

AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON, D. C. 20523 BIBLIOGRAPHIC INPUT SHEET	FOR AID USE ONLY
---	-------------------------

1. SUBJECT CLASSIFICATION	A. PRIMARY Social Science
	B. SECONDARY Development Planning

2. TITLE AND SUBTITLE
 Panchayati Raj and Rural Development in Andhra Pradesh, India

3. AUTHOR(S)
 Reddy, G. Ram

4. DOCUMENT DATE November 1974	5. NUMBER OF PAGES 95p.	6. ARC NUMBER ARC <i>IN-301.35-R313</i>
-----------------------------------	----------------------------	--

7. REFERENCE ORGANIZATION NAME AND ADDRESS
 Cornell University
 Center for International Studies
 Ithaca, New York 14850

8. SUPPLEMENTARY NOTES (*Sponsoring Organization, Publishers, Availability*)

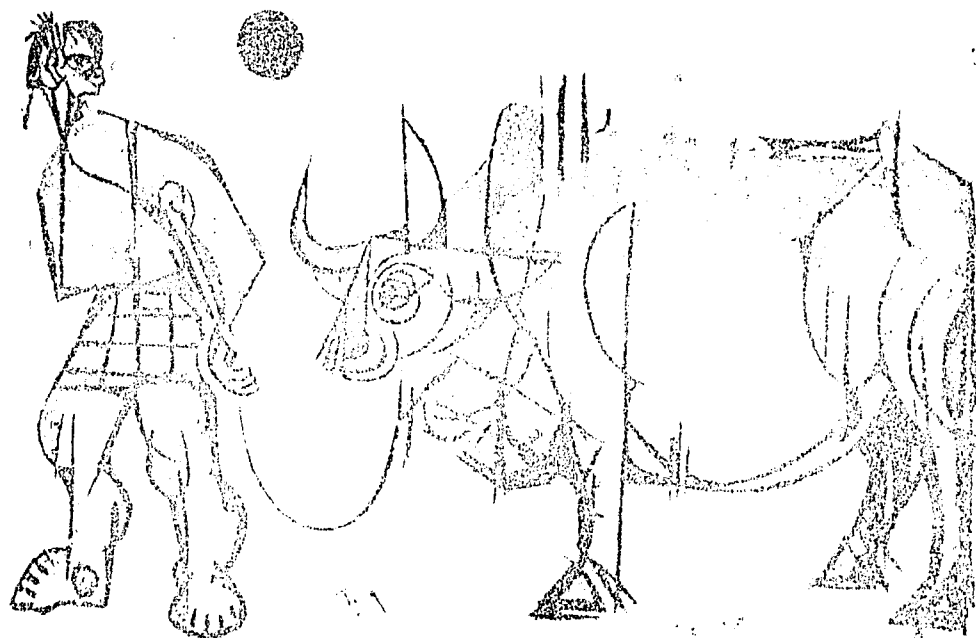
9. ABSTRACT

The theme presented in this monograph has been that the administrative approach to rural development is inadequate; it is too narrow to encompass the complex problems of agricultural development. Agriculture development requires a perspective that would harmoniously blend macro-level needs and organizations. Vigorous national policies to promote agricultural development, giving it a strong technological base and adequate resources, are desirable and essential. The national policies that put all their eggs in the administrative basket are not likely to succeed for they lead to the weakening of political institutions. Furthermore, as long as there is no transformation in the political-administrative institutions, national policies will remain ineffective. More and more administrative institutions are being created to attend to development work but they resemble old institutions and retain a built-in elitist bias. Therefore, to make the administration more responsive, nonbureaucratic institutions have to be strengthened in order to effect the diffusion of political power. Public servants serve the public very poorly as a rule when that public is poor, illiterate, unenfranchised politically, and without prestige.

10. CONTROL NUMBER PN-AAB- <i>206</i>	11. PRICE OF DOCUMENT
12. DESCRIPTORS Administrative Approach, Resources, Agricultural Development, Institutions, National Policies, Technological Base	13. PROJECT NUMBER 298-11-995-037
	14. CONTRACT NUMBER AID/ASIA-C-1102
	15. TYPE OF DOCUMENT Research Study

CORNELL UNIVERSITY

RURAL DEVELOPMENT COMMITTEE



Special Series on Rural Local Government

**PANCHAYATI RAJ AND RURAL DEVELOPMENT
IN ANDHRA PRADESH, INDIA**

G. Ram Reddy

PANCHAYATI RAJ AND RURAL DEVELOPMENT

IN ANDHRA PRADESH, INDIA

G. Ram Reddy

Senior Fulbright Fellow,
Universities of Chicago and Wisconsin, 1973-74

and

Professor and Chairman,
Department of Political Science
Osmania University
Hyderabad, India

Rural Development Committee
Center for International Studies
Cornell University
Ithaca, New York 14853

Published by the Rural Development Committee, Center for
International Studies, Cornell University, Ithaca, New
York 14853. November 1974.

Copies may be obtained by writing to the Rural Development
Committee. A charge will be made for the cost of reproduc-
tion.

FOREWORD

This monograph was written as part of a comparative study of Rural Local Government organized by the Rural Development Committee of Cornell University. The study aimed at clarifying the role of rural local institutions in the rural development process, with special reference to agricultural productivity, income, local participation and rural welfare. An interdisciplinary working group set up under the Rural Development Committee established a comparative framework for research and analysis of these relationships.¹ A series of monographs, based in most cases on original field research, has been written by members of the working group and by scholars at other institutions and has been published by the Rural Development Committee. An analysis and summary of the study's findings has been written for the working group by Norman Uphoff and Milton Esman and has been published separately.

This study of Rural Local Government is part of the overall program of teaching and research by members of the Rural Development Committee, which functions under the auspices of the Center for International Studies at Cornell and is chaired by Norman Uphoff. The main focuses of Committee concern are alternative strategies and institutions for promoting rural development, especially with respect to the situation of small farmers, rural laborers and their families. This particular study was financed in large part by a grant from the Asia Bureau of the U.S. Agency for International Development. The views expressed by participating scholars in this study are their own and do not necessarily reflect the views or policies of USAID or Cornell University.

Special Series on Rural Local Government

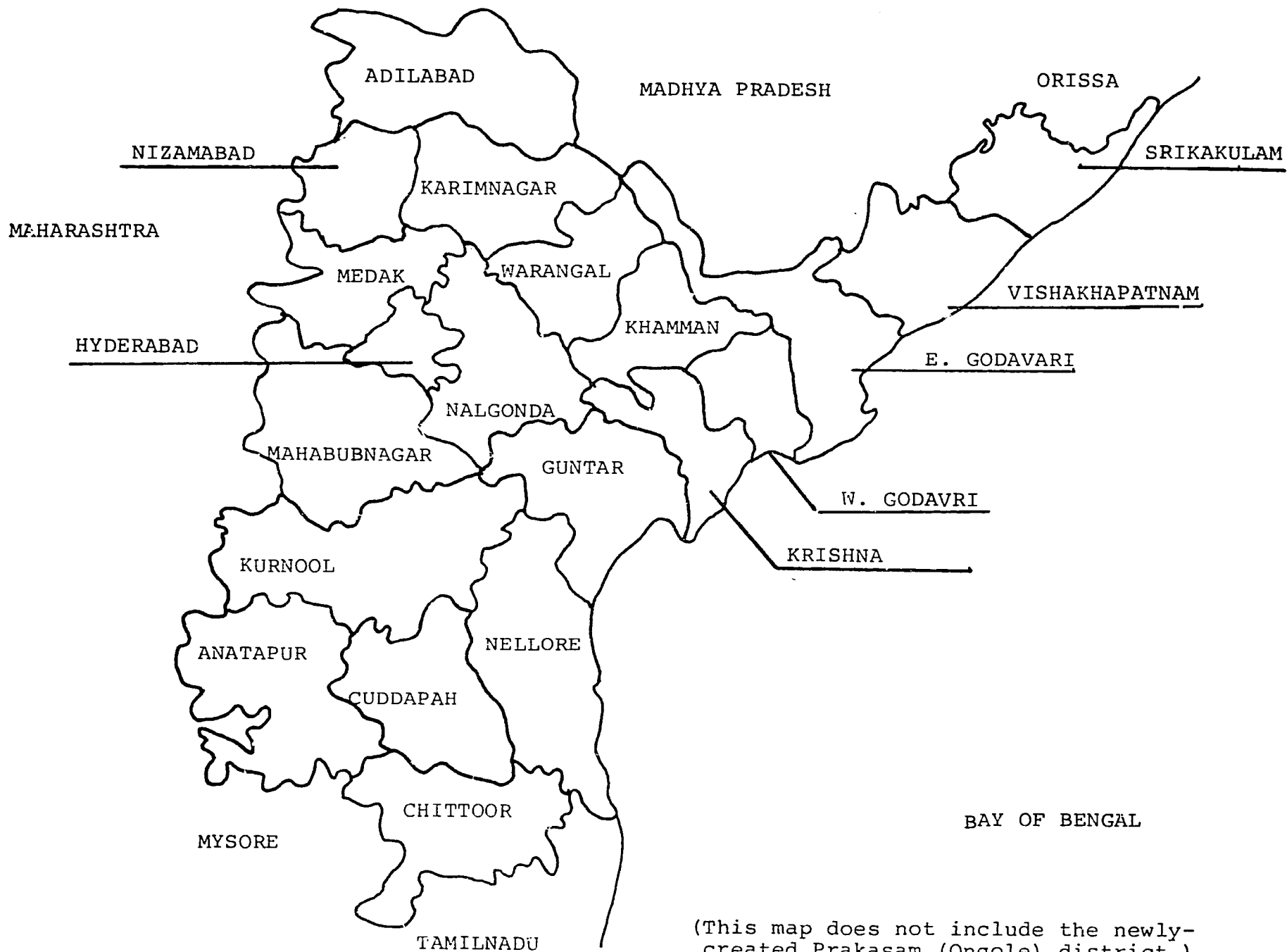
1. THE ELUSIVENESS OF EQUITY: INSTITUTIONAL APPROACHES TO RURAL DEVELOPMENT IN BANGLADESH, by Harry W. Blair, Department of Political Science, Bucknell University, and Visiting Fellow, Rural Development Committee, Cornell, 1972-73.
2. PEOPLE'S COMMUNES AND RURAL DEVELOPMENT IN CHINA, by Benedict Stavis, China-Japan Program and Rural Development Committee, Cornell.
3. LOCAL INSTITUTIONS AND EGYPTIAN RURAL DEVELOPMENT, by James B. Mayfield, Department of Political Science, University of Utah, Salt Lake City.
4. PANCHAYATI RAJ AND RURAL DEVELOPMENT IN ANDHRA PRADESH, INDIA, by G. Ram Reddy, Department of Political Science, Osmania University, Hyderabad, India.
5. THE DYNAMICS OF INSTITUTIONAL CHANGE AND RURAL DEVELOPMENT IN PUNJAB, INDIA, by S.S. Johl, Department of Economics and Sociology, Punjab

¹The members of the working group were Ron Aqua, Douglas Ashford, John Blackton, Harry Blair, Milton Esman, Mohinder Mudahar, Norman Nicholson, David Robinson, Benedict Stavis, and Norman Uphoff.

Agricultural University, Ludhiana, India, and Mohinder S. Mudahar, Department of Agricultural Economics, Cornell.

6. RURAL ELECTRIFICATION AND DECENTRALIZED DECISION-MAKING IN RAJASTHAN, INDIA, by Susan G. Hadden, Department of Political Science, Oakland University.
7. RURAL LOCAL GOVERNMENT AND AGRICULTURAL DEVELOPMENT IN JAVA, INDONESIA, by Gary E. Hansen, East-West Technology and Development Institute, University of Hawaii.
8. LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN JAPAN, by Ronald Aqua, Department of Government, Cornell.
9. LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN MALAYSIA, by Stephen Chee, Faculty of Economics and Administration, University of Malaya.
10. BASIC DEMOCRACIES AND RURAL DEVELOPMENT IN PAKISTAN, by Norman K. Nicholson, Department of Political Science, Northern Illinois University, and Visiting Professor, Department of Government, Cornell, 1972-73; and Dilawar Ali Khan, Department of Cooperation and Credit, Pakistan Agricultural University, Lyallpur.
11. AGRICULTURAL GROWTH AND LOCAL GOVERNMENT IN PUNJAB, PAKISTAN, by S. Javed Burki, International Bank for Reconstruction and Development.
12. LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN THE PHILIPPINES, by Santiago S. Simpas, Ledivina Carino, and Arturo G. Pacho, College of Public Administration, University of the Philippines.
13. LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN SOUTH KOREA, by Ronald Aqua, Department of Government, Cornell.
14. LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN SRI LANKA, by John S. Blackton, Department of Government, Cornell.
15. RURAL LOCAL GOVERNANCE AND AGRICULTURAL DEVELOPMENT IN TAIWAN, by Benedict Stavis, China-Japan Program and Rural Development Committee, Cornell.
16. LOCAL GOVERNANCE AND RURAL DEVELOPMENT IN THAILAND, by Marcus Ingle, Maxwell School, Syracuse University.
17. LOCAL GOVERNMENT AND AGRICULTURAL DEVELOPMENT IN TURKEY, by Douglas E. Ashford, Department of Government, Cornell.
18. LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN YUGOSLAVIA, by Zdravko Mlinar, Department of Sociology, Political Science and Journalism, University of Ljubljana, Yugoslavia.
19. LOCAL ORGANIZATION FOR RURAL DEVELOPMENT: ANALYSIS OF ASIAN EXPERIENCE, by Norman T. Uphoff and Milton J. Eisman, Department of Government and Center for International Studies, Cornell.

ANDHRA PRADESH



(This map does not include the newly-created Prakasam (Ongole) district.)

TABLE OF CONTENTS

	Page
I. Introduction.	1
II. Union-State Relations in Agricultural Development	6
III. State Government Institutions and Agriculture	13
IV. Agriculture in the Economy of Andhra Pradesh	16
V. Land Ownership and Land Reform.	26
VI. Supply of Inputs.	30
VII. Green Revolution.	38
VIII. Evolving Machinery for Rural Development. . .	40
IX. Elected Councils and Local Participation. . .	45
X. Bureaucracy and Panchayati Raj.	54
XI. Administrative Procedures and Practices . . .	63
XII. The Zilla Development Board	68
XIII. Financing and Expenditures.	72
XIV. The Relation of Panchayati Raj to Government.	81
XV. Conclusion.	84

LIST OF TABLES

Table		Page
1	Position of Agriculture in Andhra Pradesh vis-à-vis All-India Average.	3
2	Selected Socio-Economic Characteristics of Andhra Pradesh vis-à-vis All-India Average . . .	4
3	Development Plan Outlay in Andhra Pradesh by Major Sections, 1951-71	19
4	Area Irrigated by Different Sources in Andhra Pradesh	20
5	Number of Towns and Villages Served with Electricity in Andhra Pradesh.	25
6	Number of Electric Pumpsets in Andhra Pradesh.	25
7	State Income at Current Prices in Andhra Pradesh.	26
8	Composition of Working Population.	26
9	Operations of Primary Agricultural Credit and Multipurpose Societies in Andhra Pradesh . . .	33
10	Operations of Primary Land Mortgage Banks in Andhra Pradesh	34
11	Economics of High-Yielding Varieties. Yield and Income in 1968-69.	39
12	Finances of Village Panchayats, Andhra Pradesh.	73
13	Expenditures Pattern of Panchayats, Andhra Pradesh.	74
14	Finances of Andhra Pradesh Panchayat Samithis, 1965-66.	76

LIST OF TABLES (Continued)

Table		Page
15	Finances of Andhra Pradesh Zilla Parishads, 1964-65.	77
16	Expenditures of Andhra Pradesh Panchayat Samithis, 1964-65.	78
17	Expenditures of Andhra Pradesh Zilla Parishads, 1964-65.	78
18	State Grants to Rural Local Bodies in Andhra Pradesh.	79

I. Introduction

The development of agriculture in a state like Andhra Pradesh is very much influenced and conditioned by national economic policies when it operates within a federal set-up such as that in India. Such an effect is more marked in the case of India because of planning activities and one-party dominance there. The current problems in agricultural development in the country and in the state of Andhra Pradesh can be clearly related to policy assumptions of economic planners and to the organization of political-administrative structures that implement them. Although agriculture occupies a strategic position in the overall development of the economy, the policy measures that have been adopted do not vigorously promote agricultural development.¹ The policies are sometimes relevant and specific, but even then their realization is commonly thwarted by weak political-administrative structures. Despite the policy-makers' awareness of the inadequacy of these institutions, very little has been done to tailor them to meet developmental needs.²

The dominant approach to rural development in India has been administrative rather than political. The administrative approach is aimed primarily at achieving efficient allocation of available resources and corresponds in many ways to a "growth" strategy, which is more elite-based and elite-oriented, choosing short-run over long-term gains by utilizing those resources most readily available. The political approach,

¹ Recently Professor Colin Clark of Australia pointed out that "agriculture was the cardinal error of Indian policy." Considering that 70 percent of the labor force was dependent on farming, not enough attention was paid to it. Indian Express (Delhi edition), January 6, 1974.

² There is a full recognition of the administrative bottlenecks in the five-year Plan documents; see the relevant chapters in the First, Second, Third, and the Fourth Five-Year Plans (Planning Commission, New Delhi). Despite efforts at implementing four five-year plans, the Planning Commission has concluded that still "there has been no significant improvement in the levels of performance" (Statesman, January 4, 1971). The Administrative Reforms Commission and similar high power bodies have through the years brought out in detail the structural, procedural, and institutional weaknesses in the process of plan implementation.

on the other hand, relies more on mobilization of resources, primarily through appeals and promises and citizen involvement. It involves mobilizing the resources of many rather than just of the few, to bring about more fundamental change in the economic, social, and political stratifications.³ With the introduction of Panchayati Raj (rural local government) in 1959, the Indian government provided for a more political approach to rural development. This political approach however is still limited and dominated by the administrative approach which provides rural development with few achievements and many pitfalls. To be more specific, we shall be dealing with the working of rural local government in relation to agricultural development and overall political-administrative institutions, their procedures and practices. Our theme will be that the pattern of interaction between the macro and micro level institutions has enfeebled the micro level bodies.

The state of Andhra Pradesh was formed in 1956 as a result of the reorganization of states in India. The states of Madras and Hyderabad were split up according to linguistic groupings, and the Telugu-speaking districts of the two states were brought together. The 21 districts of the state are grouped into three historical regions--Coastal, Rayalaseema, and Telangana.⁴ These three regions have distinct historical geographical, and economic features that have, at times, caused political tensions. The Coastal Andhra region covers about one-third of the area of the state and a good part of it is made highly fertile by the two important rivers the Krishna and the Godavari. The Rayalaseema region is a dry tract and is most vulnerable to drought and famine conditions. The soil of the region is rocky and unyielding, and it receives little rainfall.⁵ Telangana is also backward in many respects. Its agriculture is largely dependent on rainfall and its topography and soil conditions present a handicap to its development.⁶

³For elaboration, see Norman T. Uphoff and Warren F. Ilhman, The Political Economy of Development (Berkeley: University of California Press, 1972), pp. 118-121.

⁴Planning and Cooperation Department, Government of Andhra Pradesh, Fourth Five-Year Plan: Andhra Pradesh-Outline and Programmes (1969-70 to 1970-73), p. 3.

⁵Planning and Cooperation Department, Government of Andhra Pradesh, Planning and Development of Backward Regions: A Case Study of Rayalaseema (Hyderabad: 1971), p. 3.

⁶See the Fourth Five-Year Plan: Andhra Pradesh, op. cit.; a detailed account of this region is found in Planning and

An analysis of the economic, social, and political situation in the state would reveal that it is fairly representative of the country as a whole.⁷ Although the state stands in certain respects below the all-India level, in others it is above the national average, as seen from Tables 1 and 2.

Table 1--Position of Agriculture in Andhra Pradesh vis-à-vis All-India Average

	Andhra Pradesh	All-India
Land utilization: net area sown as % of total area	41.3	41.9
Percentage of labor force in agriculture	69.63	68.63
Average yield of principal crops (quintals per hectare)		
Rice	4.98	3.97
Jowar	1.86	2.02
Bajra	1.70	1.17
Groundnut	2.91	2.59
Sugarcane	33.1	19.75
Tobacco	3.20	3.40
Power consumption for agricultural purposes (kwh per capita)	7.87	6.99

Source: Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development, op. cit.

The percentage contribution to net domestic product from agriculture and allied sectors in the Andhra Pradesh is slightly higher than the all-India average. The average yield

Cooperation Department, Government of Andhra Pradesh, Perspective for Telangana, Vol. I: Resource Inventory (Hyderabad: 1972).

⁷Planning and Cooperation Department, Government of Andhra Pradesh, Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development (Hyderabad: 1973), pp. 13-17.

Table 2--Selected Socio-Economic Characteristics of Andhra Pradesh vis-à-vis All-India Average

	Andhra Pradesh	All-India
Density of population (1971)	406	471
Percentage growth of population (1961-71)	20.60	24.66
Percent of economically-active population in total population (1971)	41.68	33.54
Number of factory workers per 100,000 population (1969)	516	866
Per capita consumption of electricity (Kwh.) (1968-69)	44	76
Road mileage per 100,000 population	78	1,024
Percentage enrollment in primary schools of children age 6-11 (1968-69)	72.7	77.3
Percentage of adult literacy (1971)	24.56	29.3
Number of hospital beds per 100,000 population (1968-69)	51	48
Birth rate per 1,000 population (1961)	39.7	41.7
Death rate per 1,000 population (1961)	25.2	22.7
Per capita net domestic product (Rs.) (1968-69)	478	552
Sectoral contributions to net domestic product, in percent:		
(a) Agricultural and allied sectors	51.8	43.8
(b) Industry and mining	11.5	17.3
(c) Others	36.7	38.9

Source: Fourth Five-Year Plan: Andhra Pradesh, op. cit.

for the principal crop in the state, rice, is higher than the national average, but other crop yields are fairly typical. The use of power in the state for agricultural purposes is also somewhat more than the nation's average. In some indicators of socio-economic development, the state is below the national average and in others it is above. What is most significant is that Andhra Pradesh is one of the very few states that is near the all-India average in respect to almost all the indicators, and thus as a state it approximates more closely the average for India than any other state.⁸

The social system of the state is similar to that in the rest of India. The main features of Hindu society--the caste system, joint family, etc.--are as important in this state as they are elsewhere in the country. The important castes in Andhra Pradesh are the Brahmins, the Reddis, the Kammas, the Velamas, the Kapus, the Rajus, and the Harijans. Of these, the Reddis and the Kammas and in certain areas the Velamas and the Rajus are the dominant castes. The source of these castes' power is their control over land.⁹ Politically also, having had a stable Congress party government since the formation of the state, Andhra Pradesh is representative of the rest of India.¹⁰ The Congress party has always had an absolute majority in the state. Andhra Pradesh has had its share of factional politics, which have been generally rampant in most of the Congress-ruled states.¹¹ In recent years, however, the political stability has been rudely shaken by two massive regional agitations, one in 1969-70 and the other in 1972-73.¹² The agitations paralyzed the functioning of

⁸ Ibid., p. 17.

