



## BOOK REVIEW

### **Panchayat Databases: A Pioneering Effort**

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Okabe, Jun-ichi, and Bakshi, Aparajita, *A New Statistical Domain in India: An Enquiry into Village Panchayat Databases*, Tulika Books, New Delhi, 2016, 382 pages, Rs 850.

History leaves its imprint on the statistical system of every nation. The Indian statistical system was developed to suit the needs of Central planning, and as planning became institutionalised, State-level statistical domains evolved with the Central domain. The policy focus has always been on national and State-level estimates of variables of interest. In fact, smaller States often have had to make do with estimates from larger neighbouring States! An important dimension of the Central and State systems is that data collected as part of administration at the “bottom” moved upwards because the demand for such data came from Central planners and administrators.

The situation began to change after the establishment of a third tier of government following the Constitution (73rd and 74th Amendment) Acts, 1992. Whether or not they perform agency functions, local self-governing institutions need data to carry out their work. However, they often look for data without much success, and, if the experience of gram panchayats in Kerala is anything to go by, they carry out ward-level surveys to count the numbers – sometimes conducting multiple surveys, depending upon the subject area coming up for action. Despite the establishment of multiple commissions and committees, academic interest in the subject of village-level databases has been low. In this context, *A New Statistical Domain* is a pioneering effort.

The book sets out the examination of the potential and substance of the panchayat as a statistical domain as its objective. The chapter titles describe the subject matter of each chapter well. “Data Required for the Village Panchayat” (Chapter 2) sets out the data required by the panchayat to fulfil functions envisaged in the Constitution. “Basic Structure of the Main Data Sources at the Village Level” (Chapter 4) describes the

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existing structure of data collection at the village level. The next four chapters discuss potential databases: “A Potential Village-Level Database on the Panchayat” (Chapter 5); “Potential Databases on Village Panchayat’s Jurisdiction” (Chapter 6); “Potential Village-Level Data for Public Finance” (Chapter 7); and “A Potential Database for Local-Level Planning, with Special Reference to the Village Schedule on Basic Statistics” (Chapter 8). In a sentence, the book covers what is required, what exists, and what is waiting to be exploited, in great detail. It is potentially a handbook for academics, policy makers, and administrators interested in village-level planning and concerned with local governance at the lowest levels.

The size and structure of village panchayats vary across Indian States, and hence general statements about databases are often not very helpful. In some States, “line departments” are accountable to the village panchayat because their jurisdiction straddles many panchayats. In other States, the basic unit of administration is coterminous with the panchayat. Thus, to ground the discussion empirically, descriptions of the village panchayats under study are necessary, and that is precisely the subject matter of the chapter titled “Introducing the Two Village Panchayats” (Chapter 3).

The “Introduction” begins with a discussion of village panchayats as institutions of local self-governance that politically empower women and oppressed social groups. Village panchayats are in a better position to appreciate their concerns than upper tiers of government, and they are more able to find ways to expand the basic capabilities of citizens. If village panchayats have to function as institutions of governance and development, they require databases to serve multiple basic functions related to self-governance and planning, including financial planning. Following a discussion of the Indian statistical system and its one-sided emphasis on national planning, the authors analyse the work of various committees on local-level databases. There is a broad agreement that “the Gram Panchayat should consolidate, maintain, and own village-level data.” Committees have also identified village-level data that are regularly collected by local functionaries.

Chapter 2 sets out the data needs of the panchayat with respect to self-governance, public finance, and micro-level planning. The data needs for self-governance encompass the electoral rolls, records of village council meetings, details of the functioning of various committees, and human resources. The panchayat also needs data pertaining to its functional domain, depending upon the subjects that are devolved to it by the State Government. In most States of India, progress in specifying the functions of different tiers of government has been slow. As activity mapping on the ground is often at variance with what was initially envisaged, no single model has stood the test of application in diverse situations.

