



*2010*

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**No.10-118**

**Pro-poor Governance Reform Initiatives in  
Madhya Pradesh, India, 1993-2010: An  
Introduction**

Transferring Resources and Powers to the  
Village Panchayats: Does it improve  
Governance and Development Outcomes?

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**Published: December 2010**

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**PRO-POOR GOVERNANCE REFORM INITIATIVES IN  
MADHYA PRADESH, INDIA, 1993-2010: AN INTRODUCTION**

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This working paper is one among a set of five companion working papers which arise from research on the dynamics of the pro-poor governance reforms that were undertaken in Madhya Pradesh (MP), India, during the years 1993-2003, under the leadership of the then Chief Minister, Shri Digvijay Singh.

A number of significant initiatives were undertaken in Madhya Pradesh (MP) under Digvijay Singh's leadership. Collectively, they sought to secure empowerment, participation and improved well-being for common citizens, especially for poor and relatively powerless men and women living in rural areas. These initiatives included: decentralization through the establishing of *Panchayati Raj Institutions* (PRIs), and the devolution of considerable powers and resources to these institutions to manage important rural developmental programmes; universal access to primary and elementary education through the Education Guarantee Scheme (EGS); a Participatory Watershed Development Programme; a District Poverty Initiative Programme (DPIP); *Rogi Kalyan Samiti* and *Jan Swasthya Rakshak* - participatory governance systems for improving hospital services and health delivery system; Participatory (Joint) Forest

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\* I am grateful to Professor Stuart Corbridge, Pro-Director, LSE for his invaluable encouragement, guidance and incisive critical comments, above all his stimulating intellectual thoughts and contributions, without which this research would have not been possible. I also wish to thank following scholars and friends for helpful comments and discussions: Jo Beall, Teddy Brett, Jean-Paul Faguet, James Putzel, Ken Shadlen and Robert Wade (all from LSE); Abhijeet Banerjee, Bish Sanayal and Judith Tandler (all from MIT); Ron Herring and Normal Uphoff (both from Cornell, USA); Patrick Heller and Ashutosh Varshney (both from Brown University, USA); and John Harriss (SFU, Canada), Walter Hauser (Virginia, USA), Sanjay Kumar (IFS, India), Emma Mawdsley (Cambridge, UK), Glyn Williams (Sheffield, UK) and Rene Veron (Lausanne, Switzerland). I am indebted to hundreds of villagers and numerous PRI members, politicians, government officials and activists from MP for their valuable time and for the insights that have gone into shaping my research. I thank Sunil, my computer assistant, for his hard work in undertaking the data entry and other computer related works, and Sue Redgrave for her copy-editing work. My thanks are also due to the team of field investigators for assisting me in conducting the field research. However, all errors and omissions are my responsibility. My grateful thanks are also due to the Jamsetji Tata Trust for its support of the Tata Institute of Social Sciences (TISS) and LSE research collaboration, under the auspices of which this research has been carried out.

Management (JFM); a Right to Information Act; and Citizens Charters. Through these policies and programmes, multiple institutional spaces were created in Madhya Pradesh with the stated purpose of channeling action by and on behalf of designated (mainly rural) communities. The overall aim was to bring a ‘quiet revolution’ to MP whereby successful development work would expand popular participation and (thus) greatly more responsive government.

What did this simple mantra of *popular and responsive government* give rise to? Nothing less than a revolution in participatory governance if one accepts the key claims made by the Government of Madhya Pradesh: about 3.44 lakh [one lakh = 100,000] elected representatives of *panchayats*, of whom 1.16 lakh were women, most of whom took charge of village governance and development (1999-2004 *panchayat* elections); 50,000 members of watershed committees; 1.5 million members of *Tendupatta* (tobacco leaf) plucker societies and more than 4.8 million members of joint forest management committees have been managing their natural resources; about 32,000 *Gurujis* (para teachers) selected by the community are teaching in community schools under the Education Guarantee Scheme. The Government has further asserted that participatory governance has not only deepened democracy in MP, but has paid huge dividends by ensuring improved outcomes. For instance, about 26,600 EGS Schools were established from 1997-2002, when it took MP 50 years to establish about 56,000 primary government schools, and the greater accountability of *Gurujis* to local people (since they appointed and controlled them) supposedly led to a significant increase in literacy levels in MP during the decade of 1991-2001: it rose to 64.11% (national average 65.38%). Female literacy growth of 20.94% during that decade was the best in India. The EGS innovation earned MP a “Commonwealth Innovation” award.

Similarly, the participatory watershed development programme (Rajiv Gandhi Watershed Mission) started in 1994 with a target of treating 1.2 million hectares, but quickly expanded to cover 3.43 million hectares by 2001 to become India’s largest such programme. Different water harvesting and soil conservation activities were completed across about 1.4 million hectares by 2001 with an expenditure of about Rs. 6.9 billion. They covered about 8,000 villages with the apparently active involvement of more than 5,000 watershed committees, about 44,000 user committees, 14,000 self-help-groups

and some 8,000 women thrift and credit groups. This resulted, it has been suggested, in an increase in Kharif area cultivation of 21% and of productivity by 37%. It also led to an increase in the area under irrigation by 59%, a decrease in wastelands by 34%, and improvement in ground water table levels in more than 3,000 villages.

Impressive as these initiatives and their outcomes apparently were, they were quite extraordinary as well in terms of supposed motivation. Outcome improvements were said to be based on a vision of and strategy for pro-poor governance reform: empowering the common and poor people to take charge of development programmes for their own benefit. The MP model became widely lauded within and outside India. To many academics, however, the supposed success of MP in the 1990s and early 2000s seemed unlikely, not to say counter-intuitive. This is so because, first, the state of MP hardly inspired confidence in its developmental potential. It was widely regarded when Digvijay Singh came to power as one of India's BIMARU (poorest, under-performing, even failing) States. It was characterised by low economic growth, abject poverty, low levels of human development and high levels of gender disparity. Second, politics in MP had long been marked by elite (forward caste) control of the State's main socio-political institutions. This pattern of control essentially reflected a feudal power structure and the local prevalence of vertically organised systems of clientelistic politics. The formation of MP in 1956 from 72 erstwhile Princely States deeply reinforced this elite-dominated scenario. In such an institutional context, pro-poor reforms which are potentially threatening to the elites who colonize and control state power are (or should be) highly unlikely to be undertaken by the state itself. And, thirdly, large-scale organized movements and protests by the downtrodden for educational reforms or economic betterment were noticeable in MP prior to 1993 mainly by their absence. The other backward Castes (OBCs) in MP-- unlike their counterparts in UP and Bihar, where they had gradually emerged politically to challenge the traditional order in the 1970s and 1980s - are demographically too fragmented, and politically too easily co-opted, to emerge as a robust channel for articulating the aspirations of locally depressed (or oppressed) people.

We know, however, that a wide array of 'pro-poor' initiatives was mainstreamed across MP by Digvijay Singh and some of his colleagues. More so, indeed, than in either Uttar

Pradesh or Bihar. Here then are our central puzzles. This research has attempted to explore: (i) how and why the State of MP acquired its initial capacity to envision and further a pro-poor governance reform agenda (henceforth ‘agenda’) in the teeth of evident political risks; (ii) under what institutional premises and logics different policies and programmes were structured for realising the agenda on the ground. How effectively (or not) did such strategies work? If they proved effective, did that result from the successful unfolding of those premises and logics, or were other unanticipated factors responsible? And if so, why? If the strategies failed or performed poorly did the premises and logic prove inadequate or faulty, or did they turn ineffective in face of countervailing forces of ground realities?; and (iii) How if at all can the answers to these questions be causally inter-connect to understand the outcomes of reforms on the ground? What fresh insights do the MP reform experiments and experiences offer to both the academic and the policy worlds for advancing the debates on and practices of pro-poor governance?

To answer these questions we studied the four most important elements of MP’s agenda for pro-poor reforms: (i) decentralization through PRIs and the implementation of a major anti-poverty programme, the *Jawahar Rojgar Yozna (JRY)*; (ii) decentralization from the district to the village level with reference to the first national level ‘rights-based’ Employment Assurance Scheme (EAS); (iii) community driven development (CDD), as exemplified by the Education Guarantee (EGS); and (iv) state-society partnership, or co-production, with reference mainly to the watershed development programme.

Three districts were selected for study, with each one representing important socio-political regions in MP: Rewa in the Vindhya region with its highly feudal characteristics; Mandla from the Mahakaushal region, which is dominated by tribal communities; and Neemuch from the Malwa region, peculiar for the dominance of its backward castes and for high levels of peasant entrepreneurship. In each district, one Block, and within that Block a total of five Panchayats and 13 villages – all told comprising 2,181 households or a population of 10,076 villagers - were sites of intensive qualitative investigations (A further three villages were also studied partially in a sixth Panchayat). A semi-structured questionnaire comprising of 182 questions spread over

six parts was administered to a randomly generated sample of 218 households with a pro-poor bias in their composition (about 80% poor and 20% non-poor). The questionnaire placed special emphasis on eliciting people's voices, views, reasoning and overall understanding of the issues under investigation. About 70% of the questions were qualitative in nature, which was in line with the deep ethnographic stance of the research. 7,924 responses (in Hindi) to qualitative questions were closely studied to identify answers that were similar in content and essence despite differences in their wording. Consequently, 1,153 common answers from these were formulated in English, which helped finally to prepare 158 tables and 113 graphs to present a coherent ethnographic story of different issues studied under the research based on common villagers' accounts.

About 140 deep interviews were conducted with key respondents/insiders. Included, for example, were: the Chief Minister of MP, Ministers, opposition leaders, MLAs, principal secretaries and directors, social activists, media persons, and academicians (at the state level); district collectors, other important district level functionaries, district panchayat presidents, vice presidents, and elected members, and district level political personalities from different parties (at district level); Presidents and members of Block level PRIs, BDOs, other supervisory staff (at block level); and sarpanchs and ex-sarpanchs, panchayat secretaries, presidents and members of Parents-Teachers Associations (PTAs) and of Watershed Committees, teachers and para teachers, retired government personnel, other knowledgeable villagers (at panchayat and village levels). Additional insights were gained by observations made during participation in, for example: assembly sessions, district government meetings, district panchayat meetings, public meetings addressed by the Chief Minister, election campaign rallies, workshops, offices of government officers and even the homes of Ministers. These were critical to enriching the ethnographic understanding of the dynamics of the agenda.

Further, wherever relevant and feasible, this qualitative study was backed up by District and Block level quantitative analyses both to give the ethnographic findings a wider backdrop and to assess whether findings were unique to the villages studied and/or reflected a broader pattern. Consider, for example, our work on the EAS. First, a database of 1,435 projects executed in 1,487 panchayats in all 21 Blocks of the three

research Districts was prepared from the original handwritten documents collected from the district offices – this ran to 512 pages. Each panchayat’s total population, and those of SC and ST communities, were then compiled for all 21 blocks from the Government of India’s Ministry of Panchayat (MoP) database. Data was also collected on nine parameters of all households of 1,487 panchayats, including for example: Means of Livelihood; House type; Landholding; Income level; Migration, and a few others were compiled in 3,131 pages from the BPL database of MP. After cutting out some less relevant information from these datasets a comprehensive database for the analysis of patterns in EAS resource distribution across the three districts was prepared. This contained information on 20 key dimensions, including: district, block, panchayat names, total EAS fund panchayat-wise, population and other 9 parameters’ information obtained in the aforesaid manner, as also information on *percentage deviation analysis* on additional 63 items, which led the database to cover 125,122 data-points and run into 507 pages of excel sheets. The *percentage deviation analysis* is reported in detail in WP 2, with revealing findings about how EAS resources were disproportionately distributed, privileging a few panchayat and blocks and unjustly depriving others.

Further Methodological Discussion will be provided in Working Paper 6. Working Papers 1 to 4 report on how well (or not) the agenda of reform worked in the areas of the JRY, EAS, EGS and Watershed Development. Working Paper 5 pulls the findings of WPs 1-4 together in an integrated way and discusses the collective implications of the research project –intensive fieldwork for which and data analysis were mainly carried out in 2009 and 2010, although some exploratory work was done earlier. The work has relevance for contemporary debates and experiments on decentralization, participation, CDD and state-society synergy through coproduction. All of these are widely viewed as key to seeking institutional change for securing more pro-poor, accountable and responsive governance institutions. This body of research avoids the pitfall of assuming the existence of participatory dynamics in such experiments and subjects them to an in-depth and penetrating empirical probe for confirming (or not) their causal connections to governance reforms.

## Working Paper 118

### TRANSFERRING RESOURCES AND POWERS TO THE VILLAGE PANCHAYATS: DOES IT IMPROVE GOVERNANCE AND DEVELOPMENTAL OUTCOMES?

#### *The Story of the Jawahar Rozgar Yojana (JRY) in Madhya Pradesh, India*

#### 1. “Give money to villagers in the light of the day”: The making of the JRY

In one of the meetings organized in the run up to Jawahar Rozgar Yojna (JRY), an old tribal woman told Rajiv Gandhi: “*If you want to give money to the village, make sure it comes in the light of the day and not in the darkness of the night.*”<sup>2</sup> It was not clear whether in making this astute observation she was pinning greater hope on Rajiv Gandhi or the daylight. But in envisioning JRY in 1989, Rajiv Gandhi had placed hopes on millions of common women, such as the tribal lady, and men, poor and powerless, to take a great *leap of faith* to write a bold policy reform in the arena of poverty reduction. It aimed at fundamentally altering the institutional logic of past policies, as will be argued below.

JRY was introduced as a massive wage employment programme on 1 April, 1989 by merging its predecessor programmes, namely, the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP). The main objective of JRY was the “generation of additional gainful employment for unemployed and underemployed persons, both men and women, in the rural areas through the creation of rural economic infrastructure, community and social assets with the aim of improving the quality of life of the rural poor.”<sup>3</sup> It was termed as

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<sup>1</sup>Rajiv Gandhi, was the youngest Prime Minister of India, who is known for his path breaking initiative of establishing *Panchayati Raj* institutions as a constitutionally mandated third tier of the Indian state (beyond the federal and subnational level). Digvijay Singh, the Chief Minister of Madhya Pradesh, was deeply inspired by this and made it the central plank of his pro-poor governance reforms during his decadal (1993-2003) rule in MP, the subject matter of this research.

