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What is This?
Five Decades of Democratic Decentralisation Process in Andhra Pradesh

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Abstract
The Andhra Pradesh is one of the two states in the country to initiate democratic decentralisation process on the lines of Balawanta Rai Mehata Committee Report in 1959. The process of decentralisation in the state can be broadly divided into six phases. In every phase, the successive government, except during 1960s and 1970s where the PRIs positions were occupied by the rural upper class and upper castes, evaded the implementation of its own expert committees’ recommendations and undermined the PRIs and their leadership. This is more so when the OBCs and weaker sections, during 1990s, entered into these institutions through reservation or in the open competition, the state has curtailed the powers, funds, functionaries and the status of PRIs and made them ‘decorative ornaments’ or ‘institutions’. There have been no serious efforts made by Government, during the last five decades, to make the decentralisation process more meaningful in terms of empowerment of citizens and improvement in the delivery of services at the local level and to alter the rural socio-economic structure. The state leadership, which is controlled by the upper caste and class over the years in the state, is not willing to allow the marginalised sections of the society to participate in the development process of the state. Therefore, the decentralisation process in the state has to be understood more from the class
and caste perspectives, along with the other variables such as economic reforms, conditionality of donor countries. Thus, the genuine empowerment of marginalised sections and also PRIs in the state is still a work-in-progress.

**Keywords**
Decentralisation, globalisation, Andhra Pradesh, parallel institutions, international organisations

**Introduction**

Decentralisation has emerged as the key element in the present context of improving governance. Almost all the countries, whatever their mode of government, have been vying with one another in experimenting with decentralisation. In India, the process of decentralisation means establishment of self-governing local institutions; empowering the local people; making the villages self-reliant with intra- and inter-ties and mutual cooperation; developing new leadership; active involvement of people in the development process; making use of vast unexplored natural and human resources; and improvement in the living conditions of the poor and vulnerable, and so on. Decentralisation can help mobilise the resources, introduce locally and regionally diverse solutions and promote equitable growth by bringing the poor into the mainstream of development (Kuldeep, 2006).

The Central and State governments are responsible for the realisation of the goals of decentralisation. Though the Indian Constitution envisages the decentralisation process as a State subject, the Central government devolves powers and finance to the State governments and, if necessary, amends the Constitution to make local governments as self-governing institutions. The Central government, during the last six decades, initiated measures to devolve powers to the State governments and in turn to local institutions. The 73rd Constitutional Amendment Act, 1992, is an important landmark in the decentralisation process and strengthening of rural local institutions. The implicit intention of the amendment is that the rural local institutions should have a functional domain of their own and such a domain has to be constructed by transferring some functions of the State government—which were given in the Eleventh and Twelfth Schedules—to the rural local institutions and the latter should have full autonomy to discharge those functions. In fact, the main objective of the amendment is to decentralise the governance system of the State. Therefore, the process of real decentralisation depends on the State governments.

The debate on the decentralisation process in any state, including Andhra Pradesh, should focus on the following issues:

1. What are the powers, functions, functionaries and finances devolved to the rural local institutions by the State government?
2. Whether the local government institutions are working as self-governing institutions or service delivery institutions of the Central and State governments?
3. Which class and caste are controlling the rural local institutions and also resources?
4. Whether the globalisation process would strengthen the PRIs, or otherwise?
5. Whether the decentralisation process altered the existing rural socio-economic structure or not?

This article makes an attempt to discuss these issues in Andhra Pradesh, during the last five decades.

**Decentralisation before the Formation of Andhra Pradesh**

The state of Andhra Pradesh, which came into being on 1 November 1956 has three distinct regions—the Coastal region, the Telangana region and the Rayalaseema region. Prior to this period, the Panchayats in these regions were governed under different Acts. In 1953, the pattern of local self-government in Andhra state—consisting mainly of its present Coastal and Southern-Western Districts—was modelled on the system already in operation in the province of Madras (now Tamil Nadu). The Madras District Municipalities Act, 1920; the Madras District Boards Act, 1920; and Madras Village Panchayats Act, 1950, encompassed all the laws pertaining to local bodies. In 1956, the Hyderabad District Boards Act, 1951; and the Hyderabad Village Panchayats Act, 1951, were also made applicable to the Telangana area of the state. Through these Acts, the then-State initiated measures to democratise the local institutions, particularly the village Panchayats and delegate functions and finances to them.

**The Main Features of These Acts Were**

1. The rural local institutions consisted of District Boards, Taluq boards and village Panchayats.
2. Panchayats had both obligatory and discretionary functions.
3. Elections to the Panchayats were held by secret ballot, based on adult franchise.
4. Reservations of seats for the depressed castes in the village Panchayat.
5. The main sources of revenue were cess on land and on transfer of property.
6. Special government grants were also given to village Panchayats for teachers for school equipment and running maternity and child welfare centres.
7. There was no organic linkage between village Panchayats, Taluq and District Boards.
However, village Panchayats, in practice, lacked the trained personnel, proper guidance and supervision. The financial resources of these bodies were not adequate to take up any meaningful development programmes at the village level (Haragopal and Sudharshanam, 2000).

Decentralisation Process in Andhra Pradesh

Today, Andhra Pradesh is considered one of the ‘model states’ for economic reforms and is also known for ‘good governance’. It is also one of the first two states in the country to establish panchayatraj set-up, much on the lines of the Balwanth Rai Mehta Panel report. An organically linked-up three-tier system of village Panchayats, Panchayat Samithies (PS) and Zilla Parishads (ZP) was established in 1959. The government passed the Andhra Pradesh Panchayat Samithies and Zilla Parishad Act, 1959, and Andhra Pradesh Gram Panchayats Act 1964. Decentralisation, during the last five decades, experienced ups and downs in the rural local governance system. The process of decentralisation in the state can be broadly divided into six phases. They are (a) dynamism, 1959–64 (b) stagnation, 1965–69 (c) decline, 1970–86 (d) reorganisation 1986–94 (e) empowerment of self-help groups and disempowerment of panchayatraj institutions 1994–2004 and (f) ceremonial institutions, 2004 onwards.

