

Delegation to Devolution

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Abstract

Decentralisation has always figured on India's policy agenda in one form or other. Its fortunes, however, have fluctuated in response to several factors. Among them the attitude of the centre and the specific socio-political contexts in different states are particularly important. The latter explains, to a large extent, differences in the performance of Panchayat Raj Institutions across states despite the 73rd amendment which has mandated a more or less uniform structure throughout the country. This paper explores the inter-connections among the factors listed above.

Preamble

This paper is based upon a comparative study of devolution/decentralisation (the terms are used interchangeably) in three Indian states, Tamilnadu, Karnataka and West Bengal. The comparison is driven by the hypothesis that the performance of each state in respect of devolution is significantly influenced by factors specific to its socio-economic and political context. As will be discussed at the appropriate places these contexts are born out of developments both in pre-and post-independent India. It is the contention of this paper that any meaningful analysis of devolution in India must situate itself in this broad historical perspective. We set the stage by unravelling in the first place the constellation of forces which have exercised a noticeable impact on the approach to and the practice of decentralisation. While we are in a position to flag a number of issues for examination it has not been possible to treat all of them in the required depth.

Thematic Concerns

The issues and themes of concern in this paper may be summarized as follows.

- What are the principal factors that have shaped the attitude of the Indian state towards devolution?
- How have these evolved over time commencing from the framing of the Constitution?

- How did the respect for the autonomy of the states get transformed into legislating centrally and uniformly for decentralisation for the whole country?
- How are the development paradigm and devolution related and how has this relationship evolved historically since independence?
- At an overarching level what impact has the question of nationalities had on devolution?

In the paper we examine some of these issues in considerable detail but they deserve fuller treatment. This is especially true of the first and last of the issues flagged above.

The principal sources of information for the paper are: earlier studies pertaining to the social and political histories of the states being studied; reports of committees/commissions/white papers relating to local government institutions with particular emphasis on the post-independence period, legislative debates on Panchayat legislations, and interviews with politicians, academics and bureaucrats.

Decentralisation has never been completely absent from India's development agenda. In some form or other it has received varying degrees of attention ranging from securing bare accommodation in the Directive Principles of the Constitution to full fledged constitutional status through the 73rd and 74th amendments in 1992. However, its fortunes have always tended to oscillate in response to a number of factors of which we list the following as being of primary importance.

Possibly the primordial factor is the attitude towards decentralisation when the Constitution was being framed. This is discussed below in some detail, therefore, suffice it to state that the preoccupation of the moment was welding the country together and keeping it as the one nation it had become consequent on colonial rule. There was agreement in the Constituent Assembly that the immediate need was to bring the princely states and British India into a common political and administrative framework. Although the expression was not openly employed the accent was on resolving the question of nationalities. If there was one issue on which there was unanimity it was that of ensuring that India continued as one country and one nation after independence. It should surprise none that in this context when nation-building was seen as the fundamental need decentralisation was not discussed with much zeal. Moving the Objectives Resolution Nehru went so far as to declare that there could be no doubt that India would be a

Republic, it was not open to negotiation but if a princely state wanted to remain a monarchy within the larger framework of a republic that option was exercisable. In fact this does not appear to have been pursued seriously although there were efforts in some princely states in this direction and further in wishing to remain independent. (Constituent Assembly Debates 1946)

Panchayats and the Constitution: the national scene

Recent studies on PRIs start, logically enough, with the 73rd constitutional amendment. This is a landmark event in the history of devolution. However, it is necessary to place this within a historical perspective. Without this it would appear that the amendment descended manna like from heaven and with little prior preparation. A convenient entry point for developing an evolutionary perspective is to dwell briefly on the debates on the nature of the Indian Constitution before it was adopted. In relation to Panchayats or more broadly, making the village the central point of governance there were the following prescriptions/recommendations in the Constituent Assembly.

- a pyramidal structure of governance with village republics as the pivot: advocated by ardent Gandhians but these were not numerous
- a wholesale rejection of the village trenchantly presented by Ambedkar.
- arguing for villages as units of governance but placing this within the overall frame of a modern nation which would utilize technology and science: a view urged by several members with an otherwise conservative bias.
- expressing disagreement with Ambedkar's rejection of the village but cautioning against a romantic conception of the village and envisaging for panchayats a role in the future; a balanced and realistic perception of which the best spokesmen were K.Sanathanam and M.Ananthasayanam Ayyangar. In passing it may be noted that one member N.Madhava Rau, a former Dewan of the princely state of Mysore made a mention of the success of decentralisation in that state although authorities on the politics of the Mysore state like Manor would differ from his assessment. (Manor 1977).