Panchayats do not have a comprehensive list of people living within their jurisdiction. Even when records appear to be available, there are difficulties. For instance, first, the

geographical boundaries of the administrative jurisdiction of the line department may not be coterminous with that of the panchayat. Secondly, village-level records are not accurately related to people residing in the village.

Substantial resources flow to the panchayats from the Centre and the States, through centrally sponsored schemes that are to be implemented by the panchayats, either in cooperation with line departments or independently. Panchayats have to coordinate the activities of implementing agencies working in their own functional domains. Mechanisms for data-sharing with line departments and outside agencies are crucial for panchayats to develop a village-level database.

A panchayat cannot become a self-governing institution as long as it does not have the powers to levy taxes, duties, and fees; hence, financial management has to become an element of the panchayat's functional domain. The quality of accounting data at the village level has suffered for many reasons, the most important being the inadequacy of staff to maintain accounts. But there is no escape from building reliable financial databases, as both Central and State Finance Commissions have increasingly taken cognisance of the third tier of government and made awards for strengthening their finances.

The third category of data required by panchayats is for local planning and plan implementation, as the legislature of a State may devolve powers with respect to the preparation of plans for economic development and social justice. The planning exercise includes gathering relevant data, analysing the data, identifying public needs and prioritising schemes, monitoring the progress of implementation, and evaluating outcomes. While the first two categories of data described above are by their very nature longitudinal, some of the planning and impact evaluation functions can only be carried out by building longitudinal databases.

In their detailed categorisation of the data required by panchayats, Okabe and Bakshi do not elaborate on the basic functions of the panchayat and the data required for carrying out those functions. Whatever be the variations in the enabling legislation across different Indian States, the relevant statutes governing local bodies would normally include the delivery of basic services: "water supply, sanitation including septage management, sewerage, storm water drainage and solid waste management, street lighting, local body roads and footpaths, parks, playgrounds, burial and cremation grounds" (Fourteenth Finance Commission, p. 113). In our hurry to empower local governments to carry out agency functions as well as development planning functions, we seem to have forgotten about the basic services and the database required for delivering these. An enunciation of this dimension of the functioning of local governments and the data needs by the authors of the book would have been of great help.

Each State of India has its own tradition of local government. In Maharashtra, village panchayats existed under the Bombay Village Panchayats Act, 1958, which introduced

the three-tier system with the district panchayat at the top. West Bengal has had a longer tradition with the *chowkidari panchayats* set up in 1870 in groups of villages. The West Bengal Panchayat Act, 1957, established a two-tier system of panchayats. Following the 73rd and 74th Amendments of the Constitution in 1992, the then extant Acts were amended in both these States, but the course taken since then has varied between them. While the provision in the Constitution that “there shall be constituted in every State, panchayats at the village, intermediate, and district levels” is mandatory, the provisions for the devolution of powers are recommendatory, and in this respect, the two States are a study in contrast. For comparable rural populations in the two States, the number of village panchayats in West Bengal is close to 50,000, and the number in Maharashtra over 220,000. The size of the village panchayat has determined the administrative structure and number of staff, with no permanent staff in Maharashtra and a full-fledged administrative machinery in West Bengal. Chapter 3 of the book brings out these issues well.

The administrative structure of the panchayat tiers defines data-collection and data-sharing systems. In Maharashtra, there are no formal data-sharing systems between different agencies working at the village panchayat, tehsil, and district levels. There are multiple lines of control and reporting mechanisms, with the revenue officials wielding sweeping powers. There was much better coordination between village-level activities and line departments in West Bengal.

In both the States, most of the subjects included in Schedule XI of the Constitution have been devolved to the three levels of local government, but the mapping of activities at the ground level was substantially different in each State. In Maharashtra, all substantive responsibilities, such as drinking water, health and sanitation, and markets and fairs, rested with the village panchayats, but for most other subjects, the responsibilities of the panchayats were nominal. In West Bengal, the substantive responsibilities were limited to identification, construction, and operation of drinking water schemes, planning and implementation of employment programmes, management of village markets, and maintenance of community assets. Overall, very limited functional areas have been withdrawn from the line departments and transferred to the local bodies; they continue to be seen more as agents of higher levels of government. Chapter 3 sets these issues out in comprehensive terms.

