
UNIT 12 PANCHAYATI RAJ AND LAND REFORMS

Contents

- 12.0 Objectives
- 12.1 Introduction
- 12.2 Causes and Consequences of Existing Land Tenure Systems
- 12.3 Major Objectives of Panchayati Raj and Land Reforms
 - 12.3.1 Panchayati Raj
 - 12.3.2 Land Reforms
 - 12.3.3 Relationship between Panchayati Raj and Land Reforms
- 12.4 Contribution of Land Reforms in Poverty Alleviation and Economic Equality
- 12.5 Role of Panchayati Raj Institutions in Social Development
- 12.6 Land Reforms through Panchayats
- 12.7 Let Us Sum Up
- 12.8 Key Words
- 12.9 Suggested Readings

12.0 OBJECTIVES

Like many developing countries, India since independence had initiated several measures to transform its backward rural economy and society. It had attempted rural development through various public policies and institutional interventions. Important initiatives related to rural transformation were aimed to do away the prevalent exploitative land relations and create a sense of responsibility and attachment in the weaker sections of the rural society so that their participation in the developmental activities is ensured. Land reforms and Panchayati Raj related policies were the outcomes of this thinking. After going through this unit, you will be able to:

- describe the causes and consequences of existing land tenure systems;
- understand the objectives of Land Reforms and Panchayati Raj and their contributions to rural development;
- explain the contributions of land reforms in poverty alleviation and economic development; and
- analyze the role of Panchayati Raj Institutions in social development and land reform.

12.1 INTRODUCTION

Any discussion on rural development would be incomplete without a prominent mention of the contributions of the Panchayati Raj and land reforms. Land reform measures were initiated to abolish exploitative the land tenure systems prevalent in agrarian society, provide security of tenure, distribute the surplus

motive behind 'land reform' was to save the villagers from the exploitation of Zamindars and Jagirdars by conferring ownership rights to them on the land which they used to till. Thus, land reform measures were initiated to introduce the elements of structural change in the existing agrarian structure. While the objective of Panchayati Raj institutions was to ensure active and meaningful people's participation in the programmes of rural development which were a part of the Community Development Programmes and National Extension Services. It was expected that Panchayati Raj will accelerate the arrested process of change and development and the rural people and those of the deprived sections who will be able to participate and contribute to the process of national rural reconstruction and development. The measures initiated through land reforms and Panchayati Raj have contributed significantly to poverty alleviation, economic development, and social justice.

12.2 CAUSES AND CONSEQUENCES OF EXISTING LAND TENURE SYSTEMS

At the time of independence, the agrarian structure was marked by the concentration of land ownership in the hands of a parasitic class which did not contribute significantly to the production process. Vast majority of peasants who were actual cultivators had no ownership rights on land which they cultivated. This was the root cause of the stagnant agriculture and the state of chronic crisis in the Indian agricultural economy. Almost in every region the concentration of land ownership was of such a high order that while Zamindars, Jagirdars and large owners of land found it inconvenient and unnecessary to cultivate land by themselves, many have-nots took land on lease for cultivation. In such a situation the cultivators just maintained their self-existence while feeding the parasitic landlords. The rents for leased-in land varied from 50 per cent to 70 per cent of the gross produce. Besides, tenants were often asked to provide free labour to the landlords. Before independence agrarian structure was either feudal or semi-feudal in nature which were growth retarding. The popular government after independence has realized that for economic development, it is necessary to raise economic standard of villages where two-third of Indian population resided.

The social conditions of rural India were very much influenced by the impact of land tenure systems. People living in the Ryotwari areas were more receptive to developmental programmes in comparison to the people of Zamindari and Jagirdari areas, which was due to social conditioning. Along with this, caste, family, and community also contributed to the formation of position in the society, about which we have already discussed in MRD-101 in detail.