It will be seen that the perspectives on villages as units of governance spanned a wide spectrum from the Gandhian village republics at one extreme to Ambedkar's description of the village as "a sink of localism and a den of ignorance". (Constituent Assembly 4 November 1948). In the Constituent Assembly an attempt was made rather belatedly by Rajendra Prasad, its President to have the "Constitution begin with the village and go up to the Centre" since the village "has been and will ever continue to be our unit in this country". (Austin 1966 p 35). B.N.Rau, Advisor to the Assembly pointed out that this was not feasible since the Assembly had decided in favour of direct elections to both houses at the centre as well as the provinces and that this would be difficult to reverse. In the final analysis even those who advocated panchayats were unwilling to make them the base for an indirect system of government and the amendments they moved did not support the 'decentralization of a Gandhian constitution'(Austin).

In the end panchayats as the foundation for governance were rejected virtually unanimously, the Constituent Assembly opting for a European-American model. However, as is well known a reference to Panchayats was included in the Directive Principles, (Article 40) described by Sudipto Kaviraj (1996) as the "Constitution's basket of ineffectual intentions" and earlier by T.T.Krishnamachari in the following words: "a veritable dustbin of sentiments...sufficiently resilient as to permit any individual of this House to ride his hobby horse into it". The Directive Principles which are not justiciable, have assumed a level of significance not foreseen by the dismissive comments made when they were adopted but it is not argued that they have been fundamental to governance in the language of Article 37. It may also be added that there was not much emphasis put on what Panchayats could achieve or even how they were to be nurtured and promoted.

This was the national scene. At the level of the states some attempts at decentralization took place before independence but in the context of colonial rule there could have been no expectations of local bodies emerging as units of governance. However, in the three states selected for inquiry there was almost continuous engagement with the theme of strengthening local bodies. A difference among the three worth noting is that West Bengal and Madras (present day Tamilnadu) were presidency states but Mysore, the forerunner of present day Karnataka, was a princely state. In all three attempts to decentralize continued after independence but each has followed a quite distinct

trajectory, a fact which can only be explained with reference to state-specific contextuality. At the national level an important forerunner of Panchayats was the commencement of the Community Development and National Extension Programmes.

Decentralisation and the development paradigm

Another major factor influencing the fortunes of decentralisation is the model of development followed at the macro level. This particular aspect of decentralisation has not received adequate attention in the literature which does not appear to discern any meaningful nexus between the two. We posit the view, on the contrary, that the nexus is important. In brief, when an overtly technocentric model of development holds sway it is difficult to envisage a decentralised form of governance accompanying it. One reason is that such a model of development is impatient of delay and does not value people's participation as fundamental to development. (Mathew 1995, Natraj 2000, Gopinath Reddy 2003). It is more likely to assign a place of centrality to the specialist. In this connection it is necessary to remember that although the Indian approach to development initially emphasised the institutional dimension, particularly in agriculture, in overall terms development was orientated towards creating a modern economy with a strong accent on industry and on forging linkages between industry and agriculture. Also over time there was a steady erosion of the institutional dimension and the model became quite explicitly technocentric. It is pertinent to add at this juncture that the creation of a large national market found favour with the indigenous capitalist class. In one sense this class was not averse to a certain level of state intervention and doubtless favoured modernization of the economy and welcomed the infusion of new technology. It may be noted that prior to independence this class of industrial capitalists had prepared what came to be known as the Bombay Plan. It is hardly likely that this class would have had much time for decentralisation but in passing we are tempted to note that one of the country's first great 'modernisers' and 'liberal planners', M. Visvesvaraya did actually pioneer the cause of district planning in the princely state of Mysore. The five year plans which commenced in 1950 were an attempt to blend a Soviet style economy with parliamentary democracy, a major contribution of Nehru's to India's approach to an interventionist regime. In view of the importance initially assigned to institutional factors such as altering the agrarian structure there was some attempt to forge a linkage between the planning process and the Community Development Programmes and later