⁹ For details, see Rasheeduddin Khan, Political Participation and Political Change in Andhra Pradesh, unpublished manuscript; Carolyn M. Elliot, "Caste and Factions Among Dominant Castes: The Reddis and Kammas of Andhra," in Rajni Kothari (ed.), Caste in Indian Politics (Madras: Orient Longmans, 1970); and Hugh Gray, "Andhra Pradesh," in Myron Weiner (ed.), State Politics in India (Princeton: Princeton University Press, 1968).

¹⁰ G. Ram Reddy, "Andhra Pradesh: The Citadel of Congress," in Iqbal Narain (ed.), State Politics in India (forthcoming).

¹¹ R. Khan, op. cit.

¹² K. Seshadri, Politics in Andhra Pradesh, unpublished manuscript, deals with the Telangana agitation of 1969-71. See also Duncan B. Forester, "Subregionalism in India: The Case of Telangana," Pacific Affairs (1970).

government and created near-chaotic conditions in the state. Their impact was felt in all walks of life, and the economic development of the state received a setback during 1969-73. Governmental ineffectiveness and political uncertainty during the four years account for negligence of the economic development of the state.

II. Union-State Relations in Agricultural Development

Development of agriculture is, according to the Constitution of India, primarily the responsibility of state governments, and all the supporting aspects of agriculture like water supplies, irrigation and drainage, agricultural credit, etc. are also vested with the state government. The object of the framers of the Constitution was to make the states directly responsible for all these matters.¹³ Despite this, the Union government at the center has played a dominant role in the development of agriculture. The Union's powers are essentially powers of coordination rather than of direct administration. The Union government oversees agriculture because of its powers over commerce, insurance, interstate rivers, labor relations, price control, and the production and distribution of food stuffs. Moreover, the overall control of the national economy is vested with the Union government. Thus in practice, responsibility for agricultural development is shared between the Union and the states, and indeed, in view of its financial and other general powers, the Union has emerged far more powerful in relation to agriculture and other development matters than the provisions of the Constitution intended.

The union's powers of taxation and other powers reduce the states' autonomy to negligible proportions, says the report of the Study Team on Agricultural Administration.¹⁴ The states have tended to follow central government guidelines and directives. However, and this is very important, the central government can only be a policy-making and coordinating agency, and for implementation it must use the states' machinery. "Formulation of policies has become difficult due to accent on the autonomy of states in fields where powers,

¹³ See N. Srinivasan, "Union-State Relations in Agricultural Development," in N. Srinivasan (ed.), Agricultural Administration in India (Delhi: Indian Institute of Public Administration, 1969), pp. 67-68.

¹⁴ Administrative Reforms Commission, Report of the Study Team on Agricultural Administration, Vol. I (Delhi: Manager of Publications, 1967), p. 45.

duties and responsibilities are intermeshed."¹⁵ The shared responsibility has led to confusion with the central government blaming the states for defective implementation of agricultural programs, and the latter complaining of over-centralization and unrealistic policies.

There are a number of institutions at the national level that participate in the formulation of the country's agricultural policy. The role of the Union executive and parliament is too well known to need any elaboration here. The National Development Council (NDC) is the forum that brings the national-level policy-makers and the states' Chief Ministers together. The NDC meetings provide an opportunity to the states to press their claims.

The most important agency to shape agricultural policy is the Planning Commission which is accountable only to the central government. Although it holds discussions with the states in the shaping of policies, in the final analysis its views prevail. In addition to the Ministries of Food and Agriculture, Community Development and Cooperation, and Irrigation and Power, there are a plethora of specialized agencies--the Indian Council on Agricultural Research, the Directorate-General of State Farms, the Agricultural Prices Commission, the Directorate of Extension, the National Seed Corporation, etc.--which have been created to look after various aspects of agriculture. The expansion of the central government machinery, says the report of the Study Team, has gone to such an extent (no doubt through being anxious to see the expeditious implementation of plans) that duplicate agencies and institutions have come into existence in almost the same spheres of activities.¹⁶ They create problems of coordination, however, and slow down the tempo of work.

The chief instrument of agricultural policy is planning. There does not appear to be proper long-term perspective in the five-year plans launched for the development of agriculture. The plans are mainly the handiwork of three categories of persons--the national political leadership, the civil service, and numerous experts.¹⁷ The political leadership is imbued with a spirit of reform based on certain ideological premises. The civil servant suffers from the hangover of British administration attitudes and maintains the same

¹⁵ Ibid.

¹⁶ Ibid., p. 46.

¹⁷ C. H. Hanumantha Rao, "Agricultural Policy under the Three Plans," in Srinivasan, op. cit., pp. 116-120.

elitist paternalistic behavior. He views the farmer as basically irrational and ignorant of his own interests; in this view the farmer is conservative and is resistant to change, even when it benefits him.¹⁸ The economist who is the expert assisting plan formulation has displayed a strong commitment to a rapid rate of growth of Indian economy. Because of his obsession with sophisticated models, largely based on the experience of other countries, he has tended to ignore the institutional and political constraints. "Many of these economists reveal an open aversion to the possible relevance of non-economic factors, the discussion of which is unexciting to them as this would mean the sacrifice of 'sophistication' and 'exactness,'" claims one agricultural economist.¹⁹ Like the civil servant, he views the farmer with suspicion. Agricultural policies thus reflect the thinking of these three sets of architects of Indian planning.

An analysis of the five-year plans shows some changes in emphasis by the planners. Priority was granted to agriculture in the first five-year plan, but this was changed in favor of industrialization in the second plan. It was later realized that this policy was not conducive to the growth of agriculture, or of the economy as a whole, for that matter. In the later stages of the third plan and in the fourth plan, attempts have been made to restore the balance.

Over the years the main features of the center's agricultural policy which provide a framework for the states are: (a) agrarian reform, (b) provision of irrigation, mostly through major and medium-size irrigation projects, and the supply of power for minor irrigation through rural electrification, (c) supply of credit mainly through cooperatives and organizing cooperative farms, (d) raising the technical base of production through the application of modern science (particularly in the form of high-yielding varieties), and (e) establishing community development and Panchayati Raj institutions.²⁰ It may be pointed out that the stress on these features has varied from time to time. In the early period of planning, agrarian reform, major irrigation,

¹⁸ Ibid. See also Gilbert Etienne, Studies in Indian Agriculture: the Art of the Possible (Berkeley: University of California Press, 1968), pp. 22-23.

¹⁹ See Hanumantha Rao, op. cit.; also Etienne, op. cit.

²⁰ See the First, Second, Third and Fourth Five-Year Plans (Delhi: Planning Commission). For a critical analysis of agricultural policies, see John W. Mellor et al., Developing Rural India (Ithaca: Cornell University Press, 1968).

cooperatives, and community development were the focal points of attention. The attention, however, shifted then to minor irrigation, the application of modern science to agriculture, and Panchayati Raj. Now greater emphasis is placed on the application of technology, with some bows in the direction of reform again.

This national agrarian policy has had its areas of achievement. In the sphere of land tenure relations, the abolition of the Zamindari land tenure system has been a notable success, for it not only brought large areas of land under cultivation but brought millions of tenants out from under the control of landed gentry and into direct relationship with the state. Zamindari abolition proved a great boon to the tenants.²¹ But there has not been much success in the other elements of agrarian reform--providing security of tenure to tenants in ryotwari areas and imposition of ceiling on land holdings. The planners are aware of the very limited achievements in this field and they frankly admit in the fourth plan draft that "substantial areas in some regions of the country were still cultivated through informal crop-sharing arrangements; there were ejections of the tenants through the devices of voluntary surrenders; the fair rent provisions were not enforced effectively in all cases; and ceilings had been evaded through the well known device of transfers and partitions and not much land was made available for distribution to the landless."²² Although state and central government policy makers paid homage to these reforms, their concern stopped with making official pronouncements, and little attention was paid to the implementation of the declared policy. In view of the social and economic background of political and administrative elites at all levels, it is doubtful whether they intended serious agrarian reform; it is another matter whether the full implementation of these reforms would by itself lead to a metamorphosis of Indian agriculture.

To reduce the dependence of the farmer on rainfall, which in the past has made him a victim of climatic conditions, the national agricultural policy emphasized provisions for irrigation. By supplementing the natural rainfall, irrigation can do much toward smoothing out production fluctuations and income variability.²³ Major and medium irrigation projects

²¹ See Etienne, op. cit., and Hanumantha Rao, op. cit.

²² The deficiencies in the implementation are attributed to administrative arrangement, tenancy records, economic conditions of tenants and delay in the enactment of legislations.

²³ Mellor, op. cit., p. 43.

have been launched throughout the country, and importance was also accorded to minor irrigation schemes. As a result of these programs, considerable area in the country has been brought under irrigation. The most notable success, however, is attributed to minor irrigation, which also reflects the increasing mobilization of local resources. Despite substantial investments in major- and medium-size irrigation projects their productive contribution has not matched the investment. Either the gestation period of the big projects has been very long or the follow-up work has not been synchronized with the completion of these projects. Building a dam and digging canals is not enough--branch canals to connect the fields must be provided. In certain cases, farmers must be persuaded to move to new and virgin lands and also to adapt themselves to a system of irrigated cultivation. Quite apart from the cost of these large schemes, the resulting production and marketing must be organized, and the fact that the complexity of this organization has often been underestimated has led to numerous delays. "What is most striking is the extraordinary slowness of irrigation projects."²⁴ It is estimated that an irrigation system takes from 20 to 25 years to come to full maturity.

Mellor lists five major criticisms of the Indian irrigation policy: (a) too much attention has been given to famine relief and not enough to intensive development of agriculture; (b) total investment in agriculture has been insufficient; (c) management of the irrigation system has been poor resulting in part from the division of authority between government agencies; (d) irrigation development has not been coordinated with increased input of fertilizer and extension services; and (e) there has not been enough research support for irrigation.²⁵ Observers of Indian administration would be inclined to attribute these shortcomings to the outdated administrative system, which lacks sight of coordination, timing, and details. Agricultural administration has been torn into separate and independent compartments with very little coordination among them; this has often resulted in the creation of wide gaps between potential and performance.²⁶

Supply of credit to the farmer through cooperatives has been the policy of governments before and since India's independence. Despite long-established efforts, the progress of

²⁴Etienne, op. cit., p. 26.

²⁵Mellor, op. cit., p. 47.

²⁶Report of the Study Team on Agricultural Administration, op. cit., p. 29.

cooperatives in the country on the eve of launching of the first five-year plan had not been very satisfactory. This lack of progress notwithstanding, the cooperative idea was highly appealing to the planners. It has since become an essential plank for planned development in India. A considerable amount of credit has been channelled through the cooperatives, though it is far from meeting the total needs of the farmers. Their working has been termed inefficient and in many cases they are defunct; overdues are a serious threat to their functioning. The policy of giving monopoly rights to cooperatives in the field of credit is questioned from time to time,²⁷ but the infatuation continues. There is, however, a general acceptance of the idea of credit cooperatives. Cooperative farming, on the other hand, which provides for joint cultivation has not found much favor with farmers in spite of official encouragement; it still remains more an idea than a reality. Of the thousands begun, very few have been able to achieve even modest success.

In recent years serious attempts to lift the technical base of agriculture have followed in large part from stagnation of agriculture during the third plan. This is reflected in the more substantial allocation made them for agricultural research over time. Moreover, until the beginning of the fourth plan, the Indian government was reluctant to allocate enough resources to fertilizer production or imports.²⁸ For a long time the assumption was that a poor country like India could not afford fertilizer. No aggressive attempts were made to obtain adequate supplies. The new strategy of agricultural development based on high-yielding varieties and scientific technology has been advanced only in recent years. This strategy has had some notable successes, as in the Punjab,²⁹ but still it remains to be consolidated. For the new strategy to be effective, massive effort is required in such areas as research and extension, soil testing, evolution of proper crop rotation, and the identification and cure of crop diseases.³⁰ Proper coordination among research, extension, and the farmer himself is essential. Several cases point to failure of such coordination

²⁷ See Report of the Study Team on Agricultural Administration, op. cit.

²⁸ Mellor, op. cit., p. 100.

²⁹ See S. S. Johl and M. S. Mudahar, The Dynamics of Institutional Change and Rural Development in Punjab, India (Ithaca: Rural Development Committee, 1974).

³⁰ Hanumantha Rao, op. cit., pp. 132-133.

leading to a credibility gap between the extension agencies and farmers.

Impressed by the concept of community development, planners made it an essential feature of the first five-year plan. We shall discuss in detail later the elements of community development and how it works. It may, however, be pointed out here that the community development program was conceived with multipurpose objectives under the banner of improving rural life in general. Its focus was not merely on extension and supplying modern inputs to farmers but on overall development of village life. The main shortcoming of the program was that it was extended to the whole country without adequate backing of new technology which would help the farmer and without the requisite supplies of inputs like fertilizers and pesticides, so that the productive base of rural communities would be improved.

Soon the inability of the extension agents to be of much help to the farmer became evident. Since it was essentially a bureaucratically run program, it was thought that the farmer could not identify with it. A solution was sought in the introduction of Panchayati Raj, which made several changes in the local organizational setup. In particular, the bureaucracy was made accountable to local elected bodies. The planners, however, placed too much on the new institutions. Targets for food production were set too high, and there was tremendous strain on the organizational machinery. The neglect of agriculture in the second plan, which led to disastrous consequences, could not be remedied simply by making institutional changes in rural administration. As will be pointed out later, the Panchayati Raj institutions which were expected to bear the burden of agricultural development have not been backed by the requisite finances, adequate inputs, and proper research bases. Moreover, their capabilities--financial and personnel--are highly illusory. They have to work according to detailed guidelines handed down to them by government agencies. Although their responsibility for agriculture is formally great, they have no control over such fundamentals relevant to its promotion as water, credit, inputs, and research. They are no more than the last link in a long administrative chain designed to implement and execute policy from above. No wonder these institutions have become scapegoats for policy failures.

It is clear from the foregoing analysis, then, that the central government lays down agricultural policy for the whole country and that there have been several erroneous assumptions in making this policy. The approach taken toward the agriculture sector has been theoretically ill-founded, too ideological and paternalistic, and infused with too much elitism.

"Not only the implementation of agricultural policies has lacked vigour but the policies themselves lacked realism."³¹

III. State Government Institutions and Agriculture

As we have seen earlier, the Constitution makes the state primarily responsible for the development of agriculture.³² Although this is the uniform legal position, the dominant position which farmers occupy in state politics would further make it obligatory for the state to strengthen agriculture; and within the scope of national agricultural policy the state appears to have done so, as we shall see. Some of the political and administrative features of the state, however, dilute the effect of these programs. Politically, agriculture does not occupy as important a place in cultivating the career gardens of politicians as some other sectors. Very few Ministers of Agriculture have been men of initiative and dynamism. Important political leaders who could lend their political weight to agricultural development prefer portfolios featuring work in revenue, finance, industries, transport, home affairs, or planning. These sectors are politically very rewarding and do not involve as much responsibility or create as many problems as agriculture does. To the Chief Minister, agriculture is a problem child that should be handled by a middle-level minister. Even those who are put in charge of agriculture have uncertain ministerial tenure. Either their careers as ministers are short or there is a rapid change in the portfolios they hold. As a consequence, no Minister of Agriculture can think of long-term policy perspectives for agriculture; he can have only short-term objectives. Moreover, subjects relating to agriculture are split into several portfolios--agriculture, cooperation, animal husbandry, minor irrigation, major irrigation, etc.--to provide experience for aspiring politicians but thereby creating problems of coordination.³³ The political leadership has little opportunity to study and understand the policy framework of agriculture and leaves hardly any impact on it; therefore, it is almost totally

³¹ Report of the Study Team on Agricultural Administration, op. cit., p. 32.

³² N. Srinivasan, "The Division of Powers in the Constitution and Agriculture," in Srinivasan, op. cit.

³³ See K. Seshadri, "Administrative Institutions and Agricultural Development," in Waheeduddin Khan (ed.), Papers and Proceedings of Workshop-Cum-Seminar on Rural Institutions and Agricultural Development (Hyderabad: National Institute of Community Development, 1972).

dependent on the civil service.

The background of the higher civil servants concerned with agriculture policy is not conducive to agricultural advancement. Most of the top administrators are from elite urban families whose acquaintance, if any, with agriculture is peripheral. The generalist tradition inherited from the British civil service further makes it difficult for them to deal with all subjects, since they know something of everything but nothing extensive of any one subject. Even in cases in which a generalist officer has aptitude to learn and understand the problems of agriculture he has no opportunity to do so in the present system. The mobility of the top officers dealing with agriculture is very high and no one has a chance to work on agriculture long enough to develop interest in or contribute to its growth. Thus, since these officers have neither experience nor commitment for agriculture, mechanical and routine approaches are considered the safest.

The organization of administration at the state level emphasizes the prevention of mistakes but not expedition in development work. Having its roots in the British period, the system of administration promotes dichotomy between policy and execution, and consequently a lack of responsibility. In this connection two administrative institutions deserve to be mentioned--the Secretariat and the Directorate. Most of the important decisions relating to agriculture are taken by these two institutions.³⁴ The Secretariat is described as "the seat of government" and is concerned with the formulation of policies.³⁵ Its other functions include supervision and coordination of Directorates. The Department of Agriculture within the Secretariat is the agency that directly deals with agriculture. Depending on the nature of work, other Secretariat departments such as Planning, Finance, and Revenue also come into the picture. The decision-making levels in the Secretariat are the Minister, the Secretary, the Additional

³⁴Administrative Reforms Commission, Report on State Administration (New Delhi: Government Printing Press, 1968). Two reforms committees were appointed by the state government in 1960 and 1964 which dealt with this subject in detail. See Report of the Administrative Reforms Committee 1960 (Hyderabad: Government Printing Press, 1960); and Report of the Administrative Reforms Committee, 1964-65 (Hyderabad: Government Printing Press, 1965).

³⁵M. R. Pai and G. R. Reddy, Secretariat and Heads of Departments: A Study of Their Relationship (Hyderabad: Indian Institute of Public Administration, A. P. Branch, 1965).

Joint Secretary, and the Deputy Secretaries. All these levels, which are charged with responsibility for policy formulation, consist of laymen and suffer from the high rate of mobility previously discussed. Policy-making thus suffers from lack of expertise and stability of both political and administrative personnel.

The Directorate, on the other hand, is the executive agency whose job it is to implement the policies laid down in the Secretariat.³⁶ This body is to provide technical knowledge to the Secretariat and prepare programs relating to agriculture; these programs, however, are subject to the approval of the Secretariat. The Directorate coordinates and controls the work of its field agencies in districts and blocks. A typical Directorate consists of the following positions in the top administrative structure--Director, Additional Joint Director, Deputy, and Assistant Directors. These are for the most part technical experts, however in several cases generalist IAS officers have been appointed as Directors.³⁷ The assumption is that experts should initiate but should not be the final decision-making authority for specific programs. They should be subject to "lay scrutiny" and nonexperts should be the final arbiters of programs. Policy, according to this system, should be made by laymen-ministers and top generalist officers.

This dual system of administration has led to inordinate delays in programs. It also reduces the technical men to a subordinate position, and often their role resembles that of defendants in criminal cases--the judges being the lay policy-makers. The system is defended on grounds of "safety" and "second look" at the proposals submitted by Directors. Observers would say that it not only delays expeditious transaction of governmental business but promotes irresponsibility in developmental programs. There is also an erroneous notion that policy should be made by laymen and that this policy should be divorced from expertise and execution. What is more doubtful is whether the Secretariat concerns itself only with policy matters--most of its work is anything but policy-making.³⁸ The Secretariat thus reduces Directorates to insignificant roles in policy-making, and also, to some extent, in other executive matters.

³⁶ Ibid.

³⁷ The Director of Agriculture in Andhra Pradesh (as of the time of this writing) is an IAS officer.

³⁸ See the Report of the Administrative Reforms Committee, 1964-65, op. cit.

At the state level, there are far too many separate agencies dealing with agricultural matters including agriculture, animal husbandry, irrigation (major, medium, and minor), revenue, agriculture university, agro-industries, cooperation, Panchayati Raj, and planning.³⁹ The separate existence of these agencies is essential for the vigorous development of their specific areas of concern. They, however, pose herculean problems in coordination. Quite often they tend to function in organizational isolation. Efforts toward coordination are time-consuming. Interdepartmental correspondence loses sight of the time dimension of programs. There is also the bureaucratic tendency of jealously guarding the separate identities of programs and organizations.

We thus witness a lack of vigorous political and administrative support for agricultural programs at the state level. Standing between the central government and the district, this level is in a crucial position for program direction. It must translate the central policies into action programs. This state level has neither the organization nor the personnel to enact these agricultural programs. The traditional administrative machinery, with practically no changes, is being used for programs that demand a high degree of initiative, innovation, and expertise. The state institutional base is weak in these respects. Attempts to update and reform this machinery have met with only little success.⁴⁰

IV. Agriculture in the Economy of Andhra Pradesh

A study of the state's five-year plans reveals its expression of concern for agricultural development. Although there has been a marked improvement in some aspects of agriculture (such as per acre yield, input usage, and the amount of area under irrigation), there has been no sustained progress, or the returns have not been commensurate with the investment. In broader areas (e.g., agrarian reforms), no significant achievements are noticeable. Other factors, such as bad weather and population explosion, have further inhibited agricultural development.