12.3 MAJOR OBJECTIVES OF PANCHAYATI RAJ AND LAND REFORMS

12.3.1 Panchayati Raj

After independence, Indian government had to play a dominant role in restructuring of the economy and society in conformity with its socio-economic and political goals, for which it has adopted centralized planning approach. The major concerns of planning were – i) maximization of production of food

and raw materials, ii) transformation in the people's attitude towards socio-economic concern, iii) eradication of poverty and ensuring full employment, iv) equitable distribution of wealth, v) promotion of social justice, and vi) encouraging the feeling of people's partnership in the process of development. To achieve this objective, the need of massive programmes of rural reconstruction was realized for the upliftment of rural people. Community Development Programmes (CDP) and National Extension Services (NES) were initiated. It was for first time an institutional framework separate from revenue administration was created for developmental activities. However, it was observed that there was lack of enthusiasm, involvement, and public participation in these programmes. From time-to-time governments (Central and States) have initiated several measures to remove the impediments about which you are aware. We have already discussed the institutions of Panchayati Raj from its inception to the 73rd Constitutional Amendment Act 1992, in MRD-102.

12.3.2 Land Reforms

The United Nations (1951) defined land reforms as “an integrated programme with the aim to remove the barriers for economic and social development that originate from deficiencies in land tenure”. The nations of Third World have taken clue from this standpoint while formulating their land reform policies. India was one of them.

The objectives of land reforms policy as laid down in the Five-Year Plans were,

- i) to remove motivational and other impediments to increase agricultural production (arising from the agrarian structure inherited from the past), and
- ii) to eliminate all elements of exploitation and social injustice within the agrarian systems.

These two objectives were expected to ensure equality of status and opportunity to all sections of the rural population. To achieve these objectives following measures were introduced as major components of the land reforms programme.

- i) elimination of the traditional economic-political exploitative power structure in the rural society,
- ii) redistribution of the surplus agricultural land which would lead to more intensive utilization of factors of production especially land and labour,
- iii) more rapid adoption of innovative technologies and thereby increasing production and productivity, and
- vi) strengthening of the motivation of the peasants for work and readiness to invest in agriculture.

12.3.3 Relationship Between Panchayati Raj and Land Reforms

The basic objectives of land reforms were to ensure the equality of status and to provide opportunities to everyone, specially, the weaker and the exploited sections of the rural population. Land reform measures have certainly changed the agrarian relations after independence, but it has failed to bring about equality among unequal groups. The important reasons behind this gap between objectives and achievements have been assigned to the vastness of the country,

regional variations and variety of land tenure systems etc. Governments (Centre and States) have made several attempts to reduce inequality in rural society and provide pace to the process of rural development. As we have already discussed in MRD-102, Panchayati Raj Institutions, as an organizational arrangement distinct from revenue administration, to achieve broader objectives related to rural development. In addition to several measures Panchayati Raj institutions were assigned the task of redistribution of land among the poor. The motive behind this step was to transform the structure of agrarian society. However, states have realized that these measures were not able to bring about desired results till the 1990s. Several anti-poverty programmes were also introduced with emphasis on the help to rural poor in income generation and land reform measures were linked with these anti-poverty programmes. Therefore, it was expected that Panchayati Raj system will help in overcoming the hurdles which are affecting land reform implementation.

Before the Constitutional (73rd Amendment) Act, 1992 the Panchayati Raj system was not very effective. It had limited powers and had to face various structural constraints, limitations, and weaknesses. To strengthen it, the 73rd Constitutional Amendment Act, 1992 was introduced which came into force from 24th April 1993. This Act has made the Panchayat a part of the most basic document of the nation: the Constitution of India. The Act has enabled Panchayats to play a very important role in development. We have already discussed the important features of Panchayati Raj. This Act has identified the areas of jurisdiction of the Panchayats which have been mentioned in the Eleventh Schedule (Article 243E) of the Constitution, which are given below:

- 1) Agriculture, including agricultural extension
- 2) Land improvement, implementation of land reforms, land consolidation and soil conservation
- 3) Minor irrigation, water management and watershed development
- 4) Animal husbandry, dairying, and poultry
- 5) Fisheries
- 6) Social Forestry and Farm Forestry
- 7) Minor Forest Produce
- 8) Small Scale Industries, including Food Processing Industries
- 9) Khadi Village and Cottage Industries
- 10) Rural Housing
- 11) Drinking Water
- 12) Fuel and Fodder
- 13) Road, culverts, bridges, ferries, waterways, and other means of communication
- 14) Rural electrification including distribution of electricity
- 15) Non-Conventional energy sources
- 16) Poverty alleviation programme
- 17) Education, including primary and secondary schools
- 18) Technical training and vocational education

- 19) Adult and non-formal education
- 20) Libraries
- 21) Cultural activities
- 22) Market and Fairs
- 23) Health and sanitation, including hospitals, Primary Health Centres and dispensaries.
- 24) Family Welfare
- 25) Women and Child Development
- 26) Social Welfare, including welfare of the handicapped and mentally retarded
- 27) Welfare of the worker sections, and in particular of the Scheduled Castes and Scheduled Tribes
- 28) Public Distribution Systems
- 29) Maintenance of Communication assets.

Now you can understand the importance of Panchayati Raj Institutions in the context of land reforms in particular and rural development in general.

12.4 CONTRIBUTION OF LAND REFORMS IN POVERTY ALLEVIATION AND ECONOMIC EQUALITY

As we have discussed earlier the principal measures of land reform policy include: i) the abolition of intermediaries in land tenure systems, ii) tenancy reforms, iii) ceilings on agricultural holdings and redistribution of surplus land, and iv) consolidation of fragmented agricultural holdings.

i) Abolition of Intermediary Tenures

Legislative measures for abolition of intermediary tenure started with Uttar Pradesh with the *Zamindari Abolition and Land Reform Act of 1950 of U.P.*, which was followed by legislations in other states. This step was hailed as an 'agrarian revolution'. The impact of these legislative measures may be summed up as –

- a) Zamindari and Jagirdari systems were abolished, and any further acquisition of land was stopped.
- b) Intermediary tenures were abolished on payment of compensation to the landowners.
- c) The peasantry was legally free from illegal exactions in cash or kind and services.
- d) Survey and settlement were carried out and proper land records were created in these areas.
- e) Holdings were demarcated based on the individual as the unit.

While this Act introduced in a new era, its implementation suffered from some major weaknesses. Firstly, an unduly high price was paid by way of compensation to the erstwhile intermediaries, which amounted to Rs. 670 million. This was in addition to several other benefits, like debt settlement

and interim compensation which in some cases were not adjusted to the final compensation. Further, the landowner could retain the ownership of land under the provision of self-cultivation known as Khud Kasht.

Thus, while the tenurial patterns changed, they did not lead to any effective improvement in the position of the evicted poorer tenants, the sharecroppers, and the agricultural labourers. The Act had not clearly envisaged any radical redistribution of land. Many of the old relationships between the owners of the land and those with tenancy rights were retained. After independence, the abolition of intermediaries was taken up on priority and by 1954 almost every state had passed legislation for the abolition of intermediaries on payment of compensation. Consequently 20 million tenants were brought into direct contact with the state. However, these beneficiaries were not clearly identified. The beneficiaries were referred as the ‘tillers of the soil’ in the First Plan, ‘tenants in chief’ in the Second Plan and ‘cultivators’ in the Sixth Plan. In this context, it is important to note that only the upper echelon of intermediaries, not the entire class intermediaries, were abolished. It is, therefore, possible that all those who met the state were not the real cultivators. During this period, it was realized that a massive rural reconstruction programme was needed. To achieve such objective Community Development Programme was launched in 1952 and National Extension Service was established thereafter. About these programmes we have acquainted you in the course, MRD-102. But to a large extent, these programmes remained the programmes run by the bureaucracy and local level participation was insignificant.

ii) Tenancy Reforms

It was a common practice in the past to lease-out land on a large scale in those areas where settlement was made directly with the ryots and sub-lease where intermediaries existed. Rents were high and there was very little security of tenure.