<sup>2</sup>Quoted in an article “Rural Priorities must be set by Villagers,” published in *Down to Earth*, Vol. 2, No.1, 31 May 1992.

<sup>3</sup>Planning Commission (1997: 2.1.31).

one of the largest public works programmes in the world.<sup>4</sup> However, wage employment programmes are not a new idea: Kautilya's *Arthshashtra*, written around 300 BC, prescribes that kings should undertake public works programmes during the times of famine to lessen the *praja's* (the subjects) distress.<sup>5</sup> The more recent wage employment programmes, indeed, were initiated during periods of famine and drought, and only later such programmes were incorporated as a standing element of anti-poverty strategies. The Labour Based Relief Programme (LBRP) of Botswana, for example, employed between 60-90 thousand persons each year during the 1983-1985 drought periods, and replaced almost one third of lost incomes.<sup>6</sup> Many other countries have also

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<sup>4</sup>Subbarao observes: "In terms of person days of employment created, the programs in Bangladesh and India are perhaps the largest in the world. Employment in India's nationwide program (known as *Jawahar Rojgar Yojna*, or JRY) reached a billion workdays by 1995" (1997: 678). See also Gaiha, *et al.* (1998: 928). Others who have discussed JRY's objectives and features are: Neelkantan (1994: 3090); Iyer (1994: 2065); Kripashanar (1994: 1844); Gaiha (1995: 968) Basu (2003; 13); Basu (1990); and Datar (1990). An excellent discussion on the prospects of the JRY - the hopes and also dilemmas about its implementation - can be found in Gupta, *et al.* (1990).

<sup>5</sup>Dev (1995). *Arthasāstra* is an ancient Indian treatise on statecraft and economic policy written by Chanakya (c. 350--283 BC), who was the prime minister of the Mauryan Empire -ruled by the powerful *Mauryan dynasty* from 321 to 185 BC - and also taught at the Takshashila University, a great Buddhist centre of learning (now in Afghanistan). Roger Boesche describes the *Arthasāstra* as "a book of political realism, a book analysing how the political world does work and not ..... how it ought to work." He further observes:

Is there any other book that talks so openly about.....When killing domestic opponents is wise? When one needs to sacrifice one's own secret agent?.....When must a king kill a prince, his own son, who is heir to the throne? At some point, every reader wonders: Is there not one question that Kautilya found immoral, too terrible to ask in a book? No, not one. And this is what brings a frightful chill. But this is also why Kautilya was the first great, unrelenting political realist " (Boesche, 2003:17).

It is the harsh political pragmatism advocated in this book that prompted even Max Weber to observe: "Truly radical 'Machiavellianism', in the popular sense of that word, is classically expressed in Indian literature in the *Arthasastra* of Kautilya (written long before the birth of Christ, ostensibly in the time of Chandragupta): compared to it, Machiavelli's *The Prince* is harmless" (Weber, 1978: 220). However, Kautilya did not only talk about when a king should assassinate his dear ones, but also about when he should *even share his own provisions* to protect the people: "*During a famine, the king should make a store of seeds and foodstuffs and show favour to the subjects or constitute the building of public works with the grant of food or share his provisions with them*" (Kumar and Rao, 1996:420. Emphasis added).

<sup>6</sup>World Bank (1990). For a detailed account of LBRP, see Teklu (1995); Buchanan-Smith (1990); Hay (1988) and Quinn, *et al.* (1988).

used similar programmes during periods of famine, structural adjustment or macroeconomic shocks to provide a safety net to the poor.<sup>7</sup>

The Maharashtra Employment Guarantee Scheme (EGS) has been considered the most innovative in South Asia. It has been in operation for over 25 years in Maharashtra, and is estimated to have directly created between 100 and 200 million days of work each year during its operation. The Employment Assurance Programme (EAS) initiated in 1993, and also the National Rural Employment Scheme (NREGS), the most ambitious guarantee programme ever launched by India more recently in 2006, have remained hugely inspired by the EGS. Maharashtra's EGS was initiated primarily to help the poor during the famine of 1973-75, and was only later converted into a stable and continuing strategy for poverty reduction.<sup>8</sup> However, the central government basically employed the public works schemes as an anti-poverty strategy when it initiated the Food for Work Programme in 1977. In 1980, Indira Gandhi as the Prime Minister introduced a number of major targeted programmes for poverty reduction. Two national programmes launched by her were the mainstay of India's anti-poverty strategy for about a decade starting in 1980: the Integrated Rural Development Programme (IRDP) and the twin wage employment programmes of NREP and RLEGP, and, as mentioned, were the immediate predecessors to JRY.

These major targeted programmes were representative of two important but contending schools of thought on poverty reduction strategies. The one that favoured an IRDP type strategy argued that "the poor could and should become producers in their own right," and that this was eminently possible if they could be helped to procure cheap

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<sup>7</sup>World Bank (1990) succinctly reports on similar efforts made by a number of other African and Latin American countries. For more detailed country studies, for example, see Wurgaft (1995) and World Bank (1993) on Latin America; Ling and Zhongyi (1995) on China. For broader studies on wage employment and public works programme with an international context see, for example, Cornia, *et al.* (1988); Lipton and Gaag (1993); Clay (1986); Burki *et al.* (1976); Devereux and Solomon (2006); Devereux (2002); and Subbarao (1997). For a theoretical perspective, see Ravaiilion (1990); Ravaiilion (1991); Besley and Coate (1992); Besley and Kanbur (1993); Datt and Ravaiilion (1994); and Narayana, *et al.* (1988).

<sup>8</sup>Abraham (1980); Dandekar and Sathe (1980); Datar (1987); Echeverri-Gent (1988); Herring and Edwards (1983); Leiberman (1984); Ravaiilion, *et al.* (1993); Subramaniam (1975); and Dev (1995). See also the discussion of Maharashtra EGS in the context of EAS in WP 2.

(subsidized) credit easily. That would enable them to procure productive assets (e.g.: milch animals; poultry; sewing machines and the like) and the working capital to set up microenterprises and generate incomes to get out of the poverty trap. M. L. Dantwala, a noted economist of his time, best represented this school of thought in the following words:

[I]f a massive wage employment programme becomes the central piece of the strategy for the alleviation of poverty, the dependence of the poor on the employers, both private and public, will be so total that in the course of a few years there would hardly be any 'able and enterprising' left among the poor.... The poor can become producers in their own right and need not surrender to the fate of remaining mere wage earners forever.<sup>9</sup>

Nilkanth Rath, another eminent economist, countered this policy prescription and articulated the superiority of wage employment programmes equally forcefully:

[T]he strategy of helping the poor in rural society to get over poverty with the help of assets given to them [is] largely misconceived.... The most meaningful way the bulk of the poor can be provided greater income to enable them to rise above the poverty line is greater opportunity of [wage] employment at least at the basic subsistence wage rate.... In this there is no demand on [their] entrepreneurial skills, no worry about repayment of a loan, and no demoralizing pursuit of a subsidy.<sup>10</sup>

Indian planners took the position that self-employment and wage employment approaches are not zero-sum strategies; both can coexist in a win-win mode to have their impacts on poverty optimized, although both programmes came in for a fair share of critical evaluation.<sup>11</sup> However, since the late 1980s there appears to have been a shift in the Indian Government's thinking, which eventually pushed the wage employment schemes to be the mainstay of its anti-poverty programme. Since then a number of attempts to increase the scale of penetration and effectiveness of wage

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<sup>9</sup>Dantwala (1985).

<sup>10</sup>Rath (1985).

<sup>11</sup> Besides Dantwala (1985), see PEO (1985); RBI (1984), IFMR (1984); NABARD (1984); and Pulley (1989) for critical evaluation of self employment schemes such as IRDP. Also see Parik (1989); Mandal (1993); Echeverri-Gent (1993); Deolalikar (1995); Hirway (1984); Bagchi (1987); ILO (1984); Bandopadhyay (1985); and Bandopadhyay (1988) as well as Rath (1985) for critical studies of wage employment programmes.

employment programmes have been made, culminating in the launch of NREGS, claimed as by far the most effectively designed wage employment programme in India.

**Table 1.1: All India Performance of NREP and RLEGP 1980-1988**

Year	NREP		
	Resource availability (Rs. million)	Expenditure (Rs. million)	Mandays (In million)
1980-81*	3463.2	2190.3	413.58
1981-82	4603.7	3176.3	354.52
1982-83	5401.5	3947.6	351.2
1983-84	5355.9	3922.2	302.76
1984-85	5906.8	5191.4	352.31
1985-86	5930.8	5319.5	316.41
1986-87	7651.3	7177.7	395.39
1987-88	8882.1	7883.1	370.77
1988-89	8456.8	9018.4	394.96
<b>Total</b>	<b>55652.10</b>	<b>47826.50</b>	<b>3251.90</b>
<b>NREP +RLEGP</b>	<b>87054.80</b>	<b>71946.30</b>	<b>4418.89</b>

\* This year includes a part of funds of the Food for Work programme. Resources under NREP shown in the Table were provided by the Source: Compiled from Planning Commission (1985), Planning Commission (1992), and Planning Commission (1997), and Basu (2000)

This brief historical account gives a context to the coming of the JRY, but still leaves a major question unanswered: why were NREP and RLEGP dismantled and merged to constitute JRY if wage employment programmes were eventually finding favour with the policy planners? In fact, their nine year scorecard appears too impressive to have justified their abandonment in 1989 (see Table 1.1). Cumulatively, about Rs. 47826.50 million under NREP and Rs. 24119.80 million under the RLEGP had been spent until 1989. This combined investment of approximately Rs. 72 billion had, as Table 1.1 reveals, resulted in the creation of 4418.89 million mandays, or about 4.4 billion days of employment in the country. By any standard, this was an impressive record and heightened the question that if JRY was being established merely by merging these

two equally massive ongoing wage employment programmes, then what was new in and what was the rationale of this move?<sup>12</sup>

## **2. Envisioning JRY as a pro-poor empowering programme to free people from power brokers and corrupt bureaucracy**

This thesis argues that JRY was not an algebraic summation of resources, but a fundamental reformulation of the foundational principles on which previous policies had rested. This point will be returned to later, but first the point of impressiveness of the scorecard (Table 1.1). This is an official record, and official records are always like this, in every regime: *imposingly impressive!* Nonetheless, young Rajiv Gandhi, having toured a number of villages all across the country,<sup>13</sup> could see the reality through and beyond these statistics. That he could penetrate the statistical veil was perhaps because he was a novice in politics, and the murkiness of political world had yet not mired his vision and blunted his sensibilities. The intense travelling across the length and breadth of India during the initial years of his apprenticeship in politics, and later during the election campaign he had headed after his mother's death in 1984, led him to see that the rampant bureaucratic unresponsiveness and corruption had been damaging not only the NREP and RLEGP, but other pro-poor programmes of the time. He realized that these programmes had reached less than half the total number of villages in India despite their long years of operation.<sup>14</sup> The eventual condemnation of Indian

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<sup>12</sup>This question had agitated a few minds when JRY was being planned. For example, Prasad had observed that the merger of NREP and RLEGP was “justified if these two programmes were unqualified failures (*which he clearly thought not to be the case in the light of their scorecards: author*) and if JRY added substantially to the outlay available through these two previous programmes” (2003: 67). Others who also saw JRY as simply a merger of NREP and RLEGP had therefore even more sceptically remarked that JRY was “old wine in new bottle” (Rao, 1989: 5); or “a political gimmick.” (Gupta, *et al.*, 1990: 1). The Times of India had even conducted a survey in 69 villages in 47 districts of 16 states and reported on its basis that JRY, *inter alia*, was seen as a mechanism set up by Congress (I) to channel funds to its election agents and as a rehash of earlier employment programmes such as NREP and RLEGP (Mitra, 1989: 5).

<sup>13</sup>PMO (1984) reports that Rajiv Gandhi covered 250 villages across the length and breadth of the country during the election campaign of 1984.

<sup>14</sup>Gupta, *et al.* (1990).

bureaucracy, that surpassed those made his mother<sup>15</sup> and grandfather<sup>16</sup> as his predecessors, voiced in his famous Congress Centenary speech at Bombay in 1985 was extraordinarily devastating:

And what about the iron frame of the system, the administrative and the technical services, the police and myriad functionaries of this State? They have done so much and can do so much more, but as the proverb says there can be no protection if the fence starts eating the crop. We have government servants who do not serve but oppress the poor and the helpless, police who do not hold law but shield the guilty..... They have no work, no ethic, no feeling for the public cause, no involvement in the future of the nation..... They have only a grasping, mercenary outlook, devoid of competence, integrity and commitment.<sup>17</sup>

However, this strong resentment against centralist bureaucracy's failings was not unique to India. The 1970s and 1980s witnessed a similar disenchantment and loss of faith in it, not just in developing but also in developed countries, leading to a number of experiments in governance reform, for example: the new public management, decentralisation, public-private partnership, community-driven programmes, and the like. Perhaps Rajiv Gandhi's condemnation of the Weberian bureaucracy was also a product of the time and its ideational milieu.

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<sup>15</sup>Indira Gandhi had lamented that bureaucracy is not committed. However, many had challenged this on the count that in the name of commitment, she had been expecting the bureaucracy to turn personally loyal to her.

<sup>16</sup>Not wanting any continuation of the colonial bureaucratic system after independence, Jawaharlal Nehru, the first premier of India, had observed in 1934: "No new order can be built in India so long as the spirit of the Indian Civil Service pervades our administration and our public services..... [it is therefore] essential that the ICS and similar services must disappear completely" (Nehru, 1963: 445). But this did not happen for various historical reasons and he had to live and work with the Indian avatar of the ICS system (IAS) throughout his 17 years of the rule. However, it is interesting to find that in the last year of his life in the spring of 1964, when asked in a private meeting with some friends what he considered to be his greatest failure as India's first Prime Minister, he had remorsefully remarked: "I could not change the administration; it is still a colonial administration..... (continuation of that colonial administration) was one of the main causes of India's inability to solve the problem of poverty" (Potter, 1996: 2).

