

# Gramsurajya

Good Governance in Villages

Rural Governance and Inclusive Growth

– Linkages and Implications

(NCAER-IDRC collaboration)

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Project Brief

No. 2

## Impact of Women's Reservation on Panchayati Raj in bringing about Inclusive Growth

The Constitution's *diktat* for reservation of one-third of Panchayati Raj Institution (PRI) seats for women is only a means of securing floor or minimum guarantees for female representation. The states have been given the leeway to mandate more. Bihar, followed by Rajasthan, Madhya Pradesh, Chhattisgarh, Himachal Pradesh and Uttarakhand, has already reserved 50 per cent of its PRI seats for women. Currently, elected women representatives are in place in 54 per cent of seats in Bihar's panchayats. Sikkim has announced 40 per cent reservation and held elections under the new arrangement in January 2008. In Chhattisgarh, Madhya Pradesh, Rajasthan and Uttarakhand, the revised system would be effective from their next rounds of PRI elections.



About 1 million women have joined the PRI since the passing of the historic 73<sup>rd</sup> Amendment in 1993. About 40 per cent of them are drawn from societies deemed marginalised. However, about 70 per cent of all women representatives were found to be illiterate and most of them had no previous political experience. Therefore, it was but natural that apprehension should prevail over these women's susceptibility to male manipulation. However, in spite of several instances of reported distortion by the behind-the-scenes operations of politically powerful husbands, fathers, uncles, fathers-in-law and brothers, it must be conceded that the presence of such a large number of women in the PRIs has indeed impacted gender equity in rural India.

A recent survey, commissioned by the Ministry of Panchayati Raj and executed by A.C.Nielsen-ORG Marg under the guidance of an academic advisory committee, provides new insights into social and political empowerment of women in PRI. This is the largest-ever survey on any aspect of PRI functioning, covering Gram Panchayats in 23 states, with a total sample size of over 20,000, including Elected Women Representatives (EWRs), Elected Male Representatives (EMRs), ex-EWRs, official functionaries and members of the community. Nearly three-fourths of the EWRs in the sample belonged to the Scheduled Castes, Scheduled Tribes and OBC categories, and were evenly divided above and below the poverty line.

The survey has brought out the fact that the desire to contest elections seems to be greatest among SC-ST women. That the reservation policy has been critical to the representation of disadvantaged groups is confirmed by the fact that 88 per cent of them were elected on reserved seats. About 85.8 per cent of all representatives surveyed were first-timers in the panchayats, while 14.3 per cent had been elected for a second or third term. While 15 per cent of women Pradhans had been re-elected twice or more, the same was true of 37 per cent of their male counterparts. Further analysis showed that the majority of ex-women representatives could not get re-elected because the seats from where they were elected were de-reserved subsequently.

The role of reservation was also evident from the fact that it emerged as an important motivator (43%) for contesting the first election as much as its withdrawal was an important reason for not contesting the election among former women representatives (39%). By all accounts, particularly with each election round, it is clear that women have certainly made their presence felt in the power struggles once dominated by men. Thus, a change in political status may bring about a larger transformation in socio-economic processes.

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(The views expressed in the write up are personal and do not reflect the official policy or position of the organisation)

## Trends in the delivery of public goods/services in rural India: Evidence from the ARIS/REDS<sup>1</sup> data

Given the extant debate on inclusive growth and the consequent enabling provisions in law, one would think that devolution is an adequate tool to ensure balanced development in India's villages. Devolution (as opposed to decentralisation) is supposed to install self-government systems in rural India. Since local governments represent the views of the majority of households residing in rural India, it is projected that their existence and flourishing benefits all. But what has been the story so far? Evidence from NCAER surveys seems to indicate a rather perverse outcome of devolution. These surveys suggest that the process of local governance has been usurped by groups who leverage their physical proximity to elected representatives.

Villages in India are almost always settled along streets. Each street is usually populated by households of specific occupations (consequently caste lines) of differing economic standing. As devolution has led to the widening of economic disparities owing to the exclusion of certain households or groups of households, it points to the inability of the process to remedy deep rooted socio-economic dysfunctions.