The First Phase of PRIs: Dynamism (1959–64)

The government passed the Andhra Pradesh Panchayat Samithies and Zilla Parishads Act, 1959, which incorporated various recommendations of Balwantha Rai Mehta Committee (1957) and sought to enlarge the functional domain and financial resource base of the Panchayati Raj Institutions (PRIs). Based on this Act, the government established Panchayat Samithies (in place of Taluq boards) and Zilla Parishads (in place of District Boards) in the state.

The functions entrusted to the Panchayat Samithies were comprehensive and were the same as those of Gram Panchayats. The Panchayat Samithies were expected to perform every conceivable work relating to the development of the local economy and infrastructure. The act mandated the Zilla Parishad to function as an advisory and supervisory body over the Panchayat Samithies, with powers to approve their budgets, coordinate their plans and distribute funds given by the government among the Panchayat Samithies. It also had a few developmental functions such as establishing and maintaining secondary and vocational schools.

Another feature of this act was that the Panchayat Samithies and Zilla Parishads were to function through the Committee System. The Panchayat Samithies were empowered to levy a surcharge on land/local cess and on taxes levied by Panchayats. Contributions from Panchayats were among the other...
sources of its income. The main resources of the Zilla Parishads were Central and State Government funds/grants for development of cottage and small-scale industries, land and local cess, state taxes or fees, income from endowments or trusts, and donations and contributions from Panchayat Samithis or from the public in any form. On the recommendations of M. Purushottam Pai Committee (1963), an amendment was made to the 1959 Act in 1964 to empower the government to alter the boundaries of the Blocks and reconstitute the Samithis. The Samithies/Blocks in the state were categorised as advanced, ordinary, backward and tribal, taking into consideration, among the others, per capita revenue, percentage of irrigated area, literacy rate, percentage of children attending schools and road mileage. Though there is an organic linkage among the Zilla Parishads, Panchayat Samithies and Village Panchayats, the last was governed by Andhra Pradesh Gram Panchayat Act, 1964.

The Andhra Pradesh Gram Panchayati Raj Act, 1964

The Andhra Pradesh Gram Panchayati Raj Act, 1964, superseded the two Gram Panchayats Acts of Andhra and Telangana areas, and set the pattern for a common Panchayat structure in the state. The main features of this Act were: (a) constitution of Gram Sabha (b) Gram Panchayat as basic institutions of the people at the village level (c) the indirect elections to the Sarpanch and Up-Sarpanch (d) Constitution of functional committees (e) undertaking developmental programmes (f) constitution of Nyaya Panchayats for ensuring civil and criminal justice, and so on. The resources of the Gram Panchayat consisted of Government Grants, taxes, non-tax revenue, income from property and other miscellaneous sources.

Thus, the PRIs in Andhra Pradesh were established with an integrated structure of democratic, self-governing bodies with the Gram Panchayat at the base, the Panchayat Samithi in the middle and the Zilla Parishad at the apex. The administration was also an integrated structure descending from district development officer at the district level to the village level worker at the village level.

The introduction of the Panchayati Raj System was hailed as a new era—a momentous venture in rural administration; a creative principle of development planning; and a chief corrective to the ills that plagued the Community Development Programme. Further, these institutions were expected to help in releasing leadership, build up citizenship awareness and a sense of participation in national development, facilitate transition of an anarchic folk society from traditionalism to modernity and to change an economically stagnant society to a dynamic one by using the vast underdeveloped natural resources of the state/nation (Bala Ramulu and Rao, 1997).

The central and state leadership had high hopes on the PRIs but the state government retained supervisory and administrative control through the department of Panchayati Raj. Further, there was considerable dissatisfaction over the manner in which these institutions were functioning.
All the development functionaries of the State government, such as agriculture extension officer, medical officer and veterinary doctor working at the grassroots level were placed under the Panchayat Samithi. The PRIs had powers on subjects such as agriculture, animal husbandry, minor irrigation, education, health, women welfare, social education and created basic infrastructure in the rural areas. The State government hoped to develop new leadership; to build citizenship awareness and sense of participation in the development of the state; to make use of natural and human resources for changing the economically stagnant state to dynamic one. This situation paved way for the improvement of rural economy in the state. The leaders also allowed PRIs to function independently as the former were dependent on the latter at the time of elections and also implementation of programmes. PRIs to some extent succeeded in altering the rural economic structure by creating infrastructure. It may be noted here that the PRIs’ positions were occupied by the land owning class, representing upper castes and had control over the socio-economic structure of the state. There was hardly any instance where (other backward class) OBC/women/weaker sections got elected to these institutions without the support of landlords. However, there was considerable dissatisfaction over the manner in which PRIs were functioning, as fruits of development were not equally distributed. Issues like poverty, unemployment, inequalities remained unresolved.

The Second Phase: Stagnation of PRIs (1965–69)

During this period, the rich peasantry and upper castes further consolidated their control over the rural socio-economic structure and also on rural bureaucracy. The leadership also established close nexus with the state leadership. In addition to these factors, the Green Revolution strategy further widened the disparities between classes and regions in Andhra Pradesh. All these factors resulted in rural unrest and peoples’ movements like tribal movements and a demand for separate Telangana state.