The state five-year plans give an indication of the policy of the government toward agricultural development. Activities important in state planning include agriculture, animal husbandry, forestry, fisheries, irrigation, power, road, education,

³⁹Seshadri, op. cit., pp. 223 and 224.

⁴⁰See the recommendations of the two Administrative Reforms Committees cited earlier.

medical and public health, and social welfare. In terms of plan investment, agriculture takes precedence over these other activities.⁴¹ Whether this emphasis is judicious or not, expenditures in this area have certainly been increasing over the last two decades.⁴² The total expenditure was Rs. 970 million in the first plan, Rs. 1,885 million in the second plan, and Rs. 3,524 million in the third plan. There was a delay of about three years in launching the fourth plan after the third plan ended. During this time, however, there were annual plans for which Rs. 2,340 million were spent. The estimated expenditure during the fourth plan period was about Rs. 4,860 million. Overall, there was a substantial rise in annual expenditures over the period the five-year plans were in effect--from between Rs. 150 and 270 million in 1951-52 to Rs. 1,050 million in 1965-66.⁴³ The state's outlay for these programs has, however, since decreased. The actual expenditures incurred in 1966-67, 1967-68, and 1968-69 was Rs. 933, Rs. 663 and Rs. 743 million respectively. This drop is attributed to droughts and floods in many parts of the state during this period, which adversely affected agricultural production, which, in turn, reduced the resources of the state. Another reason advanced for the decline in investment is the fact that the central government's assistance to the state resulted in the accumulation of a large state debt. These two factors imposed heavy strains on the resources of the state.⁴⁴ The assistance available from the central government declined from 63 percent during the third plan period to 51 percent during the fourth plan. All these factors account for a decline in plan outlays after 1965-66.

Plan allocations are good indicators of the state's priorities for development. According to the official documents, the plans are "characterised by a strategy of development of agriculture and improving the socio-economic environment for the overall development of the economy by investing heavily in the development of irrigation and power."⁴⁵ Such

⁴¹Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Progress, op. cit.

⁴²See Planning Department (Government of Andhra Pradesh), Second, Third and Fourth Five Year Plans. For the first plan see the documents of Madras and Hyderabad state.

⁴³Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Progress, op. cit.

⁴⁴Ibid., p. 83.

⁴⁵Ibid., p. 82.

a strategy is "the logical outcome of the predominant agricultural base of the economy of the state, the resource potential in terms of surface irrigation and the requirements of power as the basic infra-structure" for agriculture, industry, and social services.⁴⁶ Analysis of the expenditure pattern does reveal the planners' concern for agricultural development. Table 3 shows that the agricultural sector, including community development and cooperation, received 13 percent in the first, 20 percent in the second, and 22 percent in the third plans. It is about 16 percent in the fourth plan. Average allocation to the agricultural sector has been about 18 percent over the 1950-71 period.

To this must be added the expenditure on irrigation and power, which promotes agricultural development. Irrigation, including major irrigation projects, received substantial amounts: 22 percent in the first five-year plan, 31 percent in the second, 26 percent in the third, and 26 percent in the fourth plan. The average amount over the two-decade period is much higher than the allocation for the agricultural sector. A substantial portion of this expense has been for major irrigation projects, whose full impact on agricultural production will be felt only some time after their completion.

Substantial expenditures have been incurred for power, the development of which is essential to the overall development of the state. In the first plan, the allocation for power was 39 percent, in the second, 20 percent, and in the third plan it was 27 percent. It increased considerably in the three annual plans and the fourth plan, to 42 and 41 percent respectively. This results in a 33 percent average over the 20 year period.

If agriculture, irrigation and power are considered together their allocation was approximately 74 percent in the first plan, 70 percent in the second, 75 percent in the third plan, 84 percent in the three annual plans, and 85 percent in the fourth plan. Industries, mineral development, communications, transportation, and social services received the rest of the allocation. It is thus clear that within the resources available, the government has accorded a high priority to agriculture. The return to this investment, however, is not reflected directly in agricultural development because a substantial percentage of this allocation is spent on major irrigation projects and the administrative system and the administrative procedures often make part of this allocation unproductive.

⁴⁶ Ibid., p. 82.

Table 3--Development Plan Outlay in Andhra Pradesh by Major Sections, 1951-71
(in million rupees)

Sector	First Plan (1951-56)	Second Plan (1956-61)	Third Plan (1961-66)	Annual Plans (1966-69)	Fourth Plan (1969-74)	Total Plan Outlay (1951-71)
I. Agriculture	95.0	59.9	52.8	133.0	210.7	510.5
II. Animal husbandry	9.2	27.0	44.7	33.5	52.4	130.6
III. Forests	2.6	9.7	13.9	10.4	28.5	46.1
IV. Fisheries	0.8	6.2	14.2	10.6	22.4	33.7
V. Cooperation and community development	15.3	189.7	274.1	60.7	194.5	590.7
VI. Irrigation and power						
(a) Major and medium irrigation	218.6	574.3	930.1	593.6	1,079.4	2,737.0
(b) Minor irrigation	--	81.1	289.4	160.2	255.5	625.6
(c) Power	378.4	385.3	936.1	979.6	2,007.2	3,397.5
VII. Industries	11.5	101.5	147.4	66.7	186.3	390.9
VIII. Mineral development	--	--	4.5	4.4	6.4	10.9
IX. Communications	34.3	94.6	69.5	61.8	135.9	394.0
X. Transportation	--	--	--	10.3	23.4	12.7
XI. Education	45.1	123.6	210.7	66.4	169.5	480.5
XII. Medicine and public health	15.6	83.7	128.3	58.3	52.5	298.1
XIII. Urban development inclu- ding water supply and drainage	68.6	20.3	105.9	58.0	162.0	267.2
XIV. Rural water supply and sanitation	--	11.3	2.3	11.0	87.3	52.9
XV. Housing	16.2	41.9	25.0	4.8	73.4	107.2
XVI. Welfare of backward classes	38.5	54.2	59.7	15.9	91.8	186.8
XVII. Miscellaneous (includes tourism)	18.2	21.5	15.6	1.5	16.8	60.7
Total	967.9	1,885.8	3,524.2	2,340.7	4,856.3	10,337.9

Land utilization is one index of agricultural development. Table 4 gives details of land utilization in the state. The total cropped area has increased from 26 million acres (10,652,000 hectares) in 1950-51 to about 33 million acres (13,145,000 hectares) in 1969-70; this is an increase of about 29 percent. The increase was impressive during the 1950s and early 1960s but fluctuated thereafter and did not show much improvement, except in 1969-70. The percentage of area under food crops has always been very high in the state and reached 82 percent in the early 1960s. There has been a marginal shift in favor of non-food crops in the second decade. The major food crops in the state are rice, jowar, millet, and groundnut. Tobacco, sugar cane, and chillies accounted for a small percentage in the 1950s, but these crops increased considerably in the late 1960s, signifying the increasing emphasis on cash crops.

Table 4--Area Irrigated by Different Sources in Andhra Pradesh
(in million acres)

	1950-51	1960-61	1968-69
Area irrigated by:			
Canals	3.01	3.29	3.68
Tanks	1.86	2.84	2.65
Wells	0.75	0.81	1.24
Other sources	0.21	0.24	0.32
Total	5.79	7.19	7.38
Area irrigated more than once per year	0.45	1.43	2.38
Gross irrigated area	6.24	8.72	10.26
Gross cropped area	26.29	29.52	32.48
Gross irrigated area as % of gross cropped area	23.7	29.5	31.6
Net area sown	24.26	26.91	28.44
Net area irrigated as % of area sown	23.9	27.1	27.7

Source: Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development.

Productivity of crops reflects the overall efficiency of the agricultural system. There was a generally substantial

increase in yields of principal crops (except tobacco and sesame) in the 1950s. Yields did not, however, continue to rise in the 1960s. Rice, which is the principal food crop, reached its peak yield of 1,430 kgs. per hectare in 1964-65, but on average, it clusters around 1,186 kgs. per hectare. Jowar yielded more than 494 kgs. per acre in the early 1960s, but it has since fluctuated between 400 and 500 kgs. per hectare. There are fluctuations in the yields for all crops, but one finds higher yields in 1969-70 for all crops (except tobacco and groundnut) compared with the figures for 1950-51. What is, however, doubtful is whether the increase in the productivity of crops has been commensurate with the state's expenditures on agriculture during this 20 year period.

The crop yield for Andhra Pradesh compares favorably with the national average.⁴⁷ In fact, with respect to its principal crops--rice, bajra, groundnut, and sugar cane, the state average is higher than the national average. Indeed, it is estimated that only a few states (Tamil Nadu, Punjab, Mysore, Kerala, and Jammu and Kashmir) have higher rice yields than Andhra Pradesh. Only two states (Punjab and Tamil Nadu) have higher yields in groundnut than Andhra Pradesh. For other crops, however, the average yield for the state is slightly less than the all-India average.

Food production as a whole has increased in the state by more than 50 percent over the last 20 years. In 1950-51, the total grain production was 4.03 million tons; this figure rose to 6.89 million tons in 1969-70, with grain production as high as 7.7 million tons in 1964-65, and more than 7 million in certain other years. The production of important food grains such as rice has nearly doubled over this period. In 1950-51, rice production was 2.27 million tons; by 1969-70 it had risen to 4.33 million tons. Jowar production was 700,000 in 1950-51 and 1,270,000 in 1969-70, showing an increase of nearly 70 percent. With regard to other cereals and millets, there has been an increase of from 40 to 50 percent over the last two decades. The increase in the production of sugar cane has been phenomenal--from 479,000 to 1,121,000 tons over the same period.

The fact that rainfall is both seasonal and erratic makes irrigation an absolute necessity for the development of Indian agriculture. Efforts have been made to extend irrigation facilities to the farmers. Under the new strategy for agricultural development, introduced in 1965, intensive irrigation has been recognized as a basic infrastructure for

⁴⁷ Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development, op. cit., p. 15.

raising high-yielding varieties of crops and applying modern inputs and practices to farming.⁴⁸ As noted earlier, the state government has allocated Rs. 3,362 million (about 33 percent of its planning resources) to irrigation; this shows the high priority accorded to this function. Of this, the expenditure on major and medium irrigation has been Rs. 2,737 million. The major irrigation project, Nagarjuna Sagar, has taken a lion's share of this allotment--over 60 percent. The rest has been spent on other projects; several of which have already been completed.⁴⁹ In addition to the major irrigation schemes, the government has launched 22 medium irrigation projects, several of which would irrigate more than 10,000 acres each. The minor irrigation programs aim at the exploitation of surface water and ground water. About Rs. 630 million have been spent on these programs.

The gross irrigated area in the state has increased from 6.24 million acres in 1950-51 to 10.26 million acres in 1968-69 (see Table 4). Of this about 3.7 million acres are irrigated by canals, 2.7 million acres are irrigated by tanks, and 1.2 million acres are irrigated by wells. There has been a remarkable increase in the area irrigated more than once--from 45 million acres to 2.38 million acres. Impressive though these figures are, the net area sown has not increased much. The major irrigation projects in the state have consumed huge amounts but benefits from them have been slow to flow. The case of the Kadam project in Adilabad, a backward district of the state, illustrates this point well.⁵⁰ The project was completed at a cost of Rs. 83.9 million and its irrigation potential is 65,000 acres in kharif (main crop) and 20,000 acres in rabi (second crop) seasons. In 1966-67 and 1967-68, yet only 21,205 and 18,778 acres, respectively, were irrigated from the project. "There is thus a large gap between the potential available from this irrigation project and its actual utilisation."⁵¹ For example, when the project was ready for irrigation, follow-up work such as leveling of

⁴⁸J. K. Jain, "Irrigation Programmes," in Waheeduddin Khan, Papers and Proceedings of the Workshop-Cum-Seminar on Rural Institutions and Agricultural Development, op. cit., p. 149.

⁴⁹Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development, op. cit., p. 89.

⁵⁰National Council of Applied Economic Research, Survey of Backward Districts of Andhra Pradesh (New Delhi: 1970), p. 28.

⁵¹Ibid.

land in the command area was very slow. Another cause for underutilization of the project was insufficient allocation of funds. For the completed schemes, the allocation for improvement and maintenance is grossly inadequate. "This insufficient allocation," says a study conducted by the National Council of Applied Economic Research, "has led to a fall in the quantum of water supply and the [land] is starved of water."⁵² Having spent millions on the construction of the project, planners did not pay sufficient attention to subsequent work. This clearly indicates a neglect of details and a failure of coordination.

Thus, despite the heavy expenditure on irrigation, particularly major irrigation projects, more than two-thirds of the cropped area remains unirrigated. Unless this facility is extended to these areas, little hope exists for agricultural development in the state. The total area irrigated "does not fully reflect the investments made in irrigation under the plans and this aspect requires to be looked into," says the governmental review of plans.

An extreme example of the state's dependence on rainfall can be seen in the four districts of Rayalaseema, where the rainfall is much lower than the country's and the state's average.⁵³ Even this low amount of rainfall occurs during different times of the year, affecting the agricultural operations. The scanty and erratic rainfall in this part of the state has led to frequent famines. Indeed, the economic history of Rayalaseema for the last century and a half is "a history of famines."⁵⁴ These famines have occurred even more frequently in the twentieth century--eight between 1921 and 1952. In recent years, the newly created Development Board has paid some attention to this problem.

The state plans have laid considerable emphasis on the development of power. During the two decades about Rs. 3,400 million, constituting about 33 percent of the total plan expenditure were spent on the development of power. The capacity for electrical output has increased from 21 megawatts in 1950-51 to 605 megawatts in 1970-71. The number of towns

⁵² Ibid.

⁵³ For an excellent account of this region, see Planning and Cooperation Department (Government of Andhra Pradesh), Planning and Development of Backward Regions--A Case Study of Rayalaseema, op. cit.

⁵⁴ D. L. Narayana, Studies in Rural Development (Tirupati Sri: Venkateswara University, 1970), pp. 13-24.

and villages served with electricity increased from 177 to 8,301 (see Table 5). The supply of electricity for agriculture has increased from 8.6 percent in 1950-51 to 18 percent in 1970-71. This is reflected, for example, in the increase in the number of electric pumps. In 1956-57, there were 4,930 pumpsets; this number increased to 185,738 in 1970-71 (Table 6). The effect of this increase in electricity for agriculture, however, is offset by frequent breakdowns in the flow of electricity and also inadequate supply of this electricity during parts of the year because of drought in several parts of the state. Villagers now vie with each other to get electricity to their wells and farms.⁵⁵

The strategic position of agriculture in the economy of Andhra Pradesh will be clear from its contribution to state income and employment (see Table 7). Although there has been a slight decline, agriculture still continues to be the major source of income in the state. In 1950-51, 60 percent of state's income came from agriculture and allied sectors; in 1970-71 it was 56.5 percent. This, however, is a proportional rather than an absolute decline, caused by the rise in the contribution from other sectors.

Agriculture continues to be the principal source of employment in the state (see Table 8). In 1971, about 70 percent of the workers in the state were employed in agriculture.⁵⁶ Within the agricultural sector, laborers were the majority compared to owner-cultivators. In addition, the number of laborers (as compared to both cultivators and nonagricultural workers), has been increasing since 1961.

The data relating to the wages of agricultural labor do not present an encouraging picture. From 1958-59, the wages of all categories of labor, including agricultural labor, have been rising. This rise in wages, however, is less than the increase in the state's cost of living. Thus, workers have earned almost "a constant real wage."⁵⁷ By comparison, the real wages of carpenters and other artisans have declined, however.⁵⁸

⁵⁵ Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development, op. cit., pp. 53 and 54.

⁵⁶ Government of India, Census of India, Paper No. I, of 1971.

⁵⁷ Fifth Plan, Andhra Pradesh (Technical Papers), Vol. I: Review of Development, op. cit., p. 7.

⁵⁸ Ibid.

Table 5--Number of Towns and Villages Served with Electricity in Andhra Pradesh

Year	Number of Towns and Villages
1950-51	177
1955-56	637
1960-61	2,655
1965-66	4,318
1966-67	4,825
1967-68	4,950
1968-69	5,757
1969-70	7,307
1970-71	8,301

Source: Andhra Pradesh State Electricity Board, Hyderabad.

Table 6--Number of Electric Pumpsets in Andhra Pradesh

Year	Number of Pumpsets
1956-57	4,930
1960-61	17,968
1961-62	24,029
1962-63	30,836
1963-64	36,224
1964-65	45,083
1965-66	57,225
1966-67	66,793
1967-68	92,107
1968-69	123,167
1969-70	156,500
1970-71	185,738

Source: Annual Administration Reports of the Andhra Pradesh State Electricity Board.

Table 7--State Income at Current Prices in Andhra Pradesh
(in percentages)

	Agriculture and Allied Sectors	Mining, Quarrying and Industries	Trade, Commerce Transport and Com- munications	Services and House Property	Total
1950-51	60.0	7.8	--	32.2	100.0
1960-61	58.2	13.4	14.7	13.7	100.0
1970-71	56.5	14.6	15.6	13.3	100.0

Source: Bureau of Economics and Statistics, Hyderabad.

Table 8--Composition of Working Population

			% Change
Owner-Cultivators	7,486,819	5,829,356	-22.14
Agricultural laborers	5,338,494	6,763,494	+12.67
Nonagricultural workers	5,839,729	5,493,738	- 5.93
Total	18,663,042	18,086,588	- 3.09

Source: Census of India Paper No. 1 of 1971.

V. Land Ownership and Land Reform

In an agrarian society, the ownership of land has great political and economic significance. The Andhra Pradesh experience with land reforms during the last two decades is typical of such experiments in other states. The passing of legislation is an indication of concern for the landless, but its potential effect is lost in the loopholes provided in the acts and also in their implementation. The gap between the aims of legislation and what it actually achieves is very wide.

The period immediately following independence witnessed two main types of land tenure in the districts that now constitute the state of Andhra Pradesh--the Ryotwari and

Zamindari systems.⁵⁹ The existence of the Zamindari system over large parts of the state created serious economic problems such as high rents, neglect of irrigation sources by Zamindars, expensive litigation between the Zamindars and the Ryots. Conditions in the Zamindari areas became intolerable, and as a result of adverse public opinion, the Zamindari system was abolished in the state and Ryotwari system of land tenure was introduced in 1948.⁶⁰ The abolition of Zamindari, however, solved only one important problem associated with land tenure in the state. Another major problem, the glaring inequalities in land holdings, continued to exist. The data collected in 1955 by the Census of Land Holdings with reference to 1953-54 provide a detailed description of the land tenure system during the early 1950s. In the Andhra region, the average holding was 6.82 acres, while in Telangana it was 9.89 acres. The distribution of land was uneven; less than 10 percent of the holdings were larger than a family holding,⁶¹ but these accounted for 40 percent of the total area.⁶² Parthasarathy and Prasada Rao point out that even within this group wide disparities were noticeable. Those owning more than four and one-half family holdings, while constituting less than percent of landowners, possessed more than 10 percent of the total area. Even more significant

⁵⁹A small percentage of the area was also under the Inam system. Under the Ryotwari system, the state is brought into direct contact with the owner of the land. The main features of the Zamindari system were: land revenue payable to the state was fixed in perpetuity; the unit for the settlement of land revenue was the estate and not the individual piece of land; and the state holder or the Zamindar and not the actual occupant of the land was responsible for payment of land revenue to the government. The Inam lands were rewards of land to certain individuals by the state where it alienates its right to land revenue or to a portion of it in return for performance of certain duties or as a charitable endowment. See B. Sarveswara Rao, The Economic and Social Effects of Zamindari Abolition in Andhra (Delhi: Government of India Press, 1963); also see A. M. Khusro, Economic and Social Effects of Jagirdari Abolition and Land Reforms in Hyderabad (Hyderabad: 1958).

⁶⁰Ibid.

⁶¹A "family holding" is defined as an area that enables a family to earn a net income of Rs. 800 per annum.

⁶²See G. Parthasarathy and B. Prasada Rao, Implementation of Land Reforms in Andhra Pradesh (Calcutta: Scientific Book Agency, 1969), pp. 17 and 18.

is the fact that about 90 percent of the holdings were smaller than the "family holding" size and approximately 70 percent of the holdings had less than a "basic holding."⁶³ An important feature of land holding during the 1950s was absentee ownership. The practice created large differences between ownership and entrepreneurship,⁶⁴ resulting in the leasing of large areas. The position of the tenants was also uncertain; their rights were not safeguarded.

Political observers are familiar with the agrarian uprising in several parts of Andhra Pradesh during the 1940s and 1950s. Mostly communist inspired and directed, they created chaotic conditions in the rural areas and led to the establishment of a parallel government. The main achievements of these uprisings was the distribution of land to people in several districts. Although the communist movement was suppressed by the police, the political leadership learned its lessons; something had to be done to appease the land-hungry masses and reduce the glaring agrarian inequalities. The result was the passing of tenancy legislations in the Telangana and Andhra areas, which had not yet become one state. The Telangana Act was the first to be passed in 1950. The objects of the act were to protect the tenants by

- (a) regulating relations between landlords and tenants of agricultural lands;
- (b) regulating alienation of land;
- (c) preventing excessive subdivision of agricultural holdings;
- (d) empowering government to assume in certain circumstances management of agricultural lands; and
- (e) providing for legislation for cooperative farms.⁶⁵

The act goes into details of ownership rights, regulation of terms of tenancy, fixation of reasonable rent, and the administrative machinery needed to implement it. Later Andhra Pradesh passed its own legislation--first a governor's ordinance and then the Andhra Pradesh Act in September 1956. The act mainly dealt with fixation of maximum rent, period of

⁶³A "basic holding" is one-third of the "family holding."

⁶⁴Ibid., p. 23.