For evidence, we turn to the NCAER ARIS/REDS surveys that have been conducted in 241 villages spread across all states except Jammu and Kashmir, Uttarakhand, and the north-east. From these data sets we can infer the quality of governance in villages following the passing of the 73<sup>rd</sup> Amendment to the Constitution in 1993, particularly over the past 10 years. We wish to examine in particular the significance of location for households to access public goods, own private goods as well as enjoy general economic welfare. Specifically, we wish to see whether households sharing walls with elected representatives of the villages fare better than those residing in other streets.

For exploring this issue we use the data from the sample of 241 villages (and 100,000 households) by first dividing it into three categories, viz. streets where the elected representatives of the panchayat live, streets in which the village Pradhans live, and other streets. We may broadly conclude the following:

- Location matters for households. Streets in which either the Pradhans or the elected members reside have a more affluent profile and enjoy better access to public goods.
- There is widening disparity between streets with elected representatives and Pradhans, and those without any elected representatives. While some of the differences in the levels of economic affluence could be attributed to initial conditions (i.e. the status quo of 1993-94), the worrisome fact is the increase of gaps in the levels of economic affluence between households in streets with elected representatives/Pradhans and those located elsewhere.
- The diversity of *Jati* in streets (we are using actual *Jati* or sub-caste and not the officially notified castes like OBC, SC, ST, etc. because the latter mask the inherent heterogeneities and hide some of the processes like elite capture) with elected representatives (and particularly with the Pradhans) is the lowest. Streets without any elected representatives have greater caste diversity. Such

patterns of agglomeration have persisted and grown over the past 10 years.

Specifically, the data bring out the following trends, as suggested by Tables 1 - 3.

- The mean incomes of households in streets without any elected representatives is 38 per cent lower than those of households on streets with elected representatives, and 31 per cent lower compared to streets with Pradhans.
- The mean real incomes for households in streets without any elected representatives has risen by 30 per cent over the past decade, while during the same period the increase has been more than 50 per cent for households on streets with Pradhans.
- The average size of landholding by households in streets with elected representatives/Pradhans is 28 - 58 per cent larger than households elsewhere.
- Correspondingly, the access to surface irrigation by farming households living in streets without elected representatives/Pradhan is poorer. Every farming household in such streets has 10 - 12 per cent lower chance of being able to access sources like wells and government irrigation canals.

**Table 1: Provision of Public & Private goods/services in households located in streets with elected panchayat members**

Public & Private goods/ services	Current period	Previous period
Simpson Index for Jati diversity	0.67	0.52
Tap (%)	37	37
Electricity (%)	40	38
Street lighting (%)	34	33
PCO (%)	34	38
PDS (%)	36	36
Bus stop (%)	38	35
Health care (%)	40	38
Post office (%)	35	36
Wells (%)	36	34
Canals (%)	36	34
Livestock (%)	35	34
Cell phones (%)	38	37
Landline (%)	34	36
Two-wheeler (%)	40	40
Bicycle (%)	36	31
Total Real Income in Rupees	18000	13000
Land (%)	39	36
Acreage (acres)	3.00	2.34
Self Help groups (%)	18	19

Source: ARIS/REDS 2006

<sup>1</sup>NCAER has been conducting panel survey of rural households in India. The first three waves (1969, 1970, 1971) were called Additional Rural Income Surveys (ARIS) and the fourth (1981), fifth (1999), and sixth (2006) were called Rural Economic and Demographic Surveys (REDS).