The government of Andhra Pradesh appointed several committees—Vengal Rao Committee in 1968; Narasimham Committee in 1971 and 1979—to study the reasons for the stagnation and public dissatisfaction on the PRIs in the state. These committees point out that PRIs lost their dynamism and initiative due to (a) inherent inadequacies in the constitutional structure of PRIs and power distribution between various levels of administration; (b) paucity of funds; (c) lack of functional freedom; (d) irregularities committed by functionaries; (e) over bureaucratisation and more powers to bureaucracy; (f) cornering off benefits meant for weaker sections by the dominant sections; (g) the neglect of weaker sections from the development process; (h) increasing tensions between bureaucracy and political executives; (i) increasing suspicion on the part of the state-level leadership about the rural local bodies and their functionaries; (j) political instability; (k) growing socio-economic inequalities and rural unrest; (l) absence of conscious
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All factors covertly or overtly marginalised/stagnated the process of decentralisation in Andhra Pradesh (Bala Ramulu and Rao, 1995).

The above committee recommended several measures for strengthening of PRIs. They include: 
(a) debarring the MPs and Legislators from holding elective posts—Panchayat Samithies and Zilla Parishads; 
(b) priority to the Standing Committees of PS and ZP in taking decisions; 
(c) allocating more funds to the Panchayats and reduce dependence on the government; 
(d) transfer of lands, road margins, tank bunds to the Panchayats for undertaking income generating activities; 
(e) appointment of Group Executive Officer for collection of taxes; 
(f) provision of income-yielding assets to Gram Panchayats; 
(g) provision of maintaining grant from the State Government equivalent to the total income of the Panchayat from taxes; 
(h) the transfer of poromboke land and other government lands (pancharas and unreserved forest land) to the Gram Panchayats with all rights, including ownership, on the condition that they should not be alienated; 
(i) increase the annual per head grant to ZP be raised from 25 paise to one rupee. However, many of these recommendations were not accepted by the government.

The main recommendations of the Committees were: 
(a) reducing the state control over PRIs by disassociating the District Collector as ex-officio member and Chairperson of the Standing Committee of Zilla Parishad; 
(b) legislators need not be made ex-officio members either of Samithi or of the Parishad; 
(c) limiting the Panchayat Samithies’ Committees to four Subject Committees; 
(d) reservation of seats to women in the Gram Panchayat; 
(e) constituting a district development fund and be administered by Zilla Parishad, instead of different government departments, giving grants to the PRIs; 
(f) provision for block grant of ₹25 crore every year to ZP for distribution among the Panchayat Samithies and Gram Panchayats; 
(g) appointment of local authority finance commission every five years.

On the recommendations of the Vengal Rao and Narasimham Committees, the Andhra Pradesh Gram Panchayat Act 1964 was amended and titled as the Andhra Pradesh Gram Panchayat (Amendment) Act, 1976. The AP Panchayat Samithies and Zilla Parishads Act, 1959, was amended in 1978 and named as AP Panchayat Samithies and Zilla Parishads Act, 1978. The major changes brought through these new acts were: 
(a) the reservation for SCs, STs and women was retained; 
(b) reservation was also extended to backward castes 
(c) nomination of persons who were from backward classes, minorities, and with a background in social work.

The Third Phase: The Decline of PRIs (1970–86)

The studies on rural development policies during the 1960s point out that the PRIs, which were intended to ensure people’s participation and improve the living
conditions, and the Green Revolution strategy, which emphasised modernisation of agriculture and industrial sectors, benefited mostly the better-off sections and neglected the rural poor in Andhra Pradesh. This led to the widening of gulf between various sections of the society, resulting in considerable unrest and people movements in the rural areas. Separate Telangana movements and Tribal Protest Movements that took place from 1968–71 were a testimony of the unrest in rural Andhra Pradesh and the failure of earlier strategies for development. Consequently, the first half of the 1970s was dominated by the discussion on the large-scale poverty in rural India and formulation of programmes to stem the tide of unrest (Bala Ramulu, 1991). During the 1970s, a number of special agencies like Small Farmers Development Agency (SFDA) in 1969, Marginal Farmers and Agricultural Labourers Agency (MFALDA) in 1969 and the Integrated Tribal Development Agency (ITDA) and separate corporations for Schedule Castes, Schedule Tribes and Backward Castes in 1975, and so on, were established for the welfare of the poor and the development of backward areas. The performance of these agencies, to a large extent, depend on proper implementation of their programmes at the grassroots level. In view of these happenings, there was a need to revitalise PRIs and define their role in rural development. In order to revitalise the PRIs, the Narasimham Committee recommended that PRIs must have Constitutional safeguards similar to those relating to the State Assembly and Parliamentary elections. It also recommended setting up of a State Finance Commission at the state. No significant attempt was, however, made to act on these suggestions.

The performance of the PRIs declined during 1975–86. The State government did not conduct the elections of the PRI for half a decade, that is, 1975–81 and superseded the Panchayat Samithies and Zilla Parishads in the State and placed them under the control of officials. Instead of strengthening the PRIs, the State government established special agencies and corporations like SFDA, MFALDA and SC/ST/BC Corporations for the welfare of the poor and the backward areas. The welfare programmes paved the way for the strengthening of middlemen (pyraveekars), who mediated between the government officials and beneficiaries at the grassroots level. The relatively better-off sections in the village and the village political leaders who had been ‘patrons’ of the poor entered these new roles to make easy money, on the one hand, and perpetuate the dependence of the poor on them, on the other (Reddy and Haragopal, 1984). The leadership of PRIs, representing the upper class and caste, acted as a gate keeper and prevented the flow of benefits from reaching the weaker sections of the rural community. The state also used force to suppress the people’s movements and their demands. All these factors had witnessed a major political change in the power structure from the Congress party to a regional political party, that is, the Telugu Desam, under the leadership of N.T. Rama Rao in 1983.

