

# **PANCHAYATI RAJ AND HEALTH**

Proceedings of the Seminar

Editor  
SUJATHA RAO



Foundation for Research in Community Health  
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## Foundation for Research In Community Health

Bombay Office : 84 - A. R. G. Thadani Marg,  
Worli, Bombay - 400 018.  
Maharashtra, INDIA

Pune Office : 3 - 4 Trimiti - B Apartments  
85, Anand Park,  
Aundh, Pune - 411 007  
Maharashtra, INDIA.

DE-110

NO 5351

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## FOREWORD

Despite pursuing a policy of Western style industrialization following Independence 74 % of our population continues to live in 650,000 villages in rural India and another 10% in the urban slums. This mode of development, which has created pockets of urban and rural affluence, has bypassed the poor and polarized our society. It has created social tensions which now threaten our entire polity. It has also brought in a culture of materialism so alien to our civilization and its values.

There is a great deal of disenchantment with this process of development which is now being further foisted on us by foreign powers as a result of our indebtedness to them. This concern has created the need for an alternative model which would be in keeping with the social, economic and cultural needs of our people.

Such a model, in the form of Panchayati Raj, has been a part of our national heritage. Decentralized, small-scale, people-based and people-involved form of life and development, using the rich and varied human and natural resources that abound in the vast land that is ours, has been a part of our native structure. In such a structure, except for a few national objectives like foreign policy and defence, other aspects concerning the people do not lend themselves to a centralized, uniform type of government or planning.

Fortunately for India, the democratic form of our polity also lends itself to a return to this form of governance and development. This is a result of the remarkable foresight which gave our people universal franchise at Independence. The power of votes is a silent revolution whose magnitude we still do not appreciate. The 72nd Amendment of the Constitution is a direct result of the exercise of people's power as a result of their votes. This is despite four decades of failure to provide them education and keeping them deprived of basic needs and information about their rights as citizens of a democracy.

The conceding of Panchayati Raj under the duress of the vote can only be the first step in the people regaining ability over their own destiny. The transfer of administrative, even of financial power, means little unless accompanied by sufficient financial resources. This can be done, initially, by increasing the present paltry allocation and later, by utilization of locally generated resources in a more equitable manner.

While 29 areas of social and economic development have been allocated to Panchayati Raj under the 72nd Amendment this cannot be achieved unless the people are informed about the details of each of these programmes as well as about Panchayati Raj itself. The essence of Panchayati Raj is involvement of all the people at every level and their say in all matters concerning their own and country's welfare. The present method of seeking co-operation of the people to fulfil government plans and programmes through a top-down bureaucratic service is the very anti-thesis of Panchayati Raj. The bureaucracy is to support and work under the *panchayats* who would pay them for their services. Since intense personal interaction is the essence of this system of Panchayati Raj and since this ceases beyond the Block or *Taluka* level, Panchayati Raj cannot, by any stretch of imagination, extend beyond the *Panchayat Samiti* level, i.e. a two tier *Gram Panchayat* and *Panchayat Samiti* level. The *Zilla Parishad* at the District level was only an invention of the British for maintaining law and order and collection of revenue by their bureaucracy, while distancing themselves from the people they ruled. To impose a three-tier system as the unit of Panchayati Raj would be the perpetuation of the process of exploitation of the people under the guise of administrative convenience. This does not

exclude co-ordinating functions at various levels.

The regaining of appropriated power by the people will have to be supported by public information, sharing of successful experiences and, above all, by continuous monitoring of elected representatives with the possible insistence of the right to recall. In this, motivated individuals, organizations of the people and NGOs will have to play an important role.

Dr. N.H. Antia

July 1994

Director

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## LIST OF PARTICIPANTS

**Dr. Abraham Nalini**  
DANIDA  
11, Aurangzeb Road,  
NEW DELHI 110 011.

**Dr. Antia N.H.**  
FRCH,  
84-A, R.G.Thadani Marg,  
Worli Sea Face Corner,  
BOMBAY 400 018.

**Dr. Arora Rashmi**  
Assistant Director  
Div. of Epidemiology, ICMR,  
P.B.No.4508, Ansari Nagar,  
NEW DELHI 110 029.

**Dr. Awasthi Ramesh**  
FRCH, 3/4, Trimiti-B, Apartments,  
85, Anand Park, Aundh,  
PUNE 411 007.

**Dr. Banerjee Shipra**  
Rural Medicare Society  
Ward No.6, Peelkhana, Mehrauli,  
NEW DELHI 110 030.

**Prof. Banerji Debabar**  
Nucleus for Health Policies & Progs.  
B-43, Panchsheel Enclave,  
NEW DELHI 110 017.

**Dr. Bhargava B.S.**  
Inst. for Soc. & Eco. Change  
P.O. Nagarbhavi,  
BANGALORE 566 072.

**Ms. Bhat Ela\***  
SEWA Reception Centre,  
Opp. Victoria Gardens,  
AHMEDABAD 380 001.

**Mr. Chauhan Devraj**  
Economist  
71, Gold Mist, Gulmohar Road,  
J.V.D.P., Circle, Juhu Scheme,  
BOMBAY 400 049.

**Dr. Desai A.R.**  
Sociologist  
Jai Kutir, Taikalwadi Road,  
Mahim P.O.,  
BOMBAY 400 016.

**Prof. Desarda H.M.**  
Member  
State Planning Board,  
60, Mahajan Colony, CIDCO No.2,  
AURANGABAD 431 210.

**Gadgil Madhav\***  
Centre for Ecological Sciences  
Ind. Inst. of Science  
BANGALORE 560 012.

**Mr. Kavadi Shirish**  
FRCH, 3/4, Trimiti - B Apartments,  
85, Anand Park, Aundh,  
PUNE 411 007.

**Mr. Krishnaraj**  
Economic and Political Weekly  
Hitkari House  
2874, Shahid Bhagat Singh Road,  
BOMBAY 400 038.

**Dr. Mandlekar V.B.**  
Retd. IAS  
Flat No.5, Juhu Society,  
Relief Road, Daulat Nagar,  
Santacruz (W),  
BOMBAY 400 054.