<sup>17</sup>This speech delivered at the Congress Centenary session held at Mumbai, December 28, 1985, is famously known as the Centenary Resolve (Gandhi: 1985). Gandhi's sentiments are in stark contrast to those of the first Home Minister of India, Sardar Ballabh Bhai Patel, who had paid glowing tributes to the bureaucracy: "I have worked with them during this difficult period..... they are patriotic, loyal, sincere, able.... remove them, and I see nothing but a picture of chaos all over the country" (Govt. of India, 1949: 48-52).

But it was not the bureaucracy alone that came in for a scathing attack. He boldly went ahead to paint the political culture of the time as dominated by the power brokers:

Now let us look at ourselves. .... Instead of a party that fired the imagination of masses.... we have shrunk, losing touch with the toiling millions.... We are drifting away from the people..... Millions of ordinary Congress workers throughout the country are full of enthusiasm for the Congress policies and programmes.... But they are handicapped, for on their backs ride brokers of power and influence, who dispense patronage to convert a mass movement into a feudal oligarchy.<sup>18</sup>

With such thoughts being aired from the highest echelon of political power, Indian politics and development were obviously moving in two directions: (i) empowering the people of India to politically participate in the decision making process, so as to free them from power-broker politicians and take charge of their own destiny; and (ii) empowering them with developmental resources and authority to decide over them to be free from the corrupt and stifling grip of the centralist bureaucracy. The concrete visions of these resulted in the shaping of the path breaking 73<sup>rd</sup> constitutional amendment aimed at establishing the *panchayati raj*, the decentralized institution of local governance as the third tier of the Indian State, and, in the design of JRY, aimed at bringing developmental resources down to the villages under the direct command of the *gram sabhas*. Both were put forward in 1989. The former did not succeed, as the Congress party did not have a majority in the *Rajya Sabha* (the Upper Council of the Parliament),<sup>19</sup> but the latter, being an administrative measure, was achieved by one stroke of a pen in the same year.

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<sup>18</sup>Gandhi (1985).

<sup>19</sup>On 15 May 1989 the Constitution (64<sup>th</sup> Amendment) Bill was introduced in Parliament. Though it won a two-thirds majority in the Lok Sabha (lower house), it failed to meet the mandatory requirement by two votes in the Rajya Sabha (upper house). The National Front government introduced the 74<sup>th</sup> Amendment Bill (a combined bill on panchayats and municipalities) on 7 September 1990 during its short tenure in office but it was never taken up for discussion. After the return of the Congress party to power, -in September 1991, it introduced the 72<sup>nd</sup> (panchayats) and 73<sup>rd</sup> (Municipalities) Constitutional Amendment Bills, which were passed in both chambers in December 1992 as the 73<sup>rd</sup> and 74<sup>th</sup> Amendment Acts, and came into force in 1993 (Mathew and Mathew, 2003).

What did this one stroke of a pen imply? It resulted in a dramatic overnight transfer of Rs 24.6 billion, or about 1.5 times the entire resources spent until then on India's wage employment programmes (Table 1.2), from the all powerful institutions of the District Magistrate and Collector (DM) into the hands of the common, often illiterate and poor, women and men in about 500,000 villages of India.

**Table 1.2: All India Performance of JRY (1989-1997)**

Year	JRY		
	Resource availability (Rs. million)	Expenditure (Rs. million)	Mandays (In million)
1989-90	26000.00	24580.80	2548.15
1990-91	26278.00	25885.20	
1991-92	26209.00	26632.30	
1992-93	31823.40	27095.90	782.10
1993-94	38830.90	38787.10	1025.80
1994-95	43706.70	42683.30	951.70
1995-96	46070.70	44669.10	895.80
1996-97	20483.80	21639.80	400.60
1997-98	24257.90	24393.80	394.90
1998-99	25465.30	24283.10	330.50
<b>Total</b>	<b>309125.70</b>	<b>300650.40</b>	<b>7329.55</b>

Note: JRY resources came from the central government (80%) and state governments (20%).  
Source: Compiled from CAG (2000) and GoI (1998)

As its upshot, the locus of the decision making over this massive resource shifted from the hallowed chambers of the District Magistrates (DMs), usually occupied by the IAS officers, the Indian avatar of the Cambridge and Oxford trained British ICS officers,<sup>20</sup> to the tattered huts and mud houses of the common villagers. More fundamentally, this also entailed a new belief system coming into play against the Weberian one, scripting new understandings and values about who had the capacity and knowledge to utilize this massive resource for the good of the people and society. The latter holds that in the persona of the IAS officers, who come through one of the toughest merit-based competitive exams in the world,<sup>21</sup> the best

<sup>20</sup>Potter (1996).

<sup>21</sup>For example, Lant Pritchett, Professor at Harvard University, makes an interesting observation in this regard: "The IAS is full of officers who have passed an entrance examination and selection process that

of intelligence, knowledge and leadership was bestowed on the centralist bureaucracy in India. So the DMs, guided by their seniors (usually from the same All India Service of the IAS) sitting in the state capitals and in Delhi, know what is best for the millions of villagers; and with a small contingent of their subordinate formations, for example: the BDOs, engineers, *panchayat sewaks*, village level workers and contractors, they have the professional and technical capacities to get those ‘bests’ executed in ‘best ways’ for the villagers too. But all this stood radically reversed, at least in the vision, with its following rewriting that the new belief system aimed at: The common villagers know best about what is best for them, so *they should decide*. They can execute the best what they decide, since they are the direct beneficiaries of the quality execution, *so they should execute*.

### **3. Designing structural and operational features of JRY**

These are the foundational features of JRY. They, however, may appear as more conceptual than concrete, but the following section will show how the structural features of JRY reflect these foundations in concrete operational terms<sup>22</sup>:

***i. How did JRY ensure that the resources would truly be transferred to the people?:*** All NREP and RLEGP funds went to the districts and were sub-allocated to Block level offices, the lowest level to which they could flow, where they were utilised by officials as per the relevant guidelines subject to vertical oversight by the institution of the District Magistrate. Under JRY, for the first time funds were

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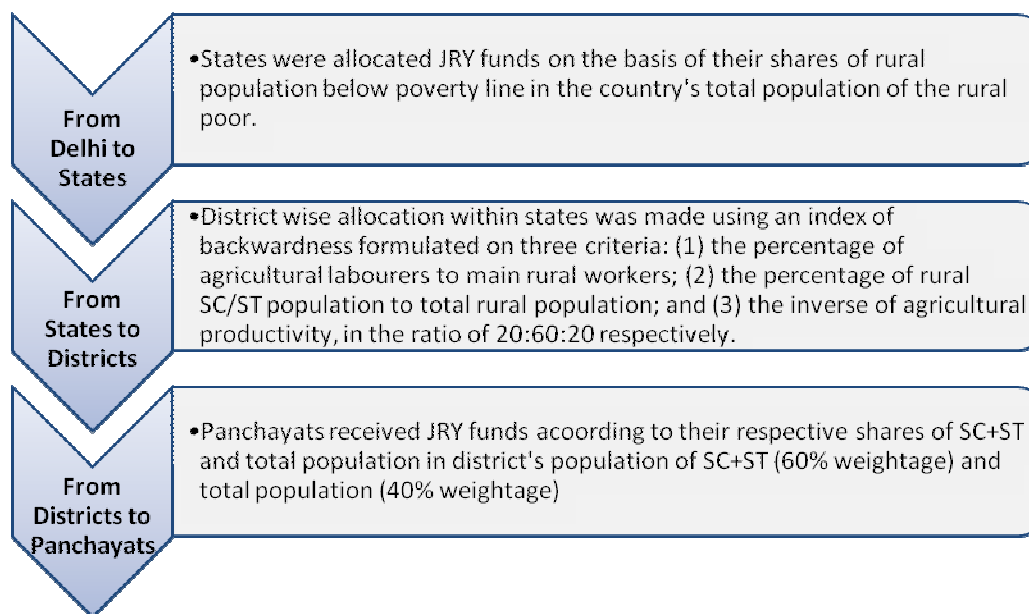
makes getting into Harvard look like a walk in the park. As a personal example, having lived and worked in India recently for the World Bank (from 2004 to 2007) my impression was that the World Bank, which tries to recruit staff of high quality with international expertise (and to my assessment succeeds), was by and large matched or over-matched at nearly every level by their counter-parts at the corresponding levels in the government. The brains of the Indian state can formulate excellent policies and programs in nearly every domain.”

However, before an unrealistic conclusion about the capacity of the Indian State is drawn from this, he adds: “And yet, as I describe more fully ... the capability of the Indian state to implement programs and policies is weak—and in many domains it is not obvious it is improving.” (Pritchett, 2009:3). See also Tendler (1997).

<sup>22</sup>The details given under this are primarily based on the GoI (1989, 1994) and Planning Commission (1992, 1997).

pushed further down to the panchayats. To enforce this without slippages, and also prevent corruption from miring the whole process, no discretion was left to district officials in sub-allocating the funds.

**Diagram 1.1: Principles of JRY Fund Flow from the Capital of India to the interior Panchayats**



They were instead mandated to transfer those to panchayats' accounts through bank networks (bypassing the Block offices) in proportion to panchayats' population in the districts (see also Diagram 1.1 for a detailed overview of the fund devolution principles).<sup>23</sup>

<sup>23</sup>The author recalls from his days of posting as the District Magistrate in the District of Sasaram (1990-92), Bihar that as a DM all that he was expected to oversee was whether a massive list of panchayats, with their SC and ST - total population shares in district's corresponding population figures were being properly tabulated in advance; every instalment of JRY funds were sub allocated to panchayats as per - JRY's stipulated formulae; and such a list - was sent to the banks to make inter branch transfers to panchayats' accounts. This was hugely different from the experiences he had as a DM of Bhojpur district (1987-88), when NREP and RLEGP were in operation. He and the other DMs then were centrally involved in ensuring that the programme funds were fairly devolved down to the block level (NREP), their action plans prepared, and staff were engaged in implementing them well, which in turn required keeping constant vigil. These all were gone when the JRY came in. And, as noted above, the altered duty was: just transfer the resources to panchayats in a mechanical manner and leave the rest to them!

**ii. How would the people utilize JRY funds in their interests?:** JRY offered full liberty to panchayats to make their annual action plans of small infrastructural projects as per the people's felt needs. Flexibility was given to panchayats to decide on the type and size of the projects to ensure that plans reflected the priorities of the people as fully as possible. Though panchayats could also draft such plans on the basis of sarpanchs' and panchs' knowledge of the needs of the people (as elected representatives, they were expected to know), the final selection of the projects and their priorities could only be done by the people in the *gram sabhas*.

**iii. How could the people control the execution of projects?:** First, panchayats were given the liberty to administratively approve and also get the projects technically prepared and executed with the help of local knowledge and experiences (given the uncomplicated nature of small projects, this was thought to be feasible). In the process, bureaucratic and technical dependence on the old and much maligned structure of governance was largely removed.<sup>24</sup> Second, contractors or outside agencies were strictly banned. Instead, execution was passed to the hands of panchayats or villagers' committee constituted by them for this purpose. With the people coming in full control of execution, it was assumed that they would ensure the best results, since they themselves stood to gain the most from doing so.

**iv. How would the people keep a constant vigil?:** JRY guideline stipulated the constitution of a vigilance committee of the villagers. This was expected to keep a concurrent vigilance on the execution process.

**v. If for some reason panchayats went 'wayward', how would people discipline them and protect their interests?** The final and the most powerful provision for establishing people's ultimate control over the programme was that of the *Social Audit*. This is an extremely crucial provision that Madhya Pradesh

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<sup>24</sup>However, block technical staff (junior engineers, assistant engineers) and other functionaries were, in principle, available to assist panchayats, should they be required or preferred. In many states, though, the procedure of sanctioning the estimate and project's technical measurement remained in the hands of the block officials, especially the engineers. This is further discussed in Section. 3.v.

introduced in an unprecedented and bold way for the first time in the country, signalling its remarkable commitment to the ideals of people's empowerment. Hence, it requires some elaboration.

The initial JRY guidelines, as mentioned above, gave the panchayats freedom of administrative approval of projects and also of their execution. However, a running technical measurement of an ongoing project to verify its quality and expenditures and for permitting further expenditures remained as necessary as in the past. A final technical assessment after completion was also mandatory.<sup>25</sup> The indispensability of this procedure since the British times,<sup>26</sup> due to its credibility as the tested method of evaluation of project's proper progress and of safeguarding the public money, remained unquestioned for more than hundred years under the *Raj* and even in the five decades past independence until the mid 90s. The State of Madhya Pradesh, however, came out with an extraordinary order<sup>27</sup> stipulating a new methodology - the *Social Audit*. It allowed panchayats to do away with the requirement of technical measurement for projects worth Rs 100,000 or less.<sup>28</sup> Instead, the provision mandated them to place full information regarding expenditure, progress and completion of such works in the *gram*

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<sup>25</sup>For example: if a small village lane is estimated to be of the value of Rs. 20,000, standard official procedure for releasing funds is to allow an advance of about 25% of the estimated cost, to the executing agency (whether government staff, panchayat person, or a villager, though often contractors work from behind). However, before the second tranche release, an engineer visits the site, measures the value of the work done and assesses whether it is at least worth 90% of the advanced amount. Only when confirmed, does the fund releasing authority releases further funds (usually in instalments of 25%) to continue the progress until the project is complete. After completion, a full and final assessment is done to vet the overall quality and the propriety of all funds used (*personal knowledge from working as a senior civil servant in the IAS in the state of Bihar: it is common knowledge among civil servants that every state adopts the same principle unambiguously*).

<sup>26</sup>It will be interesting to know that the crucial Financial and Technical Codes that state governments and the centre follow till today, wherein this principle remains intact, were first written during the colonial times (*personal knowledge*).

<sup>27</sup>The first order was issued by the Department of Panchyat and Rural Development, Government of Madhya Pradesh vide its Departmental order no. 8322/22/dev-2/95, Bhopal, dated 7 April, 1995. Subsequently, a more comprehensive order was issued vide Departmental orders no. 18069/22/J.R.Y./dev.-7/96, Bhopal, dated 30 October, 1996.