The state of Andhra Pradesh had witnessed a major political change in 1983. There was a change in power structure from the Congress Party to Telugu Desam under the leadership of N.T. Rama Rao. The Telugu Desam Party promised in its election manifesto that it would work for the decentralisation of planning and
administration and take administration closer to the people. In tune with the election manifesto, the new government reorganised the PRIs and decided to introduce a four-tier system, that is, the Gram Panchayat, the Mandal Praja Parishad, the Zilla Praja Parishad and Zilla Pranalika Abhivrudhi Sameeksha Mandal (ZPASM) or (District Planning and Development Review Council).

The Andhra Pradesh Mandal Praja Parishads (MPPs), Zilla Praja Parishads (ZPPs) and Zilla Pranalika Abhivrudhi Sameeksha Mandal Act, 1986, came into effect from January 1987. This Act made significant changes in the Panchayati Raj set up in Andhra Pradesh. The size of the middle unit, that is, Mandal Praja Parishad (330 Panchayat Samithies were abolished and 1,104 Mandal Praja Parishads were created in their place) was reduced and more units—roughly three to four Mandal Praja Parishads for each Panchayat Samithi—were created. The other important changes were (a) The president of the Mandal Praja Parishad and chairperson of Zilla Praja Parishad were to be directly elected by the registered voters in the Mandal and the District, respectively; (b) providing reservation of seats to backward classes and women; (c) making the Mandal Praja Parishad an administrative unit for operating important departments like revenue, cooperation, education, health and agriculture; (d) organic linkage among the PRIs; (e) making the District Collector a member of Zilla Praja Parishad and also ex-officio chairperson of all the Standing Committees; (f) making the Zilla Praja Parishad responsible for establishing, maintaining or expanding secondary and vocational schools; (g) creation of ZPASM and charging with the function of advising and reviewing the developmental activities undertaken by the Zilla Praja Parishad from time to time, and so on. The major sources of income for the Mandal Praja Parishad were government grants and funds relating to various schemes and share of the land revenue and other state taxes. The important sources of income of Zilla Praja Parishad were Central and State government funds, share of the land cess, other taxes and donations and income from endowments.

The Fourth Phase: Reorganisation of PRIs (1986–94)

The fourth phase of decentralisation (1986–94) reorganised the Panchayati Raj System in 1986 with a view to taking the Panchayati Raj Institutions (PRIs) nearer to the people and also to accommodate the newly emerged middle class, particularly Other Backward Classes (OBCs) in the power structure at the grassroots level. The studies on PRI, from 1986 to 1994, reveal the following: (a) there is a reduction in the size of the middle unit (MPP) with a view to taking the administration nearer to the people; (b) increasing the reservation quota from 21 per cent to 50 per cent to the weaker sections; (c) direct elections to posts of president, Mandal Praja Parishad (MPP), and chairperson, Zilla Praja Parishad (ZPP); (d) extension of party-based election to the MPPs and ZPPs; (e) emergence of leadership from weaker sections, particularly from backward classes; (f) positive...
attitude and support of the higher level leadership towards the development of the rural areas and poor; (g) active cooperation of the government department; (h) more funds from the Central and State Governments; (i) involvement of the people in the implementation of the programmes, and so on, were the factors that made the PRIs more effective in achieving their goals.

However, the studies point out that the progress of PRIs was hampered for various reasons. They are: (a) capturing of PRIs by the upper castes and classes, that is, Reddy, Kamma and Velamas, whose numerical strength is a meagre per cent of the total population of the state; (b) the ruling party domination (the then ruling party in the state was TDP) over the PRIs; (c) members joining these institutions with the motive of capturing political power, rather than serving the people; (d) domination of local MLAs (Members of Legislative Assembly) over PRIs; (e) corrupt bureaucratic practices; (f) inadequate financial resources; (g) inadequate staff, particularly technical staff; (h) delay in executing the works and increase in the material cost, resulting in non-completion of works; (i) lack of autonomy to the PRIs for undertaking the development programmes; (j) excessive state control over PRIs; (k) lack of accommodation, infrastructure and staff for MPP; (l) cropping of internal conflicts in the organisation due to direct elections for the post of chairperson, ZPP, and president, MPP (there were instances where the chairmen of ZPP/president of MPP belonged to one party, while the majority members of ZPP/MPP belonged to the opposition party and this resulted in conflicts among the political executives); and so on. These were the major impediments to the realisation of the major objectives of taking the administration to the doorsteps of the common man (Haragopal and Sudharshanam, 2000; Bala Ramulu and Rao, 1997).

Though the government reorganised the structure of PRIs and other grassroots-level institutions, it has not devolved substantive powers, functionaries and finances to the PRI to function as self-government institutions. The studies point out that PRIs and their leadership have failed to bring development in the rural areas. The major factors that hampered the functioning of PRIs were excessive state government interference, particularly by MLAs (it was known as MLA Raj rather than Panchayat Raj), the ruling party and the District Collector in the functioning of PRIs.

Though the TDP reorganised the PRIs in 1986, the state undermined the rural local bodies by creating ZPASM over and above Zilla Praja Parishad. The ZPASM was headed by a minister nominated by the chief minister and the Zilla Praja Parishad chairperson, the District Collector, all the legislators from the district and expert members nominated by the government were the members of this body. The main function of this body was to review the activities and approve the planning of PRIs in the district. However, the people and the opposition parties opposed the creation of this body, fearing that it might undermine the representative character of PRIs. But the government continued ZPASM due to pressure from the legislators and ministers of the state.