Turning to the financial position of the panchayats, the average receipt of each village panchayat in Maharashtra was over Rs 400,000, of which 45 per cent was its own source of revenue. In West Bengal, the average was lower and less than 4 per cent was accounted for by the panchayat’s own source of revenue. As large amounts have begun flowing to the panchayats, one would expect better management of accounts, but in both the States, arrears of finalisation and publication of accounts were observed. As regards the planning and implementation of schemes, the District Planning Committees (DPCs) in both the States were not functional. In

Maharashtra, the “guardian minister” of the State government was the chairman of the DPC, and line departments and the District Rural Development Agency (DRDA) exercised major control over the planning and implementation of schemes, thus circumscribing the authority of the village panchayats. In West Bengal, DPCs were constituted in accordance with Article 243ZD of the Constitution, and DRDAs were merged with district panchayats but have largely failed to prepare district plans. The village panchayats in West Bengal have adopted a “bottom-up” approach towards planning, prepared annual action plans, and entrusted the village development committees with the responsibility of implementing and monitoring schemes. But the autonomous space of the village panchayat is limited, as line departments have ceded hardly any of their space.

Chapter 3 is a fairly detailed treatment of the substantive responsibilities that rested with the village panchayats, the revenue streams flowing into them, and the formulation and implementation of plans carried out by them in two distinct panchayati raj structures of comparable size in terms of population. It brings out the diversity and history of India’s local government scenario. The reader, however, is left with one major unanswered question: is the functional autonomy of the village panchayat incumbent upon its fiscal autonomy? Village panchayats in Maharashtra have more of their own resources at their disposal compared to West Bengal, but it is argued throughout the chapter that the functional domain in Bengal is not as limited as it is in Maharashtra. How is this possible?

Chapter 4 is an analysis of the basic structure of the main data sources at the village level. There were only two types of information/records available and accessible at the village panchayat level in West Bengal and Maharashtra: population, and birth and death. A few records were accessible from other sources, such as the educational status of the village residents, land utilisation statistics, and livestock and poultry. The data collected and registers maintained by the village panchayats pertain to receipts, expenditure, and budget; tax registers, stock and asset registers; details of roads and bridges, and land and barren space. Electoral rolls, registers for recording births and deaths, registers recording beneficiaries of schemes of employment, social welfare, etc., are common in both the States. Village-level registers are also maintained by other agencies: an example is the Integrated Child Development Scheme (ICDS) register, which is the most comprehensive, is updated at regular intervals, and is considered more accurate than civil registration records.

The chapter brings out a disturbing recent trend based on a belief that local governments have gained strength following the Constitutional Amendments. School registers were the responsibility of village panchayats in Maharashtra under the Bombay Village Panchayat Act, 1958 (BVPA). This continued till 2008, but with the enactment of the Right to Education Act, 2009, the management of schools has been taken away from the village panchayats; it now rests with parent-teacher associations. In West Bengal, provision of education does not rest with panchayati

raj institutions, so the question of taking away powers does not arise. In the Maharashtra village under study there was no primary health centre, but under the BVPA, medical and public health were assigned to the village panchayat. In West Bengal, too, the panchayati raj institutions were given the responsibility of managing the physical assets of medical institutions, but they had no clear jurisdiction over them. Similar contrasts may be observed with regard to land records as well.

The detailed description of the powers and functions of panchayati raj institutions, and the contrast between Maharashtra and West Bengal bring out three important themes as regards the third statistical domain. This new statistical domain will gain ground when the third tier of government is strengthened, but there are not many signs of that happening. The new Central schemes and related legislations have been instrumental in taking away powers that were historically vested in local governments, rather than strengthening them. The line departments, too, have not given away either their powers or data! The comprehensive description of the basic structure of the data sources could well have ended with a section analysing the emergent trends.