<sup>28</sup>In the beginning, the stipulation was for the value of 50,000, but subsequently it was enhanced to Rs. 100,000.

*sabhas*.<sup>29</sup> People could even demand a social audit if panchayats failed to do so. If the villagers approved the details (and they even had the power to verify them before granting their approval), those would be deemed to be just and confirmed. Common villagers' collective approval in *gram sabha* was thus placed as equivalent to that by a technical measurement.

That this gives exceptional power to people, in fact, establishes their conclusive command over all funds and programmes (including JRY) and, indeed, over panchayats, is obvious. It must also be pointed out, however, that the establishment of the social audit ethos was equally due to the fact that the required technical measurements implied that bureaucrats and technical staff would be back in business, albeit through the back door, and thus possibly compromise people's control over the JRY. Additionally, and more apprehensively, the same old story of rent extraction - junior engineers charging 10-15% of the value of the measurement as 'commission' to vet it, and so forth - would repeat, corrupting JRY right from the beginning. None other than the Chief Minister of the Madhya Pradesh himself shared this as his major concern that had driven him to conceive of social audit::

I have this experience that whenever authorities are given to the people and there is no interference by the State or local officials, they perform well. But, whenever those actors come in, performances go down. ... If a sarpanch is entitled to get Rs. 5 lakhs for a building construction project, but in order to get this money he has to give a cut to the higher level of bureaucracy that releases this money - because if he does not, he will not get a proper utilization certificate from the official - then he is forced to make a building of Rs. 5 lakhs in only Rs. 4 lakhs. Once this happens, the sarpanch also thinks that all that matters is the utilization certificate and since the person concerned is on his side because of the payment of the cuts, he could also make

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<sup>29</sup>The salient points of the social audit as stipulated in the government orders referred are the following: (i) No work will be executed by the panchayat unless it is included in a plan which stands approved by the *gram sabha* (sec. 1.2); (ii) Full details of progress of approved works, which should include expenditure amount, physical progress, expenditure on labour and material, quality of work, and so forth would be presented by the sarpanch before the *gram sabha*. The *gram sabha* can either approve the details or object to them, in which case an enquiry will be conducted and appropriate action would follow as per the findings of the enquiry (sec. 6.1.6).

some money for himself as well. In the process, he no longer remains accountable to the community, to the *gram sabha*.<sup>30</sup>

However, if people are allowed to verify and approve expenditures and quality, they are bound to do that well and in uncorrupted ways, since well executed developmental projects directly serve their interests. The *Social Audit*, thus, was an ingenious move that proverbially killed two birds with one stone, protecting JRY from both (potentially) perverse panchayats and (often perverse) bureaucrats.

#### **4. Altering the Institutional logic of poverty reduction programme to push JRY through a leap of faith**

Why should this resultant institutional arrangement securing people's direct control of JRY lead us to expect that its pro-people outcomes could be not only certain but also superior to those possible under its predecessor programmes? To answer this, we must examine the institutional logic inherent to JRY's design. Three central elements configure this logic: (a) transaction costs of securing bottom-up flow of felt-needs; (b) transaction costs of unravelling principal-agent conundrums; and (c) the challenge of keeping interest and incentives aligned (see schematic presentation in Diagrams 1.2 and 1.3).

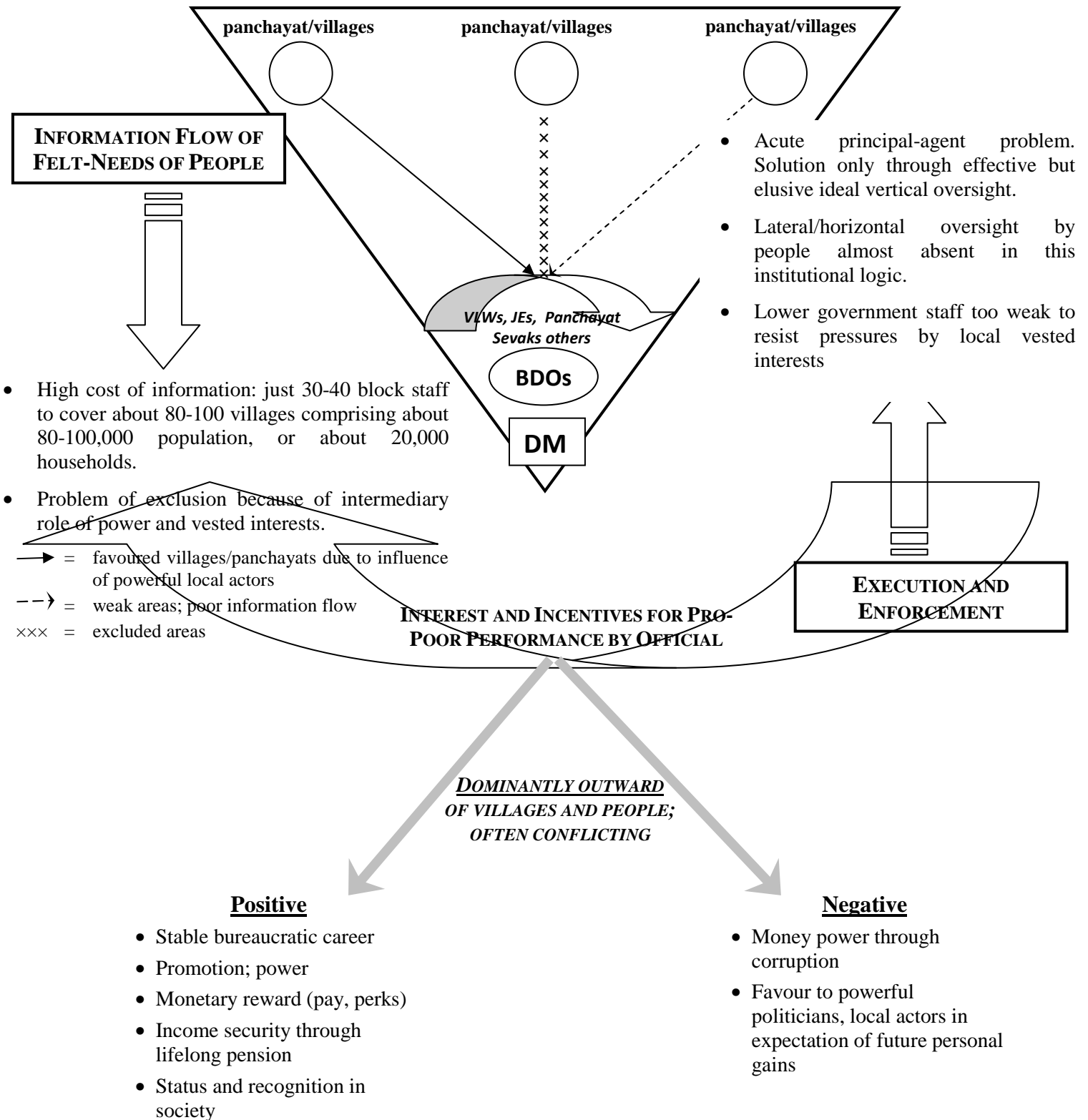
##### **(a) Transactions Costs of Securing Bottom-Up Flow of Felt-Needs:**

Consider the usual developmental bureaucracy in India. The BDO's office is still the closest layer to the people and even today serves about 60-100,000 villagers, spread over about 80 to 100 villages. With no more than 20-30 staff in a typical BDO office, on average each of them is expected to be in touch with about 3,000 to 4,000 villagers, or about 600 to 800 households, spread over three or four villages, and to know their felt-needs to inform the formulation of plans of action under programmes such as the NREP. Villages can be as far as 10-15 kilometres from the office and some are spread over wide areas – as much as seven to eight square kilometres

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<sup>30</sup>Interview, (ex) Chief Minister of Madhya Pradesh, Shri Digvijay Singh, 16 August, 2003.

**Diagram 1.2: Schematic Representation of the Institutional Logic underlying the usual Webrian Model**



(for example, in the tribal Mandla district of Madhya Pradesh). Consequently, it is rational to expect that, at best, there used to be only a partial information flow from below. Even that used to be more often distorted by local politicians for colonising the resources to favour their zones of influence. Resultantly, an exclusionary plan of action was then the order of the day, despite the intents of these programmes to the contrary.<sup>31</sup> Intents, laudable as they may be, can prove powerless if the institutional logic that unfolds them is deficient or contradictory.

Now consider JRY's alternative matrix of information flow. In contrast to a single staff member attempting to map the needs of 6-700 households, each of 15 to 20 elected panchs in a panchayat can officially voice the felt-needs of the roughly 30-40 households they usually represent (see Tables 1.3, 1.3A & 1.3B for their exact numbers in the research panchayats). Those 30-40 households would be usually within walking distance of the house of their representative panch, thus the latter could be aware of villagers' problems simply through many years of living together so closely. Even in the unlikely scenario that the information flow did not work through the representative panchs, people have the option to directly voice their felt-needs in a *gram sabha*. The transaction costs of information flow of people's felt-needs under this are thus bound to be zero.

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<sup>31</sup>Stuart *et al.* (2005) report on how the EAS funds, when being administered by the Block officials in Bihar, excluded a number of panchayats and villages entirely from the benefit of this programme despite their long years of operation. More powerful village actors, politicians and contractors influenced the decision-making to get the funds concentrated in a few privileged panchayats. See also Srivastava *et al.* (2003). WP 2's discussion of EAS in MP, interestingly, tells a similar story even when elected panchayati raj representatives, and not the block and district officials, decided the distribution of resources. In this context, making the resources available at panchayat level and allowing the people (through the *gram sabha*) to decide their use was a fundamentally empowering provision.

**Table 1.3 : Average number of Households represented by each Panch of Research Panchayats**

Research Block	Main Research Panchayat	Total no. of HHs	Total Panch	Average no. of Hhs represented by each panch
Ghughri	Ramhepur	384	15	26
Raipur (K)	Delhi	438	16	27
Manasa	Sandia	489	20	24

**Table 1.3A  
Distribution of Panch by Social Category  
1999-2004**

Social Category	Ramhepur	Delhi	Sandiya
Schedule Tribe	13	3	0
Schedule Caste	0	1	1
Other Backward Caste	2	6	16
General	0	6	3
<b>Grand Total</b>	<b>15</b>	<b>16</b>	<b>20</b>

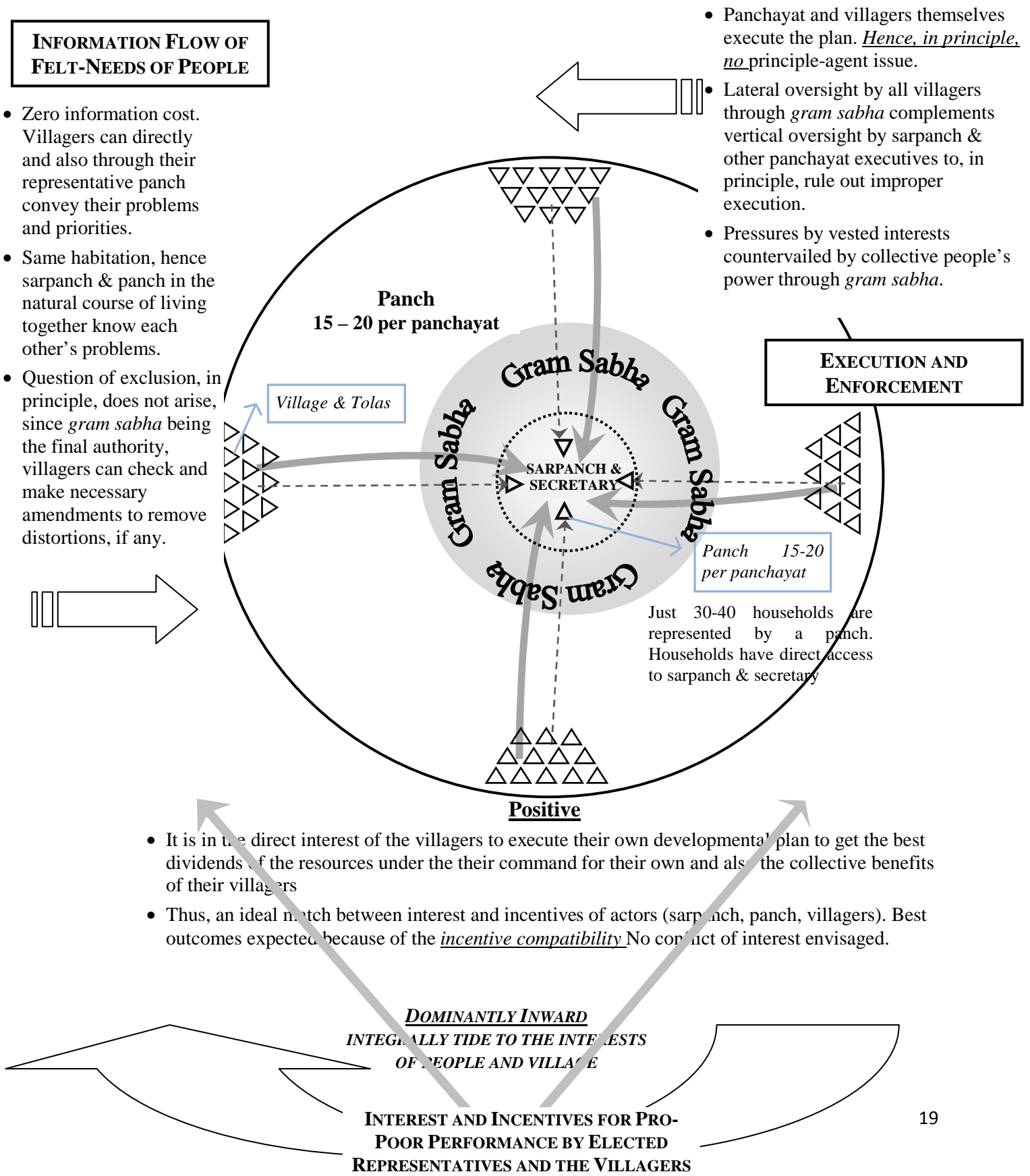
**Table 1.3B  
Distribution of Panch by Literacy Status  
1999-2004**

Literacy Status	Ramhepur	Delhi	Sandiya
Graduate and above	0	3	3
Matric/Higher Secondary	1	4	2
Middle	5	2	6
Primary	4	0	6
Without level	0	4	3
Illiterate	5	3	0
<b>Grand Total</b>	<b>15</b>	<b>16</b>	<b>20</b>

Source : For all Tables 1.3 to 3B, primary data from the field research.