The following important guidelines laid down in the Plans became the major components of tenancy reforms in India:

- Rent should not exceed one-fifth to one-fourth of the gross produce,
- In most of the cases tenancies should be declared as non-resumable and permanent to ensure security of tenure; and
- The landlord-tenant relationship should be terminated by conferring ownership rights on tenants in the context of non-resumable land.

However, in several states in the matter of tenancy reform, existing legislation falls far short of the accepted policy. The reason behind this is the lack of clarity in the definition of ‘personal cultivation’ because it has not included family labour as a compulsory component. Large scale evictions of tenants were carried out under this pretext, aided by the device of ‘voluntary surrenders. Many of the ‘voluntary surrenders’ were open to doubt as bonafide transactions.

The Second Five-Year Plan had recognized this fact and made recommendations that – a) all so-called “voluntary surrenders” should be checked and registered by the revenue authorities before they could be accepted as valid; b) landlords should not be allowed to re-possess the land. There should be provision to restrict the legal right to resume and for this the

concept of 'personal cultivation' should be redefined. The Second Plan also made recommendation to resumption of tenancies on grounds of personal cultivation to safeguard the interests of tenants and owners with small holdings. The progress, however, continued to be tardy. The broad policy thrust continued in the middle of the 1970s but remained to be attained fully. It was felt necessary to strictly enforce the provision of 'personal cultivation' and restrict the future transfer of agricultural land to persons who reside in the same village or in an adjacent village. Reduction in the incidence of absentee ownership of land and conferment of right of ownership was necessary.

iii) Security of Tenure

The most important and probably the most significant provision for regulation of tenancy has been the measure of security of tenure to the land, increase its productivity and enable the tenant to retain an equitable share of the production. The steps envisaged for security of tenure are: a) prescription of a minimum period of tenancy; b) restriction on ejection; c) reinstatement of wrongly ejected tenants, d) tenants' right for compensation for improvement; e) restrictions on resumption for personal cultivation; f) regulation of voluntary surrenders; g) tenants' right to acquire ownership; and h) tenant's secondary rights to homestead land, grazing land, tree, etc.

During the late 1950s and the 1960s considerable emphasis was placed on security of tenure to the tenants and many states enacted suitable laws to protect tenancy status to the tenants fulfilling certain conditions. But the insecurity of tenure existed under the garb of voluntary transfer. The gap between legislation and implementation continued.

The Fourth Plan noted with concern that under the system of informal tenancy and sharecropping neither the landlords nor the tenants were investing in the improvement of land or new inputs for improving productivity. These were impediments in the process of modernization of agriculture and in some cases contributing towards agrarian and social tensions. To bring a sense of security among tenants and sub-tenants, it suggested measures for declaring tenancies non-resumable and permanent, regulation of voluntary surrenders, implementation of legislations relating to security of tenure and penalty for wrongful evictions. These goals were pursued in the subsequent Plans.

However, these land reform measures have contributed to the elimination of inefficient landholdings. This, coupled with security of ownership rights, have benefited the non-zamindari, cultivating non-dominant castes. Further these measures have created an environment which has checked the siphoning of surplus land by the intermediaries. But the major beneficiaries of these reform laws were peasant castes, who mostly fall in the category of the 'backward castes'. This social structural transformation in the rural society may be considered as one major achievement of land reform measures initiated during the 1960s and 1970s, while the impact of land reform measures on Scheduled Castes and Scheduled Tribes were not significant.

iii) Ceiling on Landholdings

In January 1959, at the Nagpur Conference of the Indian National Congress, it was resolved that agrarian legislation to cover restrictions on the size of landholdings must be implemented in all states by the year end. The idea was

to reduce the extent of inequality in the ownership of land. Moreover, land being in limited supply as compared to the demand for it, the produce of the land, its proper rationing and distribution was considered highly conducive to agricultural growth and employment. It was realized that social inequalities and exploitation cannot be eliminated unless ceilings are imposed on land holdings and the surplus land are distributed among the landless agricultural labourers and marginal farmers. The policy on ceiling were introduced in two phases.