The state also controlled the PRIs through bureaucracy, an agent of the government. The District Collector was not only a member of all the Standing Committees of Zilla Praja Parishad, but also substituted its chairperson in his/her absence. The District Collector was empowered to write to the government to suspend the resolutions of the Zilla Praja Parishad. The government also retained the power to suspend or remove any member of Panchayati Raj bodies, including the chairperson of the Zilla Praja Parishad and the president of Mandal Praja Parishad.

The other major hurdles in the functioning of PRIs were: (a) variations in the size and structure of PRIs; (b) conflicts between the political executives of MPP/ZPP and members of MPP/ZPP due to direct elections; (c) members joining the PRIs with the motive of capturing political power rather than serving the bureaucracy and (d) inadequate financial resources and staff, particularly technical staff and the like, — all of which turned the PRIs into ‘ornamental institutions’. Instead of strengthening PRIs and enhancing their performance, the State government gave priority to control the rural unrest. Though the State government on its own part was reluctant to decentralise the powers to the PRIs, it ironically demanded more autonomy from the Centre. The Panchayats were not seen as a source of strength and substance in solving the basic problems of the rural people (Bala Ramulu and Rao, 1997).

The TDP government also by reorganising Primary Agricultural Cooperative Societies as ‘Single Window System’ in 1986 ‘made efforts to accommodate large number of OBCs Karshak Parishads’ (Bala Ramulu, 2002) for each crop, in 1988, in the state. Along with these measures, the TDP government abolished all the hereditary village officials, like police patel, mali patel and patwari, and the entire revenue, law and order and village governance systems were changed not only at the political level but at the bureaucratic level as well. These reforms were brought mostly to counter the Congress party, which had the support of hereditary officials at the grassroots levels.


the APPR Act 1994 is governing the rural local bodies—Gram Panchayat at the village level, Mandal Parishad at Mandal level and Zilla Parishad at the district level in the state. This Act assumes greater significance to the decentralisation process in the state, as it provides provisions for: (a) the constitutional status to the PRIs; (b) the regular elections to the PRIs for a period of five years; (c) the reservation of seats for SCs, STs in proportion to their population and one third of seats for women and also backward classes; (d) the financial powers to PRI in relation to taxes, levy taxes, and so on; (e) the devolution of powers and functions (29 subjects) to PRI and make them autonomous; (f) the creation of an independent State Finance Commission (SFC) for the purpose of ensuring financial transfers to the PRIs; (g) the creation of an independent State Election Commission to conduct elections and (h) promoting bottom-up planning process, and so on. The Act, 1994, covers many areas that would enable the Panchayats to improve the lives and the well-being of the poor and vulnerable groups (SCs, STs, women and OBC) of the state.

Under the new Act, PRIs are expected to develop a sense of participation among the people in the development process; develop new leadership; make use of vast under-developed national and human resources; and improve the living conditions of the poor and vulnerable groups. Unlike the earlier Acts, it provides an opportunity for 247, 375 persons to take up leadership and occupy the different positions at different levels of PRIs. This includes 22 chairmen ZP+1104 members of Zilla Parishad Territorial Constituency (ZPTC); 1,104 presidents of MP+14,637 members of Mandal Parishad Territorial Constituency (MPTC) and 21,934 Sarpanches of GP+208,586 members of GP.

**Transfer of Subjects to PRIs**

Out of 29 subjects, the government of Andhra Pradesh transferred 11 subjects—they are: agriculture, fisheries, animal husbandry, education, medical and family welfare, rural water supply, rural development, backward classes welfare, social welfare and women child welfare—mentioned in the 11th schedule of the Constitution to PRIs, without giving any substantial powers even on the transferred subjects. During the TDP government’s rule, only 17 subjects were devolved. But in reality, only a few items, such as drinking water, sanitation, street lights, were devolved to the Panchayats. The MLAs, MPs are controlling the PRIs through their Constituency Development Funds. The allegation is that they are granting development fund based on political and personal considerations. Further, the government is creating and encouraging parallel institutions at the village level. It is also assigning important functions like distribution of old-age pensions, food security activities, non-pesticide management, marketing of goods and services to the SHGs and thereby undermining the Panchayats.
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Non-Implementation of the Recommendations of Finance Commissions

Following the 73rd CCA, 1992, the Constitution requires the Union Finance Commission (FC) to recommend measures needed to augment the Consolidated Fund of the States for supplementing resources of the Panchayats. The studies reveal that despite the assistance received through FC and the grants given by the state governments following recommendations of the respective State Finance Commission (SFC), Panchayats have moved very little towards achieving fiscal autonomy. Further transfers, funds made to Panchayats in terms of the FC/SFC recommendations, are not substantial and whatever funds are received by them come with conditions (Ghosh, 2010; Oommen, 2010). In Andhra Pradesh, during the post 73rd CAA phase, three SFCs were appointed and they recommended measures to devolve funds to the PRIs. But the State government has not paid adequate attention to implement the recommendations of the commissions. On the other hand, the State government has not appointed Third SFC for the last one-and-a-half years, which shows that the government is least bothered to devolve funds to the PRIs.