**Prof. Mutatkar R.K.**  
Dept. of Anthropology  
Pune University,  
PUNE 411 007.

**Dr. Prabhu Seeta**  
Dept. Of Economics  
University of Bombay,  
Vidyanagari Marg, Kalina,  
BOMBAY 400 098.

**Ms. Prakash Padma**  
Economic and Political Weekly  
Hitkari House  
2874, Shahid Bhagat Singh Road,  
BOMBAY 400 038.

**Dr. Raghuram Shobha**  
HIVOS Regional Office India  
Flat 402, Eden Park,  
Vittal Mallya Road,  
BANGALORE.

**Mr. Rao Sheshagiri**  
Centre for Ecological Science,  
Indian Institute of Science  
BANGALORE 560 012.

**Dr. Rao Sujatha**  
FRCH  
84-A, R.G. Thadani Marg,  
Worli Sea Face Corner  
BOMBAY 400 018.

**Mr. Duggal Ravi**  
SWISSAID India  
Bldg.4, Flat 408,  
Vahatuk Nagar, Amboli,  
Andheri (W),  
BOMBAY 400 058.

**Prof. Dutta Gourli Pada**  
MLA, West Bengal,  
43, Sarat Bose Road,  
4th Floor,  
CALCUTTA 700 020.

**Dr. George Jose**  
Dept. of Political Sc.,  
University of Bombay,  
Vidyanagari Marg,  
Santacruz (E),  
BOMBAY 400 001.

**Mr. Godrej N.P.**  
Godrej Bhavan,  
Homi Modi Street,  
Fort,  
Bombay 400 001.

**Dr. Gulati I.S.**  
Centre for Development  
Studies,  
Prasantnagar Road,  
Ulloor,  
TRIVANDRUM 695 011.

**Mr. Hazare Anna\***  
Ralegan Siddhi  
Tal. Parner,  
Dist. Ahmednagar,  
MAHARASHTRA.

**Dr. Jesani Amar**  
310, Prabhu Darshan  
31 S, Sainik Nagar, Amboli,  
Andheri (W),  
BOMBAY 400 058.

**Mr. Kothari Rajni\***  
G 1/10, Lajpatnagar Part 1,  
NEW DELHI 110 024.

**Dr. Krishnaswamy K.S.**  
Banashankari 2nd Stage  
1706, 14th Main, 30th Cross Road,  
BANGALORE 560 070.

**Mr. Kulkarni Mangesh**  
11-C, Saraswati Baug,  
Jogeshwari (E),  
BOMBAY 400 060.

**Dr. Shetty S.L.**  
EPW Research Foundaton  
C-212 Akurli Industrial Estate,  
Kandivli (E),  
BOMBAY 400 101.

**Dr. Sharma T.P.**  
Health & Family Welfare  
Project  
H-31, Nishat Colony,  
BHOPAL 462 003.

**Ms. Shashikala K.**  
Institute of Social  
Studies Trust,  
57, Gayatri Devi Park Extension,  
16th Cross Road, Vyalkaval  
BANGALORE 400 012.

**Mr. Shroff K.C.**  
Excel Industries Limited  
184/87, S.V.Road, Jogeshwari,  
BOMBAY 400 102.

**Mr. Suratwala S.R.**  
Sir Dorabji Tata Trust  
Bombay House,  
Homi Modi Street,  
BOMBAY 400 001.

**Mr. Tendulkar Vijay\***  
206, Badridham,  
S. Janaki Road,  
Vile Parle (E),  
BOMBAY 400 057.

**Mr. Unakar D.J.**  
Excel Industries Limited,  
184/87, S.V.Road,  
Jogeshwari (W),  
BOMBAY 400 102

**Dr. Uplekar M.W.**  
FRCH,  
84-A, R.G. Thadani Marg,  
Worli Sea Face Corner,  
BOMBAY 400 018.

\* These persons were unable to attend the seminar due to unavoidable circumstances.



## PANCHAYATI RAJ AND HEALTH

### *Proceedings of the Seminar*

A two day seminar on 'Panchayati Raj and Health' was organised by the FRCH in Bombay on 9-10 April, 1994. The seminar was called against the backdrop of the recently released book *People's Health in People's Hands : A Model for Health in Panchayati Raj* by N.H. Antia and Kavita Bhatia and the notion that is gaining increasing ground that the structural framework for the delivery of health care must undergo a meaningful reorientation if the Eighth Five Year Plan objective of health for the under privileged is to be achieved. Central to the book was the advocacy of the idea that the Panchayati Raj (PR) system can be used as an effective instrument for eliciting community participation in the health programme and for providing supervision, which is essential for health care.

The participants in the seminar represented diverse disciplines and included doctors, sociologists, social workers, economists, political scientists and civil servants.

In his opening remarks Antia noted that politicians have conceded and not willingly given power to the people in the form of PR as a result of universal adult franchise. Since the present centralised system has failed to deliver the goods, the people have to demand change instead of succumbing to the TINA (There Is No Alternative) effect.