a) ***Phase I (1960-72)***

The question of whether the family or the individual should be the unit for application of ceiling laws was debated in the Second Plan. Once legislation were enacted, amendments were primarily aimed at eliminating deficiencies and facilitating implementation. The important issue was the treatment of transfers of land on the part of the landowners subject to ceilings. Since the enactment of the ceiling laws, transfers of land have tended to defeat the aims of the legislation for ceiling. The issue of transfer and the date from which it should be disregarded became issues of concern in every state.

The transfers among the family members were advantageous to the landed sections where the unit of application was the individual. It was suggested that a way should be worked out to balance the disparity and discrepancies related to transfer of land in every state. In the Third Plan an attempt to check *benami* transfers was made and it was suggested that i) in the absence of a provision to disregard transfers, a suitable date should be fixed after which all transfers should be disregarded. In this context local conditions should be given consideration, and ii) distinction had to be made between transfers among family members, *benami* transfers and other transfers not made through a registered document, and transfers made for valuable consideration through a registered document. While the first two transfers could be easily disregarded, provisions being clear in the legislation, transfers of the last type needed careful consideration, as they may be marginal and poor farmers whose interests need to be protected.

By the time of the Fourth Plan, it was realized that due to ineffective implementation of the existing legislation, only about 964,800 hectares had been declared surplus after scrutiny of the statements submitted by the landholders, out of which about 640,000 hectares was taken possession of by the State Governments. The delay in taking possession of the entire land was due to hurdles inherent in the policy framework. Compensation was being given to those holding land above ceiling. Thus, policy related to ceiling and its implementation shows a wide gap, which remains unclear till date.

b) ***Phase II – Revised ceiling laws after the National Guidelines (1972)***

The existing ceiling laws remained, by and large, ineffective. Consequently, the exigencies in agricultural production and emerging agrarian unrest compelled a review of the ceiling legislations. The ineffectiveness of the ceiling laws, the exigencies of agricultural production and the agrarian unrest in the form of Land Grab movement in the country led to a review of the ceiling legislation. The Central Land Reforms Committee was set up in 1971 to study the various aspects of the problems related to ceiling. The Committee laid down the National Guidelines for future legislation on land ceilings.

The Chief Minister's conference held in 1972 discussed these Guidelines and accepted it as a national policy. The main features of the policy were – a lower

ceiling for a family of five, fewer exemptions from ceiling, the provision for payment of compensation to the farmer landowners, retrospective application of laws and clear pronouncement that redistribution of surplus land will be among the landless agricultural workers, particularly the Scheduled Castes and Scheduled Tribes, on a priority basis.

Most of the ceiling laws have been included in the Ninth Schedule of the Constitution. Prominent land reform legislations have been mentioned prominently in the Block-2 of this course, MRDE-003.

The cumulative progress since inception under pre-revised and revised ceilings laws. It indicates that an area of 2.9 million hectares has been declared as surplus. An area of 2.5 million hectares has been taken possession of and 1.8 million hectares have since been distributed. There is a gap of 1.1 million hectares between the area declared surplus and distributed. An area of 0.9 million hectares was not available for distribution because i) area involved was in litigation, ii) area was reserved/transferred for public purpose, iii) area was unfit for cultivation, and iv) area was not available for miscellaneous reasons.

