should get hundred percent freedom, and then only will he run the program. Of course institutions don't have that kind of faith in individuals, so eventually after having accepted the grant from the Ford Foundation, he eventually returned the money.

² Late Prof Ravi Mathai was the first full-time Director of the Indian Institute of Management, Ahmedabad (IIM-A), which was set up by the Government of India and the Ahmedabad business community, under the leadership of Late Dr Vikram Sarabhai. Ravi died in 1983. He and Ranjit worked together at the IIM-A for about a decade.

Subsequently Ranjit was a chair of PRADAN's Board for many years. He was extremely helpful. When PRADAN went through a parting of ways in 1995-96, when Dhan Foundation was born; it was Ranjit who helped us deal with this traumatic experience in a most civilized and dignified way. We remained in touch with each other, even while he was in Dhan foundation, and in a way I have actually spoken with him, just a month before he passed away.

Governance as an Abiding Challenge for the Future of India

Why did I choose this topic “governance as an abiding challenge for the future of India”; two reasons, one of course is, since being in PRADAN for twenty five years, even before I formally joined PRADAN, from before the time I met Vijay, that was my preoccupation. I woke up PRADAN, I slept PRADAN, and I worked on issues that affected PRADAN and the issues PRADAN was working on. And when I retired, I had the good fortune of travelling very widely, I travelled before also but this time around it has been somewhat more relaxed travelling and I have also been able to indulge in thinking beyond livelihoods, beyond poverty, beyond issues of that nature. I have frankly begun getting very worried about India, our great country and my sense is that while poverty, illiteracy and all those things are there, there is one single challenge that India needs to come to terms with – governance. How do we keep people who would be hugely different from each other together? Grassroots governance to me today is the abiding challenge that this country faces - how to create an inclusive society, how to create a society where its citizen can feel that she counts, that she can influence, that she has a voice.

Since this is a lecture in memory of Ranjit, I was looking for ideas which he has associated with, I could have talked about NGOs he was involved with, but I thought that would be too trite. It's a topic people keep talking about, particularly these days with civil society often becoming very uncivil, I didn't think that was a great idea, you know development in India has essentially been a state enterprise, it's conjured up, thought about, planned by the state and it is carried out, delivered by the state. So when we first cut our teeth in to development the phrase “delivery system” was very widespread, if you were working in development or doing research in development, you haven't

heard about delivery system, then there is something wrong with it.

Now, Ranjit and Ravi Mathai had thought of another phrase called the “demand system” in a way what they were trying to do in Jawaja³ was to stimulate that demand system, so that there would be people on the ground, people for whom development was being delivered, they would be able to keep the delivery system accountable by making demands on it, so the idea of demand system somewhat similar to what we hear today as social audit. Something Ranjit wrote about, talked about, and in Jawaja worked on. And to me, that comes closest to the idea of grassroots governance; that is a second reason why I thought of choosing this topic.

The idea of issue of accountability is far more important today than late seventies and early eighties when Jawaja has been thought of or tried, over the last two years there is the whole issue of rights, following the rights issue of development has taken firm roots, MGNREGA, RTI, right to education, right to food. Increasingly development is no longer about delivering physical things and services but empowering citizens with rights, with entitlements, and rights are not delivered unless you ask for them, entitlements are not delivered unless you ask for them, so the business of accountability is becoming far more relevant.

Governance of course is deeper than the demand system, its deeper than social audit. Its about voice as much as choice, that people should be able to raise their voice, to ask while they are also entitled to make choices. It is also while we know it is about rights but it is also about responsibilities. It is about receiving as we all know, we receive things from government but it's also about giving, so that to my mind is the kind of broader picture than what social audit or demand system conjures. If Ranjit had been around today, I suspect he would have been working on that theme.

³ Prof Ravi Mathai and Prof Ranjit Gupta of IIM Ahmedabad had launched a “Rural University” project in the Jawaja block of Ajmer district of Rajasthan in 1976. It was aimed at learning from rural development interventions, hence the name of a “rural university”. Many young graduates of IIM-A served as “independent volunteers: in the Jawaja Project, which became synonymous with action research.

Governance Challenges after Independence

Now governance has been an abiding challenge before India since our birth, since independence in 1947, that's true of all newly independent countries. Governance is a major challenge that any new country will face, it's a huge transition, you all know when we were born, when India was born there was a huge communal divide, communal tension. This led to partition, a country which got independence mostly through non-violent means had huge amount of blood spilled at the time of its independence. That was one first big challenge of governance that independent India faced - how to deal with communal tension, which led to partition, large number of people died. The world's biggest known movement of people across borders, newly formed borders.

Our independence also happened at the time of the ascendancy of communism, as an idea for governing societies. China as you know, became communist just two years after India became independent. So there were struggles and there was violence here in India by the left. So that was a second major challenge; a threat of communist takeover of the country.