Briefly tracing the history of PR in Kerala, I.S. Gulati noted that, while it is true that Kerala has surged ahead of the rest of the country in terms of life expectancy, reduction in mortality rates and achievement on the family planning front, it is doubtful whether these achievements can be attributed to local self-government. According to him, elections to the PR institutions in Kerala have depended on the whims of the state administration. The District Administration Act of 1979 somewhat strengthened the power of the PR institutions and so expectations were high when PR elections ensued. Between 1980-88 no PR elections were held in Kerala. However, when the UDF came to power in 1991, 30 out of the 44 functions originally listed for District Councils were immediately withdrawn from their purview. Thus, the District Councils were forced to function without power.

The recent PR Bill of Kerala gives the state government draconian power over the PR institutions. For example, the Bill provides for the appointment of a Commissioner at the state level and Deputy Commissioner at the district level to control and take action against erring PRIs. The PR members can be dismissed or disqualified by the Commissioners and the *Panchayats* themselves can be dissolved if the Commissioner finds them to be in default. The Bill also makes a distinction between mandatory functions of the PR institutions and functions which would be transferred to these bodies subject to the availability of resources. Public urinals and latrines are the only health-related areas listed among the 31 mandatory functions for *Panchayats*, while more important functions, including management of government dispensaries and maternal and child welfare centres, are to be under government control. Thus, an opportunity to pass power to the village *panchayats* in managing their own health was bypassed.

A brief review of the Kerala situation indicates that the road to effective decentralisation is far from smooth, given the unwillingness of the political leaders and bureaucracy "to shed, leave aside share power". In this context, Gulati noted how NGOs, in a bid to further their own interests, have often acted in collusion with the bureaucracy and the politicians and circumvented the local bodies instead of strengthening them.

K.S. Krishnaswamy said that the experience of Karnataka largely substantiates what Gulati said of Kerala, but is even more worrisome. This is because, while PR has not really had a start in Kerala, in the case of Karnataka, having once been brought into existence, PR institutions are in the process of being destroyed.

Karnataka has a long history of PR beginning with the Mysore Village Panchayat and Local Boards Act. However, the autonomous structure of PR institutions envisaged in the 1950s failed to shape up. Thus PR institutions in Karnataka were not self-governing bodies, but controlled by the state bureaucracy. The village *panchayats* were superseded on grounds of maladministration and by 1980 there was no effective PR in Karnataka. The Janata government's Karnataka Nyaya Parishad Act of 1983 (which received Presidential assent in 1985) paved the way for elections in 1987. While this Act made clear reservation for women and other weaker sections in the PRIs and led to the appointment of a Finance Commission under the chairmanship of Havanur, in actuality, only developmental functions specifically identified by the state government were transferred to the PRIs. The departmental officials who carried out the functions in *Panchayat* related areas were servants of the state government and were not accountable to the PR institutions.

The years that followed saw the fall of the Janata government and return of the Congress party to power. The new Congress government introduced a number of amendments aimed at curtailing the power of the PR institutions and withdrew several of the functions earmarked for the PRIs and assigned them to state functionaries. The operation of the PRIs was restricted to specific tasks where centrally sponsored schemes had to be implemented at the village level. Simultaneously, through a series of ingenious moves, the Karnataka government managed to halt the *panchayat* elections despite judicial orders to the contrary. The plea that the law and order situation was not conducive to the holding of elections has also been used to stall the PR elections. Though Karnataka had passed the model legislation in 1983 a subsequent legislation in 1993 drastically decreased the power conferred on the *panchayats* under the earlier Act.

A quick look at the working of the PR system in Karnataka indicates that the increasing power of the bureaucracy and the nexus between them, the contractors and the politicians have acted as a strong hindrance to the working of the PR system. The dichotomy of control between the local government and the state functionaries is another feature working against genuine transfer of power to the PR institution. As a result, the role of the local self-government is likely to remain advisory, rather than operative in the real sense. Though the Havanur Commission Report was submitted in 1989, no action has been taken on its recommendations. A disturbing new trend is the demand by the MLAs for access to discretionary funds on the lines of the funds allotted to the MPs. If such a demand is granted it is likely to increase the power of the politicians over the PR institutions.

The Karnataka Act provided for a State Development Council in order to enable the PR institutions to sort out problems with the government. Except during the first year, when the

Council met twice, the state government has not evinced any interest in looking into the problems of PR institutions through further meetings. Thus, it is evident that legislation alone would not be sufficient to make the PR institutions effective instruments of transferring power to the people.

Mandlekar, in his paper entitled 'Panchayati Raj in Maharashtra', provided a historical background of the PR system. He noted that sporadic efforts at decentralised development were made in various parts of the country even before Independence. The Rural Reconstruction Programme, started by Maharajah Sayajirao Gaikwad in 1890 in Baroda, the Rural Reconstruction Centres, started by Tagore in 1908 in Bengal, and the Self-help Multi -Purpose Development Programme, started by Spencer Hatch of YMCA in 1921 at Travancore are examples.

Similar attempts continued after Independence, as exemplified by the Nilokheri experiment in Punjab, for rehabilitating the displaced persons from Pakistan, the Sarvodaya Plan, and the Grow More Food Campaign culminating in the Community Development Programme in 1952. The initial success of the Community Development Programme prompted the government to rapidly expand the programme through the National Extension Service (NES) Blocks. However, as years progressed, there was a sharp decline in people's participation in the programme. In January 1957, the Government of India appointed the Balvantray Mehta Committee to study the community projects and the NES with special reference to the problems connected with the organic linking of village *panchayats* with popular organisations at higher levels. The Report of this Committee was to later form the basis of PR in India.