⁶⁵The Andhra Pradesh (Telengana Area) Tenancy and Agricultural Lands Act 1950.

lease, procedure for determination of fair rent, termination of tenancy, and the machinery for the settlement of disputes.

Later with a view to further improving the land tenure system and to having an integrated act for the whole state, the Andhra Pradesh Ceiling on Agricultural Holdings Act was passed in 1961. The object of this act was to obtain surplus lands for the purpose of distribution. The act classified land into various categories and fixed a size of family holding.⁶⁶

The achievements and failures of these three pieces of legislation have been analyzed by Parthasarathy and Prasada Rao. They contend that although these laws have caused some progress to be made, they contain many loopholes and have not been implemented properly.⁶⁷ Their survey reveals that the area under control of absentee landlords is declining, but this system continues to be a major threat to productive efficiency. In the Andhra areas, the legislation has had no favorable effect, as big resident owners have not been much affected. "On the other hand there were unintended effects and they made conditions of tenure more insecure."⁶⁸ Only in Telangana have conditions of tenure been improved and stabilized. According to the 1961 census, about 21.8 percent of all cultivators were tenants. Those who had less than a family holding constituted about 71 percent of these tenants. The percentage of agricultural laborers increased from 33.4 in 1951 to 41.6 in 1961.

The percentage of small holdings, that is, those yielding less gross value than Rs. 2,400 per acre, is very high. It varies from district to district--between 64.1 percent in Krishna to 92.1 percent in Vishakapatnam districts. In most of the districts of Telangana and in some districts of Rayalaseema, small holdings account for major proportion of the area.⁶⁹ The problems faced by the small land holders and tenants are discussed later in the paper. Suffice it to say here that they are at a disadvantage in getting access to amenities provided by development agencies.

Realizing the seriousness of the land ownership problem,

⁶⁶For details, see Parthasarathy and Prasada Rao, op. cit.

⁶⁷Ibid., pp. 188-194.

⁶⁸Ibid., p. 289.

⁶⁹G. Parthasarathy, Agricultural Development and Small Farmers (Delhi: Vikas Publications, 1971), p. 12.

the state government recently passed a Land Reforms Act, the implementation of which has been postponed due to separatist agitation in 1972-73. This legislation has been passed mainly at the instance of the central Congress party. It is too early to anticipate the effects of this legislation on agricultural development in the state; however, it is generally believed that advance publicity has already led to such complications as fictitious transfers. What is significant in this context is that land reforms are being viewed not only in terms of social justice but also in terms of agricultural production, which highlights the issue of the holdings that are not economically productive. If follow-up measures are not taken quickly to provide the needed inputs, the reforms achieved so far will not yield the desired results.

VI. Supply of Inputs

Although planners, extension agencies, and farmers all realize the importance of agricultural inputs, the timely supply of the right type of input has never been handled satisfactorily. There are far too many agencies involved in the production and supply of inputs, and the role of Panchayati Raj institutions is marginal in this field. The central and state government agencies have a controlling voice, and there is very little that the local bodies can do except to impress on the authorities the urgency of the need. The higher level bureaucracies move in a slow fashion with regard to the needs of the farmer.

The production and distribution of improved seeds, for example, clearly demonstrates the inherent bottlenecks. Farmers know the importance of improved seed. Traditionally, they have produced their own seed or have tried to obtain it from reliable sources. Authorities estimate that the use of quality seeds alone accounts for a 10 to 15 percent increase in crop yields. The increase can be even greater with the high-yielding varieties. With the introduction of high-yielding varieties, which the farmers are asked to adopt, the problem of ensuring adequate and timely delivery of quality seeds to farmers has assumed greater importance.⁷⁰

As early as 1959, the Indian government formulated a policy for the adequate and timely supply of seeds. Several agencies are now involved in the production and distribution of improved seeds. At the highest level are the Ministry of Agriculture through its state seed farms, other farms, and

⁷⁰ Report of the Study Team on Agricultural Administration,
Vol. I, op. cit., p. 149.

the government should confine itself to promoting research and strengthening the agencies engaged in the task of production, distribution and marketing of improved seeds by extending financial support and technical assistance.⁷⁴

There are even more difficulties surrounding the supply of fertilizer. Over the years, the farmer in Andhra Pradesh has become fertilizer-conscious. The problem is no longer one of changing the attitude of the farmer toward fertilizer but one of supplying it in adequate quantities, in time, and at reasonable rates. Here again, the higher level bodies determine the policy, and the Panchayati Raj bodies act as extension agents with only limited authority. The central government fixes the fertilizer quota for the state, and the latter receives its quota from the port authorities and the factories. The state government, in turn, distributes the fertilizer to the districts, mainly through the District Cooperative Marketing Societies but sometimes through the open market. The District Cooperatives supply the village cooperatives. Except for a brief period, the supply of fertilizer has not been adequate. Sometimes because of transportation difficulties, there has been a considerable delay in the supply. All these factors affect the time schedule of the farmer. The per-acre consumption of fertilizer in India compared to other countries is very low due to high costs, inadequate supply, inadequate credit facilities, unsatisfactory distribution arrangements, etc. The problems of inadequate supply and high prices are a result of the low priority given fertilizer by the planners. "It should be mentioned that lack of priority to this industry both by the Planning Commission and by the Government of India right from the early stages of planning is also responsible for this state of affairs."⁷⁵ The state government has also done precious little in this field.⁷⁶

Credit is an important input for agricultural development and must be distributed extensively if new development programs are to be implemented. The policy of the central and state governments has been to supply credit to the farmer mainly through the cooperatives; recently commercial banks have also entered the field. During the last few decades, the cooperatives have been encouraged officially to extend this credit

⁷⁴Report of the Study Team on Agricultural Administration, op. cit., p. 153.

⁷⁵Ibid.

⁷⁶Report of the Committee on Estimates, 1965-66 on Panchayati Raj Department, 1966, op. cit.

to their members, and they bear all the marks of government domination and bureaucratic procedures. The data relating to the number of cooperatives and their membership are highly impressive. The number of primary agricultural credit societies that operate at the village level has increased from 7,856 in 1950-51 to 14,916 in 1970-71 (see Table 9).⁷⁷ The number of agricultural credit societies rose to 15,040 in 1971-72.⁷⁸ These exist in nearly all villages in the state. The membership of these societies increased from 513,000 to 1,871,000. The amount of short-term credit handled by these societies increased phenomenally--from Rs. 28.6 million in 1950-51 to Rs. 265 million in 1970-71.

Table 9--Operations of Primary Agricultural Credit and Multipurpose Societies in Andhra Pradesh

	1950-51	1960-61	1970-71
Number of societies	7,856	13,771	14,916
Number of members (000s)	513	1,438	1,871
Share capital (000 rupees)	8,078	40,724	87,360
Working capital (000 rupees)	52,641	261,398	464,116
Loans advanced (000 rupees)	28,649	189,457	265,181
Loans overdue (000 rupees)	11,854	36,676	150,601

Source: Statistical Abstracts of Andhra Pradesh.

Long-term credit has also made impressive progress. The number of primary land mortgage banks has increased from 50 to 181 in 20 years, which covers almost all the taluks (sub-districts) in the state. The loans advanced by these banks have increased from Rs. 3 million in 1950-51 to Rs. 206 million in 1969-70 (see Table 10).

Although the credit disbursement through the cooperatives has been increasing rapidly in the state, it is far from meeting the needs of all the farmers. According to one estimate, there are 5.05 million rural families, of which only

⁷⁷ Statistical Abstracts of Andhra Pradesh.

⁷⁸ Review of Development, op. cit., p. 86.

Table 10--Operations of Primary Land Mortgage Banks in Andhra Pradesh

	1950-51	1960-61	1969-70
Number of societies	50	106	181
Share capital (000 Rs.)	1,157	5,595	61,851
Working capital (000 Rs.)	16,163	78,378	824,046
Loans advanced (000 Rs.)	3,074	17,552	206,821
Loans overdue (000 Rs.)	35	249	5,131

Source: Statistical Abstracts of Andhra Pradesh.

1.95 families were covered by the societies by 1965-66.⁷⁹ By the end of the fourth plan, another 2.5 million are expected to be covered. The Cooperative Department estimates that the loan requirements during the third and fourth plans in the state will amount to about Rs. 2,000 and 2,500 million respectively. The cooperatives could meet only 15 percent of that required during the third plan. It is evident that the cooperatives do not meet the credit needs of the farmers. Micro studies on rural indebtedness reveal that the traditional lending agencies--professional money lenders and agricultural money lenders--are still the major sources of credit to the farmers. One study shows that 85 percent of the credit needs in one village surveyed were met by money lenders, friends, and traders.⁸⁰ Thus, the impact of modern institutions of credit does not appear to be significant.

One of the oldest problems related to Indian agricultural credit has been the exorbitant rate of interest the farmers have had to pay. The source of credit is closely related to the level of interest rates--generally the money lenders charge higher rates than government agencies and cooperatives. Presently, 70 percent of credit is supplied on an interest rate of 12 percent or more; this is the normal rate charged by the private money lenders.⁸¹ Even the cooperatives are charging

⁷⁹ Report of the Committee on Estimates, 1965-66 on Panchayati Raj Department, op. cit., p. 78.

⁸⁰ Narayana, op. cit., p. 152. See also Parthasarathy, Agricultural Development and Small Farmers, op. cit.

⁸¹ Ibid., p. 153; case studies done by G. Parthasarathy and others also confirm high rate of interest. Ibid., p. 84.

8.5 percent interest, which is considered fairly high.⁸²

The introduction of modern technology has further aggravated the credit needs of farmers. It is estimated that the capital needs of the modern technology are far greater than those of prevailing technology (Rs. 359 versus Rs. 150 per acre). The land mortgage banks that deal in long-term credit have conservative and rigid lending policies. The borrower is eligible for a loan of up to only 50 percent of the value of his land. This in itself is an irrational policy, but the method of appraising the value of the land is even more irrational. The value of the land is always underestimated, and arbitrary ceilings are imposed on the maximum value of the land for the purpose of arriving at the farmer's eligibility. The land value assumed for loans in the fertile delta areas, where land value is astronomical, is only Rs. 3,000. "The measure of injustice will be appreciated from the fact that while the actual land value prevailing in the fertile delta areas ranges from about Rs. 10,000 to Rs. 20,000 by pledging that land the borrower would get only Rs. 1,500 as loan."⁸³ The ceilings set are much less in the nondelta districts. This is due mainly to the methods adopted for the valuation of land, which is based on sales data in which lower land value is quoted and on the estimated cost of development arrived at by the officials of the land mortgage bank.⁸⁴ In estimating the development costs, it appears that the land mortgage banks do not always obtain the advice of the technically competent persons working in the Departments of Agriculture or Engineering.

There has been lopsided development in the extension of benefits by the cooperatives, resulting in the neglect of the farmers in desperate need of credit. "What is really poignant about cooperatives in India is the fact that the weaker sections of the society, whose need for their services is most urgent, have suffered most where these institutions failed and did not stand to gain where they proved successful."⁸⁵ There is ample empirical evidence to prove that the interests of the small and needy farmers have been neglected by the

⁸²Report of the Committee on Estimates, 1965-66 on Panchayati Raj, op. cit., p. 79.

⁸³T. V. S. Rao and B. Sarveswara Rao, "Supply of Credit for Land Development," in Waheeduddin Khan, op. cit., p. 201.

⁸⁴Ibid. Also see Parthasarathy, op. cit., p. 79.

⁸⁵Waheeduddin Khan and H. N. Tripathy, "Cooperatives and the Weaker Section," in Waheeduddin Khan, op. cit., p. 196.

cooperatives. An important reason for the slow progress of the small farmer in relation to the large farmer is either nonavailability or inadequacy of credit to him. Further, some of the cooperative programs are not made known to the small farmer.⁸⁶ In many cases, the cooperatives tend to favor the dominant classes in the villages. Farmers owning less than two acres of land have difficulty getting admission in the cooperatives; the admission is conditioned by many factors. The management boards do not generally have sympathetic attitudes toward these classes. A policy of selective membership, mainly taking into consideration the repaying capacity of an individual, is followed. "The management has expressed its inability to enroll all the small cultivators in the village since their admission leads to difficulties in recovering loans. Ownership of property continues to influence admission into the society."⁸⁷ Class barriers also stand in the way of the small farmers gaining access to the cooperatives. "Inaccessibility of the small farmers to the Board of Management is also one of the reasons for their non-admission into the cooperative. This class of farmers fear to approach the President and insist upon their admission into cooperative society as the President is generally an influential person in the village."⁸⁸

Even where loans have been advanced to the small cultivators, the coverage is far from adequate. The household data collected reveal that less than half of the small cultivators were receiving loans from cooperatives. A new class of money lenders seems to be emerging--the big farmers,⁸⁹ who also happen to be influential members of the cooperatives. They would naturally encourage other farmers to borrow from them rather than from the cooperatives. The growth of this class has prevented the cooperatives in some villages from being effective.

Despite impressive statistics, the performance of the cooperatives in the state is not bright. There are, however, a few cases of successful cooperatives that have served their

⁸⁶"They are not aware of the crop loan system," says one case study, "Generally the small farmers do not have knowledge of privileges to which they are entitled," says another. See Parthasarathy, op. cit., pp. 65 and 82.

⁸⁷Ibid., p. 82.

⁸⁸Ibid.

⁸⁹Ibid. See also Waheeduddin Khan and H. N. Tripathy, op. cit.

members well.⁹⁰ The case of the Mutharam Rural Bank in the Karimnagar district is an outstanding example in this category. The bank covers an area of 14 villages with a population of 30,000. The bank was founded by two individuals and had practically no facilities for agricultural operations. During its brief existence (about 15 years) it has been in a sound financial position: its working capital has been about Rs. 4.4 million. The profits of the bank rose from Rs. 4,000 in 1957-58 to Rs. 64,000 in 1967-68. It provides a variety of goods and services to the farmers including loans, spare parts for equipment and agricultural accessories, warehousing facilities, fertilizer, and other inputs. The bank has a drilling machine to help its farmer members bore wells. The cooperative has one maize processing plant, a rice mill, and an oil mill. It provides marketing facilities to its members.⁹¹ Unlike most cooperative societies in the state, the bank has no problem of loans being overdue; loans are repaid by members in time.

The Mutharam Rural Bank has succeeded where earlier cooperatives in the area have failed. Its unique achievements are attributed to its dynamic leadership, the nonpartisan attitude of the managing committee members, the social environment of the area, and its business operations. Of these, the leadership of the society is the dominant reason for its success--particularly the President and the Secretary. The spectacular success of the Rural Bank, according to the letter of one senior Government official, "is mainly on account of the advantage it has in regard to leadership. It has, in its President, a missionary minded leader. His identification with this institution is indeed commendable. He has been working for the Bank for all he is worth."⁹² The Mutharam Rural Bank, it must be emphasized, is an exception, and the story of most other societies is one of institutions dragging their feet or serving principally the interests of economically well-off sections. If the cooperatives are to succeed, there has to be a serious reconsideration of existing policies and practices.

⁹⁰D. Ravindra Prasad, "Working of Cooperative Credit Societies in Andhra Pradesh: Case Study of a Rural Bank," Indian Journal of Social Sciences, Vol. I, Nos. 2 and 3 (1972).

⁹¹Ibid.

⁹²Quoted in Ravindra Prasad, op. cit.

VII. Green Revolution

Any discussion of agricultural development in Andhra Pradesh, or for that matter in any state in India, will not be complete without reference to what is now popularly called the green revolution.⁹³ It has been pointed out in the previous section that continued problems in agriculture led the central government to take a fresh look at this sector which resulted in the development of a new policy, emphasizing the application of science and technology including the adoption of better implements and more scientific methods to raise yields. The "new strategy" launched in 1965-66 called for implementation of a program to encourage the use of high-yielding seeds in the IADP and IAAP districts.⁹⁴ The achievements of this program have been noted by scholars in several parts of the country, but our interest here is confined to the state of Andhra Pradesh. The studies reveal that the green revolution has produced higher gross values and larger profits compared to those produced through the traditional methods. Field surveys in the state, claims G. Parthasarathy, show the undoubted superiority of the IR-8 rice variety, developed at the International Rice Research Institute in the Philippines, over the local variety⁹⁵ (see Table 11). Frankel's study in West Godavari also displays impressive results.⁹⁶ However, in contrast to Ludhiana District in the Punjab, coverage under the high-yielding varieties in West Godavari, which is one of the few developed districts in A.P., has expanded slowly. The slow pace of adoption is related to several factors. Profit margins from IR-8 and other high-yielding varieties varies and the returns from these varieties as compared to improved local varieties is often modest; costs of fertilizer and increased labor inputs are high and usually require credit; risk of cultivating the new varieties is high as they are often susceptible to disease and pests;

⁹³ See Francine R. Frankel, India's Green Revolution: Economic Gains and Political Costs (Princeton: Princeton University Press, 1971); G. Parthasarathy, Green Revolution and the Weaker Sections (Bombay: Thacker and Co., 1971); and V. S. Vyas, "The New Strategy: Lessons of First Three Years," Economic and Political Weekly, Vol. 3, No. 43 (1968), pp. A9-14.

⁹⁴ On the Intensive Agricultural Districts (later Development) Programme, see Dorris Brown, Agricultural Development in India's Districts (Cambridge, Mass.: Harvard University Press, 1971).

⁹⁵ Parthasarathy, ibid., p. 12.

⁹⁶ Frankel, op. cit., pp. 46-80.

Table 11--Economics of High-Yielding Varieties. Yield and Income in 1968-69

Crop	W. Godavari		Vishakapatnam	
	IR-8	Local	IR-8	Local
<u>Kharif (main crop)</u>				
Yield per acre (kgs.)	2,315	1,738	1,085	520
Gross income (Rs.)	976.64	739.37	735.03	407.71
Farm business income (Rs.)	439.54	375.73	396.21	146.16
<u>Rabi (second crop)</u>				
Yield per acre (kgs.)	2,236	1,304		
Gross income (Rs.)	1,213.36	757.97		
Farm business income (Rs.)	410.87	149.58		

and they are more dependent on the climate and water.⁹⁷ In the areas where there is no assured water supply, minor irrigation facilities are needed, but these need large capital investment. As a result, only those farmers who are in a position to invest are able to reap the benefits of the green revolution. In the case of West Godavari, there are signs of increasing prosperity only among the middle-size (5 to 10 acres) and the large farms.⁹⁸ The small farmers and tenants are at a disadvantage. Neither have the necessary ability to invest that would give them access to the benefits of the green revolution. Although major breakthroughs in agricultural production can be achieved only through a rapid and successful application of nontraditional inputs, mainly hybrid seeds, fertilizer, pesticides, etc., the profitability of these inputs on an extensive scale is largely conditioned by the availability of assured water supply. "In such areas where programmes of hybrid seeds are in operation, the small farmer is slow to accept, since the cultivation practices are not within his immediate experience; moreover, these practices require higher cash outlays. He would consider the varieties

⁹⁷ Parthasarathy, Agricultural Development and Small Farmers, op. cit. See the case study on the shift to IR-8 from traditional paddy and the small farmer in the same book, pp. 61-76.

⁹⁸ Frankel, op. cit., pp. 70-71.

risky," says Parthasarathy.⁹⁹ Attempts by some small farmers to take advantage of the new strategy are noted by Frankel, but these are few and limited. As long as nontraditional inputs are scarce, the small farmers are not likely to have access to them in the present socioeconomic system, unless sufficient credit is made available to them through the co-operatives and banks. This has started flowing but rather slowly.

The effect of the green revolution on tenants is even worse. The fear of land reforms has led to large-scale leasing by oral agreement. Such tenancy prevents them from being eligible for any credit from public agencies. Since the terms of tenancy are not changed, the tenants have neither the incentive nor the capacity to participate in the high-yielding varieties program.¹⁰⁰ There is not much evidence to show that the new strategy of agriculture has financially benefited the agricultural laborer either; there is perhaps some marginal improvement in the conditions of casual laborers. The few empirical studies that have been made note striking gains in social and psychological freedom of laborers.¹⁰¹ These gains, however, are not reflected in the political system.

VIII. Evolving Machinery for Rural Development

The emergence of Panchayati Raj as the main instrument for rural development in independent India is the result of several factors--India's history, the teachings of Gandhiji, the directive principles of the Constitution, the five-year plans with their emphasis on popular participation, and the scheme of community development introduced in 1952. There was a well-developed system of village panchayats in ancient India, and they have existed in one form or another throughout Indian history, although these panchayats were dormant during the 17th and 18th centuries.¹⁰² During the British rule there were several attempts to revive the village panchayats.¹⁰³

⁹⁹Parthasarathy, Agricultural Development and Small Farmers, op. cit., pp. 27-28.

¹⁰⁰Frankel, op. cit.; and Parthasarathy, ibid.

¹⁰¹Frankel, op. cit., pp. 70-74.

¹⁰²See M. Venkatarangaiya, Development of Local Boards in Madras Presidency (1938); Hugh Tinker, Foundations of Local Self Government in India, Pakistan and Burma (London: University of London, 1954).

¹⁰³V. V. Rao, Hundred Years of Local Self Government and Administration in Andhra and Madras States, 1850-1950 (Bombay: Barfivala, 1960).

Particularly noteworthy were the attempts of Lord Ripon in the late nineteenth century and subsequent acts passed by provincial legislatures. There are several similarities between both the organization and the problems of the local bodies prior to independence and those of the present-day Panchayati Raj institutions. Most of the issues raised today--appropriate administrative divisions of responsibility, the role of the executive officer, functions to be performed by the District Collector, financial resources of local bodies, etc.--were issues discussed during the British period and therefore have a familiar ring. What is, however, new is the range of activities that the Panchayati Raj bodies are asked to perform.