**(b) Transaction Costs of Unravelling Principal-Agent Conundrum:** In a Weberian system, the only way BDOs, and their senior officers - the hierarchical layer of principals - can know what the petty government staff or contractors – agents - are doing (or not) is through a vertical oversight system comprised of field inspections. Consider its implication: a BDO may have to inspect about 100 villages and senior district officers about 1500 to 2000 villages, simply to know what the agents are doing

**Diagram 1.3: Schematic Representation of the Institutional Logic of JRY's People-centred Model**



on site. Self-evidently, the cost of information here is dauntingly high,<sup>32</sup> and consequently the cost of enforcement remains high too.

The institutional logic of JRY attempts to solve this issue thus: under JRY the principals are common villagers constituting the institution of *gram sabha*, and the agents are the sarpanchs and panchs, their elected representatives. The sites of implementation are right inside the villages, where in the natural course of living and working, principals observe what their agents are doing, e.g.: is the earthwork, or are the materials being brought in, to construct a road of good or inferior quality, and so forth? Additionally, agents are mandated to report all details on execution. Principals may demand a social audit if they wish. The very fact that agents' conducts is known to villagers (principals) so easily is in itself a huge deterrent to deviant behaviour by the former. *Gram sabhas* are empowered to disapprove the expenditures and recommend action, which could cost agents their current posts and even jeopardise future prospects of re-election to power.

**(c) The Challenge of keeping Interests and Incentives in Alignment:**

Bureaucrats have an interest in having a stable career, promotions, post-retirement pension, and the status and recognition of being a public servant. If the public service offers these as incentives for delivering on assigned official duties well and honestly, bureaucrats would behave in their own interests. This basic Weberian model of match between incentives and interests of bureaucrats has somehow worked, since Weberian bureaucracy still exists throughout the world. However, it always confronts two major tensions. The first is that interests can often misalign with the incentives. For

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<sup>32</sup>In a previous research, that this author was associated with, when a top district official of the Ranchi district (Bihar) was asked as to why most of the projects selected for the Employment Assurance Scheme (EAS) were of *pucca* (*definition please!*) nature, even when he knew full well that those would not generate sufficient employment - the central objective of the programme - he remarked: "If projects that are largely earthwork based (*kuchha*) are selected, it will be extremely difficult to check their quality. I was worried that such *kuchha* schemes would allow large scale corruption, and later the entire programme would turn out a scam. *Pucca* schemes are easily monitored and large scale corruption is not possible in any case, hence they are preferred." This was a disarmingly frank admission of the limitation of a principal (Deputy Development Commissioner in the district, overall in-charge of rural development works) in keeping effective checks on the workings of the agents (lower block officials). See Stuart, *et al.* (2005).

example, bureaucrats may find they can gain more wealth and power through corrupt practices, or they may favour powerful politicians in expectation of gaining their support to get lucrative postings in future or for protection against legal repercussions due to wrongdoing. The second is that the incentives on offer in the Weberian model are outwardly oriented: bureaucrats have no self interest in seeing villages develop and the poor do better in their lives. DMs and BDOs almost invariably do not belong to the villages they are officially assigned to serve. They are on a transferrable job, have a job to do, and move away. Their own life interests may centre far away from the villages, usually in state capital towns or metropolitan areas. Their children are most likely studying in good private schools elsewhere. So, in principle, it will not matter to them whether the roof of a school building is properly cast or not, since their children do not attend that school and so are free from the potential danger of a falling roof due to its bad quality of construction. Given the absence of an inward orientation of such incentives, misalignment with other, perverse, interests becomes hard to prevent except by strong *ex-ante* deterrent and *ex-post* punishment systems. This is not easily enforced in practice, as the misalignment of interests and incentives does not only affect agents, but also the principals. The resulting intractable dilemma of who oversees whom leads to the collapse of any vertical oversight system, no matter how robust its design is.

The institutional logic of JRY attempts to solve this problem by turning *all* the incentives inward. Villagers have a self interest in seeing that the developmental resources are best utilized. It is a matter of life and death for villagers to have a strong roof cast over a school building, since their children can, in extreme, live or die if the roof survives or collapses. If a road is well made, they stand to gain directly and immensely. For its lack of has meant immeasurable sufferings to them, especially when they have to carry their loved ones on cots during medical emergency passing through rain-filled ditches, or treading on unruly *mers* (thin earthen boundary separating agricultural plots) to reach a nearby health centre, but which could involve hours of struggle with, once again, life and death implications for the sick. And villagers cannot run away from the villages, just as a BDO can when transferred.

Under this scenario, JRY's inwardly-oriented incentive to villagers – that they can ensure best developmental outcomes from its funds – is a mirror image of the interests of both principals and agents (both are villagers). Consequently, the problem of misalignment between incentives and interests is axiomatically assumed to be non-existent in this case.

It is a different matter as to whether this altered institutional logic could play out in the villages as envisioned or not. And this research is precisely about finding what ultimately happened on the ground of these bold new principals and why. But, the preceding discussion demonstrates that the *ex-ante* policy reform envisioned through JRY entailed a paradigmatic change in the institutional logic with which earlier programmes had worked (or not).

The history of policy reforms across the world tells us that usually these come in a gradualist and incremental ways, but rarely in paradigm changing mode. The reason is not difficult to comprehend. When policies make a radical break from the past, they require politicians to tread an uncharted course with untested ideas, embracing considerable uncertainties and risks. Politicians rarely take this route, for failures can be mercilessly cruel to their prospects of survival in power. If sometimes they think otherwise, sceptics always are around to alert them to shun adventurism. And there was no dearth of them during Rajiv Gandhi's times too, who had voiced apprehensions early on.<sup>33</sup> However, when the influence of the dominant ideas of time and the restlessness of the 'agency' of a reformist leader, committed to doing something to change an old order, combines in fortuitous ways, beyond a point rational calculations of costs and benefits cease to influence the decision making. Instead, ideas and world views, and even values and faith come to play a central role. It is in this context that a claim was made in the beginning of this paper - and it is hoped that by now the foregoing discussion may have persuaded on it - that it was a strong belief in the wisdom and capacity of the common

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<sup>33</sup>See, for example, Roy (1989a); Roy (1989b); Mitra (1989); Sodhi (1989). See also Gupta, *et al.* (1990)

people that gave Rajiv Gandhi the courage to take a leap of faith <sup>34</sup> to venture into and unknown and possibly a slippery terrain through the visions of JRY.

## **5. Following JRY's footprints: Tracking the fund flow from Delhi to panchayats in Madhya Pradesh**

Having examined the theory behind JRY, the question must be asked: how well did the *ex-post* performance of JRY image its *ex-ante* promise? The point where the enquiry required to begin is the devolution of resources to panchayats, for if that had not happened, nothing else of JRY would have ever happened. Despite the challenges involved in tracking the fund flow from the Centre to the State of Madhya Pradesh, down to its districts, and finally into the bank accounts of the five research panchayats, comprehensive information on these was obtained. These have been provided in the following way: Appendix I gives the state-wise cumulative distribution of JRY resources for the years 1992-99 for all states; Appendix II gives the year wise district-wise

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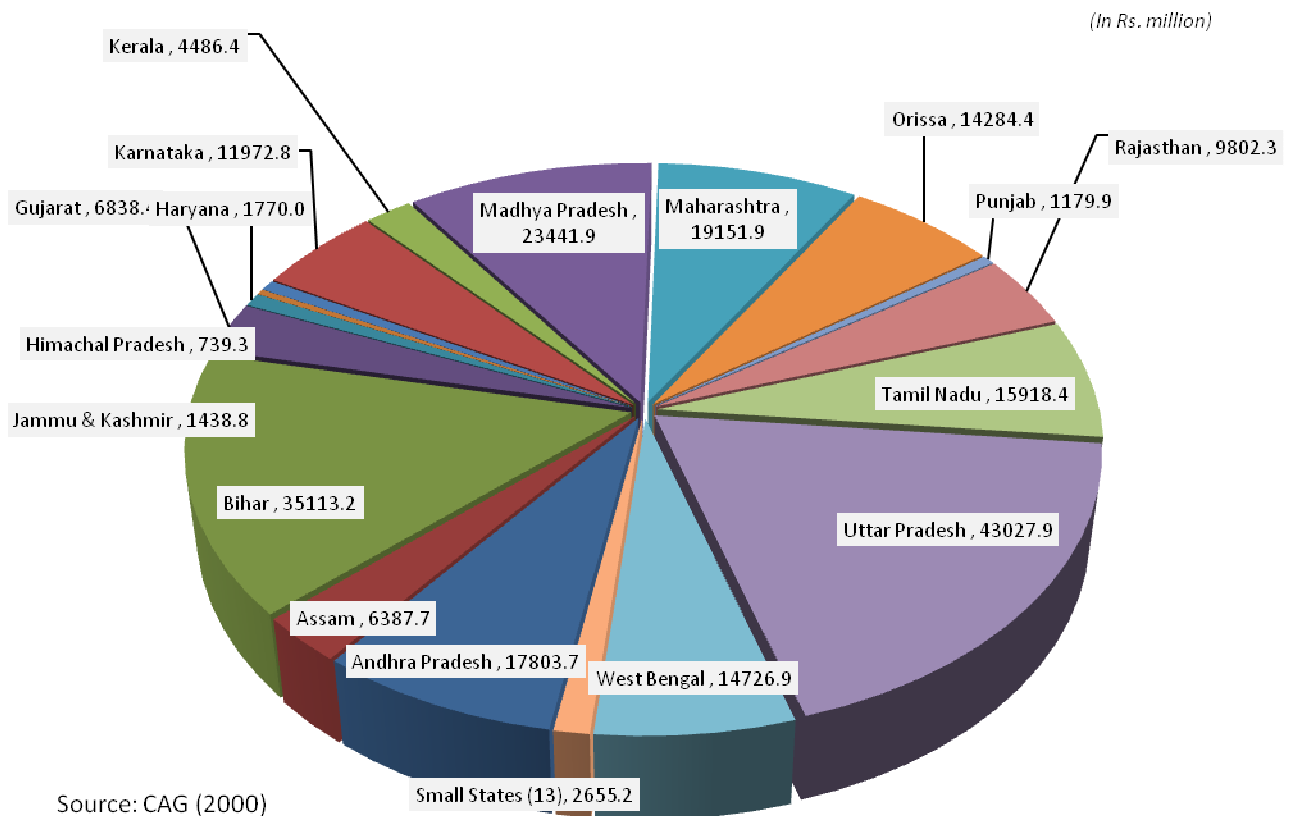
<sup>34</sup>The expression "leap of faith" is widely attributed to Danish philosopher and theologian Søren Kierkegaard. It is meant to express the conviction that knowledge cannot grasp the highest truth, but has to be superseded by radically underived religious commitment, namely the passion Kierkegaard calls faith (Kierkegaard, 1844/1940). Put simply, this phrase denotes an act of believing in or accepting something intangible or improvable, or without empirical evidence, commonly associated with, in the Kierkegaard sense, religious belief. It is not intended to suggest that Rajiv Gandhi had such kind of (religious) faith when this term is being used here. And yet the paradigm shifting policy reform does appear to entail a sense of faith, which cannot be easily understood in terms of empirically based, experientially generated knowledge base.

Discarding the religious dimension associated with this phrase, it can be used to denote a sense of strong trust, defined as *a state of favourable expectation regarding other people's actions and intentions* (Möllering, 2001). As such it is seen, for example, as the basis for individual risk-taking behaviour (Coleman 1990), co-operation (Gambetta 1988), reduced social complexity (Luhmann 1979), or order (Misztal 1996). Or, as Giddens has argued, as a "leap to commitment, a quality of "faith" which is irreducible" (1991:19). It stands for a process in which we reach a point where our interpretations are *accepted* and our awareness of the unknown, unknowable and unresolved is *suspended* (Giddens 1991). This strand of thought was already present in German philosopher Georg Simmel works too, wherein he sees this suspension as "both more and less than knowledge" (Simmel 1990:179; quoted in Möllering, 2001) even standing "outside the categories of knowledge and ignorance" (Simmel 1950:318; quoted in Möllering, 2001). On this idea of *suspension*, Möllering further rightly points out that: "One can catch glimpses of suspension empirically when people say things such as: 'everything will be fine,' or 'just go ahead'" (Möllering, 2001: 441). In a way, when reformist leaders muster courage to make a radical break from the past, suspending their awareness of the unknown, aren't they saying this: "just go ahead"? This issue will be returned - more fully in WP 5.

devolution of funds for the state of Madhya Pradesh for the period of 1994-2000; and Appendix III gives the details of the devolution of JRY funds to the research panchayats. However, since these are voluminous, Diagram 1.4 presents the relevant data in a focused way.