Panchayat Raj Institutions/PRI. While no remarkable progress was achieved the very fact that these linkages were thought of is in itself significant. An example is the village production plans which were envisaged in the second plan. However, given the thrust of the second plan in particular and the increasing accent on high technology, long term concerns and the mega scale, decentralisation did not, perhaps could not enjoy real primacy. Further, despite the teething troubles of the new republic the country and its leaders did not seem to have suffered from the apprehension that what we in India love to call 'fissiparous tendencies' would lead to a break up of the country. We make this point because in the late eighties this fear appears to have played a not inconsiderable part in prompting the Congress and more especially its then leader, the politically inexperienced Rajiv Gandhi to try and establish a direct conduit between the centre and the sub-state levels.

Political constellation: State autonomy

We should consider next the political constellation. When the country became a republic with its own constitution there was the domination of the Congress party both at the centre and in the states. However, within the Congress there were powerful leaders who were willing at times to cross swords even with Nehru. Over the years this gave way to a configuration where first the hold of the Congress was loosened, 'regional' parties became major players and finally there has emerged in more recent times the era of coalition governments. One result of these changes is that the matrix of union-state and inter-state relations has altered substantially. To this should be added the results of the Emergency (1975-77) which, not unnaturally produced a deep seated apprehension of an all-powerful centre. And it is not mere coincidence that one of the first major non-centre-sponsored attempts at decentralisation took place soon after the Emergency and was initiated by a non-Congress government in West Bengal. A related point is the following. Two major attempts, three if we include the abortive 64th amendment to the Constitution, have been made in India to foster decentralisation. The first was on the heels of the Balvantray Mehta Committee report in 1957. Although a national level Panchayati Raj scheme was announced amidst fanfare no uniform legislation for the states was formulated or even proposed. The next attempts, the 64th amendment in 1989 and the 73rd and 74th in 1992 actually consisted of legislation formulated by the centre mandating a more or less uniform Panchayat structure throughout the country. An interesting feature is the following. Even though the Balvantray Mehta Report was the

result of an initiative taken by the National Development Council - it consisted of the chief ministers of all the states and a subset of union ministers - it made no attempt to suggest a uniform Panchayat structure for all the states. On the contrary there was a great deal of sensitivity towards the views of the states and any overt central interference, even intervention was scrupulously avoided. Strangely when the hold of the Congress was loosened and the states became more assertive players in the political scene a uniform structure was adopted through the 73rd Amendment. It was possibly the result of the absence of tall leaders at the state level especially in the Congress party. Advocates of decentralisation appeared to have felt that the only way forward was through a central initiative. This too is a conundrum not always noticed and not intensively investigated.

These are features which must astonish today's observers and supporters of decentralisation. One, as pointed out above, is the care with which the centre avoided any move that the states might consider as "Union interference". States were not willing to accept any Union-directed Panchayat model. Maddick (1970) has illustrated this with a wealth of material. One instance which he cites is worth recall. In 1954 the Union Ministry of Health (at that point in time the ministry concerned with Community Development) suggested greater uniformity in the various Panchayat Acts. The II Conference of Local Self-Government Ministers resolved that "the central authority should attempt to secure amendments to the legislation in such a way as to bring bills into line with the decisions taken by the conference itself" (Maddick p33). However in the Report of the Committee which formulated the views of the Conference this did not find favour. Again in Maddick's words: "All they were prepared to accept was that the centre should collect and collate information so that it could be supplied periodically to all the states and furthermore they considered it desirable for terms used in the Panchayat Acts of different states to be standardized" (Ibid). We find the same 'decentralised approach' to decentralisation when the Balvantray Mehta Report was adopted by the National Development Council. While the general principle of empowering popular representative institutions was accepted it was also agreed that the "precise manner in which the principle was to be applied was essentially a matter for the states to consider. *Each state should work out the structure which suited its conditions best; consequently there was no need to insist on uniformity between the different parts of the country*" (emphasis added : Resolution of the NDC, 12 January 1958 quoted from Maddick p 60). It was repeatedly emphasised that there should be no rigidity in the pattern of Panchayati Raj given the size

and diversity of the country as also the complexity of the Panchayat system. The essence was that there should be genuine transfer of power to the people. How and why this metamorphosed into a centrally mandated uniform structure is a subject of importance. Before parting from this theme we may take note of the fact that even in those days when Panchayati Raj was in its infancy political parties had discerned in decentralisation the possibility of furthering the spoils system. One observer, H.C.Mathur wrote: “a committee appointed by the Congress party after careful consideration recommended that the units of the Congress organisation in Rajasthan should be parallel to the three tiers of Panchayati Raj” (1962).