India was also a fragmented nation. While in many ways we have always been a single nation, culturally and in many other senses, but we also have been many nations, so many languages, if you look at back of a ten rupee or a fifty rupee note, there are so many languages even today, many others that don't even have a script. And that was true at the time of independence. We had more than five hundred little kingdoms in India, princes and princelings who had been used to living a life of opulence and great power, often unfettered power, they didn't want to merge into something called the Indian republic, a new country. They wanted to be independent. So we were a hugely fragmented nation, no one gave India a chance. In fact the war time Prime minister of Great Britain, Winston Churchill refused the idea of independence to India because he said "They can't govern themselves, they are not ready for independence". Many British officers are known to have written in files and records, two years after independence it will be all pieces, there will be no India. So in that sense we were born with a huge challenge of governance in 1947.

But these are macro challenges, they required a strong central authority which was capable of speaking softly and carrying a big stick, that's what our central government did; they cajoled people, negotiated with them, had dialog, but when it was necessary, also used a stick to get people to fall in line. It's well known that Patel told many kings that; listen if you don't want to merge, we know how to get you here. So challenges being macro it was possible to deal with them, by speaking softly and carrying a big stick. There were leaders of the stature of Nehru, Rajendra Prasad, Patel, Gobind Vallabh Panth, Shastri Ji, Azad, and many others, people who were loved by their citizens. People, who were honest to the core, people who didn't think of anything other than India. So we managed to deal with that challenge in our early years.

Governance Challenges of Present Day India

In some ways the idea of India is here now, while we have issues here, we have naxalism somewhere, issues in the northeast still keep bubbling up once in a while. Kashmir is in trouble, so we continue to have these macro challenges, but by and large that ability to speak softly and carry a big stick is still there. And I think we are in a position to deal with these issues and challenges and we are continuing to deal with that. So what is different today? Challenges today are vastly different. If independence opened one set of fault lines in India, that of all these myriad divisions, growth and prosperity has opened yet another fault line. India and Bharat are competing to stake out their claims, even as our resources are in a bad shape. There is deep structural inequality today in terms of material gains. We see it all the time. Something that really bothers me is that if you are a young B.A. in Delhi, and if you can speak English, you can join a BPO, answer a phone call from Texas, at the end of the month you get a pay check of Rs 30000 a month. You work in an air-conditioned environment, you are picked up and dropped from your home, where as a farmer who toils for a whole year lives with all manner of uncertainty, brings us food, often doesn't make Rs 30000 in a year. That is just one example of deep structural inequalities that exist today.

Inequality of opportunity

Inequalities are also of opportunity, you know when I was a kid, when I was born, I am told that the nearest school is high school was two days of walking away at a town called Almora, up in the hills, if somebody had to go to high school from my village, he had to go to a boarding school and live there. By the time I went to school, my high school was just about five kilometers away, so I used to be able to walk every day and go to school. The intermediate school was still far away so I had to live in a ramshackle hostel. From these kinds of beginnings, those kinds of humble beginnings I managed to study engineering, and I managed to go abroad to a fancy college of engineering, to a fancy school of management. If a youngster in my village today is bright and manages to secure good marks in tenth or twelfth, the possibility that he or she will be able to afford the kind of education that I did is remote.

So the opportunities that are available to people living in cities are hugely different from the opportunities that are available to people living in villages, the kind of education they get, first of all a kid studying in same high school where I went today is unlikely to be able to perform academically as I did, because the quality of education is just on skids. I went to a sarkari (government) school from primary to middle school to high school to intermediate, all through sarkari and vernacular and managed to break the class barrier as it were. That's not possible today. If you are poor, if you are in a village, the possibility that you will escape through the route of education, which many people think is the way forward, is far less than if you are in a city, if you are better off, if your parents are educated, and so on and so forth. So inequality of opportunity is very, very grave.

Inequality of Choice

The inequality of choice - what I can afford, the medical care I get, the school I am able to go to, that's huge. I was in an interview recently panel to choose a medical doctor to head a hospital. I know nothing about medicine, but because I am an NGO wala and this was a hospital run by a trust, they thought that it will be good to get me. I attended that interview, A medical doctor

about forty five, was getting sixty lakh rupees a year, and his expectations were seventy five lakh rupees a year). And I learned through that interview that, from very venerable doctors, that it's a standard practice today that a doctor gets paid Rs fifteen to twenty lakh or thirty lakh pr annum depending on how senior they are, how fancy their specialization is, as a cash salary and the rest comes by way of incentive linked to the tests they prescribe, the patients they see in a day, etc. So in a scenario like that, there is no hope in heaven or hell that an ordinary, poor villager would have access to medical facilities that you and I have to. So the inequality of choice is great and it's going to get worse and worse as we become more and more market oriented.

Inequality of Voice

Of course there is inequality of voice. I am a member of the National Advisory Council (NAC). There is a phrase used for describing the NAC _ we are called the povertarians, we are supposed to be the people who talk about poverty. We say, "listen, poor people should get subsidized food, you can't have hungry people living in this country, Mahatma Gandhi's country, Buddha's country." For that reason we are called povertarians. Sekhar Gupta uses that phrase to describe us. So obviously the voice that people have are very different, from the voice the people do not have. People with money, people from industry, strong interests, lobbies, have a much stronger voice, louder voice than poor people, and to get heard, they have to actually go out, sit on dharnas and get killed like those hapless farmers got killed in on the Mumbai-Pune highway a few days back. So there is inequality, not only of material possessions, but also inequality of opportunities, inequality of choice, and inequality of voice. So dealing with these inequalities is going to be a huge challenge and that requires governance.