**Table 2: Provision of Public & Private goods/services in households located in streets with panchayat pradhans**

Public & Private goods/services	Current period	Previous period
Simpson Index for Jati diversity	0.84	0.72
Tap (%)	38	36
Electricity (%)	40	40
Street lighting (%)	36	36
PCO (%)	35	28
PDS (%)	34	32
Bus stop (%)	40	38
Health care (%)	41	40
Post office (%)	36	35
Wells (%)	38	35
Canals (%)	38	35
Livestock (%)	37	36
Cell phones (%)	35	35
Landline (%)	34	35
Two-wheeler (%)	41	36
Bicycle (%)	35	35
Total Real Income in Rupees	17000	11000
Land (%)	39	37
Acreage (acres)	2.5	2.3
Self Help groups (%)	22	25

Source: ARIS/REDS 2006

The provision of most public goods is similarly skewed. Households without any elected representatives/Pradhans have 12 per cent less chance of access to a public tap compared to households located elsewhere. Equally lopsided is the availability of services such as street lighting, health care, public call offices, bus stops, public distribution system, legal electricity connections, post offices. For example, as shown by Table 2, there is on an average 20 per cent greater chance than a household located on the same street as the Pradhan would be able to access a legal electricity connection. Bus stops are located in about 40 per cent of all streets (included in this survey) where elected representatives live while only 22 per cent of the streets without elected functionaries have this facility.

One indicator of the relative quality of governance is the relative dependence by households on self help groups, non governmental organisations and volunteer groups for accessing sources of welfare. We notice from our data that most villages have such organisations functioning but membership and participation is predominantly (about 60%) from households that live on streets without elected representatives/Pradhan. This seems to suggest that there are forces of exclusion within villages which the process of devolution is not able to resolve and, contrary to expectation, may indeed be reinforcing.

We also notice significant disparities with respect to private goods, ownership across streets. For example, the probability of a household owning private goods such as livestock, cell phones, two-wheelers or bicycles is much higher on streets where elected members or Pradhans reside. On the average, households on streets with government representatives have 7–8 per cent higher chance of owning livestock and cell phones than other streets in the current

**Table 3: Provision of Public & Private goods/services in households located in streets with neither elected panchayat members nor pradhans**

Public & Private goods/services	Current period	Previous period
Simpson Index for Jati diversity	0.42	0.26
Tap (%)	25	27
Electricity (%)	20	22
Street lighting (%)	30	31
PCO (%)	31	34
PDS (%)	31	32
Bus stop (%)	22	27
Health care (%)	19	22
Post office (%)	29	29
Wells (%)	26	31
Canals (%)	26	31
Livestock (%)	28	30
Cell phones (%)	27	28
Landline (%)	32	29
Two-wheeler (%)	19	24
Bicycle (%)	29	34
Total Real Income in Rupees	13000	10000
Land (%)	22	27
Acreage (acres)	1.95	1.75
Self Help groups (%)	60	56

Source: ARIS/REDS 2006

period. We notice similar trends with other private goods such as bicycles and two-wheelers. Private good ownership patterns are analogous to land ownership patterns. The probability of land ownership is substantially higher (10–17%) for a household located in the same street as the panchayat member or pradhan, both in current and previous panchayat periods.

Therefore, the three important findings emerging from this study are:

1. The provision of public goods and services across villages is not uniform; indeed delivery is biased towards households located in streets where government functionaries reside.
2. Delivery of goods and services – public taps, street lighting, public distribution system, public call booths, health centres, bus stops, and access to wells and canals – in streets with no elected panchayat representatives have worsened over the recent 10-year period.
3. There is a growing tendency towards agglomeration based upon *Jati*, with concentration being highest in streets inhabited by Pradhans, followed by streets where elected members reside. Besides access to public goods and services, average income levels and land ownerships are also higher among households located on streets where elected panchayat members and Pradhans live.

Thus, based on our findings, we could broadly conclude that devolution aimed at empowering local political bodies for economic development and social justice seems to reinforce rather than weaken the regional and local dimensions of poverty and inequality in rural India.