As soon as Maharashtra state came into existence in 1960, a Committee on Democratic Decentralisation was appointed under the chairmanship of Vasantrao Naik. The major recommendations of the Naik Committee were incorporated in the Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961. Zilla Parishads (ZPs) and Panchayat Samitis came into existence in Maharashtra in May 1962. On the basis of the experience gained and recommendations made by the Bongirwar Committee of 1971 and P.B. Patil Committee of 1986, changes have been effected in the PR systems in the state without altering the basic features that have been in existence for over three decades.

According to Mandlekar, some of the important achievements of PR in Maharashtra include identification, promotion, training and growth of leadership from among the rural masses, especially from the backward classes; an overall change in the outlook of the people in accepting improved agricultural practices, family planning and vaccination of children; spread of primary and secondary education, especially among girls and backward classes; reduction in untouchability; vocalisation of rural masses, etc. Contact with the people and their representatives directly in the course of their work has provided an excellent opportunity to young administrators and technocrats to appreciate the working of the development programme at the grassroots level.

Mandlekar listed the shortcomings of the system to include intrusion of political parties, increased groupism on the basis of parochial considerations, and failure of the PR institutions to increase their own resources, resulting in increased dependence on the government, while giving the latter tremendous power to circumvent the very objective of democratic decentralisation.

About 94% of a ZP's total annual income in Maharashtra consists of 'grants' from the state government. The other 6% is its 'own' income and includes government-assigned

revenues such as cesses. Such a system of grants has been designed to serve the government's interest and has almost crippled the ZPs, financially. About 65% of a ZP's income, whether own or through grants, is earmarked for primary education; and 98% of this is utilised for teachers' salaries. Thus, there is very little money available for or spent on equipping schools or improving the quality of teaching.

The deterioration in the working of the PR is attributable to several factors. The establishment of the District Planning and Development Council and the District Rural Development Authority increased the power of the already powerful District Collector, by extending his authority to areas falling under the jurisdiction of the ZP. Members of the State Legislature dominate these parallel power centres. Other ills include postponement of elections on some pretext or the other; appointment of administrators for ZPs, thereby virtually converting them into an appendage of the state government; and retaining in the state sector important schemes with huge financial outlays (essentially meant for the upliftment of the socially and economically backward classes) instead of transferring them to PR institutions.

Suggestions for remedial measures included holding of timely elections and ensuring of representation to all sections. It was felt that no separate agency or office should be established by the state government for the administration of schemes transferred to PR institutions, so that autonomy of the PR institutions can be ensured in keeping with the spirit of the 73rd Amendment. While MLAs of the concerned district may be associated with the working of the ZPs, they should not be eligible to hold office in the PRIs. The District Planning and Development Council will have to be reconstituted giving representation to ZPs, *Panchayat Samitis* and Village *Panchayats*, as well as urban local self-government institutions. Finance Commissions, which would have to go through a whole gamut of issues — including estimation of the PR institutions' capacity to raise resources and requirements of grants-in-aid and other transfers — should be appointed regularly, every five years.

An important development in recent years is the narrowing of the rural-urban divide due to the growth of industries in rural areas, commercialisation of agriculture, rural-urban migration, expansion of communication, commercial banking, etc. This calls for increased coordination between urban and rural local self-government institutions in areas of common interest. In fact, instead of keeping the two separate, we may have to think in terms of establishing a single district local self-government body.

According to Desarda, the PR system has not been given a fair trial in Maharashtra, but it has the potential for decentralising the power structure.

The experience of West Bengal vindicates the fact that the PR system would succeed if it gets the right backing. Gouri Pada Dutta drew attention to the success of the PR institutions in West Bengal, where the Left party has held elections to Panchayats on party basis every five years and the system has survived four elections. On the other hand, in Tripura the defeat of the Left party led to a dismantling of PR.

The West Bengal PR Act was passed in 1957 and was implemented in phases. The Left Front government, elected in 1977, implemented the Ashok Mehta Committee Report.

In other states like Karnataka, Andhra Pradesh and Kerala, the experiment of political *panchayats* did not survive the changed governments at the state level. West Bengal is the only

state where all the political parties openly participated in the elections. Prof. Dutta noted how the PR system successfully tackled the devastating flood of 1978 by organising relief work efficiently.

West Bengal has reserved 38% of the seats for women and 33% for scheduled castes and tribes. The *Panchayat* department has undertaken an extensive training programme for all elected members of *panchayats* to educate them on the objective and functioning of PR system as also on health and education.

*Panchayats* have also participated in the centrally sponsored anti-poverty programme by selecting beneficiaries with utmost care. Under Jawahar Rojgar Yojna (JRY), the West Bengal *panchayats* have succeeded in targeting the beneficiaries with remarkable accuracy and reaching benefits to them. The targets have been surpassed every year, from 1985 to 1992.

The number of people below the poverty line has decreased by 15% in West Bengal vis-a-vis an all-India reduction of 11%. Agriculture in West Bengal has registered a sustained growth, with the state recording the highest production in the country in rice and second highest in potato, in recent years.

PR has also brought about material and socio-psychological changes. The feudal land relationships have been replaced by a new social order. There is a qualitative change in the life of the rural people as a result of the traditional Left political movement of the state which has given stability to the *panchayats* in a process of dynamic equilibrium between the two.