Reforms with the Support of International Agencies

In addition to the above, the then TDP Government also introduced many reforms that gave priority to the growth private sector and thereby undermining the public institutions, including the PRIs—(a) industrial sector (proactive measures like rebate on land, tax concessions), various incentives for information, communication technology (ICT) and bio-technology industries; (b) fiscal measures (partial lifting of prohibition, measures to reduce the number of government employee increase in the prices of rice distributed under PDS) (c) power sector (unbundling the AP State Electricity Board into six companies and establishment of regulatory committee) (d) privatisation and disinvestments (several public units and cooperatives were closed/downsized/privatised); (e) irrigation sector (encourage participatory irrigation management—Water Users Associations); (f) health sector (upgrade the services and cost recovery though user charges and encouragement of private hospitals); (g) poverty-alleviation programmes (District Poverty Initiative Programme, encouragement of self-help groups; (h) increase in the price of subsidised rice to bring down the state food subsidy; (i) rural development administration (Janamaboomi and micro-level planning); (j) governance and administration (e-governance in the administrative activities and establishment of centre for good governance, establishment of stakeholder committees) in many policy areas. It is important to note here that these reforms were introduced under the directions and with the financial support of international organisations like the World Bank and the Department for International Development (DFID).
The TDP government also took measures to push the economic reforms forward. It was to cut down subsidies given to the development programmes; to attract Foreign Direct Investment, particularly in information technology (IT) and bio-technology (BT), pharmaceuticals and related sectors; to negotiate loan deals with the World Bank under the Andhra Pradesh Economic Restructuring Project; to downsizing the government organisations; and privatising the losing public enterprise concerns.

**Creation of Parallel Institutions**

The decentralisation process, during the post-economic period, not only confines to PRIs but it also includes the notions of participation, accountability and responsibility to deliver public service by CBOs, SHGs, NGOs and Public Private Partnership (PPP) or private agencies. In reality, decentralisation began to mean dispersion of power and money not only to the rural and urban local government institutions but also to SHGs and NGOs. Even the Central government and international agencies and organisations too directed the State government to give priority to the SHGs and NGOs in the implementation of socio-economic development programmes—for example, the mid-day meal programme—than the PRIs. There is no relationship between the multiple agencies or programmes and constitutionally mandated PRIS. The multiple agencies/programmes, during 1993–2004, were under the umbrella of Janamboomi, which had no relationship with the Panchayats. This pattern of governance, in practice, disempowered the PRIs in the state.

The government, on the other hand, transferred the powers of PRIs such as primary education, watershed works and village forests to the school education committees, water users associations and *vana samrakshna samithies*, respectively. Similar initiatives were taken up in other sectors as well. The underlying idea was that stakeholder organisations would contribute to develop the local and ownership financial contributions as well as ensure government accountability and quality of services to the people. In an effort to make the state as a model state for economic reforms and attract the attention of the policy makers elsewhere in India and abroad, the government undermined the democratic institutions at the grassroots level. The Congress government, in this regard, continued the same process of development in the rural areas.

During the last one-and-half a decades (commencement of APPRI, Act, 1994), there is no marked difference in the status and working of PRIs in the state, except in conducting of elections regularly for these bodies. The State government is scuttling the powers of these institutions covertly and overtly. While the Karnataka, Kerala, West Bengal and Madhya Pradesh State governments are giving priority to decentralise the powers to PRIs, the government of Andhra Pradesh is curtailing the powers already given to them. The TDP government assigned
sixty-four items to the Panchayat Secretary, but according to sarpanches/MPTC members, the present government withdrew fifty-four items from the purview of the Panchayat Secretary.

The Sixth Phase of PRIs: Creation of Institutions/Acts and Making Them as Ceremonial (2004 Onwards)

Constitution of District Planning Committees Act 2005

The 73rd Constitutional Amendment Act, 1992, enables the legislatures of the state to endow Panchayat bodies with powers, authority and responsibility (subject to such conditions as the legislatures may specify), to prepare and plan for economic development and social justice and implementation of such skills as may be entrusted to them. Article 243 (G) of the Constitution stipulates that the state legislatures may endow Panchayats with such powers as may enable them to function effectively as self-governing institutions.

Subject to the provisions of the APPR Act, 1994, and rules made there under, it shall be the duty of a Gram Panchayat within the limits of its funds to make reasonable provisions for carrying out the requirements of the village in respect of the following functions— (a) civic amenities (b) social welfare and (c) developmental works. The Andhra Pradesh Panchayati Raj Act, 1994, and Government M.S. No. 450 emphasise on the need for collection and maintenance of reliable information on the above-mentioned subjects by GP (Gram Panchayat) and MP (Mandal Parishad), but no meaningful efforts are being made by the latter. The major issue with the planning process at the grassroots levels, particularly at the Gram Panchayat level and Mandal Parishad levels is lack of availability of reliable and dependable data on human and natural resources and physical infrastructure.

The Planning Commission, time and again, has directed the State government to constitute the District Planning Committees (DPC) for preparing planning at the district level, covering village and Mandal-level plans. At times, the government of India warned the state government to stop the grants if it failed to constitute the District Planning Committees for each district. For implementation of certain programmes, such as Backward Region Grant Fund (BRGF), the government of India insisted that the constitution of DPC is compulsory. In AP, out of twenty-three districts, thirteen districts are identified as BRGF districts. In view of this situation, the government of Andhra Pradesh has constituted DPC for each district in 2007, with effect from 2005, retrospectively. Though the District Planning Committee Act, 2005, is in operation in the state, in many cases the DPCs are not working effectively. In many instances, they are not meeting regularly, even if they meet there is no serious discussion on the planning process.
Implementation of Andhra Pradesh Panchayats Extension in Schedule Areas (APPESA)

Though the government of AP enacted APPESA, 1996, it has not issued guidelines to implement the Act for the last fifteen years. Due to the pressure from the tribal and the civil society organisations, the government issued detailed guidelines through G.O. No. 66, dated 24 March 2011, for implementation of the Act. The State government is not serious in implementing this GO and it remained on paper.

Instead of strengthening of these institutions, the government has made them as formal institutions. On the other hand, the state is further weakened the PRIs by diverting the funds allocated to the latter.