Gandhian thinking on village reconstruction has influenced many leaders in the aftermath of independence. Gandhiji's was a philosophy of ruralism as distinguished from urbanism. He stressed the revival of the village community with all its self-sufficiency and minimum dependence on the outside world. His "back to the villages" message did not fall on deaf ears, and the makers of the Constitution incorporated it, although diluted, as a part of the directive principles of state policy and call for the promotion of local government.¹⁰⁴

Liberally interpreted, the principles provide not only for self governing village panchayats but also for democratic institutions at intermediary levels between the village, on the one side, and the state on the other. The immediate impact of the Directive principles, however, was felt only on the village panchayats. The governments of Madras and Hyderabad passed Village Panchayat acts to fully democratize the existing panchayats, but they were viewed mainly as the local government institution in charge of civic functions. The development machinery at the higher levels--the taluk and the district--remained unaffected by the directive principles and the Gandhian philosophy; these levels continued to be bureaucratic.

The immediate impetus for change in rural development machinery was provided by the efforts at planned development. First, it took the shape of the community development program and later the Panchayati Raj. Implementation of economic and social development programs, undertaken by the government with the launching of the five-year plans led to growth

¹⁰⁴Henry Maddick, Panchayati Raj: A Study of Rural Local Government in India (London: Longman, 1970), chapters 4 and 5; also see S. C. Jain, Community Development and Panchayati Raj in India (Bombay: Allied, 1967).

of interest in rural local government. The administration of rural development programs, particularly agriculture, requires the cooperation of millions of villagers. It was felt that the department officials who are in possession of expertise would not be able to do the job of approaching the hundreds and thousands of scattered farmers on their own. "As the agencies of state government cannot easily approach each individual villager separately, progress depends largely on the existence of an active organization in the village which can bring the people into common programmes to be carried out with the assistance of the administration."¹⁰⁵ The bureaucracy was responsible for the outcome of the planning efforts, and there was always the possibility that planning might not yield all the expected results. The bureaucrats therefore, welcomed the prospect of sharing any possible blame for failure with others. "Many in the administration realise that official machinery by itself cannot carry out these development programmes, which call for a great deal of initiative and participation on the part of the people themselves."¹⁰⁶ In subsequent plans, this view has been reaffirmed. There was a formidable list of functions to be performed by the rural development bodies. In this context, the philosophy of community development appealed to the planners.

Prior to the launching of community development, the state of Madras (of which the present 12 Telugu-speaking districts were a part) experimented with a rural development program that was similar to the later program in many respects. It will, therefore, be appropriate to note the pioneering work done by the "firka development scheme" begun by T. Prakasam who became the Chief Minister of Madras province in 1946. An ardent disciple of Gandhiji, Prakasam believed in the idea of self-sufficient village republics. Long before he became the Chief Minister, he held the view that the entire economic life of the country should be village-based. The firka development scheme aimed at comprehensive rural development through the joint efforts of the government staff and the village people. The scheme dealt with matters that concerned rural areas, such as agriculture, irrigation, cooperation, livestock improvement, education, village communication, village housing, rural water supply, village Panchayats, village industries, etc. These schemes were aimed at helping both agriculturists and nonagriculturists, and they were especially aimed at the welfare of the Harijans (untouchables).

¹⁰⁵ First Five Year Plan, 1952, op. cit., p. 133.

¹⁰⁶ Ibid.

The administrative unit for such programs was the firka, which was a revenue unit of about 30 villages. This was considered to be a convenient unit for intensive development. The firka development scheme emphasized cooperation and execution of works by the villagers themselves. Its novelty aroused the enthusiasm of the rural people during its brief existence (about six years), after which it was merged with the community development program. No critical study of this early experiment has been made, thus one has to rely on the account given by the government reports. One report claims that, despite the limited resources at the disposal of the government, substantial results were achieved in the field of rural reconstruction. "This only indicates that the villagers have come to evince an extra-ordinary interest in improving the neglected conditions in the villages. The villagers have responded magnificently to the call of village uplift by contributing generously in cash or in kind or by way of labour for the construction of roads, buildings, wells, etc."¹⁰⁷ Furthermore, the report claims, "There is every reason to hope that with the extension of the scheme to the other firkas in the state and with the cooperation of the public, the village units will become self-reliant and self-supporting agencies, each contributing its share to the common wealth of the nation." This, no doubt, is a romantic picture, but one has to admit that the scheme did evoke the enthusiasm of the masses. This, however, was a provincial scheme and was, therefore, abandoned in favor of the newly evolved nationwide scheme of community development in 1952.

It was a lack of faith in the capacity of the existing administrative structure to tackle the problems of rural development that led to the launching of the community development program. Although a few similar programs existed in some parts of the country, this was the first national rural development program.

Several studies of rural development have analyzed the main features of community development.¹⁰⁸ The program emphasized the all-around development of rural areas and maintained that initiative was to come from the community itself--i.e., the community was encouraged to find its own resources to carry out the projects that it had decided to undertake. The programs undertaken by the community development movement

¹⁰⁷ Government of Madras, The Madras Administration Report, 1952; also see Maddick, op. cit.

¹⁰⁸ Carl C. Taylor, et al., India's Roots of Democracy (New York: Praeger, 1965); Mellor, et al., op. cit., pp. 34-41; Maddick, op. cit.; and Jain, op. cit.

related to agriculture, animal husbandry, irrigation, education, rural industries, communication, cooperation, and rural housing. The aim was to bring about an integrated development of the rural community.

A new development machinery with subject specialists under the leadership of the Block Development Officer was created. There were also unofficial bodies whose functions were advisory. The work at the village level was entrusted to the village-level worker (VLW).

The work done by the community development program was reviewed on an all-India basis by a team appointed by the National Development Council under the chairmanship of Balvantray Mehta in 1956.¹⁰⁹ A significant observation of the team refers to popular initiative and participation in development work. It found that few bodies above the level of the village panchayat showed any enthusiasm or interest in development work, and even the panchayats did not do much work in the field. The team attributed this to the absence of elected representatives from the community working in association with official agencies. This finding became the basis of the establishment of Panchayati Raj institutions.

There were, however, other important criticisms of the working of the community development. It was pointed out that the program did not place enough emphasis on increasing agricultural production; that it expanded too rapidly at the expense of quality; and that it was divorced from research and from the old agricultural extension program, thereby losing contact with district agricultural officers and with technical competence. In addition, its administrative structure was such that the government gave orders to be filtered down to farmers through a complex bureaucracy that received little feedback from the farmers themselves.¹¹⁰

The Mehta team's disillusionment with the performance of the community development bureaucracy led to its suggestion that unless representative institutions are strengthened and associated with development programs, local interest in the programs will not develop. "So long as we do not discover or create a representative and democratic institutions, which supply the local interest, supervision and care necessary to

¹⁰⁹ Committee on Plan Projects, Report of the Team for the Study of Community Projects and National Extension Service, Vols. I, II and III (Delhi, 1957) (popularly known as the Mehta Report).

¹¹⁰ For details, see Mellor et al., op. cit., pp. 38-44; Taylor, et al., op. cit.; and Jain, op. cit.

ensure that expenditure of money on local objects conforms with the needs and wishes of the locality and invest it with adequate power and assign to it appropriate finances, we will never be able to evoke local interest and excite local initiative in the field of development."¹¹¹ The team thus suggested recasting rural development machinery so that the representative institutions would play an important role. The team's recommendations on democratic decentralization which were promptly accepted by the government of Andhra Pradesh, led to the establishment of Panchayati Raj bodies. Although they had passed the suggested legislation, the state-level authorities were neither prepared to part with their powers nor confident that the proposed elected bodies could carry out their designated functions. This is reflected in the half-hearted devolution of powers and retention of tight control over the devolved powers. The result has been to restrict the autonomy of the new local bodies and to introduce checks and balances at all levels. Even the mild reforms envisaged by the Mehta team have not been fully made; the structures of reform are there, but not the substance.

IX. Elected Councils and Local Participation

The elected councils which have come into existence as a result of the introduction of the three-tier system of Panchayati Raj are the village panchayat, the Panchayat Samithi, and the Zilla Parishad. These institutions have four distinct purposes: (a) to elicit local knowledge and wishes, (b) to provide a means of local administration; (c) to create a local political system, and (d) to effect social change.¹¹² These duties are not all given equal attention. This imbalance can be traced to the uneven mix of administrative and political infrastructures concerned with rural development.

The lowest level of Panchayati Raj in Andhra Pradesh is the Gram Panchayat (Village Panchayat), which is constituted for either a village or a group of villages.¹¹³ A distinction is made between the deliberative and the executive wings at this level. The Gram Sabha and Gram Panchayat (Assembly and Council) make up the deliberative wing, with the Sarpanch and

¹¹¹The Mehta Report, op. cit., Vol. I, p. 5.

¹¹²Guy Hunter, The Administration of Agricultural Development: Lessons from India (London: Oxford University Press, 1970), pp. 108-121.

¹¹³Government of Andhra Pradesh, Andhra Pradesh Gram Panchayats Act, 1964.

Upa Sarpanch (President and Vice President) composing the executive wing. The Gram Sabha (Village Assembly) consists of all persons whose names are included in the electoral roll for election of the Gram Panchayat. Law requires that the Gram Sabha should meet at least twice a year and consider the annual statement of accounts, the audit report, the report on the preceding year's administration, the program for the coming year, new tax proposals, etc. The Gram Sabha is not an effective body, and in many places it meets rarely. The more important body is the Gram Panchayat which is elected by the people in the village. The number of members in this body varies from five to seventeen, depending on the size of the village population. To provide representation to the weaker sections of the society, some seats are reserved for women and for members of scheduled castes and tribes.

The Sarpanch is the political executive of the village and is in charge of implementing the resolutions passed and projects initiated by the Panchayat. He and the Upa Sarpanch are elected from among the members of the Panchayat. The office of the Upa Sarpanch is purely honorary and carries a five-year term. The Upa Sarpanch plays no significant role except during the absence of the Sarpanch or when the office of the Sarpanch is vacant.

To the Panchayat are assigned many functions--too many functions to perform with the resources they have on hand. The civic functions include street cleaning and lighting, opening and maintenance of cremation and burial grounds, construction and maintenance of roads, maintenance of vital statistics, etc. The Panchayat may also undertake the construction and maintenance of rest houses; provide elementary education; cottage industries; and establish and maintain dispensaries, playgrounds, parks, and libraries. Most of the functions of the Panchayats are of a civic nature and benefit all the inhabitants of the village. Despite the recommendation of the Mehta Committee that Panchayats should be entrusted with development functions, they have not engaged in these functions in this state. Although several civic functions are obligatory, none of the development functions except "the construction of manurial resources, the preparation of compost and sale of manure" are included in this category. The assumption here is that the higher level bodies (the Samithis and Parishads) should be responsible for development. Thus, agriculture does not receive much attention at the Panchayat level.

In Andhra Pradesh, unlike in some other states,¹¹⁴ the

¹¹⁴See Maddick, Panchayati Raj, op. cit.; and Jain, op. cit.

block-level Panchayat Samithi (Panchayat Committee) is an important body from the point of view of development programs. The original 448 blocks have been reorganized into 321, and the population of each block ranges from between 80,000 to 200,000. The size of the Panchayat Samithi is not fixed and varies according to the number of villages in it.¹¹⁵ There is no direct election to this body. The Sarpanches from Village Panchayats and the state and national legislators elected from the area are ex-officio members of the Samithi. In addition, six members are coopted by the ex-officio members. Of these, two represent women and two represent scheduled castes and scheduled tribes. In addition, there are two representatives who have experience in development work. The lack of direct election to the Samithi has been challenged as not being consistent with the principles of democracy. Similarly, the fact that legislators and coopted persons are included in its membership has generated controversy.¹¹⁶ Structural changes have, therefore, been suggested by a number of committees to provide representation to the electorate.

The general body of the Samithi meets once a quarter. These meetings are fairly well-attended. The officials of the Samithi--the Block Development Officer and the extension officers--are present in the meeting to explain the work being done in the block. These meetings provide an opportunity for members to vent their grievances, and it provides an excellent forum for the Samithi administration to sell its programs to the representatives of the 30 to 40 villages assembled. There are often strong factions within the Samithis, and the meetings provide occasions to indulge in mutual recriminations. In most meetings, the leading role is played by the President of the Samithi and by the BDO. On the whole, not much business is transacted in the general body meetings except to give blanket approvals to the programs brought before it.

Much of the important business of the Samithi is

¹¹⁵ Government of Andhra Pradesh, The Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959.

¹¹⁶ Government of Andhra Pradesh (Panchayati Raj Depart, Report of the High Power Committee on Panchayati Raj, 1972 (Hyderabad: Government Central Press, 1973); see also Andhra Pradesh Congress Legislature Party, Report on Panchayati Raj (1968), (popularly known as the Vengala Rao Committee); and Ministry of Community Development and Cooperation (India) Report of the Committee on Panchayati Raj Election (known as the Santhanam Committee Report) (1965).

transacted through the seven standing committees, which are provided for by statute. There is a committee for each major area of development, such as agriculture, education, cooperation, social welfare, public works, etc. Every committee is elected by the general body and is presided over by the President of the Samithi. The committees meet quite frequently and are attended by the BDO and the appropriate extension officer. In the committee meetings, the administration's work is reviewed, and it is not uncommon for the members to question or challenge its views. The administration uses this opportunity to explain the new programs that are to be launched. The members offer their opinions on these programs in the light of their own experience. Here again the dominant role is played by the President and the BDO. Sometimes the committee meetings are attended by the district officers. The committees, therefore, provide a meeting place for officials and representatives of the villages. Some critics believe that there is no need to have seven committees at the Samithi level, since there is not enough work for all of them.¹¹⁷

The Panchayat Samithi is required to perform a number of development functions. Every conceivable matter related to agriculture, animal husbandry, fisheries, health and rural sanitation, education, communications, cooperation, cottage industries, women's welfare, social welfare, emergency relief, collection of statistics, and self-help programs are entrusted to the Panchayat Samithi.¹¹⁸ This body, however, has neither the resources nor the power to take up all these works. Since it is dependent on the government for all development programs, the Samithi's work reflects government priorities. It acts more as an agency to execute government programs than as an autonomous body. It must do what the government departments ask and must do it within the government guidelines.

The Zilla Parishad (District Council) was intended to be merely a supervisory and coordinating body and was only given executive authority in the areas of secondary education and inter-block roads.¹¹⁹ There are 21 Zilla Parishads in A.P. which, like the Samithis, are composed of ex-officio and coopted members. All Presidents of the Samithis and all

¹¹⁷ See Report of the High Power Committee on Panchayati Raj, op. cit.

¹¹⁸ Cf. The Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959, op. cit.

¹¹⁹ Ibid.

legislators and parliamentarians elected from the district are ex-officio members--the total membership comes to between 30 and 40. These members also coopt six members to represent women, scheduled castes and tribes, and rural development expertise. As in the case of the Samithis, the indirect nature of electing members to the Parishad and the inclusion of the legislators and members of Parliament have been viewed critically by many. The general body of the Zilla Parishad, which is presided over by a Chairman, meets quarterly. It is attended by the District Collector and all the development officers. It reviews the progress of rural development work and provides a good forum for those who are not officials to discuss problems relating to development. The level of discussions in these meetings is very high. Although the Parishad has no control over the district development officers, the discussions in the general body serve the purpose of exposing any erring bureaucrats. The District Collector and the Chairman of the Parishad have a decisive voice in its deliberations. Opposition parties or groups use these meetings to highlight the shortcomings of the majority party and the administration. A substantial part of the work of the Parishad, however, is transacted through its seven standing committees. As in the Samithi, there is a standing committee for every important development function, and the members are elected by the general council. The District Collector and the Chairman of the Parishad are members on all the committees.¹²⁰ The government feared that the committees might act along partisan lines and abuse their powers, and government made the Collector, chairman of all the committees. The presence of the Collector was considered necessary to secure the cooperation of district officers. Thus, it is "guided democracy" at the district level.¹²¹

The Parishad, being a coordinating and supervisory body, has very few of its own direct executive functions. It examines and approves the budgets of Panchayat Samithis, distributes funds allotted to the district by the central and state governments, and advises the government on all matters relating to development activities. Basically, the Zilla Parishad is concerned with the coordination and consolidation of block, interblock, and district plans. It establishes and maintains secondary, vocational, and industrial schools. So far as agriculture is concerned, its standing committee I is entrusted with this task.

¹²⁰ Ibid.

¹²¹ See the Vengala Rao Committee Report on Panchayati Raj, op. cit.; and Report of the High Power Committee on Panchayati Raj, 1972, op. cit.

The Zilla Parishad, however, is not equipped to perform all of these tasks. There is no competent staff to prepare district plans; the few that are prepared are prepared as routine exercises by busy district officers. Moreover, the Zilla Parishad has to transmit the state plans to the block.

In a democratic system, elections are the great reckoners. The leadership is required to give account of its past performance and future programs. The elections for Panchayati Raj institutions, which are to be held every five years,¹²² have not only been training local leadership in the art of politics but have also been attracting the serious attention of the higher level authorities. To win election as a Sarpanch, a Samithi President or a Parishad Chairman, adequate groundwork must be laid for the Gram Panchayat elections.

The significance of universal adult franchise in the Panchayat elections is yet to be fully realized, but certain trends have been noted in reports of field studies.¹²³ The turnout in Panchayat elections is very high. In 1964 and 1970, the average turnout throughout the state was 75 percent, but in several villages it was 100 percent. It is a creditable record for people who are mostly illiterate and whose entry into electoral politics is recent. The high turnout is achieved mainly because the villages are divided into a number of wards and mobilization of voters is easy. More important, however, is the keen interest shown by the local and higher level leadership in the elections of Sarpanches, Presidents, and Chairmen. These offices, in turn, are considered the stepping stones to seats in the assembly and parliament.

Competitive politics at all levels are viewed with fear and suspicion especially at the local levels. It is generally believed that electoral contests disturb the village harmony and create tensions in the small communities. In some villages, there was a genuine desire to avoid a contest for fear of group conflicts. Attempts are, therefore, often made to achieve unanimity in local elections. Such attempts have indeed been officially encouraged. In 1964, the government deliberately promoted unanimous elections by offering a prize of Rs. 5,000 to the Panchayat that was elected without any contest. This "collective bribery," as it is termed by

¹²² It should be noted that Panchayat elections have sometimes been delayed beyond their five-year term, however.

¹²³ G. Ram Reddy and K. Seshadri, The Voter and Panchayati Raj (Hyderabad: National Institute of Community Development, 1972).

some, was responsible for avoiding electoral contest in several villages. As a result, as many as 7,144 Panchayats (47 percent) were elected unanimously. The government's policy to promote uncontested elections has been subjected to much criticism,¹²⁴ and in 1970 elections, the monetary prize was not offered. Although there were fewer uncontested elections in 1970, attempts were still made to avoid contests in several villages. The trend, however, is now toward more competitive politics.

There are very few empirical studies of Panchayat elections, but the few that have been done note that several factors are taken into account by the people in choosing their representatives.¹²⁵ The village leaders interviewed think that caste loyalty influences voters more than any other single factor. The voters, on the other hand, think that the welfare of the village is the most important influencing factor.

Despite the official policy against allowing the established political parties to participate in local elections, the political parties, nevertheless, taken an active part in these elections. Although the different candidates have different symbols, their partisan connections are well-known to all people in the village. In fact, the candidates derive their main support from their party or group. In most villages there are two or three factions that have external political support. The policy of the government, therefore, does not appear to be politically realistic--it is neither possible nor desirable to impose a ban on the participation of political parties in these elections.

Elections now generate much more political conflict in the villages. It is observed that there was more tension in the 1970 elections than in the 1964 elections.¹²⁶ In fact,

¹²⁴"We are of the view that securing unanimity through incentives like cash prizes is not desirable. Though, in the short term, they may succeed in securing unanimity by enabling the majority of a village to suppress the minority on the ground that contest will cause pecuniary loss to the village, their moral effect will not be wholesome. Cash prizes for good conduct are bad enough even in schools when children are concerned. They are positively undesirable as a method of persuading adults," says the Report of the Santhanam Committee on Panchayati Raj Elections, op. cit., section 12.7.

¹²⁵Reddy and Seshadri, op. cit.

¹²⁶Ibid.

Panchayat elections were the immediate cause of murders in a few of the more factionalized villages. The villagers judge their candidates more by the political faction to which they belong than by their development proposals. Village factions are very keen to gain control of the Panchayat, which in turn gives them access to outside sources of power. In the absence of any deep political commitment among the villagers themselves, office seekers often resort to monetary and other incentives to gain voter support. In this sort of situation, even the strongest candidates, barring exceptions, cannot be sure of success, for the established positions are being challenged in many villages. Dominance of certain powerful castes and groups is being eroded partly as a result of factionalism within these established groups and also because of the gradual emergence of new groups desiring a share in the benefits of development.

Elections for the higher level institutions--for President of the Samithi and Chairman of the Parishad--are ferociously fought. Candidates for these offices bring into action all the political forces of the state, district, and block levels. Alliances are forged among castes, parties, and other factions. The state-level political leadership attempts to capture these positions since, to a large extent, their own chances in the assembly elections depend on their success in the Panchayati Raj elections. As a result, closer links between Panchayati Raj elections and the general elections are emerging.

The growing importance of Panchayati Raj institutions has bred a new kind of local leader. Because of the attractions of power at local levels, many young and uneducated men, who would have otherwise migrated to urban centers in search of sometimes petty jobs, are now seeking political careers locally. Some studies show that about two-thirds of the members in the 1964 and 1970 Panchayats are below the age of 40.¹²⁷ Also, the members of these last two Panchayats are more educated than their predecessors, although the percentage of secondary and college educated members is not high. In addition, the representation of backward and scheduled castes in the Panchayats has increased considerably. In nine villages studied, the strength of the backward and scheduled castes has risen from 50 to 68 percent, and 72 percent of the members in the 1964 and 1970 Panchayats were drawn from the economic groups whose annual income does not exceed Rs. 2,500. Thus, it cannot be said that the Panchayats are controlled, at least formally, by the economically powerful classes. We cannot draw any final conclusions, however,

¹²⁷ Reddy and Seshadri, op. cit.

from these micro studies; statewide sample studies will be needed to arrive at any meaningful generalizations.

In the rural community, the President of Panchayat Samithi is more important than the Sarpanch, and the Chairman of Zilla Parishad has higher political status than the President. The Chairman and the President together attract the attention of everyone in state politics and development programs. They have an influence in development and are the linkages with state politics. There are 321 Presidents and 21 Chairmen in Andhra Pradesh.