Competing Claims on Resources

There is huge degradation of resources in India. India's total geographical area is about 320 million hectares. We have data for about 305 million hectares, of that about 140 million hectares is in agriculture and about 70 odd million is forest. About 150 million hectares are badly degraded. he

productivity of two thirds of our agriculture is one third of the national average, which itself is low because of the rainfed areas that constitute the average. Our ground water is in a bad shape, we are soon going to run out of water. Our ponds, rivers are in a bad shape and these are resources which require not only huge investments but also require systems of governance, so that to me is another major challenge of governance.

There are competing claims, that's been all over the papers recently. Those deaths on Mumbai-Pune highway were about water. Farmers said we want this water. City people said, no we too need drinking water, we want this water. Those competing claims are going to get worse and worse. Now, urban citizens use far more water for domestic use than a rural citizen. And as India urbanizes, cities are going to require much, much more water. Then farmers will say, "bhai hamara pani kyon le ja rahe ho aap" (why are you taking our water). There is huge competition for land. One major reason for naxalism is that tension around the use of forests. For every two acres that we cultivate, one acre is forests while that two acres feeds all of us that one acre is seen as not doing anything, so people are going to begin to demand how to make use of it. So there is huge tension about natural resources, but also financial resources. Who will get the money, that's a huge tension. So there is going to be a huge competition for all manner of resources as the economy grows and demands keep multiplying.

India against Bharat

Now as all of you know, rural India bears much of this brunt, many of these challenges, many of the issues of inequality, many loosing propositions in sharing of resources, effects rural people. They lose land, they lose water, they get less. The divide between India and Bharat has never been worse. And the challenge really is that Bharat is going to be with us for a long time to come. I am pretty old, but most of you young people sitting here hopefully will live for 70, 80 yrs. And in your life time rural Bharat will remain, almost as large as it is today. There was a study done by the U.N. in 2007, and it says that in 2030, that is in about twenty years from now, sixty percent people will still be living in villages. A year later there was an another study done by the

Mckinsey Global Institute, they said about 590 million people will be in cities, which means about 885 million people in 2030 will still be living in villages, which is more than the rural population today.

If that is the situation in 2030, I don't think it's going to change hugely by 2050, because of the kind of education people have in villages, because of the age of the population, it is unlikely that it's going to be a rapid urbanization. And especially because urban areas are now experiencing more and more organic growth, I am a city wala, my children are city wala, their children will be city wala, so the significant part of the growth of the city will come from city itself, not through migration of people, not through education in villages, that will also happen but all told, India is going to remain Bharat for a long, long time to come. Therefore these tensions will continue to be there, feeding the challenge of inequality.

Now, this kind of challenge is very different from that macro challenges that I talked about earlier, because its all pervading, its across the country, it pits citizen against citizens. You shaharwallahs (city dwellers) want water; I in villages don't have water for irrigating my land. One citizen against the other, may be same caste, same religion same whatever. So the kinds of tensions in governance we are going to be seeing are, diffused across the country, pits citizen against citizen, neighbour against neighbour. Therefore the nature of these challenges is very, very different. And the idea of a strong central government, which can speak softly and carry a big stick, that will not be able to deal with these challenges. These are going to be dealt with locally by people themselves. That's why I say, the challenge of governance is more today. One can meet these challenges only if people have a sense of involvement. If they feel that they have a voice, even though they might not have a voice in Delhi, but at least in their village, they have a voice, they can say something, do something, decide what could be done. In the local school they have a voice, they can call the teacher, if he doesn't come to school, they can get hold of balwadi teacher if she is absent. Only if people have a sense of involvement, sense of belonging, a voice, would we be able to deal with this challenge.

Now, the venerable old man Gandhiji, he foresaw all this, almost prophetically. He wrote a short thin book in Gujarati that's called Hind Swaraj, on the way from England to South Africa aboard a ship in 1909. Its been translated into all different languages. Gandhi foresaw that this is going to happen. He wrote if India is governed the same way as it is governed in colonial period, that is, if the white ruler is replaced by a brown ruler, there will be no swaraj, and these tensions of inequality and so on and so forth will be there. He wanted villages to be self-governed republics; he had worked out a very detailed setup, not in Hind Swaraj but in other writings. He wanted a system of governance built around little communities, self reliant, working with each other as communities, that's what he wanted. He had something called an idea of oceanic circle, there is a village or a community, then five villages and another circle, and not a pyramidal structure that we have today. Today we often talk of when we talk of government, we say upper tiers and lower tiers, and we actually have a pyramid. What Gandhi wanted was, what we called an oceanic circle, there will be communities that will govern themselves, they will then collaborate with another set of communities within another circle, so on and so forth. So we didn't listen to him, we created the pyramid structure we have today.

