



# “A Study of Economic Development through Panchayat Raj System”

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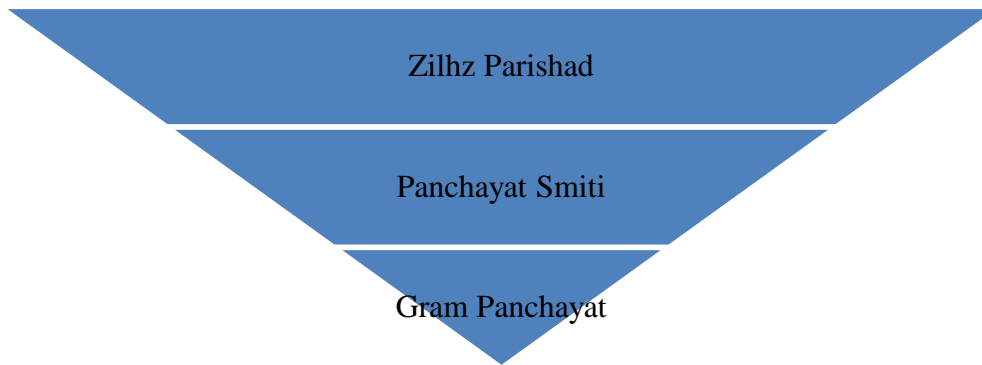
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## Introduction:

The Economical and overall development of rural sector depends upon the panchayat raj system in India. Rural development generally refers to the process of improving the quality of life and economic wellbeing of people living in relatively isolated and sparsely populated areas. Rural development has traditionally centered on the exploitation of land-intensive natural resources such as agriculture and forestry. However, changes in global production networks and increased urbanization have changed the character of rural areas. Increasingly tourism, niche manufacturers, and recreation have replaced resource extraction and agriculture as dominant economic drivers. The Gram Panchayat is a parliament of any village today in India has 238617 gram panchayat and 180032 grampanchayat Gghars. The need for rural communities to approach development from a wider perspective has created more focus on a broad range of development goals rather than merely creating incentive for agricultural or resource based businesses. Education, entrepreneurship, physical infrastructure, and social infrastructure all play an important role in developing rural regions. Rural development is also characterized by its emphasis on locally produced economic development strategies. In contrast to urban regions, which have many similarities, rural areas are highly distinctive from one another. For this reason there is a large variety of rural development approaches used globally. Rural development in general is used to denote the actions and initiatives taken to improve the standard of living in non-urban neighborhoods, countryside, and remote villages. These communities can be exemplified with a low ratio of inhabitants to open space. Agricultural activities may be prominent in this case whereas economic activities would relate to the primary sector, production of foodstuffs and raw materials. Rural areas are large and isolated areas of an open country with low population density.

## PANCHAYAT RAJ SYATEM



The first organized effort to solve the problem of rural India was made through the Community Development Programme in the year 1952 and National Extension Service in 1953. On the completion of first five years of the CDP, the planning Commission appointed a high-ranking study committee headed by Balwant Rai Mehta, Chief Minister of Gujarat. This team pointed out both positive results and inadequacies in the implementation of the programme.

This committee recommended Panchayati Raj. The study team made a significant recommendation with implementation of a programme. According to it there should be effective administrative decentralization for the implementation of the programme. The decentralized administration was to be placed under the control of selected and integrated local self-government system ordinarily of 3 levels bodies from village level to block level and then to district level. This democratic decentralized system was named as “Panchayat Raj”. The state of Madras tried this as a pilot project as early as 1957. In 1958, Andhra Pradesh state had twenty such pilot projects. Based on the success in these it was the state of Rajasthan which became the pioneer to bring the whole state under democratic decentralization on October 2, 1959. It was implemented in Gujarat on April 1, 1963.

Some explanations: Panch: An assembly of elders who settled the disputes within the limit of caste/customs. Panchayat: An assembly of elected persons of the village. Village bodies were the lines of contact with higher authorities on matters affecting to the village. Democracy: The word Democracy derived from Greek language “Demo” mean the people and “Cracy” means rule of. It is leading of the people by the people, for the people. Decentralization: Devolution of central authority among local units close to the area served.

5. Democratic decentralization: means where authority develops by the process on people institution and act as local self-government.

Specific Objectives:

1. Assistance to the economically weaker sections of the community.
2. Cohesion and cooperative self help in the community.
3. Development of cooperative institutions.
4. Development of local resources including the utilization of manpower.
5. Production in agriculture as the highest priority in planning.
6. Progressive dispersal of authority and initiative both vertically and horizontally with special emphasis on the role of voluntary organizations.
7. Promotion of rural industries.

8. Understanding and harmony between the people's representatives and people servants through comprehensive training/education and a clear demarcation of duties and responsibilities.