Diversion of Funds

Instead of giving more financial powers and autonomy in spending the budget, the government is diverting the funds allotted to PRIs under National Rural Employment Guarantee Programme (a centrally sponsored scheme) to the INDIRAMMA programme, a state sponsored scheme. The opposition parties’ allegation is that the sum of ₹1,400 crores allotted to the PRIs was diverted to the INDIRAMMA Programme, during the last five years, for constructing the houses of the rural poor and gaining support from the poor.

Minister’s Control Over the Mandal Development Fund

Recently, the government of Andhra Pradesh, in 2009, earmarked ₹90 lakhs for each Mandal for creating basic infrastructural facilities in the villages. But through the G.O. No. 13, it made the minister in charge of the district as incharge of distribution/allocation of funds for construction works which are to be executed on nomination basis. Given the present political scenario, the party workers and supporters would get more benefits from this arrangement. The PRIs have no role to play in this regard. Though the GP has the power to collect and impose taxes for the development of the village, in practice, the sarpanches do not exercise this power, as it would make them unpopular. The GP has the power to allocate and reallocate the finances generated through taxes but subject to the approval of higher level bodies/officials. Further, the funds that are allotted under centrally sponsored programmes are being tied to the norms and the local line departments control the schemes. The involvement of the PRIs, in this regard, is either in identifying the beneficiaries or attesting the list prepared by the line departments

Creation of Institutions/Positions for Accommodating the Political Supporters

The government is appointing unemployed persons as Adarsha Rythu/Rythu Mitra (agriculture), Arogaya Mithra (health), Anganwadi Workers (child and women),
Grama Deepikas (self-help groups), vidya volunteers (educational) and Udyoga Mithrulu (employment) for attending various activities at the village level. But most of these functionaries are appointed on political and personal considerations of local MLAs, MP and the supporters of ruling party in the state. It is apt to note here that the GPs or higher levels of PRIs have no control whatsoever on these functionaries. This sort of arrangement is serving the purpose of the ruling party to consolidate its base at the grassroots level more than get the involvement of people and their representatives in the development process. It is undermining the PRIs.

**Perceptions of Officials on the Functioning of PRIs**

An understanding and assessment of the opinion of functionaries, particularly Mandal Parishad Development Officers (MPDO), on subjects like the relationships with the elected representatives of PRIs, MLAs, MPs, district level officials, the planning process at the Mandal and district level; the role of Mandal Parishad in PRIs; the functional capacities of Panchayat secretaries; the role of MPDO in GP, MPDOs’ service matters; suggestions for strengthening of PRIs; and their status/position in the present political environment, and so on, would provide deeper insights into the functioning of PRIs in the state. The following are the responses of MPDO. The opinion is collected through informal discussions with the MPDOs who attended the training programmes at AMR—Andhra Pradesh academy of Rural Development, Hyderabad, during 2010–11.

**The General Body Meetings of Mandal Parishad**

To a question, what are the difficulties that the MPDO encounter from elected representatives in the conduct of General Body (GB) meeting of Mandal Parishad, majority of the respondents expressed that they encounter many problems in conducting the meeting. This also causes strained relations between the elected representatives and the officials. The elected representatives are frustrated, in this regard, and many a times they misunderstand the MPDOs. The major reasons for this situation are:

**Non-cooperation of the Line Department Officials**

Some of the line department officials, many a times, do not attend the GB meetings of Mandal Parishad (MP). Even if they attend, they do not come with required information; the elected representative’s view is that the line department officials have no respect for the former and they are paying least respect to their demands, questions and suggestions. The Mandal Parishad does not have the authority on the line department functionaries working at the Mandal level. As a result, the
money, energy and resources are wasted. The members are boycotting on the pretext that the particular officer has not submitted the reply to the questions raised in the previous meeting. Departments like forest, social welfare, Prime Minister Rojghar Yojana (PMRY), Khadi and rural industry, fisheries, sericulture and horticulture do not have field functionaries in each Mandal and are unable to attend the meetings. Each functionary is in charge of more than two or three Mandals and is unable to cope with the activities operating at the Mandal level.

The elected leaders target the officials in the GB meeting to score political advantage. The MPDOs are informing the agenda well in advance to them; still they try to blame us (the functionaries) saying that it has not reached them. The MPPs are not interested in sending the agenda of the GB meeting along with meeting notice.

Fixing of Coordination Committee Meeting

The fixing of the GB and Co-ordination Committee meetings with MLA, ZPTC, MPP and MPTC members is a herculean task. The district authorities should send a circular every month, well in advance about the review meetings, the GB meetings of various departments and agencies, to the PRIs to avoid duplication of meetings. This would enable the elected members like the MLAs and ZPTC members and line department officials to attend the GB meetings of MP (Mandal Parishad). At present, they are unable to attend or avoid attending the GB meeting on the pretext that the meeting is scheduled at the district level.

The MPTCs are Ego Conscious

- Though non-officials come to the office and meet the MPDO, they do not seek clarification on the subjects on which they are interested and try to raise the issue in the GB to exhibit their power. The elected representatives question the MPDO in GB about the routine administrative expenditure other than that related to office items and create problems for them, in spite of following the rules prescribed or obtaining prior permission from the authorities concerned. This situation causes conflicts between the elected representatives and MPDOs. The elected representatives, who represent the dominant communities, are not giving due respect to the MP presidents or GP sarpanches from the socially excluded communities, that is, SC, ST and OBC. They are overtly or covertly controlling the MP presidents and also the agenda in the GB meetings.

Taking the Decision on Political Affiliation

- The elected representatives give priority to allocation of funds to their supporters and not to the problems of the people in the GB.

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• Conflicts between MLAs and MP presidents in fixing the date of GB—particularly if they belong to different parties and also in the selection of beneficiaries and schemes.
• The domination of husbands and sons in the GB, where the women presidents are unable to manage the GB.
• The lower officials maintain rapport with the elected leaders and do not care for the MPDO. There is a lack of discipline in the MP administration. This is weakening the PR system.