Gandhi's thoughts apart, India has had historically some system of local level governance, idea of this panchayat has been there, dealt with different kinds of issues. I have not read the Rig Veda, but I have read books that say that in the Rig Veda, the gram sabha, and the panchayat are mentioned. So these ideas are just not new, they have been around for a long time and Gandhi was not the first to talk about it. Many other people talked about it. So what went wrong, why is it that in spite of the father of this nation, the tallest man in this country, at the time of independence, insisting that we should adopt that sort of decentralized community based system of governance, we chose this vertical pyramidal top down structure of government, what went wrong.

The British Rule

Lots of things went wrong, but I will mention just a few. First of all, even before independence the colonial rule had broken the existing communitarian

structure we had. Before the British rule, even when villages paid taxes, they paid it on behalf of villages, when they sent soldiers to the army, they sent it on behalf of villages. There was no sarkari forest, even if Rajas, princes and Nawabs used to use forest for hunting, as the forests were maintained by the people. But in 1860, that there was a sarkari forest created. The whole idea of a revenue village was something that British created to collect revenue. So it was during the British period, that the link between the citizen and the government got directly connected rather than through the community and larger community and larger community. The die had been cast to some extent even before independence.

The Constitution

As you know, Dr. Ambedkar was the chairman of the constituent assembly, and the first draft of the constitution that was made, had no mention of panchayat. One understands why Ambedkar did that, because he was fighting the cause of the dalits and the villages in India, have been unkind, unfair and grossly unjust to the dalits. So therefore, Ambedkar didn't have any faith in panchayats and villages. He said "the village is a sink of localism, a den of ignorance, narrow-mindedness, and communalism". So he didn't put panchayat in the Constitution at all but once Gandhi argued and he couldn't totally resist Gandhi in those days. So, it was included but included in the directive principles of state policy.

Ambedkar had the idea that federal structure would have two layers, the state and the centre, there will be no third layer. Gandhi would have liked to have all three layers as part of the constitution. Now the directive principles are not justiciable. You can't take the government to court for not having implemented a particular directive principle. So in the both the article 40 of the constitution, the 5th directive principle is that the state shall take steps to organize village panchayats, and endow them with such powers and authority as may be necessary to enable them to function as units of self governance. So the idea of panchayat was to begin with hugely, hugely diluted in the making of the constitution itself.

Development Theory

The third reason in my view is you know development in India has been conceived as industrialization in the manner of the west, one doesn't fault people for that, I don't fault Ambedkar for having been critical of the village. And I don't fault Nehru, and his cohorts for having conceived of industrialization as the way forward. Those were the times, that's what it was, progress has come through industrialization and nobody did the calculus at that time that India's population then was greater than the population of all the industrialized world and if India even then, industrialized as much as the rest of the world, I mean as other industrialized world was it would double the population of industrialized world. And what would that do to the resources and so on and so forth, so that calculus didn't even enter. At that time we thought that there are infinite ways of growing. So, the two sector model which is how the West grew, the rural provided the surplus labor, surplus capital to the industry to the city and it gradually withered away. So America has a rural population of 3 or 4 percent, Europe slightly larger, but most industrial countries have very small population of what is known as rural. And we assumed that the same thing would happen in India. Therefore rural essentially became residual, holding operation. So that is the second reason, that the whole approach that we took one, city, industrialization, urbanization was central and rural was referral, residual and eventually wither away. Therefore we needn't do anything long-term, we needn't bring it centre stage, and this was a problem in passing.

Views of the Political Leadership

If two types of economy exist in the country, there would be either conflict between the two (or) one will overwhelm the other. Villages were seen as backward, too uncivilized, to govern them-selves. The Europeans thought that villages were uncivilized, because India was mostly villages at that time. So when they said that Indians are too uncivilized to be able to govern themselves, what they meant was rural India, these rural people, natives they are too uncivilized to govern themselves. But even our own elite had the same view. Progress was to get out of the village and come to the city. There is a

correspondence between Gandhi and Nehru. Gandhiji in 1945 wrote to Nehru saying that India is about to get independent and you are my heir and its important for me to hear what your views are about development. I will tell you what my views are, these are written in that book called Hind Swaraj.

Nehru wrote back to him saying “The village, is normally speaking is backward, intellectually, and culturally and no progress can be made from a backward environment. Narrow minded people are much more likely to be untruthful and violent”. Imagine how wrong that statement was, who is the most untruthful ones today, the poor farmer in the village or his city counterpart. Nehru says that urbanization and industrialization is the way forward. So Nehru's idea was that the other will not exist, and the urban, modernized sector is what would exist. This is the fourth reason why rural and panchayat and rural governance were kept on the backburner.

Many people have also been in a kind of positive way believed that there is lots of inequality in the village, there are these feudal lords and upper caste people. Thus if panchayats are created and given power, they will be hegemonic, they will control things, they will not give the poor their rights. It's a very genuine thoughtful concern, but it's again very, very wrong. Nobody can always be kept under a yoke, if you give people a voice, if you create the right structures, mechanisms, poor people can get a voice. We have plenty of experience of that in our country, even presently and last but not the least as India has grown, become stabilized, there is a huge vested interest of bureaucrats, politicians, intelligentsia, who don't want to give power, so if you ask anybody in rural districts, in fact most districts other than big metros, who is the most important person in your district, the answer invariably will be the Collector saab. And the Collector mind you is by custom, by administrative prudence is not a citizen of that district. You cannot be posted in your own district as a collector, so a young fellow, 28 to 35 years of age, may even not speak the local language is the most important citizen in a district. Now why would he want to hand over power to the local people so the system has in a way developed a vested interest which is holding this back now.