The study of the nature of leadership at these levels should be of much interest to students of rural development. Data is available for only the leadership elected in 1964.¹²⁸ One cannot discern any trends in leadership characteristics in the absence of longitudinal data. The 1964 data will give some idea of the backgrounds of the rural leaders. About 53 percent of the Presidents and 30 percent of Chairmen were below 40, and 60 percent of the Chairmen were 40 to 50 years old. The educational achievements are very impressive--none of these leaders were illiterate; 52 percent of the Presidents had either middle or high school educations and about 45 percent of Chairmen were matriculates. About 38 percent of the Presidents and 36 percent of the Chairmen had received college educations. The political executives of the two higher levels are drawn mostly from the traditional upper castes; there are no backward class and scheduled caste Chairmen and very few of the Presidents are from these groups. More than 90 percent of Samithi Presidents and about 80 percent of Chairmen are agriculturists.

The emergence of this leadership in the rural areas is highly significant to agricultural development. With the presence of 21 Chairmen, 321 Presidents and more than 15,000 Sarpanches and an equal number of deputies, the base of rural leadership has been widened considerably. Being farmers themselves, they understand the problems of agriculture in their respective areas much better than any civil servant working there. The essential difference between the Panchayati Raj political executive and the government servant is that the former is "the son of the soil" and is a resident of the area; whereas the latter is a bird of passage whose knowledge of the place is very limited. In the absence of a pressure group for farmers these rural leaders constitute a strong agricultural lobby, which is essential in view of the

¹²⁸G. Ram Reddy, "Social Composition of Panchayati Raj Background of Political Executives in Andhra," Economic and Political Weekly (December 1967).

urban orientation of the bureaucracy. Their awareness of the needs of agriculture is far superior to that of the bureaucracy's, and since most of them are well-educated and experienced, they exert pressure on the local bureaucracy for the delivery of goods. The new leadership is increasingly able to make effective use of the limited powers and finances available for the development of agriculture. Many of the costly mistakes of the community development era will probably not be repeated because of the knowledge of the area exhibited by the local leadership. Most important, however, is the availability now of hundreds of institutional leaders for communicating new ideas and programs. These leaders have often shown the courage to point out deficiencies in some of the programs sponsored by higher level officers, which no subordinate official will do. Agriculture, therefore, finds in them its most articulate and sometimes aggressive spokesmen.

A general criticism made of the new leadership is that it is not development-minded, it fritters away its energies for political aggrandizement and therefore lacks integrity. Their emergence has led to conflicts between them and the officials working with them. The interests of weaker sections have been neglected by the new leadership. There is a substantial amount of truth in most of these criticisms. It is difficult to say, however, whether these leaders in general have less commitment to development and less integrity than the bureaucracy. One thing, however, cannot be said of them-- that their presence has not contributed to the development of agriculture. It is illogical to think that this new rural leadership, which comes mostly from the agricultural classes, would not be interested in its own sector. It is another thing to say that they are drawn from the upper agricultural classes. But stagnation in agriculture is not caused by this new leadership but is due to the defective agricultural policy and the institutional framework devised for Panchayati Raj. Even the neglect of the small farmer is, to a great extent, due to the weak and half-hearted policies framed at higher levels, which do not forcefully promote the interests of the small farmer.

X. Bureaucracy and Panchayati Raj

The way in which bureaucracy is organized for agricultural development clearly reflects the caution adopted by the state government. Although it was felt desirable to decentralize development functions, the higher levels were not prepared to trust fully the newly elected bodies with powers and responsibilities that would fall to them. Despite the loud declarations of involvement of the representatives of the people, there has always been a suspicion of the way these representatives

would use the power. Checks were, therefore, built into the system by involving the trusted revenue administration in development work and by keeping the district-level officers outside the control of the Panchayati Raj bodies.¹²⁹

The District Collector was thus made the most important district-level officer involved in Panchayati Raj; he has traditionally been the head of district administration. The authors of the Andhra Pradesh Panchayati Raj Act felt that this prestigious office should be used both to help the newly created representative bodies and also to control their potential excesses. Furthermore, the District Collector would be a reliable instrument for the state government. Thus, the District Collector is made central to the entire Panchayati Raj system.¹³⁰ He is a member of the Zilla Parishad and is in charge of development programs in the district. The Collector is the Chairman of all the Standing Committees of the Zilla Parishad, which make the more important decisions. He is the Chairman of the district coordination committee where the work of the officers connected with Panchayati Raj is reviewed. He also reviews the tour diaries of the district development officers and initiates their confidential reports affecting promotion.

His responsibilities at the block level are no less important. He is required to make annual inspections of the Panchayat Samithis, and his reports apprise the government of the progress of their work. In addition to these functions, the Collector is empowered to suspend any of the Samithi's resolutions that are contrary to law and are likely to disturb the peace in the area. He is the controlling officer of the BDOs.

The District Collector has been delegated wide powers of supervision and control over Village Panchayats themselves. He is empowered to invalidate the resolutions of Panchayats if they constitute a threat to law and order or exceed their powers. The Collector can direct a Panchayat to execute any work. More important, he may supersede and dissolve a Panchayat. The District Panchayat Officer whose sole duty is to watch the workings of the Panchayats, is the Collector's personal assistant. Elections for all the bodies--Village Panchayats, Panchayat Samithis, and Zilla Parishad--are conducted under the supervision of the Collector.

¹²⁹Hunter, op. cit., pp. 29-38.

¹³⁰Ram K. Vepa, "The District Collector in the Nineteen Sixties," Indian Journal of Public Administration, No. 3, 1965, pp. 391-412.

It is evident from this description that the District Collector is associated with all aspects of the Panchayati Raj bodies. This work in itself requires the attention of a full-time officer, but in Andhra Pradesh the Collector is required to attend to Panchayati Raj work in addition to his other normal functions: He is the head of the revenue administration, the officer responsible for law and order, and the agent of state government in the district. He has been given some assistance (as we shall see later), still it is difficult to believe that sometime this busy would give adequate attention to development work. It is doubtful therefore whether such important work as agricultural development receives the attention it deserves. As early as 1965 a State Administrative Reforms Committee advocated the appointment of a full-time senior officer on the model of the Panchayati Raj system in Maharashtra State, to be in charge of development programs.¹³¹ Although the committee consisted of senior political leaders and civil servants, its recommendations have not been acted on. The suggestion has been reiterated by the recent Committee on Panchayati Raj. "It is in the best interests of both district general administration and development activities that the District Collector should be free to devote his full time and energies to his regulatory functions and to his duties as the representative of Government in the district. . . ." and that the Chief Executive Officer-Cum-District Development Commissioner devote his full energies to Panchayati Raj work.¹³² The committee realized the need to divest the District Collector of development work. In spite of the involvement of the elected representatives, the District Collector is still given the most responsibility for development work, and his role has not yet been analyzed critically.

The other most important generalist officer concerned with development programs at the district level is the Secretary of the Zilla Parishad. He is an officer of the state government enjoying the same rank as either the Revenue Divisional Officer or a special grade BDO. As Secretary of the Zilla Parishad, he is nevertheless, under the dual administrative control of the District Collector and the Chairman of the Parishad.¹³³ Quite often the Collector actually holds the

¹³¹Government of Andhra Pradesh, Report of the Administrative Reforms Committee, 1964-65 (Hyderabad: Government Printing Press, 1965), p. 53.

¹³²Report of the High Power Committee on Panchayati Raj, op. cit., p. 43.

¹³³Venkataramaiah and Reddy, op. cit., pp. 212-214.

real power over the Secretary, and the Chairman sometimes feels unable to direct his Secretary. From the point of view of the Secretary, it is a difficult task pleasing the two masters--especially if the relations between the Collector and the Chairman are not cordial.

The status of the Secretary is not commensurate with his responsibilities. Originally, the Zilla Parishad was intended to be a coordinating and supervisory body and have few executive functions of its own, and these functions were to be discharged mainly by the District Collector and the Chairman of Zilla Parishad. Although this is the legal position even today, the Zilla Parishad has emerged as a more powerful body in all development works with the state government functioning through it. Thus, the content of supervision and coordination itself has undergone a qualitative change that is not reflected in the role of the Secretary. Much of the Collector's development work burden is carried by the Secretary. He lends immense assistance to the Collector in conducting the meetings of the Zilla Parishad, its Standing Committees, and the meetings of the District Coordination Committee. The agenda for these meetings is prepared by the Secretary, and it is he who answers most of the questions at the meetings. He brings to the attention of the Collector and the Chairman important items in the agenda. Besides this secretarial work, the Secretary is required to inspect programs or institutions under the management of the Zilla Parishad and Panchayat Samithis. He is the officer in charge of implementing the resolutions of the Zilla Parishad and its Standing Committees. The nature of the work done by him brings him into close contact with the other district development officers and the BDOs. He coordinates their work on behalf of the Collector and the Chairman.

Although the Secretary is required to do much of the work involving coordination and supervision, his status in the administrative hierarchy of the district inhibits his effectiveness. He occupies equal or sometimes lesser rank than some of the district development officers, and the latter resent instructions or queries from him. He is not only a buffer between the Collector and the Chairman but also between these two and the district officers and receives shocks from both sides. In an administrative system where hierarchy is highly cherished, the Secretary's position is too weak to perform his role. Furthermore, the Secretary, like the Collector, has many duties, and agriculture is only one of the several development functions he is required to perform. Priorities in development are laid down by the state government, and they are changed from time to time. Even though the Secretary is concerned with development work, his responsibilities are numerous and very little of his attention is paid to agriculture.

As pointed out earlier, the responsibility for agricultural development is shared by several departments--agriculture, cooperation, irrigation, animals husbandry, etc. All these areas are represented by their respective district heads of departments. The government's caution regarding decentralization is very clear in the organization of these district technical services. The policy of the government has been to retain the officials as independent department officials but put them in charge of agriculture work entrusted to Panchayati Raj bodies. All of them are state cadre officials, and their conditions of service are laid down by the government. The state departments exercise direct control over them; in fact, they are the field agents of these departments. They are "accountable" to the Zilla Parishad but not "under its administrative control"--a distinction that has great administrative significance.

The officers concerned with agricultural development are responsible for all the agricultural programs taken up in the district--departmental as well as Panchayati Raj works. Some agricultural programs are carried out by the departments independently and others are channelled through the Panchayati Raj institutions. This promotes a dualism in agricultural administration at the field level. It is the responsibility of these officers to initiate plans and supervise the execution of agricultural programs. They are the main communication channels between their supervisory department and the district. Furthermore, these district officers are the authorities who accord technical sanctions to Panchayati Raj programs. This control is justified on the grounds of ensuring the quality in the work taken up by Panchayati Raj institutions. The most important function of these officers, however, is to give technical advice and guidance to their subordinate officers and the peasants. They inspect the work done by the extension officers at the block level. They are also required to attend the meetings of Panchayat Samithis and the Zilla Parishad.

The position of the district agricultural officers is anomalous. Since they are not under the direct control of the Zilla Parishad, they behave primarily as departmental officers. Their responsibility to Panchayati Raj bodies is only incidental. The Zilla Parishad, therefore, feels frustrated with machinery it cannot put to effective use. The Chairmen of the Zilla Parishads contend that these officers rarely attend their meetings, and when they do attend they are not sufficiently responsive. The Administrative Reforms Committee noticed this situation as early as 1965 and commented: "we are satisfied that under the present conditions, there is not much scope for proper coordination between the departments of Government and the popularly elected institu-

tions."¹³⁴ The Committee suggested that dual administration in the field of development must be ended and that these officers be integrated with the Panchayati Raj bodies. This anomaly in agricultural administration has been observed by several others who also have called for change in the system.¹³⁵ The state government and the departments do not want to part with their control over these officers. This is because of their tendency to centralize authority at the state level and their fear that such a transfer would dilute the quality of work under the pressure of local politics. Contradictions in the thinking on decentralized development come out clearly here.

The Panchayat Samithi is the main unit responsible for development activities in Andhra Pradesh. There is a full-fledged staff in charge of development programs. The two officials directly involved with agricultural programs are the Block Development Officer (BDO) and the Agricultural Extension Officer (AEO). The Community Development Program gives the BDO authority over the entire system of Panchayati Raj.¹³⁶ Drawn from the state administrative service, the BDO is deputed to work in Panchayati Raj. Generally, he comes either from the development departments, such as cooperation and agriculture, or the revenue department. Most BDOs have undergone training at one of the training centers.

The BDO is the chief executive officer of the Panchayati Samithi and is charged with responsibilities for all activities at the block level.¹³⁷ He attends all the meetings of the Samithi and its Standing Committees, where he explains the programs they are to take. He prepares the agenda for the meetings of all the bodies of the Samithi and is in charge of implementing their resolutions. He is the main initiator of programs at the Samithi level. He has administrative control over the staff working in the Samithi and inspects all the works under the Samithi. It is he who prepares the budget and the annual report. In short, he is responsible for everything that the Samithi is required to do.

¹³⁴Report of the Administrative Reforms Committee, 1964-65, op. cit., p. 52.

¹³⁵The Report of the Vengala Rao Committee, op. cit., p. 9.

¹³⁶K. Seshadri, "Functioning of Block Development Administration in Relation to Agriculture," Indian Journal of Public Administration (January 1967).

¹³⁷G. Ram Reddy, "Role of the Block Development Officer-- Promise and Performance," Journal of Local Administration Overseas (April 1967).

The crucial role of the BDO at the block level is recognized by everyone. In the entire hierarchy of Panchayati Raj, these officers carry the maximum workload.¹³⁸ Most BDOs are young (in their thirties) and are indeed the symbols of development. The criticism against them, however, is that since BDOs are concerned with all the development works, they do not pay adequate attention to agriculture. The performance of BDO in the field of agriculture is dependent on the priority given to it by the government; quite often the BDO is used for all and sundry work. Still his contribution to agriculture is very significant.

The departmental background of BDOs sometimes may limit their role in agricultural development. Although there is not enough empirical evidence available to support this assumption, it is believed that the BDOs who are drawn from the Revenue Department are not useful in agricultural work. Those who come from departments concerned with some aspect of development are more useful in the development of agriculture.

The nature of appointment of BDOs also hinders development. As pointed out earlier, they belong to certain departments and are deputed to work in Panchayati Raj for a specific period. Since working in Panchayati Raj involves no official control over these bodies yet accountability to various elected representatives for their progress, BDOs resent their role and view this posting as a "sentence."¹³⁹ The BDOs from the Revenue Department rate their departmental position as Tehsildar (Collector) much higher than their work in Panchayati Raj. BDOs from other departments would also like to return to their own departments, where their workloads are comparatively lighter and their promotion prospects are better. This "deputationist" policy has no doubt made some difference in the implementation of agricultural programs.¹⁴⁰

The official who is next in importance at the block level is the Agricultural Extension Officer (AEO), who is also drawn from the Agriculture Department and is assigned to work in Panchayati Raj. All of the AEOs in Andhra Pradesh are graduates in agriculture, and most of them have undergone training. In most blocks, there are two or more AEOs. Their main function is to provide technical knowledge and advice farmers in all agricultural matters. They also supervise the

¹³⁸ Ibid.

¹³⁹ Ibid.

¹⁴⁰ See the Report of the High Power Committee on Panchayati Raj, op. cit.

work of VLWs. Finally, they are concerned with the supply of such inputs as improved seed and pesticides. The AEOs' position is crucial in the development of agriculture, for they are the technical experts at the block level.

Interaction of the AEOs with farmers and the elected representatives is imperative in agricultural development. The empirical evidence available shows that such interaction varies across villages and districts: 94 percent of the farmers interviewed in one district of the state said that they had never met the AEO.¹⁴¹ The bulk of the farmers who met the AEO sought technical advice from him. Most of the farmers who received advice felt that these officials have sufficient knowledge and experience to guide them. Some BDOs, however, are skeptical of the competence of these new graduates, because they lacked practical experience. This is a problem wherever new graduates without adequate training are posted as extension officers.

In any discussion of Panchayati Raj and agricultural development, the VLW who is designated as the Village Development Officer (VDO) in Andhra Pradesh figures prominently.¹⁴² Originally conceived as a worker with many duties, including transmitting technology from the block to the villages and helping in almost all aspects of village development, he is now used mainly for work relating to agriculture.¹⁴³ Unlike the other personnel involved in this work he is the only functionary who is a member of the Panchayati Raj administrative cadre. Although his conditions of service are determined according to the directives of the government, he is treated as an employee of the local body. There are, however, several VLWs/VDOs who were originally appointed by the government but who transferred later to the local cadre. Now they are appointed by the District Selection Committee. The VLWs/VDOs have high school educations, and some of them have higher educational qualifications. All of them are trained in the VLW training centers.

The job description of the VDO contains a formidable list of functions he is required to perform. The VDO, who is under the supervision of the AEO, is concerned with all agricultural programs at the village level. It is this functionary who is in constant touch with farmers. Several field

¹⁴¹M. A. Muttalib, Development Administration in Rural Government for Agricultural Production, op. cit., pp. 148-149.

¹⁴²Hunter, op. cit., pp. 51-53.

¹⁴³The Report of the High Power Committee on Panchayati Raj, op. cit.

studies point out that in spite of the many complaints against him, the villager unfailingly identifies him as the main symbol of Panchayati Raj.¹⁴⁴

The competence of the VDO to tender advice to the farmer, who is much more experienced than he, is often questioned. This is more often the case when new technology is to be conveyed to the farmer. The VDO's lack of competence in performing highly technical roles is now being recognized. In fact, the personnel of the Agriculture Department treat him more as a messenger boy than as a technical expert. As early as 1964, the High Power Committee noted the unanimous opinion of the District Collectors, Chairmen of Zilla Parishad, and Presidents of Panchayat Samithis that competence of VLWs should be improved.¹⁴⁵ D. V. Reddy, former Director of Agriculture in the state, admits that the VLWs are often not competent to do the job they have been assigned.¹⁴⁶ No attempt has been made to improve the situation. The effect of this negligence on agricultural development remains to be assessed. The demand for making the VDOs more effective in agriculture has again been made recently. It has been suggested that more VDOs obtain Bachelor of Science degrees in agriculture.¹⁴⁷ In the future, says the Report on Panchayati Raj, recruitment of the VDOs should be from among agriculture graduates. "They are better qualified and should be expected to give more satisfactory service as Village Development Officers." This can be done only by a change in the policy of state government.

The career prospects of this basic functionary are frustrating; they have very few avenues for promotion. Many who started as VLWs in the 1950s remain in the same position in the 1970s. This subject is discussed and debated at all VLW conferences, and those higher up are aware of the problem, but not much has been done about it. The frustrated VLW thus takes a cynical view of his work--if he does a better job or

¹⁴⁴ Reddy and Seshadri, The Voter and Panchayati Raj, op. cit., p. 87.

¹⁴⁵ Government of Andhra Pradesh, Report of the High Power Committee on the Reorganisation of Panchayat Samithi Blocks and Allied Matters, 1964 (Hyderabad: Government Printing Press, 1964), p. 24.

¹⁴⁶ Study on the Agricultural Extension Officer (Hyderabad: Mimeographed Paper).

¹⁴⁷ Report of the High Power Committee on Panchayati Raj, 1972, op. cit., p. 103.

works harder, he gets no rewards; if he does poorer quality or less work, he is not punished. Only a very limited number of VLWs have been promoted. When the original recruitment to the position was made, bright career prospects were assured the recruits--the "sky was the limit," recall some of the senior VLWs. The neglect of such an important aspect of personnel administration has its repercussions in program performance.

It has been pointed out that the VLW was treated as a worker with many duties, and agriculture was one of the several functions he was required to perform. Later there was more emphasis on his agricultural work, but he has continued to be in charge on other works. The State Evaluation Committee, which has made a study of the VLWs' work, indicates that VLWs are devoting considerable attention to social education, health, and sanitation. "The impression gathered is that the Gram Sevaks [VLWs] seem to get themselves involved too much in these activities detracting from the overall efficiency as a primary agriculture and animal husbandry extension worker."¹⁴⁸ Over the years the situation has not changed much. These practices are in the present day administrative system evolved for Panchayati Raj. The BDO, who is the boss of VLWs, is charged with multiple activities. He and the extension officers do not have any other contact at the village level except the VLW. It is thus natural that the VLW is burdened with miscellaneous development functions despite the higher-level instructions that he should be used only for agricultural work. Whatever the BDO and his extension staff do for the whole block, the VLW does for the villages assigned to him. As long as there is no separate worker designated for other development work, the VLW will have numerous duties, and agriculture will continue to receive little attention.

XI. Administrative Procedures and Practices

In public administration, administrative procedures are important although they lead to a certain amount of delay because of cross-references and the need to maintain records of administrative action. Such procedures in India, however, are too long and involve too many levels, sapping the energies of all those involved. The energetic administrator feels frustrated since these rules inhibit his initiative; on

¹⁴⁸ State Evaluation Committee (Planning Department), Report on the Work of the Gram Sevaks in Gooaprolu Block of East Godavari District (Evaluation Studies No. 17) (Hyderabad: Government Printing Press, 1963), p. 9.

the other side, because of these procedures, the citizen is lost in the vast jungle of bureaucracy. The system is based on suspicion and distrust and encourages the administrator in charge of a program to play for safety. This has been the bane of Indian administration at all the levels and has been commented on by many observers. The inadequacies of the Indian bureaucracy are not due simply to the fact that it is a bureaucracy but due, to a considerable extent, to the fact that it carries too much baggage from the past. Procedures place relatively too little emphasis on "dispatch."¹⁴⁹ Agricultural administration in relation to the evolution and communication of agricultural policies and programs at the national and state levels is the victim of these outmoded procedures. More often than not many programs at the higher levels start on a low key and get lost in the vast network of bureaucracy.