The Government of India launched a centrally sponsored scheme in 1974-75 for providing financial assistance to the allottees of surplus land to enable them to take to cultivation of the assigned land, as generally such land is of poorer quality. Under this scheme, financial assistance was provided to the tune of Rs. 2,500 per hectare to be given as a grant to the assignee for various purposes like land development, provision of inputs as well as immediate consumption needs. The expenditure was shared equally between the centre and states.

iv) Consolidation of Holdings

Sub-division and fragmentation of holdings chiefly arise from the customary practice of partitioning of land among the heirs and the desire to demarcate a proportionate share in fertile and infertile land alike. As a result, in successive generations holdings not only become smaller but also got dispersed in fragments. It was realized that the growing population and scattered and only fragmented land have become a hurdle in the process of agricultural development. Therefore, the consolidation of holdings was taken up to bring an all-round improvement in the production and diversification of rural economy and planned development of villages by the provision of house sites, roads, drains, Panchayat building, schools, recreation centres etc. It was also expected that consolidation will be helpful in providing common services to small holders, in scientific planning for irrigation, taking up community irrigation wells etc. Thus, the productivity of land and the income of the rural people will improve. But the process of evolution of legislation on consolidation of holdings was a slow.

Several factors inhibited the progress of consolidation. These included: the fear of displacement among tenants and sharecroppers; the advantage of having land in fragmented parcels in the event of floods and other natural calamities as the risks get distributed and the apprehension that the bigger farmers will get a better deal in terms of being the major beneficiaries of the better quality of land. However, the benefits of consolidation in the development process could not be underestimated. Consolidation of holdings has provided an opportunity to recast and re-build the record of rights needed for orderly flow of credit, apart from other benefits. Consolidation has facilitated an integrated

approach to soil and water management which has contributed in better production and more rational use of irrigation potential already created. An overall assessment of land reform programmes makes it clear that only the laws for the abolition of intermediaries implemented efficiently was beneficial to some extent. In this context it has been pointed out that “Overall land reforms have facilitated transition from ‘cumulative inequality’ to ‘dispersed inequality’ but have excluded the landless strata of rural India. The latter continues to be left outside the purview of land ownership. In this sense land reforms have succeeded in the replacement of an old elite and facilitated the emergence of new ones. They have failed to really transfer the land to the ‘true tiller’. The rural strata who are at the bottom of resource ownership and caste hierarchy continued to be exploited by the old and new elite and are often the victim of violent land conflicts. Thus, for the landless, land reform remains an ‘unfinished businesses’ (India Rural Development Report 1999, page 30).

The main cause behind this poor performance of land reform measures is the power structure which country has inherited after independence. Though country has adopted the most complete version of political democracy as enshrined in the Constitution, the real advantage of socio-economic revolution, economic equality and political power has gone to privileged groups, the first category which includes big landlords, big merchants, industrialists, and high civilian officials. The second category consists of the group ordinarily called the ‘middle-class’ which usually includes the beneficiaries of land reforms and educated backward castes enjoying certainly superior status.

v) Compilation and Updating of Land Records

The information available in the record of land rights is not of a uniform pattern. In every state the record of rights is expected to contain information in respect of each plot or survey number, its area, the name of the owner, the class of land, and the land revenue payable thereof. In the *Zamindari* areas, information was also available about the land in the possession of tenants of zamindars. The information about land sub-leased by tenants and by owners in the *ryotwari* areas was not recorded in some regions, particularly in Andhra Pradesh, Assam, Bihar, Kerala, Madras, Mysore and parts of Orissa. Thus, for the administration of land reform programmes, two essential requirements are:

i) an up-to-date record of rights; and ii) trained manpower.

From the Seventh Plan and onwards the measures were initiated for updating land records. These are:

- The Centre is providing funds for the Centrally Sponsored Scheme of financial assistance to assignees of ceiling surplus land, strengthening of revenue machinery and updating of land records. For the programmes in the States, and for the Union Territories funds and assistance have been provided by the Central Government.
- The attempts have been made for updating land records and restructuring of the revenue administration.
- Modern technology is being developed and planned to reduce the cost of settlement operations, i.e. maintaining and updating of records by use of equipment and new technology.

Check Your Progress 1

Note: i) Write your answers in the space given below.

ii) Check your answers with the text.

1) Describe relationship between Panchayati Raj and Land Reforms.

.....
.....
.....
.....
.....