The Evolution of Panchayati Raj after Independence

I want to walk you through briefly with what happened with respect to panchayats, which is what the grassroots governance model is as far as India is concerned with, that's what I am concerned with. The first time something was done was in 1957 during the Second Five Year Plan. The First Plan was mostly administrative, it was the Second Plan, where some thought was given and that's the time, the idea of decentralized administration was thought of. So a committee was set up with Balwant Rai Mehta as chairman in 1957 and through that, the idea of a panchayat was established. But the panchayat was essentially seen as public participation in community work to be organized through statutory representative body. So the issue was “jo sarkari projects hain unme public participation nahi ho raha hai” (there is no public participation in government projects) so you need to create some local body. The issue was not governance as much as ensuring that the sarkari program will function better if local people participate. Three tier panchayats were created but the whole structure due to the neglect of state governments gradually withered away and by the end of 1960's, the panchayats were more or less defunct. In many cases, elections have not been held, many others were superseded and by and large it didn't go anywhere

Then after the emergency in 1975 and in 1977, the Janta party came to power, it had many Gandhians in it. JP was the father of that system of institutions. Therefore the idea of panchayat was again revived. And again a committee under Ashok Mehta was setup, and they came up with another set of recommendations that we need to have panchayat as a system of local governance. Unfortunately the government fell, by the time the report came. And nothing could be done about it. Except that on the basis of that report, Karnataka initiated it when Ramakrishna Hegde was the chief minister there, and West Bengal also followed the Ashok Mehta report and panchayats were again revived.

The third impetus in some ways surprisingly came from Rajiv Gandhi. Some of the grey haired people here will remember his famous quote that if one rupee is sent from Delhi, only 15 paise reaches the village. So he wanted to create a

panchayat system which could be constitutionally guaranteed third tier of governance. It will be centre; it will be state, all part of the same federal structure. So he appointed a committee under L. N. Singhvi and the committee came up with that structure. On the basis of that report, Rajiv Gandhi moved the 64th and 65th amendment to constitution to take panchayat out of directive principles and to bring them in to main body of the constitution, as a right and as a justiciable right. While moving the bill he said, "Democracy was the greatest gift of our freedom struggle, to the people of India. Independence made the nation free, democracy made our people free, a free people are a people who are governed by their will and ruled with their conscience. A free people are a people who participate in decisions affecting their lives and their destinies". Very simple but also very profound. Unfortunately the bill didn't pass, it passed the Lok Sabha, but fell in Rajya Sabha by two votes, fundamentally because of the bogey that the federal structure will be disturbed, as if the federal structure must have only two layers. You can have a federation with five layers, there is no big deal. But on the fear of that its going to change the federal structure of our Constitution. So that bill didn't pass. V.P. Singh tried to bring it but his government fell.

The Good News

Finally during Narasimha Rao's governance the bill passed during late 1992 and it became a law in 1993. The 73rd and 74th amendments to the Constitution of India were made whereby while the panchayat remained a state subject. What Rajiv Gandhi wanted to do was to bring it in to the concurrent list, as in education, so that centre and the state, both can deal with it, both can make laws about it. That bill didn't pass, the one that actually passed 73rd and 74th doesn't make it a concurrent subject and it still remains a state subject and laws pertaining to panchayats today are made by the states. So where are we today, with respect to panchayats, the institutions of grass roots governance is the doing of the states. The good news is we have a three tier panchayat, a uniform structure everywhere, in all the states. There is a separate law governing what are known as scheduled areas, so the schedule 5 of the constitution is applicable to districts which have a specific percentage population of tribal people. There is a separate law, for them called PESA

(Panchayat Extension for Scheduled Areas) since 1996. There are state election commissions, as was guaranteed by the constitution. Civic right groups say that it has created more posts for the IAS because the state election commissioners, usually are retired or just retiring civil servants who are in favor with the ruling party at that particular time. But there is an election commission in every state, which conducts panchayat elections. Elections are held every five years, there is a huge turnout, in panchayat elections.

There are about two lakh forty thousand panchayats in India, with over twelve lakh elected representatives which is larger than the number of all elected representatives anywhere in the world outside India, all together thanks to China, because they do not have too many elections. The number of elected people in India is more than the population of many countries in the world. About 18 percent of the elected members of panchayats are schedule caste, their population in the country is only 16.5 percent but they are more than their population in panchayats. About eleven percent are schedule tribes even as they are about eight and half percent of the population. They are again over represented in panchayats, which is good, because. Thirty seven percent are women, their seats are reserved, some states have fifty percent reservation for women, in the panchayats, Panchayats are beginning to be given a key role in flagship schemes of the government. MGNREGA, at least half of it has to be implemented by panchayats, they have a role in Sarva Shiksha Abhiyaan, they have a role in the national rural health mission, and the Forest Rights Act and so on and so forth. For many welfare and social security schemes, panchayats decide who gets the benefits. They play an important role in the proposed food security bill, if it passes the parliament, if and when it passes the parliament. There is a separate ministry of panchayats in the government of India, as well as in all states. Sometimes merged with rural development, but there is a separate department at least, and the government has launched many training programs.