The data needs for governance by village panchayats are few, as the State governments have not devolved too many functions. In Maharashtra, out of 29 subjects, panchayats play an important role only in drinking water, sanitation, and internal connectivity. In the remaining subjects, they either have no role or their role is confined to “filling out forms.” Important roles are performed by block committees. In West Bengal, the functions assigned to village panchayats were broader. In addition to drinking water, sanitation, and connectivity, the Raina panchayat had responsibilities in poverty and welfare – mainly in the implementation of employment programmes. The related subjects of infrastructure and maintenance of assets were also its responsibility.

Village panchayats have to coordinate with higher tiers of panchayati raj institutions as well as outside agencies to function in their subject domains. In Warwat Khanderao, Maharashtra, the panchayat head was familiar with the Central and State schemes being implemented, and could easily compile a comprehensive list, but there was no formal data-sharing mechanism among outside agencies working at the three tiers of panchayati raj institutions. In Raina, West Bengal, there were registers of schemes, although these did not always record activities carried out by other departments. But there was a formal data-sharing arrangement and there were strong coordination mechanisms.

Three points emerge from the discussion in Chapter 4. First, history leaves an imprint on the current functioning of the village panchayat, whatever be the nature of devolution following the 73rd Amendment. Secondly, the size and structure of the village panchayat do play an important role in whether the panchayat is able to

coordinate or source data from outside agencies. In the end, it represents a power equation between the people's representatives and the bureaucracy as well. An agency with jurisdiction overlapping with those of many village panchayats is bound to weaken the panchayat. Thirdly, concern regarding decentralised governance does play a role. In Maharashtra, the stronger tradition of decentralisation, built on the foundation of the BVPA, 1958, has been systematically chipped away, despite the Constitutional Amendment enabling States to pass legislation, whereas in West Bengal, village panchayats have gained power.

The village panchayat requires data on its object domain of geographically defined jurisdiction and local society (Chapter 5). Land records contain data on the area of each plot, and unit-level information can be obtained from the exhaustive list of houses in the property tax register. Livestock data can be obtained from the livestock census. Data on people residing in the panchayat can be obtained from the population census, which has multiple uses, but unit-level data cannot be drawn from it. However, a demographic movement can be built from data on vital events from ICDS registers, as civil registration data have the problem of place of registration being different from place of usual residence. BPL (below poverty line) surveys, ICDS registers, and the Socio-Economic and Caste Census, 2011 are all-important sources of data on literacy, health, poverty, occupations, and so on.

Chapter 6 of the book identifies the potential databases in a village panchayat's jurisdiction, and discusses two difficulties in the use of administrative records. The first issue is that the administrative jurisdiction of outside agencies is different from that of the panchayat. When the jurisdiction of outside agencies overlaps with that of the panchayat in many villages, it is almost impossible to extract data on the village from the records maintained by these institutions. The second issue is that village-level records may not be related to people actually residing in the panchayat.

The village panchayat thus requires not only aggregate data but also unit-level data records. And it is not easy to match unit-level data from different records, as the exercise conducted by Okabe and Bakshi of comparing the BPL survey list with Foundation for Agrarian Studies (FAS) data shows. The matching varied by sex, age, caste, and so on. The details of matching are a definite contribution of this chapter.

There is an added complication. Individuals are nested in households that are nested in houses nested in wards of houses. Houses are identified by numbers, and wards too have numbers. Both undergo changes owing to changes in population, family formation, and migration. There is a major problem should one require longitudinal data, as the numbering of houses or wards does not follow any method. Linking new numbers with old numbers of houses and wards then becomes an extremely difficult task, bordering on the impossible. A longitudinal digital database for planning can become a reality only when local-level functionaries are trained to recognise the reality in technological terms and to adapt to the system.