One important inference that emanates from the foregoing is that from the beginning of the discussion on Panchayats the primacy of the states in this sphere was recognised. And this despite the domination of the Congress at the centre and in the states. It is arguable that this sensitivity towards the states’ rights resulted from the quality of the leadership at the centre and in the states. Congress domination did not mean that the states’ voice was completely stifled. As briefly adverted to above there were strong leaders in the states who enjoyed mass following and the respect of the central leadership. To this may be added another actor which, in our view, is of considerable relevance. We have argued that one of the first tasks of independent India was to consolidate the country into one nation and in the process attempt to grapple with the question of nationalities. This question, naturally, applies more to the domain of the states than to the sub-state level. This is not to suggest that the nationalities issue is settled. That is self-evidently not true and there are movements and at times struggles in some areas for carving out new states. Yet it is an eminently sustainable argument that the issue of nationalities largely concerns the states and generally does not affect the levels below it. This must have been yet another reason for decentralisation to be regarded as quintessentially a state subject. This process would have been assisted by the manner in which the Constitution was drafted and adopted wherein India was officially declared “a union of states” from which it has been argued rightly that without the states there can be no union (Ashok Mitra 1983). We may pause here and remark that in a fundamental sense the states in India represent what may be termed first order decentralisation. It is not referred to as such; indeed it is not even regarded as being so because of the fact that from the inception of the Republic the states were recognised as constitutional entities. Almost

axiomatically it follows that the structure below the state level was perceived to be a state concern.

A point that has some relationship with what has been discussed is that most states in India had had some experience of decentralisation prior to independence. For obvious reasons the attempts could not have been very satisfying but they were made. As a result each state had developed its own devolutionary trajectory and orientation. These experiences quite expectedly led each state to pursue its own model after decentralisation became accepted national policy. In our own states where the study has been carried out the compulsions assisting/hindering decentralisation are seen to have been anchored in the socio-political environment specific to the state. We go further and argue that this context-specificity explains to a large extent why even the 73rd Amendment with its thrust towards uniformity has actually not produced similarity in results.

Over time far reaching changes had taken place in the country's political configurations as well as in the approach to development apart from major developments in the global context. Taking the last one first the centre stage came to be occupied from the eighties onwards by transparency, accountability and good governance. And participation was considered an essential ingredient of good governance. Decentralisation was thought to be an important associate of participatory good governance and was advocated by the Fund-Bank combine. In passing it may be remarked that sometimes we find an uneasy coalition advocating decentralisation, each subset for its own reasons. (Manor 1995). This also coincided with a strong critique of the development paradigm practised till then with its thrust towards the large and mega scale and with abundant faith in high technology. This paradigm was critiqued for being both people- and environment-unfriendly and this too strengthened the movement towards alternative development paradigms. These, by virtue of being more people-and eco-friendly as well as conscious of the human costs of development, were more attuned towards people's participation. Thus there occurred a blend of factors which, not always by design, coalesced into a strategy supportive of decentralisation. Not to be forgotten are the repercussions of the disappearance of the Soviet Union which, among other things, weakened the case for dirigiste regimes. This cataclysmal event, apart from rendering the world politically virtually unipolar also served to make the case for economic interventionism apologetic.

In the state-specific scenario, in Tamilnadu, for instance, there is a strong perception that what the union government has achieved albeit in the guise of decentralisation is in fact more centralisation. While this is not a view shared by most states it is nonetheless a fact that the entire issue of decentralisation can be seen as a contested terrain between the centre and the states. For example there is a view that the powers conferred upon PRIs are those that belong legitimately to the states. Hence in this perspective the whole exercise of decentralisation is often presented as a centralizing device. The aborted 64th amendment is often offered as an illustration of this phenomenon. The disputed issues in the union-state matrix are manifesting themselves in the states-PRI relations. Both sets of disputes, more correctly to be described as contestations, are fundamentally reducible to claims of legitimacy. Here again the attitude of states towards devolution has been and continues to be influenced by the degree to which they perceive it as an instrument of enhancing legitimacy although this should not be construed as suggesting that the pursuit of power is the only reason for states feeling enthusiastic about decentralisation. Finally, throughout its post-independence history devolution has been employed in two distinctive ways. One is as an agency of development work, the other as a political institution. And from the late fifties to the present we find that Panchayats have been made to oscillate between more of one and less of the other the nature of the blend being dependent upon the political context.