The administrative procedures and practices that are in vogue at the higher levels have been prescribed for the district and block-level units concerned with development work. The state government prescribes detailed procedures for work in Panchayati Raj and the technical departments at these levels. Such prescription is said to be justified in the name of uniformity, but in doing so all the inhibitive features of the bureaucracy have been passed on, leaving little discretion to the field units. Compliance with these rules is sacrosanct for the Panchayati Raj bodies and is the foremost duty of the district-level agricultural officers. As such the administrators in charge of agricultural programs and the farmers spend most of their time in the fulfillment of these procedures. The Study Team appointed by the Congress party in Parliament observed that "complaint after complaint was brought to our notice that rules were too many, G.O.s [General Orders] too frequently issued which were difficult to interpret, created unnecessary complications and caused delay in the execution of development works."¹⁵⁰ Other studies report that "the red-tape of the Cooperative Department was said to be killing the enthusiasm of members. Years elapse before registration is given because of the time taken for instituting various enquiries etc. to satisfy the rules

¹⁴⁹"It only wastes many administrative man-hours on checking and double checking sanctions for action in order to guarantee surety, but in doing so, destroys its own capacity to move with dispatch." Taylor, et al., India's Roots of Democracy, cp. cit.

¹⁵⁰Congress Party in Parliament, Study Team Report on Panchayati Raj in Andhra Pradesh (1960), p. 19.

laid down."¹⁵¹ Referring to the credit problem, a research study reported that private credit agencies are becoming popular because they are easily accessible; borrowers need not undergo any red tape and also need not spend anything for obtaining loans. Thus, the study concludes that the average farmer does not have access to commercial banks. The time taken in approving loans frustrates the very objective of government assistance to the agriculturist.¹⁵²

In another report, 65 percent of those in the district who were not officials also expressed their dissatisfaction with the procedures.¹⁵³ The result of the involved and lengthy procedures is that they inhibit administrative action, and the farmer becomes reluctant to approach the extension agent for fear of losing himself in the procedural morass.

The cumulative effect of a hierarchical administrative system that demands detailed accountability from the field officers, is the increase in the paper work of the field units. The Panchayati Raj officials whose main job it is to impart technical knowledge to farmers now fritter away their time attending to a mass of paper work. One important characteristic of Indian administration has been to put everything in writing.

This bureaucratic feature has afflicted the Panchayati Raj institutions and has hobbled their development efforts. A study conducted by the state Department of Agriculture shows that the Agricultural Extension Officer who should be spending his time in the field helping farmers uses much of his time to prepare and maintain reports and returns. Of the two extension officers studied by the department, one devoted 19 percent and the other 44 percent of his time to this work. This difference, says the study, is mainly due to personal factors. It does not state what the personal factors are but it is important to note that so much of their time is consumed by paperwork.¹⁵⁴ The departmental study admits that "these items take away a substantial portion of the time of the Agricultural Extension Officer." The Evaluation Wing of the state Planning Department estimates that

¹⁵¹B. Sarweswara Rao, A Study in the Field of Panchayato Raj (Andhra University, unpublished manuscript), p. 24.

¹⁵²B. Lakshminarayana, The Role of Agricultural Credit in the Five Selected Villages of Tadikonda Samithi Area (mimeographed paper), p. 11.

¹⁵³Muttalib, op. cit., p. 168.

¹⁵⁴D. V. Reddy, op. cit.

the District Agricultural Officer has to send about 125 returns and reports including weekly, monthly, quarterly, half-yearly, and annual reports.¹⁵⁵ Although the importance of paperwork cannot be denied in a government organization, it is doubtful whether this excessive load is really necessary. There seems to be enough awareness of the problem on the part of the state government. Speaking of district administration a government policy document states that "paper work in the offices of these departments at the district level has increased considerably and there has been an enormous increase in the number of periodical reports, etc. . . ." ¹⁵⁶ What is even more interesting is that not "much use is being made of these periodicals and reports received from subordinate officers by the Heads of Departments nor have they been utilised to improve plan implementation." This document clearly points out the effects of increased paper work: "Again increase in the office work has affected adversely the field work of these officers with the result [that] supervision and guidance to subordinate staff has suffered in quality."¹⁵⁷ This phenomenon is not confined to Andhra Pradesh only but is found in most of the states. V. T. Krishnamachari has brought this problem to the attention of state governments.¹⁵⁸ Moreover, field officers are not free to do away with excess paper work, for their efficiency, to some extent, is judged by their superiors on the basis of the records maintained and the returns sent in on time.

It is natural for the Panchayati Raj officials who are accountable to their departmental superiors to pay excessive attention to this work--at times even at the cost of develop-

¹⁵⁵ Planning Department, Government of Andhra Pradesh, District Agricultural Officers (Hyderabad: Government Printing Press, 1967).

¹⁵⁶ Planning Department, Government of Andhra Pradesh, Administrative Procedures and the Fourth Plan (Hyderabad: Government Printing Press).

¹⁵⁷ Ibid.

¹⁵⁸ See V. T. Krishnamachari, Report on Indian and State Administrative Services and Problems of District Administration (New Delhi: Planning Commission, 1962). He says that there is need for special examination of correspondence work in villages, blocks, and districts. "I have noticed that elaborate registers and records are maintained and returns are prescribed which take up a great deal of time."

ment work. The contribution of this paper work to the loss of efficiency in agricultural administration cannot be measured, but field observers cannot escape seeing the damage it does to extension work.

If the administrators are to understand the problems of the area in which they are posted, a long tenure there is necessary. The problems of Panchayati Raj and the development administration are too complicated and require an understanding of the region as well as the people involved, but one of the maladies of Panchayati Raj administration has been the frequent transfer of officials from one post to another. The data collected in 13 blocks in a district of Andhra Pradesh regarding the tenure of Block Development Officers throw some light on this problem. In about 60 percent of the blocks, the block officers' tenure was less than 18 months; on the other 40 percent of the blocks, the tenure was 19 to 24 months.¹⁵⁹ In only two blocks did the average tenure reach as high as 21 months. The tenure of the other officials is no better. In one district there were five Secretaries of Zilla Parishad in a period of about 76 months; the average tenure was 15 months. In the same district, there were five Collectors between December 1959 and March 1965: three of these five had less than two years tenure; one worked for 19 months; and another only for four months. The sample may not be representative of the whole state, let alone representative of the entire country. This phenomenon has also been noticed by other observers. Krishnamachari refers to this matter and says that there is need for continuing administration and technical officers in the posts for longer periods. "At present in many cases, they are transferred frequently. This is fatal to efficiency."¹⁶⁰ It may be mentioned that the difficulty is not due to the absence of rules governing the transfers of officers. In fact there are rules saying that normally an officer should be kept at a post for about three to five years. These rules, however, are not followed, and the officers are transferred freely under the blanket term, "on administrative grounds."

¹⁵⁹ Venkatarangaiya and Ram Reddy, op. cit., pp. 226-227.

¹⁶⁰ Krishnamachari, op. cit. D. Brown does not see important correlation between achievements in food grain output and staff assignments and tenure practices in IADP districts. See Agricultural and Development in India's Districts, op. cit., p. 77.

XII. The Zilla Development Board

In 1967, the slow growth of agriculture was attributed to the inefficiency of Panchayati Raj without understanding the nature of the policy weaknesses. The growing political and patronage power of these bodies in the rural areas made the state-level politicians dependent on them--a trend that they felt should be curbed. After the 1967 election the new Ministry, ostensibly expressing concern for rural economic development, sought an administrative innovation by using the District Collector more effectively for development work. A meeting of the District Collectors was convened by the government in April 1967 in which "the question of reorganising district administration with a view to seeing that there would be a single authority charged with the responsibility of securing economic growth of the district was discussed." As a result of the deliberations of this conference, a committee was appointed with M. T. Raju, who later became the Chief Secretary, as its head to investigate administrative changes at the district level.

The committee submitted its report without much delay and the state government accepted almost all its recommendations.¹⁶¹ The committee felt that success in development programs would be obtained by strengthening the position of the Collector. A two-member Zilla Development Board (ZBD) was created with the District Collector as its chairman and the Chairman of the Zilla Parishad as its only other member. This body was different from the Zilla Parishad. The main function of the board was to promote economic growth of the district. "It will be the task of the Board to formulate and implement programmes designed to secure the economic growth of the district and in particular programmes connected with agricultural and industrial production."¹⁶² Programs relating to irrigation, power, animal husbandry, fisheries, cooperation, and marketing all came under the heading of "economic growth."

The heads of departments concerned with agricultural and industrial productions were required to send to the Collector of each district a list of schemes that were to be implemented in the district. At the district level the heads of departments were to prepare proposals for the utilization of "the growth potential available within the district for which no budgetary provisions" were necessary. Similarly, the Panchayat Samithis were to furnish to the Collector with plans pertaining to agricultural and industrial production,

¹⁶¹Report of M. T. Raju Committee, 1967 (mimeographed).

¹⁶²Ibid.

which were to be financed from their own funds.

After examining these plans, the Zilla Development Board would prepare a plan for the district to be placed before the Zilla Parishad for its approval. The Board was charged with the responsibility of implementing the plan and achieving the targets under it. The Board would review the progress of implementation of the district and also report to the state Board of Development which was created along with the Zilla Development Board.

These administrative changes gave heavy responsibility to the District Collector, and to achieve the desired results it was felt that he should be given some of the powers of the state heads of departments. He was made the head of agriculture, cooperation, Panchayati Raj and industries at the district level. The administrative powers of the heads of these departments in the district were delegated to the Collector, and the district heads of these departments were to function under his direction for the implementation of the district plan. Since the Collector was required to "devote himself almost entirely to . . . development work," it was necessary to relieve him of the revenue and civil supplies work. A new administrator designated as the District Revenue Officer (RDO), drawn from the senior IAS cadre, was appointed. He was, however, to work under the direct control of the Collector.

At the divisional level the Revenue Divisional Officer was made responsible for the supervision and effective implementation of the district plan in respect of the blocks within his jurisdiction. He was required to make frequent field inspections, locate bottlenecks and see that action was taken to clear them. To perform his functions satisfactorily the RDO was given administrative control over the block bureaucracy. He was required to send inspection reports to the Collector so that the Zilla Development Board could be apprised of the progress of the schemes.

Under the new system, the Panchayat was to be used as the main instrument of development at the village level. The committee felt it desirable to integrate the revenue establishment with the Panchayat at the village level. To strengthen the Panchayat it was suggested that the land tax be paid over to it and that an executive officer drawn from the cadre of the District Collectorate would, besides being the Secretary of the Panchayat, be the agent of the government at the village level for the levy and collection of taxes. Some of these suggestions are yet to be accepted by the government.

At the state level a Development Board was created with a member of the Board of Revenue, the Secretaries of Public

Works, Food and Agriculture, and Panchayati Raj, the Director of Agriculture, the Registrar of Cooperative Societies, the Director of Industries, and the Chief Engineer (Irrigation) as members. The Chief Secretary was the Chairman and the Secretary of Planning was its Secretary. Furthermore, it was suggested that the Director of Agriculture, the Registrar of Cooperative Societies, and the Director of Industries should function as the ex-officio Secretaries, so as to give them a greater share in the policy formulation and more flexibility in operation.

This new administrative arrangement had some commendable features. At the state level, it brought together all the departments concerned with agricultural development thereby attempting to solve the problem of coordination.¹⁶³ Many thorny interdepartmental issues would be thrashed out by this body under the chairmanship of the Chief Secretary who was also the head of the entire state administration. Giving secretariat status to the Director of Agriculture and others would get over the problem of the dichotomy between policy and execution and make these officials more responsive to the policies. Similarly, there would be more coordination among bodies at the district level. Earlier many programs suffered for lack of concerted action by the administrative machinery at this level. By bringing the district heads of department concerned with economic development under the Collector, the new scheme tried to hammer out bureaucratic infighting. The new system really focused on a central problem area when it suggested that several of the powers of the state heads of departments should be delegated to the district level. The high degree of centralization of financial and administration powers at the state level was, in several cases, damaging the programs by delaying decision-making.

The committee, however, assumed that small failures in agriculture programs were mainly due to the division of responsibility at the district level, and thus that by strengthening the office of the Collector the situation could be rectified. Although a certain amount of coordination was necessary at the district level, too much emphasis was placed on the role of the Collector in agricultural development. The newly acquired position was used differently by different

¹⁶³K. Seshadri, "Administrative Institutions and Agricultural Development," in Waheeduddin Khan, op. cit.; M. A. Muttalib, "Decentralisation on Integration," in R. N. Haldipur and V. R. K. Paramahansa (eds.), Local Government Institutions in Rural India (Hyderabad: National Institute of Community Development, 1970); and Reddy and Seshadri, Panchayati Raj in Andhra Pradesh, op. cit.

Collectors. Several looked upon themselves as the new saviors of rural Andhra Pradesh, which had been spoiled by the dhoti-clad local politicians. The brief existence of the Zilla Development Board brought to light the often pompous nature of the Collector's office. As the Vengala Rao committee points out, there were hectic activities and frequent visits to Samithis. The Collector was accompanied on his visits to Samithis by long convoys of jeeps and cars carrying officers and staff.¹⁶⁴ Each camp lasted three or four days. Discussions were held with Samithi members and other local people. Ambitious plans were drawn up by the concerned staff, working overtime for the purpose. Even at the district level voluminous reports and plans were prepared "holding out all sorts of promises." Much costly stationery was consumed for "the preparation of these reports and plans."¹⁶⁵ It was reported that the Collectors, in their anxiety to prove that they could do better than the unofficial agencies, were "vying with each other and going to the ridiculous length in preparing over-ambitious and voluminous plans." The Vengala Rao Report rightly asks: "But what is the value, purpose and utility of these plans when, even for completing the spill-over works, the Government is not in a position to make sufficient funds available?"¹⁶⁶ Very soon it was discovered that, because of financial shortages, the new system could not achieve much. As in the case of Panchayati Rao bodies, many of this new body's promises to the people also remained unfulfilled. The point to be made is that it is not "due to the dearth of plans that development was retarded but due to the dearth of funds."¹⁶⁷

The new system of the ZDB placed too much emphasis on one person--the District Collector. Its performance, therefore, depended on the degree of enthusiasm shown by the individual Collectors. Even in cases in which some Collectors evinced interest in these programs, they were not able to do much because of their preoccupation with other works in the district. The appointment of the DRO did not absolve the Collector of the overall responsibility for revenue, law and order, and other functions. Furthermore, the isolation of the Zilla Parishad from the work of the ZDB gave one the impression that the latter would produce better results than the former in economic development.

¹⁶⁴ See Vengala Rao Committee Report on Panchayati Raj, op. cit., pp. 7-10.

¹⁶⁵ Ibid., p. 8.

¹⁶⁶ Ibid.

¹⁶⁷ Ibid.

Moreover, "the board turned out to be a body surrounded and dominated by officials," and it was discovered that the greatly strengthened bureaucratic machinery was not superior to the elected bodies; the new system did not perform the expected miracles. The ZDB was finally merged with the Standing Committee I of the Zilla Parishad. The one lesson to be drawn from the short-lived experience of the ZDB is that institutional rearrangement and the centralization of authority in the bureaucracy are not solutions in themselves, to policy weaknesses. It also clearly reveals that the bureaucracy is not necessarily more committed or efficient than the non-bureaucratic institutions. What is significant, however, is the need felt for decentralization of the state government departments to the district level for the creation and successful functioning of the ZDB--apoint conveniently ignored in relation to the role of Panchayati Raj bodies in agricultural development. State departments are prepared to decentralize as long as their functions are assumed by bureaucratic institutions at lower levels, due to their distrust of elected bodies.

XIII. Financing and Expenditures

Although there is a formidable list of functions that the local bodies are to discharge, these bodies do not have the necessary financial resources to perform these duties. Two features of local finances deserve consideration. First, resources are limited and inelastic; and second, dependence on the government is very heavy, which stifles the initiative and autonomy of local bodies. These two problems have existed throughout the history of local bodies in India and have been stressed by several committees and writers on the subject. For instance, the Taxation Enquiry Commission (1953-54) noted that: "apart from growth and development the crux of the problem of the local bodies is finance."¹⁶⁸ Referring to the failure of the earlier local bodies, the Mehta Committee concluded that "one of the most important reasons for the comparative lack of success of our non-urban local self-governing bodies is the exceedingly limited and inelastic resources."¹⁶⁹ K. Venkataraman in his book on local finance pinpoints the problem by saying that the items for which resources are made available to local bodies have been few. What is noteworthy is that even with respect to these resources, there has been

¹⁶⁸ Ministry of Finance, Government of India, Report of the Taxation Inquiry Commission, 1953-54 (Vol. III), p. 347.

¹⁶⁹ Mehta Report, op. cit., Vol. I.

a gradual encroachment by the state government.¹⁷⁰

This was the position of the local bodies prior to 1959 whose functions were limited to providing social services, and it continued in practice thereafter with the introduction of Panchayati Raj institutions. Expectations for the new local bodies shot up, and during the first few years after their creation they had sufficient money to do desired works. This optimism, however, was short-lived, and these bodies now face the dilemma of high expectations coupled with meagre resources, which has subjected these institutions to severe criticism from all directions.¹⁷¹

Village Panchayats in Andhra Pradesh have been assigned a vast number of functions but they have very limited sources of income. Table 12 depicts the sources of income of these institutions

Table 12--Finances of Village Panchayats, Andhra Pradesh
(in 000 rupees)

	1959-60	1969-70
House tax	6,874	24,460
Profession tax	773	2,090
Vehicle tax	457	1,427
Tax on transfer of immovable property	6,858	13,173
Income from fees and fines	1,312	3,517
Other sources (including government grants)	13,439	46,879
Total	29,713	91,546

Source: Report of the High Power Committee on Panchayati Raj, op. cit.

¹⁷⁰ K. Venkataraman, Local Finance in Perspective (Bombay: Asia, 1965); also see Ministry of Community Development and Cooperation, Government of India, Report of the Study Team on Panchayati Raj Finances, 1963. (This committee was headed by K. Santhanam.)

¹⁷¹ Report of the Study Team on Panchayati Raj Finances, 1963, op. cit.; and Report of the High Power Committee on Panchayati Raj, op. cit.

The table refutes the common criticism that the Panchayats do not attempt to improve their resources; during the decade from 1959-60 to 1969-70 the receipts of Panchayats have grown from Rs. 29.7 to Rs. 91.84 million registering an increase of 235 percent. Only about half of these are locally generated, however.

The distribution of income among Panchayats is quite uneven. It is estimated that there are nearly 3,000 Panchayats with an income of less than Rs. 1,000 per year; over 6,600 panchayats have an income between Rs. 1,000 and Rs. 3,000; and there are only 1,258 Panchayats whose annual income is more than Rs. 10,000. This is a dismal picture for at least one-third of Panchayats. It is estimated by the High Power Committee on Panchayati Raj that the per capita income of the Panchayats in 1970-71 was only Rs. 2.75 (about 354).¹⁷² "It does not require much imagination to conclude that with such a poor income of less than Rs. 3 per person, it would not be possible for any Gram Panchayat to discharge even a few of the most essential functions" they are required to perform.¹⁷³

Much of this meagre income of the Panchayats is spent on providing social services, and there is hardly any amount left for agricultural activities, as seen from Table 13. The

Table 13--Expenditure Pattern of Panchayats, Andhra Pradesh
(in 000 rupees)

	1962	1967-68
Sanitation	4,821	8,204
Street lighting	2,842	4,311
Water supply	4,413	5,667
Public utility enterprise	13,928	16,886
Miscellaneous including administration	13,917	26,364
Total	39,921	61,432

¹⁷²The Report of the High Power Committee on Panchayati Raj, 1972, op. cit., pp. 59-78.

¹⁷³Ibid.

table shows that most expenses fall under the head "miscellaneous" including administration and public utility enterprises. Programs relating to agricultural development do not receive any attention at the village level. "It is surprising that the Gram Panchayats have not been utilising their funds on productive programmes such as agriculture, animal husbandry and fishery."¹⁷⁴ Although statutorily one of the important functions of Panchayats is to develop agriculture, few of them pay any attention to this area. They would prefer spending their meagre income on works that benefit all the villagers and not only the agriculturists. The traditional outlook that a Panchayat's primary duty is to provide civil services still persists in most cases. It is also viewed that agriculture is a private enterprise and that the individual farmer himself should contribute to its development. This situation is unavoidable in an economic system where, on the one hand, there are landholders owning hundreds of acres of land and, on the other, there are people with two or three acres of land and then there are those who are mere tenants. Those who are not farmers would consider expenditure on agriculture an unfair diversion of taxpayers' money. Furthermore, most Panchayats feel that the demands of agriculture are so many and varied that it would not be possible for them to meet them all. Moreover, agricultural programs would create the problem of stretching their thin resources too far without satisfying even the farmers, and this would lead only to conflicts in the village. Therefore, Panchayats would prefer to take up agricultural programs only at the instance of the outside bodies--Samithis and government departments--and then mostly as their agents. To a great extent, stimulus for the development of agriculture has to come from external institutions, and the socioeconomic set up of the village also strengthens this attitude.

In the Andhra Pradesh system of Panchayati Raj, the Panchayat Samithi is the main unit in the development programs and therefore it has to stimulate the interest of Panchayats and individuals in these programs. The general revenues of the Samithi consists of (a) its own resources including such remunerative enterprises as markets and fisheries; (b) assigned revenues, for example, a share in the land and a surcharge on stamp duty; (c) general per capita grants; and (d) governmental grants, community development grants, and funds allotted either by the Zilla Parishad or by the government

¹⁷⁴V. Ramanand, "Finances of Panchayati Raj Institutions in India with Special Reference to Andhra Pradesh," in Haldipur and Paramahansa (eds.), op. cit., pp. 188-198.

for specific purposes.¹⁷⁵

Table 14 shows that the total receipts of all Panchayat Samithis, in terms of own resources, assigned revenues, and general per capita grant, was about Rs. 20 million. To this were added Rs. 180 million by the government departments as grants and another Rs. 16 million were given separately toward the expenditure for educational programs.¹⁷⁶ Thus, government grants are by far the major source of income for the Panchayat Samithis.