It will be evident from Diagram 1.4 that from 1992 till 1999, a total allocation of Rs. 230.7 billion was made to different Indian states by the central government (80% share) and the respective state governments (20% share), which amounted to a flow of about Rs. 33 billion per year.<sup>35</sup> Rs. 223.5 billion was utilized against this by all states (96.9%), translating into a creation of approximately 4.8 billion mandays over the seven year period in about 500,000 villagers of India spread over 5,092 blocks within 557 districts of the country.<sup>36</sup>


**Graph 1.1: State-wise Release of JRY Funds (Centre+State – 80: 20) 1992-99**

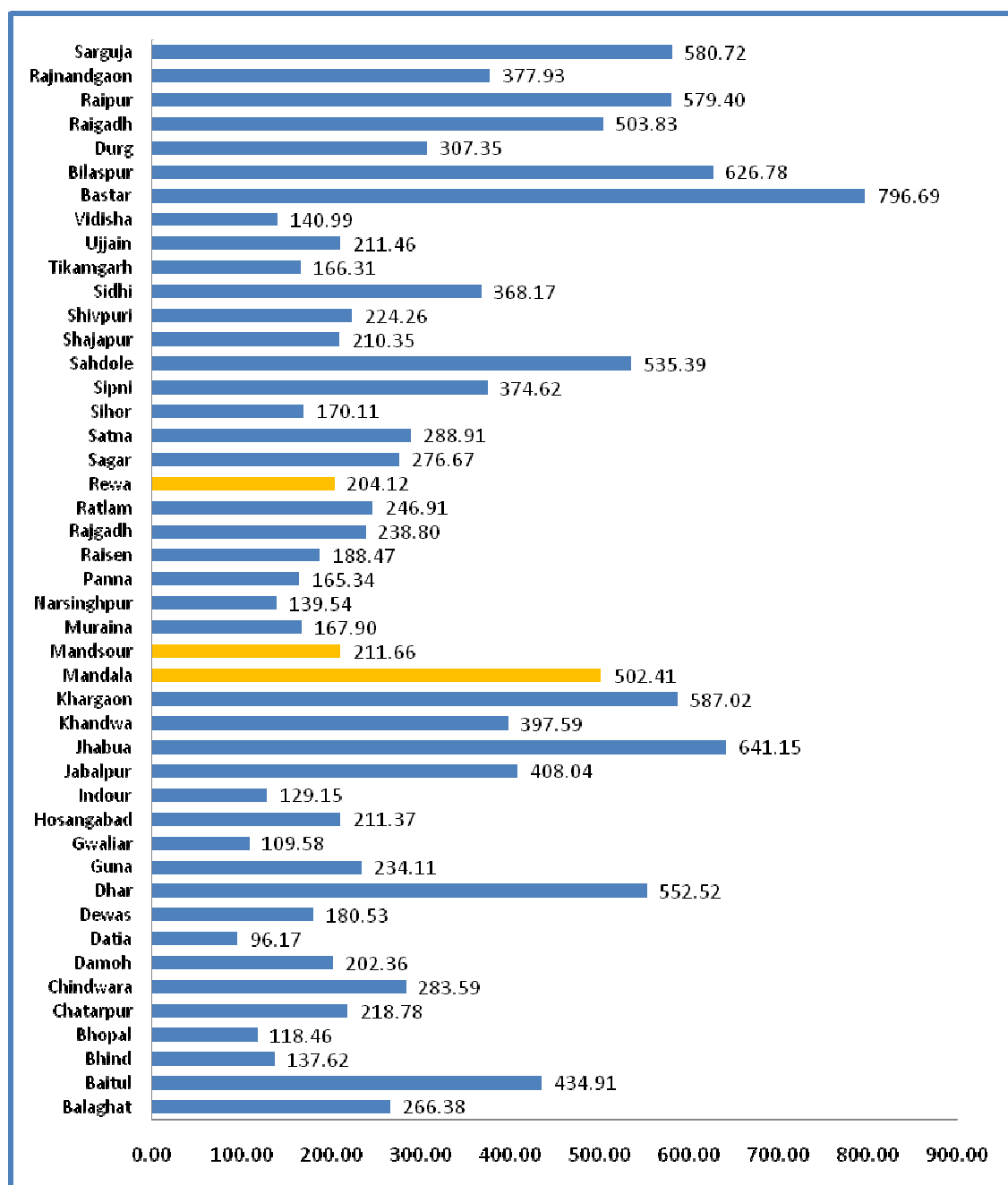


<sup>35</sup>CAG (2000:Ch.: 3)

<sup>36</sup>Basu (2003)

**Graph 1.2: District-wise Sub Allocation of JRY Funds in Madhya Pradesh (1994-98)**  
(Figures in millions)

 = Research districts\*

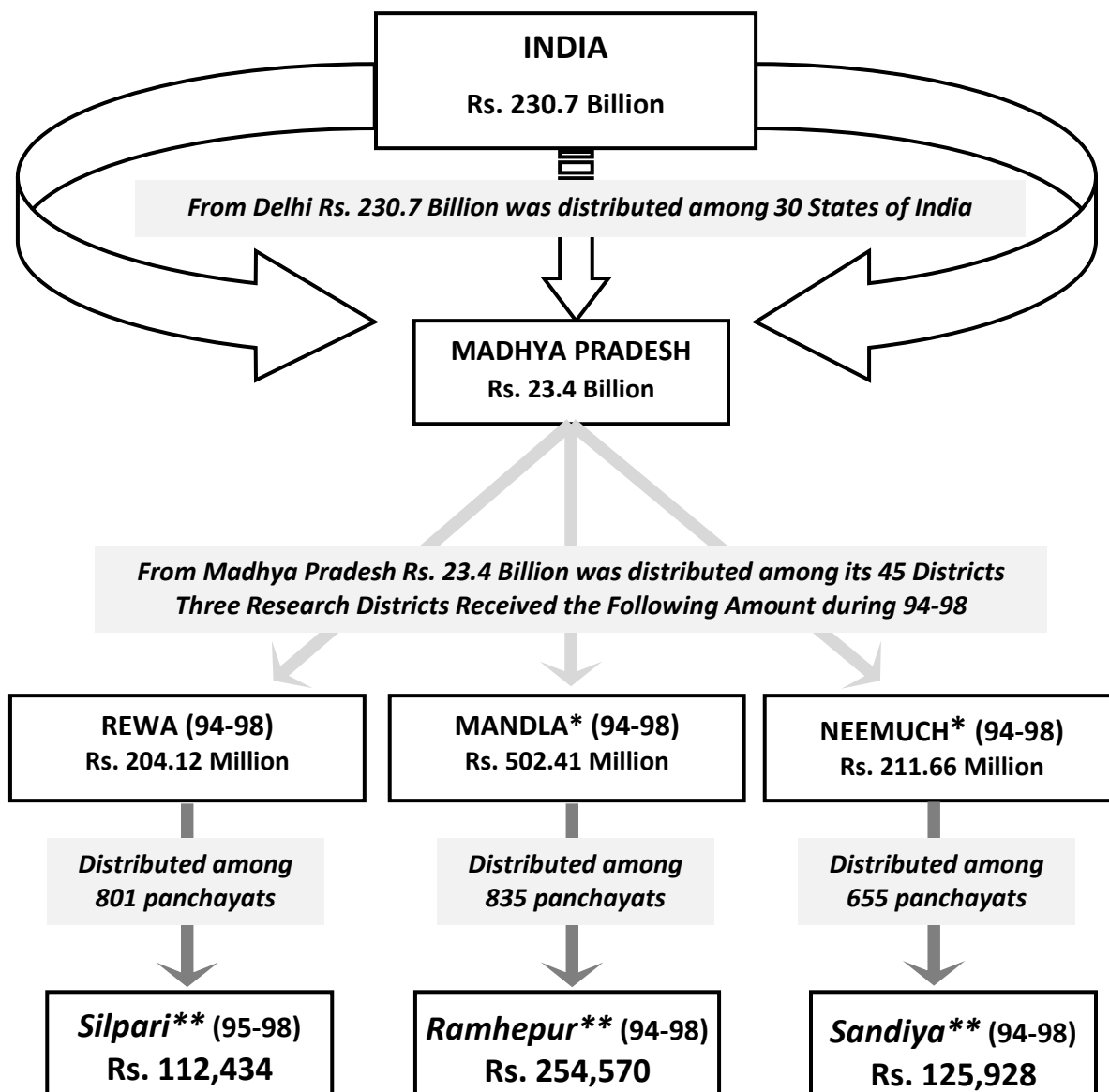


\* (i) During this period (94-98) Dindori was included in Mandla district giving a total of 835 panchayats. Hence, funds shown here were distributed from Mandla to all its 835 panchayats. After the formation of Dindori as a separate district in 2000-01, Mandla was left with 472 panchayats.

(ii) Neemuch was within Mandsaur district till 1999-2000. Undivided, Mandsaur had 655 panchayats including the 214 panchayats of Neemuch. During this period (94-98), JRY funds shown here were distributed by Mandsaur district to panchayats of Neemuch. After the formation of Neemuch as a separate district in 2000-01, it operated independently with its 214 panchayats.

Source: DoPRD, MP (1997 to 2002, 6 volumes).

**Diagram 1.4: Tracking JRY Fund flow from Centre down to Research Panchayats (1992-99): An Overview**



\* (i) During 1994-98, Mandla included Dindori district and Neemuch was within Mandsaur district. For other connected details, on this see Appendix II.

\*\* (i) In Silpari, data for 1994-95 and 1998-99 were not available. For another research panchayat Delhi in Rewa the data were only available from 2000 onwards and hence are not shown here. (ii) In Mandla district, data for another research panchayat Dongar Mandla was not available. (iii) In Neemuch district, another panchayat Ankli could only be covered partially, which precluded full collection of data. See Appendix III for the details

Source: (i) The country level data are from CAG (2000). See Appendix I for details. (ii) The State level data have been compiled from DoPRD, MP (1997 to 2002, 6 volumes). See Appendix II for details. (iii) The panchayat level data have been compiled from panchayat audit reports of various years and also from panchayat offices during the field research. See Appendix III for details.

The India level data shows that Madhya Pradesh received Rs. 23.44 billion (including its own share of 20%) during 1992-99 (see Graph 1.2 for the state-wise allocation on JRY funds) and utilized Rs. 22.94 billion, almost 98% of it.<sup>37</sup>

The data for district-wise devolution of funds in Madhya Pradesh during 1994 to 1998 shows a flow of Rs. 14.10 billion. The state government claims that by utilising Rs. 13.45 billion against this allocation, 231 million man-days were created all over the state. The research districts of Rewa and Mandla received Rs 204.12 million and Rs 502.41 million respectively. The third research district, Neemuch, was a part of Mandsaur district during 94-98, and so the graph shows the amount received by Mandsaur - Rs 211.66 million.

The most critical stage was the devolution from districts directly to panchayats, which was central to the vision of the JRY. The data for four research panchayats out of five revealed that every year a certain amount came to these panchayats from the districts concerned (see Appendix III for annual details). The amounts received by the research panchayats, for which data for various years for the 1994-98 period could be obtained, are shown in Diagram 1.4. These panchayats were selected entirely randomly, with no prior knowledge of whether or not they had received JRY funds. Additionally, these panchayats represent three distinct and distant regions in MP, namely, eastern, southern and western. Data obtained for other panchayats explored as possible research sites during the initial stages of fieldwork (see Appendix IV) also confirms this picture. Thus the tracking of the fund flow establishes the fact that funds were being transferred to people's institutions for the first time in India under any of its developmental programmes. Whether bureaucrats liked it or not – in all possibility many of them did not, since this amounted to not simply transferring resources but also diluting their uncompromised power enjoyed until then - right from the Federal to the district level they did perform this self-destructing job! Perhaps because they had been left with no discretion.

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<sup>37</sup>CAG (2000:Ch.: 3) Also see Appendix I.

The next step was to ascertain what happened to these funds once they had reached the people's institutions. A semi-structured questionnaire having 182 questions in total, 27 of them specially focussed on JRY's working, was used to interview 218 villagers (166 poor and 52 non-poor among them) from five research panchayats comprising of 13 villages.<sup>38</sup> A number of deep interviews were also conducted in open-ended ways with key respondents. From these, the findings on select dimensions of JRY are reported below, namely: (i) basic awareness/knowledge of JRY among the people; (ii) people's involvement in the selection of projects; (iii) knowledge of funds and of execution of projects; (iv) people's perception of the propriety of the utilization of JRY funds; (v) reasons for misutilisation of funds, if any; (vi) knowledge of social audit; (vii) effectiveness of social audit in establishing people's control over the functioning of JRY; (viii) people's protest and their results; and (ix) perception of performance of panchayat over time (last 15 years) and its basis.

## **6. Finding about the Awareness and Understanding of JRY in the villages**

In the research panchayat Delhi in Rewa District, 87% of the poor said *they were unaware of the JRY*. 64% of the non-poor were equally ignorant (see Table 1.4 and Graphs 1.3 & 1.4). More than half (7.69%) of the remaining 13% poor had heard the name, but nothing beyond that. Combining these two - since both essentially suggest almost absent understanding of JRY – demonstrates that almost 95% of the poor were, in essence, unaware of JRY.

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<sup>38</sup>In addition, Ankli, the sixth panchayat falling in Neemuch district, comprising of three villages could be covered only partially due to various constraints. Thus, in this panchayat a total of 18 respondents were administered the questionnaire (12 poor and 6 non-poor) along with conducting a few but insightful deep interviews.