Devolution in evolution

To return to the macro level the best known early national initiative was the Balvantray Mehta Study Team which reported in 1957 and recommended a two-tier panchayat raj model the units being at the block and village levels. Heralded as the beginning of a new epoch Panchayati Raj did receive some attention from a few state governments but the momentum was soon lost. The performance was patchy and uneven. As the successor Ashok Mehta Committee noted in 1978 Panchayati Raj passed through three phases: ascendancy (1959-64), stagnation (1965-69), and decline (1969-77). The Ashok Mehta Committee recommended, *inter alia*, that a suitable provision would have to be introduced into the Constitution to make possible transfer of substantial powers to PRIs. The Committee recognized that devolution to PRIs should be accompanied by greater devolution from the Union to the States but found this to be outside its terms of reference. (Incidentally not much attention is given to this aspect in discussions on devolution, that is, the need to set the question of devolution to PRIs, against the canvas of the Union-State equation). However, there was the recommendation that the Government of India

should carefully consider the matter and the Committee invited particular attention to a document prepared by a group of 21 eminent citizens which included a draft amendment to the Constitution.

The Ashok Mehta report was more explicit than the Balvantray Mehta report in treating PRIs as units of governance and dynamic agents of development. In its words: “Panchayati Raj is both a living continuum and also a unit of democratic self-management at the rural local level. The dual status is natural as well as desirable, once it is recognized that Panchayati Raj is a sub-system in relation to the democratic polity in the country and will also develop the potential of becoming a political system at the rural local level for the complex of transferred activities”. A continuing theme in the report is the need to devise a devolutionary system which would be fully in consonance with the emerging needs of the economy. We find also a great deal of emphasis on space-sector integration and in doing so the Committee followed the growth centre strategy based to a large extent on the growth pole and Central Place theories which were gaining ground in India in the seventies. It is also noteworthy that the report spoke of the emerging nexus between the rural and urban areas and indeed provided for this development in its scheme of electoral representation.

It is appropriate at this point to ponder over the reasons for the differences between the two reports. A proximate reason was that the latter committee prepared its report against the immediate backdrop of the Emergency. One of its effects was to impart an acute awareness of the potential dangers of a strong centre and *pari passu* for developing other loci of power which would act as a check against this. The assertion of power by the states as also the demand for more resources and power to be devolved from the Union, although present earlier, gained in strength after the Emergency. To this should be added the impact of the changes which had been taking place in relation to the development model itself. In the late fifties the approach to agricultural development, with obvious implications for rural development in general, took a decisive turn towards the explicitly technocentric thus underemphasizing the institutional. It is possible that this shift, culminating in the Green Revolution, had the effect of diluting the importance of a participatory structure of rural development and governance. Technological hegemony is likely to be impatient with structures and processes which are perceived to be slow and cumbersome. At a more fundamental level technological primacy is unlikely to recognize

the need for deliberation of alternatives through a democratic dialogic process. (Mathew op.cit.). This may explain why Panchayati Raj stagnated from the mid sixties and even in its phase of ascendancy PRIs were considered more as agencies of development rather than units of governance. By the mid seventies there had begun some degree of skepticism about the claims advanced on behalf of technology as the principal solvent of the country's socio-economic problems. That realization must have contributed to the orientation of the Ashok Mehta Committee's recommendations. One of the central features of the Ashok Mehta report is the constant attempt to blend in PRIs both a development and a political role. All of which reinforces an observation made by the Committee to the effect that there was a lack of clarity regarding PRIs which were seen as an "administrative agency", "extension of democracy to grass root level", and a "charter of rural local government". And the Committee remarked insightfully: "what is all the more intriguing is that all these conceptual images would co-exist side by side tending to militate against each other in the short-run". This in turn may be juxtaposed with an earlier observation made in this text that in the deliberations of the Constituent Assembly too these somewhat conflicting perceptions were present and were ultimately papered over by bringing Panchayats under the ambit of the Directive Principles.