Table 14--Finances of Andhra Pradesh Panchayat Samithis, 1965-66

Sources	Million Rupees	Percent
Own resources (renumerative enterprises, rentals, etc.)	1.2	6
Assigned revenues	11.3	57
General per capita grant	7.3	37
Total	19.8	100

The income of Samithis varies from region to region. The High Power Committee estimates that a Panchayat Samithi in the coastal districts receives on an average about Rs. 130,000 from its land cess, its share of the surcharge on stamp duty, and the per capita grant; for the Samithis in Rayalaseema and Telangana regions the corresponding figure is about Rs. 51,500.¹⁷⁷ It is clear that the income of the Samithis in the prosperous regions of the state is much higher than in Rayalaseema and Telangana. What is significant is that it is difficult for the Samithis to undertake any important development works with these resources, because these must be spread over all the development works. Therefore, they depend

¹⁷⁵ Andhra Pradesh Panchayat Samithis and Zilla Parishads Act, 1959, op. cit.

¹⁷⁶ Ramanand, op. cit.; also see Venkatarangaiya and Reddy, op. cit., pp. 231-258.

¹⁷⁷ The Report of the High Power Committee on Panchayati Raj, 1972, op. cit.; see also A. Krishnaswamy Aiyangar, Utilisation of Financial Resources, 1966 (unpublished paper).

heavily on the substantial government grants. The grants are made for specific purposes, and the Samithis are only the agencies used to administer them.

Zilla Parishads in the state have only a few executive functions; and they are mainly supervisory and coordinating bodies. Their sources of income consist of a share of the land cess and of a surcharge on the stamp duty, per capita grants, and funds allocated to them for the specific purpose of executing schemes entrusted to them. Much of their income, nearly 90 percent, consists of grants and loans from the government. They do not have any power to impose taxes, except to levy contributions on the Panchayat Samithis and then only with the permission of the government. The annual income of all Zilla Parishads in the state is shown in Table 15.

Table 15--Finances of Andhra Pradesh Zilla Parishads, 1964-65

	Million Rupees	Percent
Own resources (including markets, fee, fines, etc.)	3.3	3
Assigned revenues (land cess and surcharge on stamp duty)	9.6	8
Government grants	<u>115.3</u>	<u>89</u>
Total	128.3	100

Source: Ramanand, op. cit.

Of the funds provided by the government departments, education accounts for Rs. 68.6 million; public works Rs. 22.7 million; and social welfare Rs. 24.0 million. The average income of the Zilla Parishad is between Rs. 7.5 million to Rs. 10.5 million in the Coastal districts, and in Rayalaseema and Telangana it varies between Rs. 2.5 million to 6 million.

Since the responsibility for the development of agriculture is devolved mainly on the Panchayat Samithis and Zilla Parishads, it should be reflected in their expenditure patterns. Total data for recent years are not available, but an analysis for 1964-65 should not vary much from present expenditures. Loans and education are the major items of expenditure by the Samithis, followed by "other developmental activities" and expenditure on the staff establishment. The expenditure on agriculture is not shown separately but it is

Table 16--Expenditures of Andhra Pradesh Panchayat Samithis,
1964-65

Items of Expenditure	Percent
Salaries of staff, T.A. and contingencies	13.2
Elementary education	25.5
Minor irrigation	4.6
Roads	3.3
Drinking water supply	4.4
Other developmental activities	13.8
Miscellaneous expenditures	6.3
Loans	<u>29.0</u>
Total	100.1

Source: Venkatarangaiya and Reddy, op. cit.

covered under loans, "other developmental activities," salaries of agriculture staff, and minor irrigation, and probably totals between one-third and one-half of all expenditure.

The expenditure pattern of Zilla Parishads is similar to that of the Samithis, as seen in Table 17. Here again the single major item of expenditure is education, along with loans. The figures relating to agriculture under Zilla Parishads and Panchayat Samithis are not very clear. It was pointed out

Table 17--Expenditures of Andhra Pradesh Zilla Parishads,
1964-65

Items of Expenditure	Percent
Salaries of staff, T.A. and contingencies	9.6
Secondary education	26.6
Other developmental activities	20.5
Miscellaneous expenditures	17.8
Loans	<u>25.6</u>
Total	100.1

earlier that these bodies are heavily dependent on the government departments for finances and the latter give such grants for specific purposes. A look at such grants will clarify the nature of expenditure on agriculture through these bodies. The budget estimate of the state relating to the Panchayati Raj bodies in 1965-66 shows that a total of Rs. 412.2 million were earmarked for these bodies. This figure constituted nearly one-third of the total budget of the state government. The breakdown is shown in Table 18.

Table 18--State Grants to Rural Local Bodies in Andhra Pradesh

Department	Grant (000 Rs.)
Education	166,899.0
Fisheries	16.0
Medical	7,836.8
Public health	800.6
Agriculture	15,743.3
Animal husbandry	2,131.1
Industries	681.1
Women welfare	300.0
Social welfare	24,803.5
Panchayati Raj	<u>193,009.5</u>
Total	412,220.0

The largest amount comes, not surprisingly, from the Department of Panchayati Raj which has given almost half of the grants to the Panchayati Raj bodies. Education appears to be the major expenditure, but we have no precise figures for agriculture as money for this comes under the heads of Panchayati Raj, agriculture, and animal husbandry. It is not known what percentage of Panchayati Raj Department grants are earmarked for agriculture. This department does allocate some funds for agriculture, but since it is not known how much, one cannot say how much in all goes to agricultural development. Certainly the grants shown under the heads of agriculture and animal husbandry are not very impressive, only a little over 4 percent taken together.

Thus, all evidence points to a helpless dependence of Panchayati Raj bodies on a government which not only gives little financial aid and autonomy for rural development but also subjects them to rigid controls and conditions. "These institutions do not have independent resources and are mainly dependent on government for funds. Perpetual dependence on government is opposed to the very concept of local self government," says a report written in 1968.¹⁷⁸ What is equally important is that the State grants which are not at all adequate, judged from the needs of Panchayati Raj institutions, are not assured to them year after year. Since 1965, they have been facing this difficulty.¹⁷⁹ Continuous drought caused severe strain on the economy of the state, and this led to a drastic reduction in the grants to these bodies. Still in 1972, the High Power Committee on Panchayati Raj also speaks of their financial difficulties.¹⁸⁰ It refers to the inadequate assignment of resources and their limited scope and the fact that promised governmental assistance is not issued in time. Furthermore, rural people are becoming more and more conscious of their needs, and the Panchayati Raj institutions, which are nearer to them, are expected to fulfill these. The cost of the services to be provided has been growing, and there is a steep decline in the purchasing power of the rupee.¹⁸¹ In some cases, the financial crisis was so acute that they were not able to pay the salaries of their staff. As a result of the paucity of finances and the consequent slowing down of development, the image of these bodies as agencies of development has suffered.¹⁸²

¹⁷⁸The Vengala Rao Committee Report Panchayati Raj, 1968, op. cit., pp. 2 and 3; and Krishnaswamy Aiyangar, op. cit.

¹⁷⁹Ibid.

¹⁸⁰Report of the High Power Committee on Panchayati Raj, 1972, op. cit., pp. 64 and 65; and Aiyangar, op. cit.

¹⁸¹Ibid.

¹⁸²"Naturally this has left a bitter trail of dissatisfaction." The Vengala Rao Committee Report on Panchayati Raj, 1968, op. cit., p. 3; also see Report of the Committee on Estimates, 1965-66 on the Panchayati Raj Department, op. cit.; and the Report of the High Power Commission on Panchayati Raj, 1972, op. cit.

XIV. The Relation of Panchayati Raj to Government

The relationship of state government and Panchayati Raj bodies is one of the superior and subordinate--the autonomy of the latter is limited and is subject to controls of various types. Since local bodies are the creatures of central government, they have to operate within the legal framework provided for them, and since they are public institutions, their actions are subject to scrutiny by the courts. The legislative and judicial controls, although important, do not much impinge on the day-to-day operations of these bodies. It is their relationship with the executive that is of paramount importance, and in the parliamentary system at the state level the executive, enjoying absolute majority in the legislature, is in control of policy-making and administration relating to local bodies.

The attitude of the state level executive--Ministers and civil servants--towards the Panchayati Raj bodies is a mixed one. There is a realization of the need to decentralize powers relating to development programs and involve local political leadership in the exercise of these powers in the light of their local experience. The importance of this realization, however, is qualified by the desire to achieve rapid and uniform planned development and by the fear of decentralization. The feeling is that the local representative institutions are not ripe for the exercise of the authority and that they might tend to misuse it. The natural consequence of this paternalism is to centralize substantial powers at the state level. The marks of this approach are clearly visible in planning, finance, and administration of agricultural programs.

We have already seen in this study that agricultural planning is done mainly by the union government. Within the national agricultural policy, it is the state government that prepares the programs relating to agriculture. Plan priorities and targets are fixed by the state and are handed down to Panchayati Raj bodies. Their main function is to implement the programs assigned to them. During the third-plan period attempts were made to involve the Panchayati Raj bodies more in the plan formulation. "Planning from below," as this exercise was known, was tried for a brief period when all the Parishads, Samithis, and Panchayats were asked to prepare their own plans which were to be incorporated in the state plan. It proved to be a futile exercise--neither the Panchayati Raj bodies nor the state government took it seriously. It is doubtful whether the hundreds of plans prepared by these bodies were taken into account while preparing the state plan. The difficulty of the state government was to reconcile its plan, which itself is conditioned by the national plan, with the bloated local plans. Second, since the local

bodies did not have any technical experts, their plans lacked competence and realism. Agricultural planning, therefore, has tended to become planning from above.

Similarly Panchayati Raj bodies are dependent on the state government for finances. During the last seven to eight years their financial position has been far from satisfactory. Their financial dependence makes them look to the state for development programs. They take up whatever programs are given to them by the state departments. The local bodies are commonly unable to utilize these state programs fully, and the cases of lapsed funds are to be found everywhere. There are delays in the release of grants to them by the higher level bodies. One general complaint of the Samithis and Parishads is that even though announcements of programs are received in advance, finances are released very late. The instances of funds being released in the month of March and the Samithis getting instructions to spend them before the end of that month (which is the end of the financial year) are numerous. In such cases the Panchayati Raj bodies do not have sufficient time to do the groundwork needed to implement the programs and most of the expenditure there-by becomes unproductive. There are several bottlenecks in the utilization of finances and the procedures involved mutilate the objectives of development.¹⁸³ "It is a matter of common knowledge" writes a former high official in charge of Panchayati Raj, that "the limitation of the period of expenditure to the financial year has been a great impediment in the successful implementation of several development works."¹⁸⁴ There has been very little change in the financial administration and its methods of work in relation to agricultural programs. Its accent is on security of expenditure but not on goal achievement.

Many varieties of administrative controls exist. The state departments exercise detailed control over programs and personnel. The departments of agriculture, animal husbandry, etc. lay down minute instructions to be followed and conditions to be observed in the execution of programs. The personnel working in Panchayati Raj bodies are the employees of these departments who are deputed to work with them. Their selection, postings, promotions, and transfers are decided by

¹⁸³ See the discussions of the Regional Sammelans of the Functionaries of Panchayati Raj organised at Tirupati, Vishakapatnam, Hyderabad, and Warangal in 1964 and 1965 (mimeographed paper).

¹⁸⁴ Aiyangar, op. cit.

the state government. Their competence is evaluated not by Panchayati Raj institutions but by their parent departments. This is done with a view to having uniform conditions of service to attract better qualified personnel and also to avoid local nepotism in personnel matters. All these make the agricultural personnel effective instruments of state control. They are convenient means to check "the excesses" of elected representatives. To the officials working in these bodies it is an embarrassing situation whenever the local body and the department do not see eye-to-eye in the execution of a program. At the state level, there is a full-fledged Department of Panchayati Raj whose function is to look into all aspects relating to these bodies. It is this department that sets the tone for their working. The department issues detailed guidelines and instructions to them. Its powers over these local bodies are many and varied. Furthermore, at the local level, the District Collector and other officials are given powers to supervise and control these bodies. All these devices go to prove the all-powerful nature of control over these bodies exercised by different state institutions.¹⁸⁵

The effect of the formal hierarchical relationship between the state and Panchayati Raj bodies is crippling, but it is to some extent neutralized and even countered by the informal political links that have emerged between the state and local politicians. The higher level leadership is dependent on the local leadership in many vital issues. Patronage in the rural areas can be distributed only through these leaders--neither the Minister nor the legislator can do much without the Panchayati Raj leaders.¹⁸⁶ In the Parliamentary and Assembly elections the support of local leaders goes a long way in helping the candidates.¹⁸⁷ With these

¹⁸⁵ Some observers think that to the extent the Secretariat is vested with these powers, "to that extent the Panchayati Raj institutions are lacking in them." See Report of the Committee on Estimates 1965-66 on Panchayati Raj Department, op. cit., p. 14; another report says that the Panchayati Raj Department has "lost much of its dynamism and initiative. It has not evinced the necessary interest in the matter of nurturing these bodies," see Vengala Rao Committee Report, op. cit., p. 2.

¹⁸⁶ See Maddick, op. cit., pp. 211-213.

¹⁸⁷ Mary C. Carras sees similar phenomenon in Maharashtra, see Dynamics of Political Factions--A Study of District Councils in the State of Maharashtra (Cambridge: Cambridge University Press, 1972).

resources at their command and in view of their standing in the area, local politicians are in a crucial position to make or mar the careers of the higher level political leaders, particularly in the elections. In state politics, the support of Panchayati Raj leaders is eagerly sought by the rival factions. The local leaders, therefore, are in a position to get the rigidities of hierarchical controls softened by their political connections. They, in turn, make demands for more developmental programs that strengthen their position in local politics. Close political linkage and mutual dependence between the politicians of the two levels has clearly emerged. It may be questioned, however, whether or not this style of linkage or patronage politics consistently advances rural development.¹⁸⁸

XV. Conclusion

The theme presented in this monograph has been that the administrative approach to rural development is inadequate; it is too narrow to encompass the complex problems of agricultural development. Agriculture development requires a perspective that would harmoniously blend macro-level needs and organizations. Vigorous national policies to promote agricultural development, giving it a strong technological base and adequate resources, are desirable and essential. The national policies that put all their eggs in the administrative basket are not likely to succeed, for they lead to the weakening of political institutions.¹⁸⁹ Furthermore, as long as there is no transformation in the political-administrative institutions, national policies will remain ineffective. More and more administrative institutions are being created to attend to development work but they resemble old institutions and retain a built-in elitist bias.¹⁹⁰ Therefore, to make the administration more responsive, nonbureaucratic institutions have to be strengthened in order to effect the diffusion of political power. Public servants serve the public very poorly as a rule when that public is

¹⁸⁸ See Norman K. Nicholson, Panchayati Raj, Rural Development, and the Political Economy of Village India (Ithaca: Rural Development Committee, 1973).

¹⁸⁹ See F. W. Riggs, "Bureaucrats and Political Development: A Paradoxical View," in Joseph Lapalombara (ed.), Bureaucracy and Political Development (Princeton: Princeton University Press, 1963), pp. 120-167.

¹⁹⁰ S. C. Dube, "Bureaucracy and Nation Building in Transitional Societies," International Social Science Journal, No. 16 (1964), pp. 229-236.

poor, illiterate, unenfranchised politically, and without prestige.¹⁹¹

Viewed in this context, the introduction of Panchayati Raj, which involves local representatives in decision-making is a step in the right direction. The local representatives know the local area much better than an authoritarian bureaucrat who is not a resident of the area. This tendency is corrected by Panchayati Raj. In the absence of any strong agricultural interest groups, Panchayati Raj bodies function as lobbies, which no bureaucracy, however efficient and strong, can ever do. The bureaucracy is slowly being made accountable to local needs and demands, and its monopoly power is being eroded--an unusual phenomenon in the recent history of India.

Although this is a step in the direction of local representation in development, the growth of the local bodies is getting lop-sided because of the feeble civic culture and sharp economic inequalities in the rural society. In a society in which the control of land leads to control of the levers of power, the Panchayati Raj institutions have been more accessible to the upper strata of the society. This generalization should not ignore the several cases in which people from the middle- and lower-classes have occupied positions of leadership by exhibiting political skill and entrepreneurship. As long as the glaring economic inequalities remain, however, it is possible for political inequalities to persist. Thus, national egalitarian policies have to be vigorously directed. Such measures can be pushed through only from the macro levels of government.

This study throws light on the limited role of Panchayati Raj bodies in agricultural development. These bodies have no share in the formulation of agricultural policies or technical guidance; the needed finances and inputs come from the higher levels. Inputs, including water, credit, seed, etc. are supplied by several agencies, and Panchayati Raj is but one of them. In relation to agriculture, its present role covers consultation, extension, and to some extent distribution. Thus, their responsibilities are highly circumscribed, but within this limited area, they seem to have done fairly well. "In other words, in agriculture and animal husbandry services, Panchayati Raj bodies seem to be very much better," indicates one study done by the state Planning Department of the veterinary dispensaries.¹⁹² It

¹⁹¹ Uphoff and Ilchman, op. cit., p. 119.

¹⁹² Planning Department, Government of Andhra Pradesh, Report on the Working of Stationery Working Dispensaries Under the Control of Panchayat Samithis: Evaluation Report No. 51 (1972).

compares the working of veterinary dispensaries under the Panchayati Raj bodies with similar dispensaries under government control and concludes that the former dispensaries are perhaps more efficient than the latter. "It might thus be worth while to enlarge the scheme of transferring these institutions to the Samithis." The report further says that the popularity and strength of these hospitals depend entirely on the support of the people in the rural areas. "In the Samithi-controlled hospitals the public is likely to get more work extracted in the treatment of livestock as it is their main source of livelihood."¹⁹³

In comparison with bureaucratic institutions Panchayati Raj provides an easier access to information relating to the developmental process. Not only is transmission of development goals easier through these bodies, but response to these goals is also better. For example, there was a pediatric clinic held in one district with barely a week's notice. The message about the camp reached all corners of the area and the turnout of patients was very high. Commenting on this, one official said: "Believe it or not there was practically not a single village where the message had not reached."¹⁹⁴ Thus, the chances for proper utilization of the limited resources are better under Panchayati Raj than under the purely bureaucratic set-up.

The experience of rural local government in Andhra Pradesh brings into focus the imbalance between centralization and decentralization; the balance generally tilts in favor of centralization, and the autonomy enjoyed by the local bodies is narrow and restricted. Even the autonomy of state-level institutions vis-à-vis the center is a subject of great controversy and debate.¹⁹⁵ In various respects the Panchayati Raj bodies are similar to the field units of higher level departments. When such approach prevails the bodies will

¹⁹³ Ibid.

¹⁹⁴ This observation is made in response to the author's questions by a senior officer who has considerable experience in rural development.

¹⁹⁵ B. L. Maheshwari (ed.), Centre-State Relations in the Seventies (Hyderabad: Administrative Staff College of India, 1973); also see Administrative Reforms Commission, Study Team, Report on Centre-State Relationships, Vol. I (Delhi: Manager of Publications, 1967). Of particular interest is the report of the committee (known as the Rajamannar Committee) appointed by the Government of Tamil Nadu, Centre-State Inquiry Committee Report (1971).

naturally tend to look on themselves as mere agents of the state--a tendency that will result in irresponsible behavior.

Within the present structure of the local bodies, there are several imperfections--elections, personnel, finances, etc.--which are recognized as problem areas by the reform committees.¹⁹⁶ The acceptance of the reforms proposed by some of them will remove several of their structural bottlenecks. As long as the power base in the rural areas is weak, proper balance cannot be struck between centralization and decentralization, and the practices of traditional political-administrative institutions will continue; the reform of Panchayati Raj bodies will yield only limited results.

Without being conscious of these constraints, sometimes tempting administrative solutions are offered. It has been suggested that agriculture should be taken out of Panchayati Raj and be administered by the bureaucratic agencies. There is a false assumption here that the bureaucratic institutions are more committed and more development-minded than the local bodies--a view that is contrary to the views expressed by the Mehta Committee Report, which observed very critically the bureaucratic management of the community development programs. This is certainly a paternalistic and elitist assumption and prejudice.

Even if the bureaucratic agencies were more efficient and development-minded, they are not the bodies to promote political development and social justice. Therefore, development and strengthening of political infrastructure is essential to broaden the base of the polity and to sustain it. There has to be "multi-path approach" to political and economic development.¹⁹⁷ The nonbureaucratic institutions may go by any name--cooperative, farmers association, commune, or Panchayat.

It is naive to believe that the outside administrator can protect and promote the interests of agriculture better than the agriculturist himself. This is not to minimize the role of bureaucracy in national affairs; it certainly has a respectable place. There are areas--law and order, collection of taxes, etc.--where it not only has a legitimate place but has done remarkably well. In development it also has a role

¹⁹⁶ See Report of the High Power Committee on Panchayati Raj, 1972, op. cit., and other reports cited in this study.

¹⁹⁷ Philip M. Raup, "Some Interrelationships Between Public Administration and Agricultural Development," in Uphoff and Ilchman, op. cit., pp. 439-448.

to play. But what is contended here is that bureaucracy anywhere plays a more static role; thrust and dynamism needed for development can come best from nonbureaucratic sources. The strategic question facing policymakers is to what extent do they rely more on political or more on administrative infrastructures.¹⁹⁸ Asked about his view of the role of Panchayati Raj bodies, a civil servant whose views we have already quoted said: "In regard to the contribution of Panchayati Raj bodies to rural development, my honest feeling is that if there is a choice between the bureaucratic set-up and local self government I would prefer local self government . . . my personal feeling is that there could have been no better rural development, if these bodies had not existed." This frank assessment by a senior civil servant indicates recognition and respect of these local bodies, which often become scapegoats for macro-level errors of policies and judgments.¹⁹⁹ The task of restraining the bureaucracy from usurping political functions while freeing it to engage in its administrative tasks can be performed only by these non-bureaucratic institutions.

¹⁹⁸ Uphoff and Ilchman, op. cit., p. 412.

¹⁹⁹ Explaining the important role of Panchayati Raj in rural development, Mr. J. Vengala Rao, the present Chief Minister of Andhra Pradesh, said recently that whatever progress has been made so far in rural areas is due to these bodies, Hindu (January 6, 1974).