Despite a fair degree of success, *panchayats* in West Bengal face various problems, both conceptual and operative. The conceptual problem is a basic one concerning the autonomy of the PR institutions. Autonomy does not mean independence. In the context of the *Panchayats'* relation with the state government, the extent of power that has to be vested with the *panchayats* should be debated and the respective roles of the people, the political parties and the administration have to be defined accordingly. The operational problems are myriad. Economic programmes and those relating to social justice are formulated by experts and executives at the central and state levels and *panchayat* members are directed to implement them. Thus *panchayats* are accorded neither a role in formulating plans nor freedom to fix or change priorities, and are reduced to being mere implementation agencies. Often, *panchayats* are engaged in routine work and implementation of the JRY schemes seems to have become their main preoccupation. In this context, it is heartening that an amendment of 1994 proposes to empower the *Gram Sansads* to evolve local plans in West Bengal.

The PR leaders who implement programmes are looked upon by the people as a new set of bureaucrats and this brings about a gulf between the people and the elected members.

People often tend to demand everything from the *panchayats* but do not contribute their mite to optimise the *panchayat* activities. As a result, the very idea of self-government gets defeated and people's dependence on external help increases instead of decreasing.

In West Bengal, though a large share of developmental assistance is distributed through the ZP, a mechanical approach akin to giving doles to the poor characterises the disbursement. Such a mechanical approach leads to corruption, both among the recipients and the givers, often resulting in lack of accountability and poor recovery. *Panchayats* are not vested with

power over government employees and have, therefore, to depend to a great extent on the goodwill of the administrators. Besides, in recent years the control of the rural scenario has shifted from the traditional landlords to the middle class rural elite, mainly consisting of school teachers. This new power group has blocked the downward movement of power to people.

The PR institutions in West Bengal are surviving by the political will of the Left Front. People have to be alert that *panchayats* do not lose their identity as an institution. Here, it is important to develop local leadership and create a strong presence by taking up schemes for literacy, health, voluntary social labour and the like.

Speaking on the social implications of PR, A.R. Desai drew attention to the broader perspective in which the working of the PR system has to be viewed, by pointing out how larger forces have affected the village community. According to him, villages are not undifferentiated harmonious entities, but reflect the iniquitous social relationships based on caste and class. Into this system, the British rule introduced a new pattern by injecting the principle of primacy of individuals rather than groups. During the British period, land came to be considered a commodity and the collection of revenue in terms of cash pushed money to a position of prominence. The bureaucracy was set up essentially for revenue collection — which makes its role obsolete and questionable in today's changed context.

An important presumption underlying social relations in many countries, including India, is that production for money is important. This presumption overlooks the contribution made by children and women for family consumption. Contribution made by them and the 'polluted labour' to national income have begun to be recognised only recently and that too partially.

The government has been generally insensitive to the needs of the people. Thus, fundamental duties of citizens are defined, but not those of the government; a market economy is being pushed without increasing employment opportunities and purchasing power of the people; the poor are viewed not as citizens, but as 'target groups' to be lifted above a conveniently defined 'poverty line'; programmes are designed, not to genuinely empower people but by way of sops, so that people may be prevented from organising and asserting themselves; if the Dalits — who are guaranteed equality under the constitution — assert themselves and demand the right to equality, it is dubbed as a 'law and order problem', but the process of generation of thousands of crores of rupees worth of black money is not viewed as creating a law and order problem; while there is talk of empowering people, there is increasing centralisation in the name of globalisation; the products being exported come from unorganised women and child labour and contract labour, while the rich reap the benefits of the export drive; new laws are being contemplated to discipline industrial labour while a vast section of unorganised labour remains outside the purview of industrial security; although elections to the PR institutions are technically compulsory every five years, there is a convenient clause which facilitates postponement of the elections if the law and order situation is not conducive. Thus, the functioning of the PR institutions has to be viewed against the contradictions that exist between precept and practice.

Tracing the background of the new economic policy, S.L. Shetty put forth the hypothesis that an effective decentralisation in administration is possible only if there is a decentralised pattern of administration. And the new economic policy, given its nature and time frame, the



persons implementing it and the perspective with which it is implemented, is sure to reinforce the process of centralisation rather than lead to decentralisation.

In support of his hypothesis Shetty noted that the policy of globalisation was introduced in India at the behest of the multi-national agencies and imposed by the government and bureaucracy without either professional inputs from the Planning Commission or wide debate and discussion among the people.

In the new economic scenario, there is an aggressive dependence on consumer goods for reviving the economy and to earn more revenue. The emphasis is on conspicuous consumption. Following a sharp reduction in duties, imported luxury goods are flooding the domestic market and the import of gold and silver has increased from 160-170 tonnes to over 240 tonnes during the past 3 years. These developments have little meaning for the poor. Market economy is being encouraged while the masses do not have the requisite purchasing power to reap the benefits of liberalisation. Government support to the social sector is being reduced. The massive poverty has been compounded by growing unemployment rates. The raging double digit inflation will hurt the poor much more than the rich. Vulnerable sections, including agricultural and industrial workers and the small scale industrial sector, have been left out of the perspective of the new policy. Thus the policy is truly deficient.

Indian labour is not organised strongly enough to oppose the new policy and the government itself, given its massive balance of payments problem, could not help but succumb to the pressures of the external agencies. The class character of the Indian society, the absence of strong local leadership and forfeiture of its social responsibility by the Indian industrial elite have all combined to allow the new economic policy to be implemented virtually unopposed.