2) Mention important components of policy related to land ceiling as suggested by the Central Land Reforms Committee.

.....
.....
.....
.....

12.5 ROLE OF PANCHAYATI RAJ INSTITUTIONS IN SOCIAL DEVELOPMENT

You are aware that land reform measures were initiated to achieve the objectives of poverty alleviation and economic equality, but these measures were not fully successful especially during the period before the implementation of 73rd Constitutional Amendment Act, 1992. Because according to the Constitution Land reform is 'state subject', which means that land reform is the responsibility of individual state, Federal government provides broad policy guidelines. Thus actual outcome of land reform measures was dependent on nature of legislation, the level of political will and institutional support and strength of implementing agencies in the states. The Panchayati Raj Institutions also faced similar problems. The institution was at the stage of infancy (in the sense that influential/powerful rural elite were in control of the positions of power) and was solely dependent on mercy of state government and district administration. There was lack of coordination between the elected members of Panchayati Raj and the bureaucracy which was visible during the entire process of identification of beneficiaries to planning and implementation of developmental programmes. It was realized that for the success of programmes it is necessary to involve the rural people in an active way at planning as well as at implementation stages. To achieve this objective 73rd Constitutional Amendment Act, 1992 was introduced and it became applicable in the country from 1993. This Act made it mandatory for the state to introduce its own Panchayati Raj Act in conformity of it.

This Act has provided three tier system of Panchayati Raj for all states having population of over 20 lakhs. There was a provision of election after every five years on regular basis. It has provided a reservation of seats for Scheduled Castes, Scheduled Tribes, and Women. This act provided an option

of appointment of State Finance Commission. The powers of Panchayats have been strengthened and they have been made directly responsible to the people. The major powers of Panchayats have been specified by this Act in 29 areas, about which we have already discussed in this unit.

In the present Panchayati Raj set up Gram Sabha has an important role in the functioning of Panchayats. It has provided an opportunity to the rural poor and disadvantaged sections of the society, who were marginalized, to join in the decision-making of developmental activities. It has provided an opportunity to contribute to the planning and implementations of activities which are meant for the development of village in general and in those activities having influence on their lives in particular. Thus, the active functioning of Panchayati Raj Institutions in general and Gram Sabha would ensure participatory democracy with transparency, accountability, and achievement.

Panchayats (Extension to the Scheduled Areas) Act, 1996

This Act which came into force on 24th December 1996, extends Panchayats to the tribal areas of eight states namely Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Orissa, and Rajasthan. This Act has vested the following powers to Gram Sabha.

- Ownership of minor forest produce
- Developmental plans approval
- Selection of beneficiaries under various programmes
- Consultation of land acquisition
- Management of minor water bodies
- Control of mineral lease
- Regulation/Prohibition of sale of intoxicants
- Prevent alienation of land and restore unlawfully alienated land of STs
- Management of village markets
- Control of moneylending to STs.
- Control of institutions and functionaries in all social sectors.

Powers, Authority and Responsibilities of Panchayats: In the light of this act, the legislatures of the state, by-law, endowed the Panchayats with such power and authority which has enabled it to function as institution of self-government. Now, the devolution of power and responsibilities has reached at desired level. It has enabled Panchayati Raj Institution to prepare the plans for economic development and social justice and made it responsible for the implementation of these schemes. About these schemes and programmes we have acquainted you in the course, MRD-102 in detail.

To conclude, the Panchayati Raj Institutions, which were subject of various limitations till 1993, have become key institutions for the socio-economic and political development of rural India. Provisions of reservation in Panchayati Raj institutions have provided opportunities to disadvantaged sections of rural population to share the powers and responsibilities at structural level and provisions for contributions from planning to implementation level have emphasized their role in various developmental programmes. Thus Panchayati

Raj Institutions have contributed and still contributing in significant ways in the field of development. But it has been observed that Panchayats have weak revenue sources, and practically have no programme for revenue mobilization. They are dependent on funds available for the centrally sponsored scheme routed through DRDAs and line departments.