Towards the Constitutional amendment

The Ashok Mehta Committee's recommendations did not alter the fortunes of PRIs all at once. Their principal positive impact was in *states which had their own compulsions and motivations for devolution*. There was nothing by way of a countrywide fervour for devolution. The next discernible policy shift at the central level took place in the eighties. Towards the end of the decade the Union government introduced an amendment to the Constitution to confer the status of units of governance on PRIs and Urban Local Bodies/ULBs. Before discussing the amendment it is necessary to examine the background and the events leading up to this. To begin with major transformative changes were taking place in the economic front like the New Economic Policy bringing in relaxation of controls and opening up the economy internally as well as externally even prior to the formal adoption of Structural Adjustment which occurred in 1991. At the global level there were major developments which may be briefly summarized as follows (Nunnenkamp: Manor: White: 1995)

- collapse of the Soviet Union which weakened the rationale of interventionist regimes
- emergence of the New Political Economy with its strident insistence on ‘market friendliness’ and a dilution of the state’s role (Dasgupta 1997)
- a disenchantment with ‘large governments’ to which the state as an institution contributed by virtue of its negative image
- increasing emphasis on ‘transparency’, ‘accountability’ and ‘participation’ in governance
- Structural Adjustment advocated by the Fund and Bank with emphasis on reduction of subsidies and more generally a ‘smaller state’.

It is arguable that this constellation of factors exercised influence over India. Disaffection with the State was becoming rapidly evident. Rajiv Gandhi who became prime minister in 1984 was convinced that the centralized mode of governance had failed to deliver the goods and that as a result out of the resources earmarked for development only a pitifully meager proportion reached the intended beneficiaries. He was assisted by the fact that he was a ‘greenhorn’ in politics which gave him the courage to speak approvingly of the way devolution had been attempted in states ruled by non-Congress parties like West Bengal and Karnataka. In addition he was able to see in devolution a mechanism through which a direct conduit could be established between the centre and the sub-state level commencing from the district. The ruling party proposed the 64th amendment to the Constitution with the main objective of conferring constitutional status on Panchayats. What were the possible motives that prompted Rajiv Gandhi to constitutionalise decentralisation reforms in the late 1980s? Reasons behind such moves were both manifest and subtle. As Bandyopadhyay (1999) analyses incisively, initially Rajiv Gandhi was looking for some efficiency-enhancing administrative reforms that would address the problem of widespread inefficiency and callousness among administrators towards their developmental tasks at the district level. But soon it became clear to him that “if our district administration is not sufficiently responsive, the basic reason is that it is not sufficiently representative” (Rajiv Gandhi’s remarks at a workshop on ‘Responsive Administration’, as quoted in Bandyopadhyay, 1999, p.71) Therefore, some mildly reformist tinkering with the system would no longer suffice; a more fundamental change

was in order at the district and sub-district levels – from a bureaucratic administration to a ‘representative and responsive elected system of governance’.

But beneath these overtly reformist concerns of the then Prime Minister lay, Bandyopadhyay (1999) helpfully speculates, another set of reasons shaped by crafty political calculations. These were turbulent periods for India, rocked by militant movements in different parts of the country. This was also the time when in the wake of the rise of non-Congress political forces, the so-called ‘opposition’ Chief Ministers (for example, the puissant leaders like Jyoti Basu, Ramakrishna Hegde and N. T. Rama Rao) were clamouring for greater devolution of power from the Centre to the States. Faced with growing challenges from sub-national power centres, Rajiv Gandhi pushed forward the plan of creating new constitutionally-mandated power centres at the sub-state level that would in their turn make similar demands on chief ministers for a greater share of State powers. In other words, the Centre wanted to strengthen PRIs so that State governments would find themselves in the same position vis-à-vis the panchayats as the Central government vis-à-vis the States.

Many other respected commentators on the subject corroborate this line of analysis, by affirming that the constitutional amendment was intended to bypass State governments and introduce direct links between the Central government and 300 odd districts. One senior bureaucrat suggested in an interview that there was indeed a charge against Rajiv Gandhi that he wanted to reduce powers of Chief Ministers through what came to be known as the ‘PM to DM’ strategy. (from the Prime Minister to the District Magistrate/also known as the Collector or the Deputy Commissioner who is the administrative/revenue head of the district). The latter would remain loyal to the PM, Rajiv Gandhi surmised, through the network of centrally sponsored schemes. A former influential minister from the State of West Bengal alluded to similar political intentions when he noted that the centrally-sponsored decentralisation programme is part of a legacy of centralism begun by Indira Gandhi which sought to ‘chop up State governments and pass on power to districts’, as a way of maintaining a strong centre.