Society will have to pay a heavy price for the structural adjustment programme, in terms of decentralised development. Reduction in import and excise duties, along with concessions offered on the direct tax front, have reduced the revenue of the central government. Considering that the local self-government (LSG) institutions have all along depended heavily on central government transfers for resources, the latter's dwindling resources would imply a curtailment of its ability to make such transfers. The result would be that the LSGs may become starved of funds.

Dwelling on the theme, 'Contours of a Health Policy in PR' Debabar Banerji noted that health policy formulation, though primarily a political process, has important technological, managerial, epidemiological and sociological dimensions and this requires a high degree of inter-disciplinary competence. Absence of such competence has often led to gross distortions in the policies. The recent efforts of the World Bank to prescribe health policies for countries undertaking structural adjustment programmes provide examples of such distortions, reflected by a disproportionate stress on financial aspects to the neglect of key sociological, technological and managerial considerations. The Indian government has meekly accepted the World Bank prescription of haphazard budget cuts, expansion of the market for the private sector, cost recovery from tertiary hospitals and patently defective categorical (special) programmes for communicable diseases, including AIDS. The World Bank has favoured further concentration and centralisation of power with the Union Health Ministry.

The idea of involving people in the management of their own health evolved nearly five decades ago in India. The Health Sub-committee of the National Planning Committee of the

Indian National Congress (1948) visualised that the bulk of the problems faced by the rural population can be attended to by imparting short training to persons selected from among the population of the village. This idea was to form the basis of the Community Health Volunteers' scheme formulated decades later by the Janata Government in 1977.

The 1940s also saw the Bhore Committee (1946) draw up an ambitious blueprint for health service development for independent India. The Bhore Committee showed an astonishing foresight and among others, called for total population coverage, particularly of the unserved and under-served, in rural areas only, provision of community health services in an integrated form, focus on prevention, state funding of services, community involvement and inter-sectoral action for health promotion.

The reports of the two Committees had thus anticipated the ideas contained in the Alma Ata Declaration of 1978 and the National Health Policy (NHP) of 1983. The NHP contained policy decisions for large scale transfer of knowledge, simple skills and technologies to Health Volunteers, selected by the community and enjoying their confidence; positive efforts to build up individual self-reliance and effective community participation; and back-up support to primary health care through a well-worked out referral system. However, several socio-political developments have prevented the implementation of these laudable policy pronouncements.

The NHP document drew attention to the ills plaguing the health service during 1947-82. According to the NHP, the existing situation has been largely engendered by the adoption of western models which are inappropriate and irrelevant to the real needs of our people and their socio-economic conditions. The hospital-based, disease- and cure-oriented approach has provided benefits to the upper crust of the society, especially those living in urban areas. The increased acceptance of this approach has been at the cost of providing comprehensive primary health care services to the entire population, whether residing in the rural or urban areas. The continued emphasis on curative approach has led to the neglect of preventive, promotive, public health and rehabilitative aspects of health care. The existing approach, instead of improving awareness and building self-reliance, has tended to enhance dependency and weaken the community's capacity to cope with its problems. The prevailing policy pertaining to training and education of medical and health personnel has resulted in the development of a cultural gap between the people and those who provide care. As Banerji observed, the gross defects mentioned in the NHP document above are very much there twelve years after the declaration of the NHP and have, in some cases, worsened.

In formulating a health policy in PR, a number of issues have to be taken into account. First and foremost, it has to be assumed that, as envisaged in the constitutional amendment, PR will be implemented, at least to some extent, by the state governments. That there will be a wide degree of variation in the levels of democratisation in different states should also be taken into consideration. Further, other developmental activities, which are implemented by the PR institutions will also have an impact on health through linkages. As the implementation of PR will be a sequential process, a health policy should also have provisions for changes with changing conditions. As a result, Banerji envisages a short term policy as different from a long term policy. A fundamental premise of the suggested policy is that an alternative health policy will not be successful unless it has been demonstrated that it can offer a workable way of alleviating people's suffering with the available resources and is perceived by the people to be superior to what has been practised. This implies subordination of medical technology to the people.

Madhav Gadgil and Seshagiri Rao made a forceful plea for conserving bio-diversity with the involvement of the local population, whether they are tribals or fisherfolks or nomads and shepherds. They suggested a system of positive incentives to maintain a high level of bio-diversity in the entire range of the country.

According to Gadgil and Rao, state-sponsored conservation efforts have been narrow and treat people as irrelevant or, worse still, enemies of conservation programmes. They questioned the notion that bio-diversity can be protected by force.

The new paradigm that is gaining acceptance emphasises conservation of the entire spectrum of bio-diversity, not just tigers, rhinos or teak or deodhar trees, but seemingly insignificant plants, animals and micro-organisms which may have immense medicinal and commercial value. India is still a biomass - based civilisation, with a sizeable number of people dependent on fuelwood, fodder, building material such as bamboos, medicinal herbs, wild fruit and fish gathered from their own immediate surroundings. The only way to conserve their tradition of ecological prudence and knowledge about their own environmental resources is to create a system of positive incentives to effectively maintain the bio-diversity heritage.

According to Gadgil and Rao, village settlement/*gram sabha*, or the assembly of all adults in the settlement will have to be the focal unit of a reward system to encourage maintenance of as high a level of distinctive elements as possible, within the territory of the village settlement. Rewards for custodianship of bio-diversity and knowledge of its use may primarily come to the village settlement community. As the village settlements stand to gain in the long run, they are likely to organise sustainable use patterns for local lands and waters and manage them in such a way as to enhance their bio-diversity value. Here it is absolutely essential that they should have adequate authority to exclude outsiders and to regulate harvests by in-group members as well as an assurance of long term returns from restrained use of resources for such a system to operate efficiently.