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## IN NEWS: Gram Panchayat Elections and NREGA

In 2010, a total of eleven states are slated to go for Gram Panchayat elections: Rajasthan, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Jharkhand, Uttar Pradesh and Jammu and Kashmir. In Rajasthan the elections were held in three phases in the months of January and February, 2010. Certain districts of Haryana have already held Panchayat elections in June and eight districts will be holding the elections in early July. Elections to the Gram Panchayats in Karnataka were held in early May. For the other states exact dates have not been drawn up as yet. One common thread that runs through the elections of all these three states is the impact of the National Rural Employment Guarantee Act (NREGA). NREGA has permanently altered the dynamics of panchayat politics. The quantum leap in size of funds coming into each panchayat has meant that the fund control has pushed up costs of campaigns as well. Gram Panchayats which are constitutionally apolitical bodies have seen a massive surge in interest from the big political players of their respective regions. The entire campaigning post NREGA has been on a larger scale. Quoting from a report in the Times of India 5 Feb, 2010 edition: *Anil Babel, the recently deposed sarpanch of Baghor panchayat in south-central Rajasthan's Bhilwara district would never again run for election, he says standing at the doorway of his shop in Baghor's main market. In Baghor, elections were held in mid-January this year, the losing candidates are licking their wounds and the stories spill out. "Until the year before NREGA came into effect, I handled a*

*maximum of Rs 10 lakh per year. The very next year, there was Rs 1.2 crore in the panchayat account," says Babel. If there are even 1,000 job cards in a village, it means the sarpanch controls the payment of Rs 1 crore per year in labour payments alone. "Even if he keeps 10% of the money, that's Rs 10 lakh, which is as much money as he would have earlier made over ten years," says Babel.*

The full article can be read at: <http://timesofindia.indiatimes.com/india/NREGS-alter-dynamics-of-panchayat-politics/articleshow/5536867.cms>

Similarly, a report in The Hindu 24 April, 2010 edition states: *In Karnataka, influential leaders have been entrusted with the job of arranging meetings between village elders and candidates to strike deals, the main reason being the money being made over to the panchayats under the NREGA.*

The full article can be read at: <http://www.thehindu.com/2010/04/24/stories/2010042457300100.htm>

There are other reports which tell the same story and make us aware of the importance of analysing the NREGA and the rural governance machinery with more intent, urgently.

Other reports on the same topic can be read at:

- 1 <http://timesofindia.indiatimes.com/india/Chalo-booth-in-a-Bolero-/articleshow/5541793.cms>
- 2 <http://www.thehindu.com/2010/05/18/stories/2010051860610300.htm>

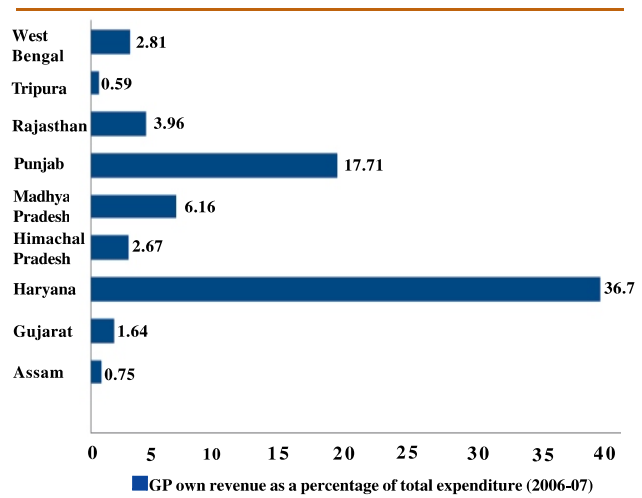
## Own revenue per Gram Panchayat

(state average in rupees)

STATE	OWN REVENUE PER GP(2006-07)
Andhra Pradesh	159,563
Assam	20,264
Chhattisgarh	23,279
Gujarat	13,489
Haryana	295,878
Himachal Pradesh	16,744
Madhya Pradesh	20,585
Punjab	94,352
Rajasthan	8,278
Tripura	7,992
Uttar Pradesh	1,998
West Bengal	162,940

Source: Based on IRMA State of Panchayats 2008-09 presentation, available at [www.irma.ac.in](http://www.irma.ac.in)

## Gram Panchayat own revenue as a percentage of total expenditure



Source: Compiled from IRMA State of Panchayats 2008-09 presentation, available at [www.irma.ac.in](http://www.irma.ac.in)