The Bad News

What is the bad news? Many cynics say, panchayat raj has decentralized corruption in India. There is a more than a grain of truth in that, unfortunately.

A year or two years back when there was a social audit being tried in to MGNREGA in Rajasthan, the association of sarpanches took a dharna and went to the government and said nothing doing, you can't do a social audit. So the reason why they didn't want to do it is because they have done a lot of hera pheri. So that's one bad news. A senior secretary to the government of India once remarked in a meeting, "You have these sarpanches who have become like a lackey of a BDO, bagal me file dabake BDO ke peeche, peeche ghumta rehta hai" (the sarpanch roams around behind the BDO with the files under his arm).

The sarpanch is supposed to be for the village, not for the BDO, but he has become the lackey of the BDO, of the administration. There has been little true transfer of power. The 73rd amendment, also introduced the 11th schedule in the Constitution, which lists some 29 subjects, which includes the things related to irrigation, electricity, school, balwadis and so on. Twenty nine subjects which the states are supposed to pass on to the panchayats, that's up to the marzi of the state, the centre cannot do anything because it's a state subject. A few states have done it, Kerala has done much, Karnataka has done somewhat, most states have not passed on the authority, the power, the resources that they are supposed to pass on to the panchayats. The BDO, collector, the panchayat secretary, they continue to rule the roost.

I was in a village recently in MP and they were digging five open wells in a small village. It was a a hard rock area. I said "pani aata hai kya" (do you get water?" "Haan, sir, jab barish hoti hai to pani aata hai". (Yes only when it rains). This has been done under NREGA, "To phir kuan kyu khoda, aap ki zameen pe field bunding karte, levelling karte, usse faida hota". (Then why dig a well? Instead level and bund your land). "Sir, phaida to hota par upar se aadesh kuye ka hai". (That would have been beneficial but the directive is to dig wells). Even though planning is supposed to be done for NREGA by the village, or the gram sabha, but what they do, BDO says to the sarpanch, "falah falah cheez ka prastaav le aao", (get a proposal for the following). The sarpanch goes to the village, gets some signatures, and the prastav (proposal) is made. There has been no true transfer of power. PESA, which is meant for the tribal dominated districts in the mainland, is supposed to be

implemented but it has not been implemented. A detailed report done by IRMA, a year ago was very critical of PESA. That report gets published as a state of panchayats report every year in April, and because the report is very critical, the government took out that chapter.

Money power

Money power in elections in panchayats is playing havoc. In my tiny little village, up in the hills, where there is very little amount of work through panchayat, because it's a small village, I asked a young man whose elder brother used to be my classmate, so every time I go to the village, he sort of comes by and says how are you. So I asked him, he was a sarpanch, so said what is the scenario, "elections ki kya stithi hai" (what's the situation on elections?). "Ye saab, paanch lakh rupiyaa lag jaata hai, sarpanch ka election ladne me". (It cost Rs five lakh to fight the sarpanch election). Sometime last year, a young man in Haryana, who used to be my driver, at that time, he wanted leave for a few days. "Saab mera cousin sarpanch ka election lad raha hai", (my cousin is fighting the Sarpanch election). So when he came back, I asked "Election jeet gaya? Kitna kharcha hua", (Did he win? How much did he spend?" "Saab, tera lakh rupiye lage". (Thirteen lakh).

I have been told that there are places where, twenty five lakh rupees are spent in the election of sarpanch. Mind you, these five lakh and thirteen lakh are first person accounts, others are sort of rumors, that I have heard, some have even mentioned crore of rupees, spent for a sarpanch elections, I don't believe that but, twenty five lakh is believable, so if you are spending twenty five lakh rupees, many of you are finance people here, you need some return on investment, so you will at least make, you know fifty lakh for yourself, for you to make fifty lakh; the Block Development Officer (BDO) and all the layers upstream, they would need to be paid something, unko bhi interest chahiye. So that's where the money power in elections is destroying the panchayat.

Inadequate Resources

Panchayats don't have much financial resources, everything that goes to them is a scheme, NREGA, whatever that that goes is a scheme, it's not

decided there, and it comes from somewhere else. There have been many studies done on how much money is routed through local self government, worldwide studies are available. In India, about five percent of the public resources, sarkari paisa that is spent in India, five percent goes through local bodies, that include cities, and if you look at proportion of the figure for China, it is fifty percent, the OECD countries, the figure is thirty four percent and the figure for Brazil is fifteen percent. And as percentage of GDP, somebody says its two percent, some says less than one percent goes through local bodies, once again includes cities. China has ten percent, OECD is fourteen percent, and Brazil is six percent.

So the amount of money that is available, the untied money that is available to panchayats is very very limited, virtually non-existent. There are no resources. The panchayat doesn't have even an accountant. The gram sabha is where people can sit together, and have face to face democracy. My firm belief is representative democracy is only slightly better than autocracy. So once you have elected a joker, he has gone to Delhi, Lucknow or where you have elected him to, and he doesn't care for you. And you have given him a five year license, and why should he listen to you?