Turning to public finance data (Chapter 7), in Maharashtra, the annual accounts of village panchayats are prepared as per the Bombay Village Panchayat Act, 1958, and submitted to the village councils, and then forwarded to the block development officer. They relate to own sources of revenue, and hence a vacuum exists on grants from the Central and State governments on schemes implemented under their jurisdiction. In West Bengal, accounting data are maintained by the village panchayat and submitted to the village council, and are brought under the internal audit of the panchayat audit and accounts officer posted at the block office. Unlike in Maharashtra, the accounts in Bengal contain information on amounts received under various Central and State schemes.

When the accounts are scrutinised by institutions above the panchayats, comments such as “differences not reconciled,” “accounts not in order,” “lack of proper control,” and “not consistently maintained” are common. What is often forgotten is that the number of budget heads under which amounts are transferred to the panchayats have increased manifold; village panchayats operate with skeleton staff, and persons trained in book-keeping are few and far between. On top of this, there is lack of concern for the devolution of powers and functions. Note that whereas the second State Finance Commission had awarded an allocation of 40 per cent of the State’s revenues to local bodies, only 16 per cent was allocated, and with hardly any clarity on the principle adopted. In West Bengal, while the devolution of funds follows a principle, the over-dependence on grants from the Central and State governments leads to a situation where village panchayats cannot estimate their budgets in relation to the flow of funds from higher levels of government. When efforts are made to train village panchayat staff and hand-hold them for a while, as was done under the Kerala Local Government Service Delivery Project, the results are there for everyone to see. Accounts are updated regularly and uploaded on to a dedicated website.

Chapter 8 of the book details the databases for development planning by village panchayats. While the population census and BPL census could be core databases, they do not cover all aspects of the data requirement and are updated with long time-gaps. The village schedule of Basic Statistics for Local Level Development, a framework to summarise village-level secondary data, lists a number of items in blocks, some of which could be easily collected from knowledgeable persons among village residents. While data items such as electrification, sources of drinking water, and the presence of cooperatives and commercial banks will be common knowledge, the proportion of households that has access to water supply or sanitation would require documentary evidence such as in the BPL surveys. Similarly, demographic information (block 5 of the village schedule) has to be drawn from the population census and re-worked, depending on the number of years that have elapsed. Such data could be used for planning health and sanitation, family welfare, and so on. ICDS data would supplement the information.



There are major gaps in the data on category-wise employment and unemployment, migration, the number of enterprises, and employment therein. District planning committees (DPCs) and district panchayats (DPs) can, however, supplement village schedule data by identifying key indicators for nodal reporting institutions such as *anganwadis* and primary schools. They could aggregate data from the village schedule and compare these with aggregates from other sources; they could also aggregate village-level data on finances. The data needs of DPCs and DPs involve a macroscopic view oriented towards the envisioning exercise that is basic to planning.

Data for micro-level planning are possible only when village panchayats have robust and democratic self-control over their functional domain. Such devolution has been slow, but the potential to build the database exists as, along with official census data, various other data-sets are regularly collected by village-level functionaries. The database, then, is an extension of the village-level administration records system. But to turn the records system into a database for the panchayat, a data-sharing mechanism between the village panchayat and other agencies is indispensable, as the example of the Fourth Saturday Meeting in West Bengal shows. Such a system can alleviate the need for numerous village surveys carried out by the village panchayats, and also validate the reliability of records.

The quality of village-level data sources will depend on the use to which they are put by the panchayat. Unit-level records are used by village panchayats for identification and selection of beneficiaries of public policies. They could also be aggregated to build databases at various levels of government, and could become effective means to validate large-scale survey estimates on which so much faith is placed by planners.

Twenty-five years have passed since the enactment of the Constitutional Amendments that created the three tiers of local government. In the 1990s, decentralisation attracted as animated a discussion as globalisation and liberalisation do today. Unfortunately, that is not the case today. In fact, not even in the context of programmes such as Swachh Bharat has there been a discussion of the role of panchayati raj.

This book is on a subject not much studied by researchers today. It discusses the potential databases that are waiting to be explored and utilised at the level of the village panchayat. There is hardly any option but to empower our local self-governing institutions in order to help expand basic capabilities, and this book could be a good companion for all those who believe in democratic self-government, effective public spending, and local planning.