Yet the 64th had a rough passage in Parliament and ultimately failed to become law. Partly the explanation lies in the package which Rajiv Gandhi proposed along with the amendment. This was the famous PM-DM package adverted to above which, in his view,

would clear the conduit between the Prime Minister and the District Magistrate. The passage had got clogged thereby rendering the system impervious to the needs of the common man. In all likelihood he also saw in the direct conduit from the centre to sub-state levels an opportunity for expanding the sphere of patronage for himself and his party. It was possibly this package which made the states see red and sense in the amendment an attempt actually to centralize, above all it appeared to bypass the states. The amendment was received with hostility in the lower house of Parliament. There was acerbic debate on whether it was constitutionally permissible for the Union to legislate on Panchayats which figure in List 2 of the Constitution and is the domain of the states. Hardly any party was sympathetic to the amendment except of course the Congress. In the end the amendment failed to secure the necessary majority in the upper house and had to be dropped. Some scholars were critical of two of the Bill's orientations, one was that the states would be by-passed and the other that the uniform structure which it sought to introduce was unnecessary. In particular it was argued that those states like West Bengal and Karnataka which were operating the PR system quite well would now be compelled to restructure it with little advantage to them. For all the reasons sketched here the amendment could not become law. (Chandrashekar 1989, Ghosh 1989)

The situation altered in just a few years. In 1991 the government once again brought in a draft amendment to the Constitution. The arguments which were advanced against the earlier aborted legislation were not in evidence on this occasion. When the amendment was finally passed in December 1992 by the lower house after the joint select committee had vetted it the principal arguments were around the following issues.

- direct versus indirect elections of members and chairpersons
- mandatory reservation for backward classes
- providing for a connection between the state finance commissions and the national Finance Commission
- representation for members of parliament and legislatures in PRIs

Further, many members were insistent that adequate safeguards should be provided to ensure that local bodies, rural as well as urban, would not be starved of funds. A suggestion was made forcefully by a member from West Bengal that the Constitution

should confine itself only to three aspects of PRIs: regularity of elections, reservations for Scheduled Castes, Scheduled Tribes and women, and constitutional sanction for devolution of power through a separate list. It was also urged that on all other matters the state legislature should be given a free hand to decide according to “suitability, convenience and regional needs”. However this did not attract much support. Even the issue of a uniform three-tier structure was not debated when the house adopted the amendment. During interviews with senior bureaucrats who participated in the framing of the amendment it was learned that the focus was on getting the amendment through even if it meant not having an ideal legislation. One result of this was that issues on which a consensus proved elusive were left to the discretion of the states. In the words of a senior bureaucrat who had a hand in drafting the amendment the then prime minister cautioned against aiming for the ideal act, he thought it prudent to accept compromises so as to ensure that the basic objective of making PRIs constitutional entities was achieved. This can be regarded as an excellent example of not letting the best come in the way of the good. (Interview in Bangalore 16 May, 2002)

How is it that the 73rd had a smooth passage while its predecessor, the 64th, encountered hostility and that barely three years previously. And as legislations they are practically identical. Two factors immediately suggest themselves as plausible explanations. In the first place the PM-DM package which accompanied the attempted 64th amendment was not present when the 73rd amendment was introduced in 1991. That might have served to take away some of the heat which was generated earlier. Secondly, a major change had occurred in the macro sphere with the formal adoption of Structural Adjustment in 1991 soon after the new government took office. It is arguable that this event may have led to the emergence of a more diluted state in the minds of political leaders. Moreover if we juxtapose the adoption of SAP with the post-Rajiv Gandhi political situation it is plausible that a conception of a union government very different from what the country had got used to was taking shape. State governments which were already straining at the leash must have felt a further wind of change blowing. Also the amendment, by virtue of leaving several matters to the discretion of the states, must have been perceived as not being particularly harsh in terms of eroding their autonomy. Complaints were heard then as they are today that the centre has not really decentralized and what it has done is mostly at the expense of the states. There is some element of truth in this criticism but all in all the states’ perceptions were nowhere as negative as when the earlier amendment

was introduced. Part of the answer would lie in their assessment of their strength *vis a vis* the centre in relation to the dynamics of political power sharing.