While additional rights of access to publicly held resources may serve as positive incentive for making prudent use of public lands and waters, it may be inadequate to promote maintenance of bio-diversity instead of leading to profitable monoculture. Hence the need for a system of suitably devised additional rewards to individuals participating in these efforts or village/settlement communities linked to the levels and value of bio-diversity within their territory. Rewards could also be in the form of fees for collecting genetic resources or some piece of knowledge relating to the use of bio-diversity from the territory. One could also think of royalties from commercial application of some elements of bio-diversity. The governments — both central and state — could create a National Bio-diversity Fund which should be devoted entirely to rewarding village/settlement level local communities and individuals for their contribution to the ongoing maintenance of bio-diversity and development of knowledge and use of this bio-diversity. The system of monitoring bio-diversity level, according to Gadgil and Rao, has to cover the territory of each and every village community. Obviously this has to be launched as a massive decentralised effort mobilising our entire population. This would offer a great opportunity for developing a symbiotic relationship between the informal folk knowledge systems like *Ayurveda*, *Siddha* and *Unani* medicine as well as the modern scientific knowledge.

Krishna Raj wondered whether it would be correct to put all our eggs in the Panchayati Raj basket. In this context, there was general agreement that it would be necessary to identify

entry points or areas which are best suited to handling at the PR level and that health could be one of the most important.

According to Antia, both technologically and sociologically, health lends itself to low cost delivery. Most health care is within the capacity of the people to manage at the local level as evidence from China and Cuba proves. The medical profession has mystified health and appropriated the people's role. Health care is fast turning into an industry, aided by the multi-national agencies and a growing drug industry. The system is also characterised by a techno-managerial-bureaucratic approach and has alienated the very people it is supposed to serve. It is important to remember at this juncture that health has all along been operating under a highly centralised environment.

Seshagiri Rao pointed out that under the existing system, health has a strong central component. Expert teaching and research facilities at medical institutions and bulk production of drugs in large urban centres for distribution in the rest of the country are two examples of this. The advantages of some of these features of centralisation should not be overlooked altogether, nor should the importance of the centre as an overall coordinating agency be dismissed. An attempt should be made to modify the working of the system suitably and complement it through decentralisation, wherever feasible.

Jesani expressed doubts as to whether it was possible for a rural community to be self-sufficient in running a health care system. Studies have revealed that an element of subsidy is essential to sustain the rural health care delivery systems.

Kavadi drew attention to the growing presence of the private sector in health care. In a democracy the linkages between private and public sector and the nexus between these and the politicians and the bureaucracy cannot be ignored.

Surveys by the National Sample Survey Organisation (NSSO) and the National Council of Applied Economic Research (NCAER) have established that poor households incur heavy debts in order to meet their health expenditure. The remedy, according to Antia, lies in the provision of affordable health care at the local level. Further, he questioned the sanctity of the district as the unit of health delivery, which should be decentralised further. Padma Prakash, however, refuted the view that only primary health care should be provided at the village level. The dramatic decline in maternal mortality when babies are delivered institutionally underscores the need for making available a more varied and higher level health care at this level.

An important issue that cropped up repeatedly related to the inadequate financial base of the PR institutions. In many states, PR institutions have the power to levy taxes on land, fairs, markets, rural roads and the use of community assets, but such self-raised resources are woefully inadequate to meet the requirements of the PR institutions. As a result, these institutions are heavily dependent on the government for transfers in terms of grants and this jeopardises their autonomy. It is, therefore, incongruous to talk of transferring power to people's institutions without ensuring financial autonomy and adequacy.

Gulati pointed out that in 1992-93, the Kerala state budget was Rs. 4500 cr. of this, the total allocation to over 1000 village *panchayats* amounted to a meagre Rs. 200 cr. This amount included a major transfer of Rs. 80-85 cr. under the Jawahar Rozgar Yojna. The resources that *panchayats* can raise on their own came principally from professional tax, entertainment tax, etc.

Desarda noted that in the case of Maharashtra, salaries took away a major chunk of the resources available with the *panchayats*, leaving very little money for maintenance or improvement of services. Professional tax in Maharashtra is with the state government. Though the *panchayats* are eligible for levying land tax, sugarcane growers are often exempted from paying this tax. This is just one example of how powerful lobbies tend to erode the financial base of the *panchayats*.

Krishnaswamy pointed out that the *panchayats* in Karnataka were heavily dependent on devolution from above as they were required to raise only about 10% of their finances. At the *mandal* level, the *panchayats* had power to levy property tax and local cesses and at the village level, education cess was leviable by the *panchayats*. ZPs were not given any specific budget of their own except what come from the centre via the state government for schemes to be executed within the ZP jurisdiction. But PR institutions were allowed to raise certain resources e.g. through auctioning of the right to fish in local ponds and tanks, royalty on building materials, etc. Large amounts of transfers were for specific purposes, thus restricting flexibility in expenditure. No *panchayat* could draw more than Rs. 15000 per month from the *Mandal Panchayat* fund. Thus, the available resources were limited and *panchayats* received no specific share in taxes.