**Table 1.4: Direct Awareness and Understanding of JRY: Delhi & Silpari panchayats, Rewa District**

Have you heard of JRY? What do you know of it?	Delhi			Silpari		
	Poor (N=39)	Non-Poor (N=11)	Total (N=50)	Poor (N=29)	Non-Poor (N=11)	Total (N=40)
<b>No</b>	<b>87.18%</b>	<b>63.64%</b>	<b>82.00%</b>	<b>75.86%</b>	<b>45.45%</b>	<b>67.50%</b>
<b>Yes</b>	<b>12.82%</b>	<b>36.36%</b>	<b>18.00%</b>	<b>24.14%</b>	<b>54.55%</b>	<b>32.50%</b>
Only heard the name	7.69%	18.18%	10.00%	6.90%	9.09%	7.50%
Fund directly to Panchayat for small works	0.00%	0.00%	0.00%	3.45%	18.18%	7.50%
Fund for training villagers for small business	0.00%	9.09%	2.00%	0.00%	0.00%	0.00%
Sarpanch directly managed this fund	0.00%	0.00%	0.00%	3.45%	0.00%	2.50%
Small development work in village	2.56%	0.00%	2.00%	10.34%	27.27%	15.00%
Small work in village for local employment	2.56%	9.09%	4.00%	0.00%	0.00%	0.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

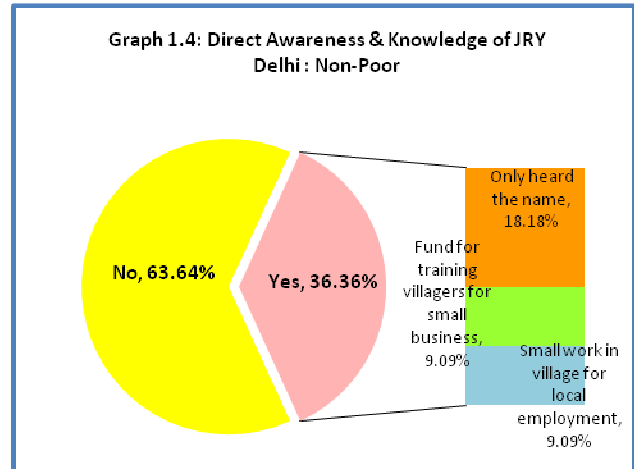
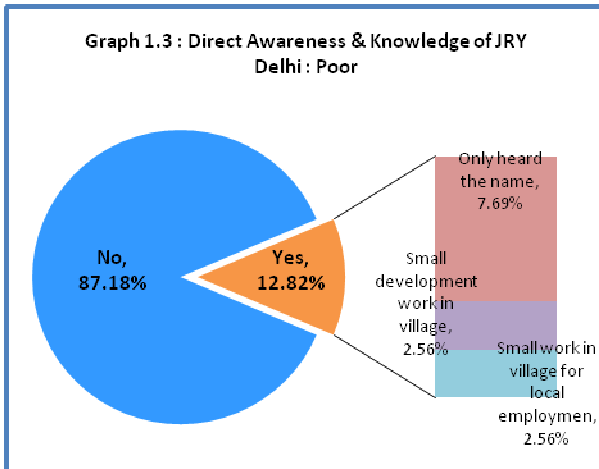
The widespread unawareness of JRY even in this region is not a necessary corollary of its feudal power structure and the consequent “elite capture” of information and resources, the ‘usual culprit’ referred to in the academic literature.<sup>39</sup> As will be demonstrated in WP 4, notwithstanding these forces and their play, people did not appear to be as highly unaware of the Watershed Programme as they were of JRY. Other factors were responsible for the lack of knowledge of this scheme, and also the EAS<sup>40</sup> (discussed in WP 5). But for now, it can be observed that, ironical though, despite the devolution of JRY to panchayat and villages, beyond which nothing could have been closer to the people, even its basic awareness seemed to have remained so distant from them!

Approximately 5% poor disclosed some knowledge of JRY (“for small development work in village”; for creating “local employment”), but none were aware of its central feature: that it was to be decided, monitored, and audited by the villagers through the institution of *gram sabhas*. A closer look at these particular respondents, however, reveals that their positions possibly enabled them to gain some knowledge: one had been a *panch*

<sup>39</sup>See, for example, Esman and Uphoff (1984); Holdcroft (1984); Bardhan and Mookherjee (1999); Bardhan and Mookherjee (2000); Bardhan and Mookherjee (2000b); Mosse (2001); World Bank (2002); Platteau and Gaspart (2003); Platteau (2003); Platteau and Gaspart (2004).

<sup>40</sup>On the EAS, see discussion in WP 2.

during 2000-05,<sup>41</sup> and the other a teacher in a private school<sup>42</sup>. They belonged to OBC (Kacchi) and forward caste (Brahman) respectively. None from the SC and ST community amongst the poor, as also the common OBC and forward castes persons among the non-poor, had any idea about JRY, except those (a minuscule 5%) who had enjoyed some positional advantage.



As Graph 1.4 makes clear, even among the non-poor, the combined picture of unawareness reaches 82%. Among the remaining 18%, about 9% or one respondent recognized it as a source for generating local employment. However, he turned out to be a retired government servant from the District Agriculture Department.<sup>43</sup> The other confused it with another programme for training villagers for small business.<sup>44</sup> That even the non-poor, mostly from the dominant Brahman caste in this panchayat, had hardly any knowledge of JRY helps to dispel the myth that only the poor and the powerless suffer from the problem of elite capture. Since the non-poor too face this, should this phenomenon be renamed as “(institutional) authority capture”? WP 5 attempts to answer this and other related puzzles.

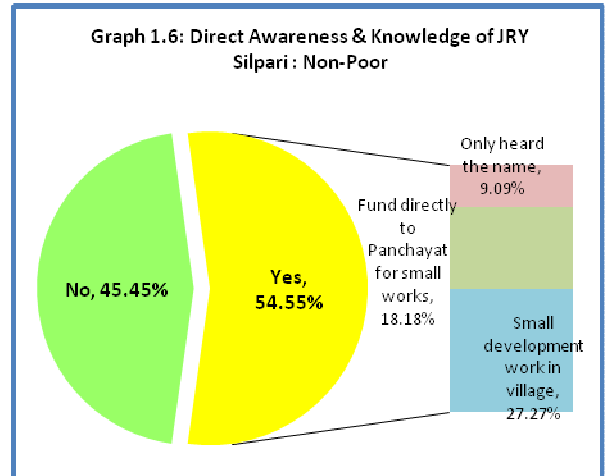
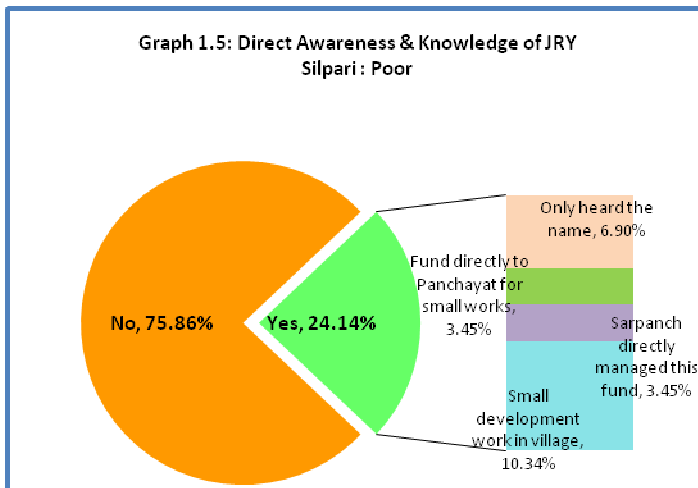
<sup>41</sup>3/95-Delhi/Rewa: Lalmani Kushwaha

<sup>42</sup>29/180-Delhi/Rewa: Vidhyadhar Dubey

<sup>43</sup>Q no-24/245, Delhi, Rewa: Shyamshree Tiwari

<sup>44</sup>Q no-39/363, Delhi, Rewa: Jagarnath Soni, Retired army personnel. Training programme for unemployed youth (TRYSEM) ran under IRDP and had nothing to do with the JRY.

The other panchayat in the district of Rewa, Silpuri, was deliberately chosen as a contrast to Delhi because of its overwhelming population of backward caste Patels and absence of forward caste population. If the Delhi results were predominantly due to traditional feudal control of society and politics, then Silpuri should show a significantly different result. As Table 1.4 reveals (see also Graphs 1.5 and 1.6), the results are different, but not significantly so. 83% among the poor had either not heard of JRY or knew the name but nothing further. The other 17% mentioned similar aspects of JRY as in Delhi, but here too they appeared to be unaware of the central feature of people's control. Half of them were either panch or teachers, thus with positional advantage, therefore discounting this in the last analysis only about 10% poor appeared to have had some limited information on JRY.



The difference in results from Delhi is hardly significant since the majority of the poor (83%) were still, in essence, unaware. And though 46%, or 5 respondents, from the non-poor, were partly knowledgeable, 3 of them were respectively the *de jure* ex-sarpanch during 1994-99, the *de facto* ex-sarpanch in 2000-05 (as husband of the formally elected sarpanch), and the panchayat secretary since 1994. Hence the answers were not unexpected, and yet a closer look brings out some important implications. Their answers are given below, first verbatim in Hindi, followed by their translations:

Lakshman Patel, sarpanch, 1994-2000: “*Pulia ka nirman, road ka nirman, murrmikaran ka karya karwana rahta tha.*” [(Under JRY) construction of small bridges, roads, gravel laying (*morrurum*) on roads had to be done].<sup>45</sup>

While listening to the answer, it was impossible to miss the implicit first person tense, i.e., *I (as Sarpanch) was expected to construct such small schemes.*

Md. Yahia, husband of the ex-sarpanch, 2000-2001: “*Mitti, Murmikaran, Nalla, Chabutra, banaya jata hai*” [Earthworks, gravel (*morrurum*) laying on roads, small drains, platforms, etc. are constructed].

Once again the answer has the implicit first person tense.<sup>46</sup>

Shatrughna Prasad Patel, panchayat secretary, 1994-present day: “*Yeh yojna Gaon ke chote mote vikas a karyo ke liye thee. Iska paisa sidhe panchayat mein aa jat tha*” (This programme was for taking up small development works in the villages. Its funds used to directly come to the panchayat which managed it).<sup>47</sup>

This answer is pointing to the panchayat’s control.

It is striking that neither ex-sarpanchs nor panchayat secretary made any mention of the *gram sabha*’s control over JRY, even when as the key players in the PRIs they should have at least highlighted it. This suggests their matter-of-fact approach on this issue, i.e., if common villagers’ involvement and final authority over people were not mentioned that was only normal since they were nowhere in picture, and that was how it should have been. The implications of this are pervasive, and they will be unfolded throughout later discussions of various facets of this research.

In sum, the absence of oppressive dominance of forward castes in this area seemed to have mattered positively to some extent. Yet, here too about 80% of poor and 55% non-poor villagers were ignorant, while the rest few demonstrated limited understanding of JRY, but had little idea of the *gram sabha*’s central role.

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<sup>45</sup>Q no-3/268, Silpari, Rewa: Lakshman Patel

<sup>46</sup>Q no-4/140, Silpari, Rewa: Md. Yahia

<sup>47</sup>Q no-19/406, Silpari, Rewa: Shatrughna Prasad Patel

**Table 1.5: Awareness of JRY by any other name: Delhi & Silpari panchayats, Rewa District**

(After describing features of JRY) Do you recognise any programme that ran by the features described? By what name do you know it?	Delhi			Silpari		
	Poor (N=39)	Non-Poor (N=11)	Total (N=50)	Poor (N=29)	Non-Poor (N=11)	Total (N=40)
All those who initially said no awareness	87.18%	63.64%	82.00%	75.86%	45.45%	67.50%
Out of this, those who could not recognise JRY by any other name	79.49%	54.55%	74.00%	72.41%	45.45%	65.00%
Out of this, those who recognised JRY by any other name	7.69%	9.09%	8.00%	3.45%	0.00%	2.50%
Employment Guarantee	2.56%	0.00%	2.00%	0.00%	0.00%	0.00%
Sarpanch's Scheme	5.13%	9.09%	6.00%	3.45%	0.00%	2.50%
Those who were already directly aware of JRY	12.82%	36.36%	18.00%	24.14%	54.55%	32.50%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

An additional dimension of JRY's awareness should also be mentioned (see Table 1.5). It is a well known field reality that villagers find it difficult to capture the official names of the government programmes due not only to their tongue-twisting names, but also the fact that the names tended to change with every change in government.<sup>48</sup> Consequently, people invent simple local names for such programmes for easy reference. In order to control for possible false negative responses due to ignorance of the official name JRY, after briefly describing the palpable features of JRY villagers were asked as to whether they recognized any programme that had the described features, and, if so, by what name? In Delhi, two respondents said they knew JRY as *sarpanch's scheme*,<sup>49</sup> though

<sup>48</sup>The Hindi names of all important programmes, for example, Integrated Rural Development Programme (IRDP), Training for Rural Youth Self Employment (TRYSEM) and many more are quite complex. In a workshop on panchayati raj attended by the author some field level staff and NGO workers complained that people were not able to pick up several names of different village committees, e.g., *gram adhosaranchana samiti* (villager infrastructure committee), because of their complicated nature and consequently, even forgot which committee they belonged to. The senior officials present suggested that these difficult names should be written on the front wall of the houses of the member villagers, so that every time when they enter their houses they could see those and eventually would come to remember.

<sup>49</sup>This is a typical answer showing how people understand and name a certain official scheme, not by its official content and the entitlements it confers on them, but by who commands the resources and its operation in reality. Control of JRY by sarpanchs or mukhiyas was pervasive not only in MP but in other states as well: similar answers were given in Vaishali district of Bihar. JRY was known as "mukhiya's (sarpanch) scheme," and EAS as "Bhola Babu's." Bhola Babu was the nickname of the local MLA of Bidupur block of Vaishali district, who exercised almost total command over the selection and execution of EAS schemes. See Stuart, *et al.* (2005).

one of them was a teacher in a private school.<sup>50</sup> In Silapri, one other poor villager mentioned the same name. This, however, does not significantly alter the overall picture presented above.

In the tribal region of the primary research panchayat Ramhepur, it was hoped that JRY would be found closer to, if not ideally controlled by, the people. Although a number of studies have broken the myth of tribal societies as casteless and highly egalitarian, in comparative terms, it is not unreasonable to hold that neither the divisive faultlines of caste system, nor the asymmetrical power structure work in the tribal societies as oppressively and in as exclusionary ways as they do in non-tribal parts. This hope was reinforced by hearing the commonly-held view by the villagers in this region that “*Bare Log*,” or influential and powerful members, in this society are not perceived, unlike in Rewa, as oppressors, but as those who work for the good of the common people and help the deprived. So did the *Bare Log*, who mostly occupied sarpanch’s positions, see in JRY an opportunity to serve society? Did they, therefore, let the programme run more transparently and in participatory ways?