Party politics

Party politics even though the law says, that panchayat elections cannot be run on party basis, but everybody knows who is from the BJP, Janata dal, the Congress and who is communist and so on and so forth. They can't fly their party flags but everybody knows, ye kis party ka candidate hai. So you are electing somebody who represents some party which in abstraction rather than finding or selecting somebody, who you think is most concerned about your village. So that's another, you know flaw which has unfortunately, crept in.

The 73rd amendment also, required creation of a district planning committee. In most cases they are non-functional and unfortunately the constitution also, says the state government can nominate somebody, to chair it. In most places, ministers have been nominated as chairs of the district

planning committee. And in some places, like if you are a congress ruled state and in a particular district you don't have a congress minister, you may end up putting somebody from another district to chair the planning committee of that district, so it's worse than the collector. Now is it hopeless, if this structure's of governance, can it not be changed.

The size matters for face-to-face democracy

So a representative democracy, is really the second best, if you want to have a true democracy, it has to be face to face. And in a village, that's possible but the way our panchayats are structured, we seem to be enamoured of the revenue village that the British created, the population of a panchayat, average population of India is, according to 2001 census, about 3500 people in each gram sabha. Even if half of them are adults, which it could be, because 18 is adult, how can 1800 people sit together and make any decision, no way, it's not possible. But it's not necessary that we have such huge gram sabhas, in fact it's even possible that, you can ask people what kind of, who do you want to be part of gram sabha. The gram sabha really meets twice a year, religiously, laddu vaddu bat te hai, it's on 15th of August and on 26th of January. These are the two meetings that are held of gram sabhas. Flag is hoisted and that's it.

Can it be changed?

I remain of the firm belief that it can be changed, it is possible to change. How? I have a few suggestions.

Firstly we need to bring back the 64th amendment that Rajiv Gandhi had proposed, make the panchayats part of the Constitution, let panchayat raj be a concurrent subject, where the state and the centre, both can make a rule. Centre should be able to deal with panchayats directly, unless you do that it makes no sense, that you are of course citizen of India, why should be the system of governance in your village, why should the system that governs you as a citizen not be decided by you. Why should it be decided by some entity, same entity that guarantees your life as a citizen of India, should also

guarantee your right to govern yourselves? So, that's one fundamental change, that needs to be brought in.

Secondly we need to have smaller panchayats, we need to get this colonial concept of revenue village out of our minds. There are 2.4 lakh panchayats, and if we had every hamlet as a panchayat, we may have 15 lakh panchayats. What's the big deal. If you can have two and half lakh, then you can also have 15 lakh, what's the big difference. How does it affect you anyway, they govern themselves, so we need to have much smaller panchayats, so that the gram sabha, can truly be a forum for participatory democracy, the way Gandhi has envisioned. And then you create other layers around it.

In this 64th amendment, that Rajiv Gandhi had proposed, he expected that, there would not be more than 500 citizens in a panchayat, it's possibly true. PESA actually has that, in PESA, what is known as a natural village, is supposed to be the gram sabha. And people know, the hamlet is what people identify with, they don't identify with the revenue village. The tola, mohalla, dhani, that's what people identify with. That's where people come and settled. All the customary rights about, land grazing, water etc. actually are built around the tola. I know in some states, and very often the people of a same community live in a same tola or in a same mohalla or same dhani. Generally one will not find a pandit living next to a dalit household. A pandit mohalla, a yadav mohalla or whatever. Let them form their own gram sabha. How does it effect you, how does it change the nation, so we need to have smaller panchayats. Make the gram sabha supreme, today in most cases, it's basically a consultative body. Today the sarpanch and his cronies basically can pass any resolution that they like.

It's possible to make the gram sabha supreme. Invest in social development since the lack of social capital is the biggest problem we have and I agree with that. Panchayats existed before we talk about them romantically. By and large these panchayats existed around customs, about rituals, very often they were backward looking. They were dominated by old fogies like me, women didn't have any role, young people had no role. Think of the khap panchayat, that's the customary governance structure that people form, except in tribal areas,

where the systems are much more evolved.

And now we want them, to manage a panchayat, a school, we want them to implement NREGA, these are the things they ought to be doing, not only that, we would want them to manage their own sanitation system, their own water supply and so on and so forth. These are modern sophisticated functions; they require a different kind of experience, they require different kinds of skills. So we need to invest in gram sabhas, panchayats, to build people's capacities. The experience of self help groups and cooperatives, tells you both what to do, and what not to do.

I have been to many self help groups (SHGs). Recently in an SHG federation, ensured that a young man who had a relationship with a young woman married her, once that woman got pregnant. He wanted to desert her but the SHG federation said, "listen we won't let you do that. You marry this girl, and they made sure that the young man married this girl." I was in a cooperative, that Vijay and I were initially involved in Kesla. A cooperative of tribal woman, which produces poultry, we were just having a chat with them and what's going on and they said, we just fired our supervisor, and the supervisor is a male, educated and son of a member of the cooperative. And these women until they joined this activity, they used to be wage laborers, illiterates, and they fired him. He was earning three times their income and they fired him. So we asked "what happened" and this fellow by the way was connected with pradhan, and what have you, and pradhan se uski dosti hai. (He was a friend of the headman) They fired him, we said why, they said you know, he absented himself once, and we said "look don't do that", as he runs the feed mill, we gave him a warning, he didn't listen. Next time he absented himself, we gave him a stern warning, and the third time he absented we said "don't come tomorrow", that's the end of it. So, I have innumerable stories that I could tell you of rural illiterate women, and men being able to do amazing things.