An additional factor of importance is that by this time the credibility of the state as an institution had taken a nosedive. This was in many ways a global phenomenon, a state of affairs which is best described by Manor as a feeling that centralized governance had failed (op.cit). This could have had an unsettling effect on actors in the centralized governance structure. They may have thought this an appropriate time to get those at lower territorial levels to share responsibility. This reading should be juxtaposed with another striking coincidence which is in fact more than coincidence. And that is that the fortunes of devolution, indeed those of decentralization itself, have tended to fluctuate with the prevailing development paradigm. This point has been made above but it needs to be reiterated. It cannot be mere serendipity that along with the loss of credibility of the state and skepticism about the technocentric model of development there also developed some acceptance of a decentralized mode of governance. Not to be by-passed is the warm endorsement of decentralization by the Fund-Bank twins.

Conclusion

The 73rd and 74th amendments to the Indian Constitution are landmark events by dint of conferring on rural and urban local bodies constitutional status with a view to making them “institutions of self-government”. The 73rd amendment mandates a uniform structure of Panchayat Raj Institutions (PRIs) for the country with a few exceptions. However, despite the uniformity imposed by the Constitution variations in performance, noticeable prior to the amendment, continue to persist across states. Whereas earlier these differences were attributable to that hold-all term “lack of political will” the new status might have been expected to ensure a reasonable degree of uniformity. But variations are seen with respect to several important areas. This is compounded by persistent differences in regard to the zeal with which powers are devolved upon Panchayat Raj Institutions (PRIs) and this obviously requires examination. Data on the status of PRIs across states shows differences particularly with respect to the commitment in satisfying the spirit of the legislation. A fruitful line of inquiry which has suggested itself is to seek part of the explanation in factors which are specific to the context of different states. This is arguably probable given that some states had shown more

commitment to devolution than others before the conferment of constitutional status on PRIs. In fact the post-independence history of rural local bodies brings to relief important differences in commitment and approach across states. Equally relevant is that from the late seventies onwards there has occurred a paradigm shift in the Indian political scenario with the virtual disappearance of one party domination at the center and the emergence of governments of various hues in the states and the growing importance of 'regional parties'.

The principal focus of the study was on devolution of power and authority as distinct from delegation of functions from the state to the local level. Delegation of functions transforms itself into devolution of authority only when the former is accompanied by resources, financial as well as human and political authority. An alternative way of expressing this is that devolution is in essence a philosophical concept and it is the conferment of powers and resources that enables the translation of the concept into reality. In inquiring into devolution our objective is not confined to flow of funds from the state to the sub-state levels relevant and important as that is. We have delved into the question of autonomy enjoyed by the PRIs. This quite naturally leads to an inquiry into the domain of citizen-state relationship as it unfolds in changing contexts. In our view an intensive investigation into devolution must necessarily be preceded by an equally strong inquiry into context specificity. Also dividing devolution into separate compartments such as political, administrative and financial, while presenting a neat and elegant taxonomy, fails to capture the inter-connections among these components. And in the ultimate analysis devolution is quintessentially a political process and can be meaningfully studied only in that perspective. This is why devolution is specifically treated as the conferment of functions and powers on democratically elected local bodies in contradistinction to mere delegation of functions which can have a centralizing effect on the system and can represent at best only functional deconcentration. Therefore, the paper analyses devolution in a comparative and evolutionary perspective.

The paper demonstrates how in the past few decades most of the initiatives for devolution have come from the Centre. This is in contrast to the situation in the 50's in particular, when as discussed above, there was a great deal of concern about respecting the sphere of action of the states. In this context it may also be noted that the Ministry at the Centre dealing with decentralisation has also undergone several changes. To begin with, the

Ministry of Health was put in charge of Community Development programmes which in a way may be regarded as one of the forbears of the Panchayat system. A major change occurred in the 60s when community development was brought under the Ministry of Food and Agriculture, a step which George Mathew suggests was an affirmation of the dominance of technology over institutions [Mathew, op.cit.]. However after the 73rd Amendment the situation has altered radically. In 2004 a separate Ministry for Panchayati Raj was created. In addition most state governments either have a separate ministry for panchayati raj or it is combined with rural development.

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