Lack of Rapport between Officials and Non-Officials

• The elected representatives do not know how to develop rapport with the Mandal officials and district officials. They think that levelling allegations or speaking critically about the officials in the GB is the way of controlling the officials. This attitude is a major problem in the PRI system.
• The members raise the issues in GB which are not important to the people.
• The members do not show interest in the coordination meetings—such as food committee—unless there are financial or political issues involved.
• The problems vary from one Mandal to another, depending on the socio-economic and political culture of the politicians.
• The behaviour of elected representatives at the GB meeting is unruly and undemocratic.
• The elected representatives threaten the officials on one or other pretext and in the Gram Sabha meetings, and try to extract more benefits from the officials. Thus, they intervene in every aspect.

Scant Respect for Office Procedures

The members do not follow the rules and regulations of the GB meeting. The reasons are:

• Party considerations; low educational status of the members and not able to understand the rules and regulations; and lack of experience of non-officials in PRI. The elected representatives from socially excluded groups are unable to understand norms, procedures, and so on. The elected representatives lack the social purpose and always think about the fund allocation to their members/supporters. The husbands and brothers of women elected leaders dominate the GB.
• The elected representatives force the officials to violate the rules but they do not protect them when they are in trouble. Unless it is controlled, there is no future to the Panchayat Raj Institutions in the state.
The Dominance of Upper Class and Castes

- The representatives from the dominant sections control the GB proceedings. While, others are becoming dummy persons, though they are aware of problems or needs of the people. This is mostly due to the divergent socio-economic background of the members.
- The members do not show interest in the socially or community relevant issues/programmes and prefer to speak on the distribution of funds. They hardly pay attention to organise awareness campaigns on issues like HIV-AIDS, Badibata, health campaigns and environment, and so on.

Conflicts among the Political Parties

- Sometimes, the members work for countering the development in certain villages where there are political conflicts. The instances are not lacking, wherein members pressurised the MPP not to sanction or implement a particular programme in certain villages. They also saw to it that the works sanctioned to the villages are stopped; even if it is genuine and justifiable to execute the scheme.
- The lack of coordination among the elected leaders is the major problem in the development of villages. They are responsible for not ensuring socio-economic equality in the rural areas.
- The presence of MLA in the GB meeting making the MPP a dummy. The dates and agenda of GB are decided by the MLAs. Unrelated people come to the GB in spite of being warned and create unruly situations in the meetings. The members do not follow the rules and regulations and thereby defeat the very purpose of organising a GB.
- The MPTC members do not show interest in attending and participating in the GB meeting. They meet the MPP informally for sanction of works/schemes or other benefits that come from the government and their demands are fulfilled without discussion in the GB or formal meetings.
- In the coordination committee meeting, the members focus on one or two items/subjects and approve the remaining subjects without discussion.
- Supply of booklet on the protocol or sitting arrangement on the dais.

The above responses of MPDOs indicate that the PRIs are systematically undermined in the state.

Conclusion

The government of Andhra Pradesh, during the last five decades, appointed several committees/commissions to study the decentralisation process and suggested
measures for making the PRIs self-governing institutions. But every successive government, except during 1960s and 1970s, evaded the implementation of the recommendations of the committees and undermined the PRIs and their leadership. The PRIs are being made the agents of the government and are also accommodating the upcoming leadership from the weaker sections for expansion of the social base of the ruling class at the village level. The domination of MLAs/MPs over PRIs; creation and encouragement of parallel bodies for implementation of the programme; creation of special agencies for welfare of the weaker sections and placing them outside the umbrella of PRIs; delay in transferring the subjects or no substantial powers devolved even on the transferred subjects; diverting the central funds to the state-sponsored programmes like INDIRAMMA; withdrawing the functionaries from PRIs and appointing the unemployed persons as village functionaries and placing them outside the purview of GP or PRIs; lack of human resource policy of PRIs; giving priority to the economic reforms and conditions of international organisations, and the like, are undermining the PRIs.

Thus, there have been no serious efforts made by any government, during the last five decades, to make the decentralisation process more meaningful—in terms of empowerment of citizens and improvement in the delivery of services at the local level and to alter the rural socio-economic structure. On the other hand, in the name of reforms every successive state government systematically disempowered PRIs in Andhra Pradesh in the recent past. The state leadership is not willing to share power with newly upcoming classes in the state, irrespective of political parties. It may be mentioned here that during the 1960s and early 1970s, the PRIs, in spite of several hurdles, were autonomous as these institutions were occupied from upper class and castes, which influenced the state and national politics. As the OBCs and weaker sections entered these institutions, during 1990s, through reservation or in the open competition, the state has reduced/curtailed the powers, funds, functionaries and the status of PRIs and made them ‘decorative ornaments’ or ‘institutions’. The state leadership, which is controlled by the upper caste and class over the years in the state, is not willing to allow the marginalised sections of the society to participate in the development process. The economic reforms further accentuated the disempowerment process of PRIs in the state. Therefore, the decentralisation process in the state has to be understood more from the class and caste perspectives, along with the other variables such as economic reforms and conditionality of donor countries. Thus, the genuine empowerment of marginalised sections and also PRIs in the state is still a work-in-progress.

Though the 73rd Constitutional Amendment Act, 1992, has enabled the rural people, particularly, marginalised sections to ‘share’ the political space through statutory provisions, the actual performance of rural elected representatives is, to a large extent, influenced by enabling factors such as devolution of powers, funds and functionaries, capacity building of elected representatives, and so on, which are critical to decentralisation as envisaged in the Act.
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