**Philosophy of Panchayat Raj** The philosophy of Panchayat Raj is deeply steeped in tradition and culture of rural India and is by no means a new concept. Panchayati Raj Provided a system of self-governance at the village level. Panchayati Raj Institutions is the grass-roots units of self-government – have been declared as the vehicles of socio-economic transformation in rural India. Effective and meaningful functioning of these bodies would depend on active involvement, contribution and participation of its citizens both male and female. The aim of every village being a republic and panchayats having powers has been translated into reality with the introduction of the three-tier Panchayati Raj system to enlist people's participation in rural reconstruction.

**Three tiers (levels) of Panchayat Raj:** The Gram Panchayat: Gram Panchayat is the primary unit of Panchayat Raj Institutions or local self-government. In other words it can be said that the first formal democratic institution under the directive principle in the Indian constitution is the Gram Panchayat. It is a cabinet of the village elders, directly elected by the adult citizens of the village. Gram Panchayats are constituted considering their income, population and area. There is a provision for reservation of seats for women and Scheduled Castes and Scheduled Tribes. The panchayat has tenure of five years and is directly elected. It has income through taxes to perform its functions. The main functions of Village Panchayat are:

1. Preparation of Annual Plans for the development of the village Panchayat area.
2. Preparation Annual Budget of Village Panchayat.
3. Mobilization of relief in natural calamities.
4. Removal of encroachments on public properties.
5. Organizing voluntary labors and contribution for community works.
6. Maintenance of essential statistics of villages.
7. Such other development works as may be entrusted.
8. Service or developmental function, such as promotion of education, health, agriculture, etc.
9. Representative functions, where the main role is to voice and represent the opinion;
10. Regulatory and administrative functions, which consists of regulating the conduct of individuals and institutions and also collection of taxes.

**Sources of income of village panchayat**

1. Share in land revenue.
2. Local tax.
3. Revenue earned from the settlement of shops, fisheries, etc
4. House taxes & other taxes as specified in Panchayati Raj Act.
5. Fees for providing amenities, cess, and tolls.
6. Contribution and grants.
7. Fine and penalties.

**Toluca/block Panchayat:** It is also known as Panchayat Samiti or Panchayat Union: This is the second tier of the administration at Taluka or Block level. It is headed by Taluka President. Block Development Officer is appointed by the Government. He functions as the leader of the Block.

The main functions of the Panchayat Samitis are planning, execution and supervision of all developmental programmes in the Block. It also supervises the works of Gram Panchayats within its Jurisdiction. It has to instill among people within its jurisdiction a spirit of self-help and initiative and work for raising the standard of living. It has to support for the implementation of development programmes. It has the welfare and development activities in the fields of agriculture, animal husbandry, health, sanitation, elementary education, cottage industries and social. It has to use the village housing project funds and loans. Zilla Panchayat: It is also known as District Development Council or Zilla Parishad. This is the third tier of Panchayat Raj functioning at district level. It is headed by Panchayat Union Chairman. District Collector leads the work with the help of District Development Officers.

### **Functions:**

1. It works as advisory body for blocks.
2. It approves budget and plan of blocks.
3. It allots funds to the blocks.
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5. Secondary education is the responsibility of this council.
6. It should advise Government in all matters relating to rural development in the district.
7. It has to review the results achieved under various items in all the blocks.

Some special features of Democratic Decentralization:

1. The sanctioning powers of most of the works and schemes are with panchayat Samitis and standing committees.
2. Most of the functions are implemented and performed by administrative control of the Panchayat Samitis. Thus, there is a single agency at Block level for all development programmes.
3. The power and functions of the District Boards are allocated among the parishads and the samitis, which are within the reach of rural people.
4. Panchayat samitis have all the technical assistance required at the block level itself.
5. Elementary education is the sole responsibility of the panchayat samitis.
6. Rural medical institutions in the Block are under the administrative control of the panchayat samitis.
7. Members of the panchayat samitis have the right to inspect institutions or works in the Block with a view to ensure efficient working and execution and draw the attention of the executive to any defects.
8. Personnel functioning within the Block are pooled together so that they function in a coordinated way under the samitis.
9. The responsibility for maintenance of minor irrigation works.
10. Panchayat samitis provide financial and technical assistance and supervision to panchayats.
11. Block plans are made based on village plans, district plans based on block plans and state are made based on district plans. This way plans are made truly based on needs of the people.
12. The panchayat samitis are given power to levy surcharges on taxes levied by the panchayats. This will help the panchayat samitis to build up their resources.

13. The main functions of the popular institutions are planning and execution of all schemes of rural development on the twin principles of self-help and mutual cooperation.

### Conclusion

Panchayat Raj system gives significant progress and fund in the fields of primary and secondary education, communication, agricultural extension, cooperation, health, etc. People could get drinking water. In some places people had protected water supply, Village streets, electric light provision, village sanitation, etc., had enough resources. Rural awakening was brought up among rural people; as a result villagers became conscious of their rights and improved their standard of living.

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