12.6 LAND REFORMS THROUGH PANCHAYATS

The 73rd Constitution Amendment Act, 1992, has undoubtedly empowered the Panchayats for the implementation of land reforms and soil conservation. In the present circumstances, land reforms through Panchayats have become a long-term objective, which should be carried out gradually and at the same time reforms as computerization of land records in every state should be completed on priority basis and thereafter be placed at the disposal of the panchayats. It is equally important that while amending existing tenancy laws for the purpose of agro-business activities or creation of Special Economic Zones (SEZs) for setting up of industrial units, the concerned state governments should take the concerned panchayats into confidence prior to embarking on such projects. Several states who have not done the exercise of taking Panchayats into confidence and acquired the agricultural land for business communities are facing the problems in the form of agrarian movement.

Thus, the Panchayats, being the grass-roots level institutions of self-governance, should be given adequate funds to carry on activities related to land reforms in areas of jurisdiction, particularly regarding setting up of non-farm activities to provide jobs to the landless and marginalized farmers, so that the latter do not feel the urgency of leasing out their land to others. Besides, availability of surplus financial resources with the panchayats can be utilized to enable the marginalized farmers to purchase seeds, fertilizers and other essentials required for sowing the crops, thereby saving them from falling an easy prey to the debt trap.

Panchayats have been vested with adequate powers and responsibilities that have been clearly defined and the states are bound to transfer those powers to the Panchayats. However, the period from 1993 (when most of the states passed laws for establishing Panchayati Raj institutions in their respective states) and to 2006 is a short period to judge the success in functioning of the system. Undoubtedly, Panchayati Raj suffers from shortcomings, but with the passage of time these would be removed. The process of land reforms that has been going on in India since the country became independent is still an ongoing process. Undoubtedly, the Panchayats have been empowered to implement land reforms, but in this era of globalization and economic liberalization, there is added emphasis on industrialization and setting up of manufacturing units to boost the economy. For the implementation of these objectives the acquisition of additional land is required. Thus, the burden falls on agricultural land, particularly on the marginal farmers who under adverse circumstances are forced to lease or sell their land. At the same time, Panchayats with scanty financial resources at their disposal cannot help the marginal farmers in meeting their requirements. Under such circumstances, it will be an easy task for the Panchayats to implement land reforms.

Check Your Progress 2

Note: a) Write your answers in the space given below.

b) Check your answers with the text.

1) What are the powers and responsibilities of the Panchayats?

.....
.....
.....

2) What are the major hurdles in the implementation of land reforms through Panchayats.

.....
.....
.....

12.7 LET US SUM UP

In this unit, efforts have been made to acquaint you with the objectives of Panchayati Raj and Land Reforms and the relationship between the two. We have familiarized you with the ideas for which they came into existence and implemented by the Governments. As we have seen that since its inception, almost five decades have passed but the land reform measures and Panchayati Raj institutions were not fully effective. There seems to be a wide gap between the proclaimed objectives and the actual outcomes. However, the 73rd Constitutional Amendment Act, 1992 has been a landmark for both. It has strengthened the Panchayati Raj Institutions and it has also provided an added advantage for the implementation of land reform measures. Thus, in the present scenario both together can contribute significantly to the field of rural development and social justice.

12.8 KEY WORDS

- Consolidation** : Combining of small, scattered pieces of land into few of one big piece at one place.
- Khud Kasht** : Self Cultivation
- Special Economic Zone (SEZ)** : Areas for setting up of industrial units for the purpose of agro business activities.

12.9 SUGGESTED READINGS

India's Five-Year Plans, (2003). Complete Documents, First Five-Year Plan (1951-56) to Tenth Five Year Plan (2002-07), New Delhi: Academic Foundation.

Haque, T. and Sirohi A. S. (1986). *Agrarian Reforms and Institutional changes in India*, New Delhi: Concept Publishing Company.

Rural Development Report (1999). Hyderabad: NIRD.