So if we invest in the gram sabha, they can learn how to run a school, how to keep the teacher in straight and narrow, how to ensure that the balwadi functions, how to ensure that the PDS shop functions and, how to ensure that

people don't pollute the village, they are all neighbors and don't go around and muck around in the village. So all of that is possible if you could build capabilities of rural poor, illiterate people, so called backward people.

Manishankar Aiyar, who was panchayat raj minister earlier, always keeps talking about, “transfer three F's - funds, functions and functionaries”, then only the panchayats will be effective. Today we people, as I said earlier, that's not the case now, of all these things that, I suggested that need to be done, to my mind, investing in building social capital in social development, probably the single most important thing, even with the present laws about panchayat it is possible that we build the gram sabhas, to make changes. I know of many cases where members of self help groups because of the experience they had of working together, they have gone to the gram sabha. I know of one case and I am sure there are many such cases where they got the Sarpanch to refund the money that he had taken from the local works.

In conclusion

Even within the present system, it's possible because in most cases, ten percent of the members can demand that gram sabha be held on such and such date, and such and such place to discuss such and such thing. So if we invest in people to my mind that is the single most important thing that we need to do. That is what, Ranjit Gupta would have advised us to do, he always supported the idea that citizens need to take responsibility, to build this nation, to invest in other people. His work with AVARD was of that kind. His interest in PRADAN was of that kind, so when I talked with him about this idea of professional's to come in to villages, he unhesitatingly said, great idea, go and do it. And he encouraged any number of young people, who went to IIM, Ahmadabad during the period. When he was there, very large number from Vijay's own batch, large number of sirfiras instead of joining ICICI and all those fancy places, went to work in villages.

Ranjit Gupta was partly the inspiration for that, the whole idea of social entrepreneurship, which he wanted to work on it and continued to talk about it, till he left us. As I bring up this topic, people say, yes, yes karo. But there is

also hesitation, is it possible to amend the Constitution, and in today's scenario, no way, no chance. But I think at some stage, it will happen and if you doubt it, just look back at the experience of right to information. It was decades of struggle by Aruna and many others, today we have a law where by government is required, if it is asked to give information on most things except few clearly defined situations. So we could have right to information law, it is also possible to amend the constitution, and have laws that will encourage the panchayat. I am sure we will get there. Ranjit was a great optimist, so I am.

Thank you very much.

About the Speaker



Deep Joshi is an independent development consultant and Chairman of Institute of Rural Management (IRMA), Anand. He is a well-known Indian social worker and NGO activist. He is recognized for his leadership in bringing professionalism into the NGO movement in India. Deep Joshi received his Masters in Engineering from MIT and a management degree from Sloan School, MIT. He is the Co-founder of PRADAN and BASIX and is on the Board of BASICS Ltd. He worked with Systems Research Institute, the Ford Foundation and has over 30 years of experience in the field of rural development and livelihood promotion. He is highly regarded for his contribution to the NGO Movement in India and also a recipient of the prestigious Harmony Silver Award. He has been an Advisor to the Government of India on poverty alleviation and was also a member of Working Group on Rainfed Areas for the Eleventh Five-year Plan, Planning Commission. He is also a Member of the National Advisory Council. In 2006, Deep Joshi received the Harmony Silver Award for his contributions to society. Ramon Magsaysay Award Foundation (RMAF) announced him, among others as winner of 2009 Magsaysay Awards. On the eve of Republic Day (2010), he was honoured with prestigious Padma Shri award by the Government of India.

Deep Joshi conceived the idea of setting up Professional Assistance for Development Action (PRADAN) and was part of its institution building constellation until his retirement in 2007. PRADAN is an NGO dedicated to promoting rural livelihoods and presently works with about 225,000 families and about 60 percent of them are from tribes, in Bihar, Chhattisgarh, Jharkhand, MP, Orissa, Rajasthan and West Bengal. A distinctive feature of PRADAN is that it systematically inducts educated youth, including professionals, trains them in grassroots work and puts them to work in villages. PRADAN collaborates extensively with government agencies from which it mobilizes most of the finances needed for generating rural livelihoods.

Deep Joshi served PRADAN in various formal capacities, as its Executive Director for two five-year terms, as the director of its Human Resource Development and as its Director, Finance. Prior to that, he worked as a Program Officer in the Ford Foundation, as a senior Systems Analyst at Systems Research Institute (SRI), Pune and as Lecturer in Mechanical Engineering at NIIT Allahabad. He received a Bachelor's degree in mechanical engineering from MNNIT Allahabad, a Masters in mechanical engineering from MIT, USA and MBA from the Sloan School of Management at MIT.

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