An issue that was raised several times in the course of the discussion related to the question of the *panchayats'* capacity for decentralised planning. Micro-planning at the PR level presupposes that people are knowledgeable not only about local needs and availability of resources, but are also capable of formulating consistent plans that are of relevance to their developmental needs and of monitoring them. In this context, Krishnaswamy pointed out that the 1983 Act of Karnataka provided for the establishment of a planning cell to formulate plans on the basis of schemes suggested by *Mandal Panchayats*. However, the planning cell consisted of only a statistical officer who was not well-versed in the concept and techniques of planning. Further, the *Mandals* utilised whatever ideas came from the villages to indicate priorities, but were not equipped to go into the details regarding resource availability, resource mobilisation, etc. The L.C. Jain Committee, which was appointed to look into the working of decentralised planning in Karnataka, did bring out a report suggesting a time frame, collection of data on resources, etc., but the Committee's report was not treated with the seriousness it deserved.

Similarly, in Kerala when the Left Front was in power, it was decided to include within the state plan the amount that would go to the VPs. Besides, an attempt was also made to include in the VIII Plan as well as the Annual Plans areas which would cover possible programmes which could fall under the jurisdiction of PRs. Out of the Rs. 1000 cr. earmarked for Annual Plans, it was assumed that 15-20% would be the share of the PR institutions and the local governments were accordingly asked to formulate plans. Thus, Kerala had gone one step ahead of West Bengal, where the *Panchayats* were not actually involved in the formulation of plans. It became evident during the process of plan formulation that an important first step would be to take stock of the resources available with the PR institutions. Unfortunately, the process of decentralised planning came to an abrupt end with the change of the state government.

Doubts regarding people's capacity for planning were quelled by several speakers, including Mutatkar and Awasthi, who cited examples of the ordinary people's organisational and resource management capabilities as reflected in building temples, or organising marriage

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feasts and village fairs such as the *Kumbh mela* or protecting their environment. The important thing is people's perception of their own role. Once they perceive a certain activity as being beneficial to them, the necessary organisational framework would emerge automatically. Here, Raghuram mentioned how women have demanded drinking water and creches in Karnataka and people have managed buffer stocks of food in Orissa when delivery under the Public Distribution System has fallen short.

Several speakers pointed out that legislation on the delegation of power to local bodies had to face several hurdles. The state Governor, and then the President, have to give their assent to the PR Bills before they are finally enacted as law. Though it is only a formality, the concerned state governments have to establish that the state bills have not inadvertently violated any constitutional provision.

The problem of delineating responsibilities will have to be solved. For example, would teachers be transferred to ZP or *Panchayat* administration or would they continue under state government? Would they report to their superiors in the education department or in the ZP? Who will recruit these officials or pay their salaries? What role would each of the bodies have in policy-making and implementation? If fresh recruiting is made for local bodies administration there would be a further increase in the size of the already unwieldy bureaucracy. This will be costly and redundant as the staff would be duplicating the work done at district/state levels.

Awasthi struck a note of caution when he pointed out that PR has come into focus not because it is supported by people's demand or political will or commitment on the part of the elite but due to the narrow exigencies of the political class. In a situation where even complaints have to be channelised through the already powerful district Collector, it cannot be expected that PR would become a powerful tool for empowering people.

The NGOs have a crucial role to play in mobilising people and changing their perception. People are often unaware of their rights and entitlements. NGOs should cease to act as extensions of the government. As Abraham pointed out, the richness of the NGO network lies not in their individual capacity but in the information that flows from one NGO to another. Given the professional expertise that they command, they must also help demystify health, besides exerting pressure on the government to act rationally. Scattered experiments successfully carried out by NGOs should be given to the government for suitable modification and replication on a wider scale. The participants deplored the tendency of the NGOs to operate in highly developed areas where the necessary infrastructure already exists and other NGOs are also working. Speakers also noted that NGOs have often side-lined and overlooked the PR institutions and dealt with government officials and politicians directly in a bid to further their own interests. Ramesh Awasthi and several others felt that NGOs play an important role in the dissemination of information. Information is a powerful tool, essential for creating awareness on people's rights and, equally importantly, in dispelling myths and demystifying medicine. In this connection, representatives of the NGOs met on 11 April to explore the possibilities of creating an information network.

In the ultimate analysis, problems and hurdles notwithstanding, the PR system has worked reasonably well in states like West Bengal, Kerala and Karnataka. The Act itself is a decisive first step towards empowering people, especially women and backward classes. Though problems may have to be encountered initially eventually the newly empowered groups will become a force to reckon with. The PR system offers the necessary framework towards this end; it is for us to make it workable.



## PANCHAYATI RAJ AND HEALTH

This report documents the proceedings of a seminar organized by the Foundation for Research in Community Health, in April 1994.

It brought together doctors, social scientists, economists, political scientists, civil servants and social workers to discuss threadbare the experiences of Panchayati Raj. The discussions focussed on the problems and potential of making Panchayati Raj an effective mechanism whereby the common people can articulate their concerns and take control over their own lives.

The areas wherein the Panchayati Raj institutions can play an effective role in the process of decentralization were pinpointed, health being one of the most important amongst these. The importance of public information and the effective role that NGOs can play in making Panchayati Raj a living reality were also stressed.

This document should be of interest to all those who are committed to the concept of decentralization in development.

### ABOUT THE FOUNDATION

The Foundation for Research in Community Health (FRCH) is a non-profit voluntary organization which carries out research and conducts field studies, primarily in rural areas, to gain a better understanding of the socio-economic and cultural factors which affect health and health care services. It was established in 1975.

With its staff of doctors, social scientists, economists, management and documentation specialists, FRCH is trying to determine the reasons as to why health care does not reach everybody particularly the underprivileged. It is also attempting to evolve cost-effective alternative strategies which can be utilized on a country-wide scale.

FRCH's larger aim is to demystify medicine through wider dissemination of knowledge on health and illness and to create a people's health movement.

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