**Table 1.6: Direct Awareness and Understanding of JRY: Dongar Mandla & Ramhepur, Mandla District**

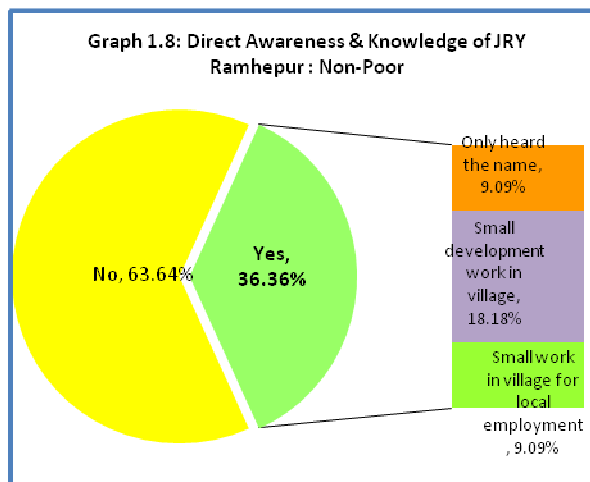
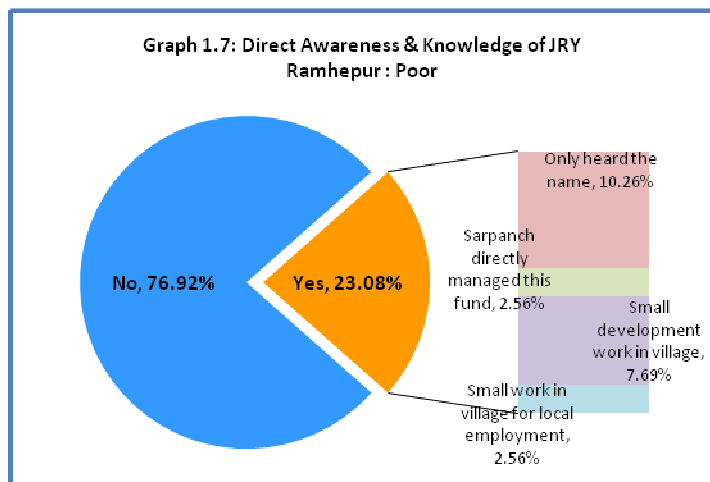
Have you heard of JRY? What do you know of it?	Dongarmandla			Ramhepur		
	Poor (N=23)	Non-Poor (N=9)	Total (N=32)	Poor (N=39)	Non-Poor (N=11)	Total (N=50)
<b>No</b>	<b>100.00%</b>	<b>33.33%</b>	<b>81.25%</b>	<b>76.92%</b>	<b>63.64%</b>	<b>74.00%</b>
<b>Yes</b>	<b>0.00%</b>	<b>66.67%</b>	<b>18.75%</b>	<b>23.08%</b>	<b>36.36%</b>	<b>26.00%</b>
Only heard the name	0.00%	11.11%	3.13%	10.26%	0.00%	8.00%
Fund directly to Panchayat for small works	0.00%	11.11%	3.13%	0.00%	0.00%	0.00%
Sarpanch directly managed this fund	0.00%	0.00%	0.00%	2.56%	9.09%	4.00%
Small development work in village	0.00%	44.44%	12.50%	7.69%	18.18%	10.00%
Small work in village for local employment	0.00%	0.00%	0.00%	2.56%	9.09%	4.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

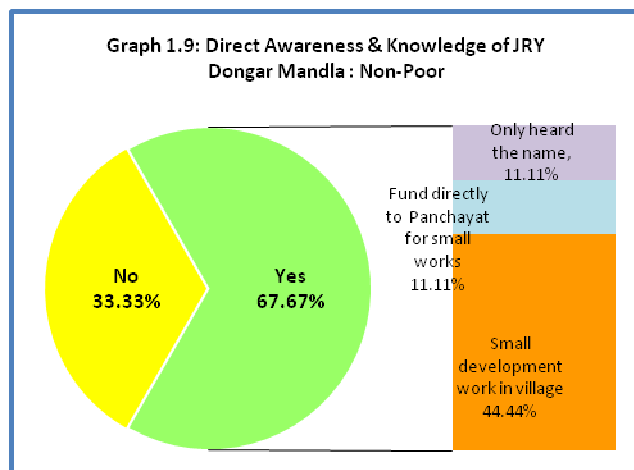
The answers to these issues are perhaps the most surprising of all the counterintuitive findings in this research (see Table 1.6 and Graphs 1.7-1.9). About 87% of the poor essentially reported unawareness in Ramhepur. Of the remaining 13%, all but one held, or were related to those who held, some kind of privileged position: husband of ex-

<sup>50</sup>Q no-37/258, Delhi, Rewa: Ram Pankaj Sharma / Umesh Chandra Sharma

panch<sup>51</sup>; secretary, watershed committee<sup>52</sup>; teacher in an EGS school<sup>53</sup>; and a *kotwar*.<sup>54</sup> Even among the non-poor, 36% reporting some knowledge were: current sarpanch,<sup>55</sup> ex-sarpanch,<sup>56</sup> ex-panch<sup>57</sup> and member of watershed committee.<sup>58</sup>



In Dongar Mandla, all poor who spoke reported unawareness. Of the non-poor, 57% reported some knowledge, but again all of them had had some positional backgrounds: ex-sarpanch (1994-1999),<sup>59</sup> two ex-panchs (both during 1994-99),<sup>60</sup> an ex-panch (2000-05),<sup>61</sup> and teacher in a private school.<sup>62</sup> In contrast, the



<sup>51</sup>Q no- 68/71, Ramhepur, Mandla: Kunwar

<sup>52</sup>Q no- 43/233, Ramhepur, Mandla: Ratan Singh

<sup>53</sup>Q no- 37/65, Ramhepur, Mandla: Kapur Das

<sup>54</sup>Q no- 38/46, Ramhepur, Mandla: Sankar Das, Kotwar is a traditional village guard

<sup>55</sup>Q no- 52/331, Ramhepur, Mandla: Fagulal Dhumketu

<sup>56</sup>Q no- 51/368, Ramhepur, Mandla: Kehar Singh Taram

<sup>57</sup>Q no- 54/364, Ramhepur, Mandla: Sukhmen

<sup>58</sup>Q no- 40/346, Ramhepur, Mandla: Ram Prasad

<sup>59</sup>Q no- 31/422, Dongarmandla, Mandla: Patiram Dhurve

<sup>60</sup>Q no- 4/434, Dongarmandla, Mandla: Tejlal and Q no- 14/336, Dongarmandla, Mandla: Maha Singh

<sup>61</sup>Q no- 1/419, Dongarmandla, Mandla: Phool Singh

<sup>62</sup>Q no- 10/454, Dongarmandla, Mandla: Nandlal Narte

poor had not enjoyed similar positional advantages. As already observed, both in Ramhepur and Delhi, hardly anybody who responded positively was a common person without a positional background.

**Table 1.7: Awareness of JRY by any other name: Dongar Mandla & Ramhepur, Mandla District**

(After describing features of JRY) Do you recognise any programme that ran by the features described? By what name do you know it?	Dongarmandla			Ramhepur		
	Poor (N=23)	Non-Poor (N=9)	Total (N=32)	Poor (N=39)	Non-Poor (N=11)	Total (N=50)
<b>All those who initially said no awareness</b>	<b>100.00%</b>	<b>33.33%</b>	<b>81.25%</b>	<b>76.92%</b>	<b>63.64%</b>	<b>74.00%</b>
<b>Out of this, those who could not recognise JRY by any other name</b>	<b>100.00%</b>	<b>33.33%</b>	<b>81.25%</b>	<b>74.36%</b>	<b>54.55%</b>	<b>70.00%</b>
<b>Out of this, those who recognised JRY by any other name</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.56%</b>	<b>9.09%</b>	<b>4.00%</b>
Govt./Panchayat work	0.00%	0.00%	0.00%	0.00%	9.09%	2.00%
Sarpanch's Scheme	0.00%	0.00%	0.00%	2.56%	0.00%	2.00%
<b>Those who were already directly aware of JRY</b>	<b>0.00%</b>	<b>66.67%</b>	<b>18.75%</b>	<b>23.08%</b>	<b>36.36%</b>	<b>26.00%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

The additional enquiry as to whether the respondents initially reporting unawareness knew JRY by any other name again did not alter the basic findings in any significant manner (see Table 1.7). Only one more poor and non-poor in Ramhepur mentioned an alternative name as “govt.’s work” and “sarpanch’s scheme.”

Table 1.8 and Graphs 1.10-1.11 show what appears to be a startling difference in the level of awareness in Neemuch when compared to the other research districts with about 20% poor and 60% non-poor<sup>63</sup> in Sandiya reporting some knowledge of JRY. A closer look at the backgrounds of the answering poor revealed an even more striking difference: unlike Rewa and Mandla, none of the 20% poor had held in past, or were currently occupying, any position of importance that could have afforded them special access to information on panchayat workings. Additionally, their responses were more informed, one especially so as he observed: “JRY is for.....creating local employment, but is mostly

<sup>63</sup>Leaving beside the 10% among the 70% non-poor, who had simply reported that they had heard the name, but did not know anything further (see table 1.8).

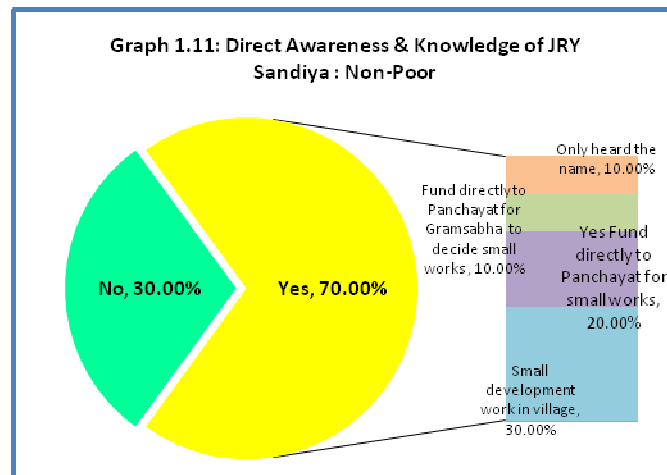
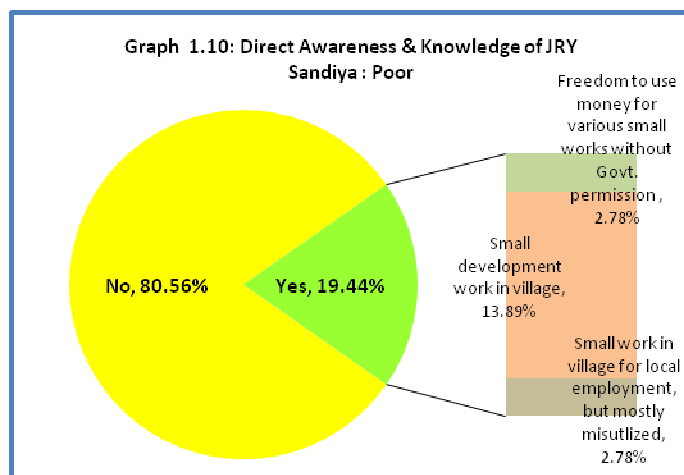
misutilized!”<sup>64</sup> In a way he was the closest to understanding JRY, albeit ‘JRY-in-practice,’ rather than ‘JRY-in-principle’!

Among the non poor, four out of six respondents had had some positional advantages: a defeated candidate in 1994 sarpanch election whose son was an elected panch,

**Table 1.8: Direct Awareness and Understanding of JRY: Sandiya panchayat, Neemuch District**

Have you heard of JRY? What do you know of it?	Sandiya		
	Poor (N=36)	Non-Poor (N=10)	Total (N=46)
<b>No</b>	<b>80.56%</b>	<b>30.00%</b>	<b>69.57%</b>
<b>Yes</b>	<b>19.44%</b>	<b>70.00%</b>	<b>30.43%</b>
Only heard the name	0.00%	10.00%	2.17%
Freedom to use money for various small works without Govt. permission	2.78%	0.00%	2.17%
Fund directly to Panchayat for <i>gram sabha</i> to decide small works	0.00%	10.00%	2.17%
Fund directly to Panchayat for small works	0.00%	20.00%	4.35%
Small development work in village	13.89%	30.00%	17.39%
Small work in village for local employment, but mostly misutilized	2.78%	0.00%	2.17%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research



during 1994-2005;<sup>65</sup> teacher in a private school;<sup>66</sup> husband of a panch in 2004-09;<sup>67</sup> and panch, 1999-2004.<sup>68</sup> Sandiya panchayat produced the first response, albeit from the

<sup>64</sup>Q no- 47/27, Sandiya, Neemuch: Bal Chandra Raghu jee

<sup>65</sup>Q no- 1/333, Sandiya, Neemuch: Amin Chandra Ghogaji

<sup>66</sup>Q no- 20/414, Sandiya, Neemuch: Rajendar Kashiram

non-poor, that acknowledged that JRY brought direct funds to the panchayat for “*gram sabha* to decide execution of small works.”<sup>69</sup> Overall, thus, Sandiya’s picture was significantly better.

**Table 1.9: Awareness of JRY by any other name: Sandiya panchayat, Neemuch District**

(After describing features of JRY) Do you recognise any programme that ran by the features described? By what name do you know it?	Sandiya		
	Poor (N=36)	Non-Poor (N=10)	Total (N=46)
<b>All those who initially said no awareness</b>	<b>80.56%</b>	<b>30.00%</b>	<b>69.57%</b>
<b>Out of this, those who could not recognise JRY by any other name</b>	<b>33.33%</b>	<b>10.00%</b>	<b>28.26%</b>
<b>Out of this, those who recognised JRY by any other name</b>	<b>47.22%</b>	<b>20.00%</b>	<b>41.30%</b>
Govt./Panchayat work	11.11%	10.00%	10.87%
Mohan Sarpanch's Scheme	11.11%	0.00%	8.70%
Sarpanch's Scheme	25.00%	10.00%	21.74%
<b>Those who were already directly aware of JRY</b>	<b>19.44%</b>	<b>70.00%</b>	<b>30.43%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

The difference apparently deepens when we find that an additional 47% of the poor recognized JRY as sarpanch’s scheme, or Mohan sarpanch’s scheme.<sup>70</sup> When combined with the direct (Table 1.8) positive answers, the figure of directly or indirectly knowledgeable persons about JRY rises to about 67% among the poor and 80% among the non-poor.

However, these additional responses cannot be taken as a definitive pointer to recognition of JRY. Funds arrive at panchayats from multiple sources - and in Sandiya’s case, the sources were truly numerous.<sup>71</sup> Small projects undertaken through these funds

<sup>67</sup>Q no- 23/149, Sandiya, Neemuch: Gopal Bhawar Lal

<sup>68</sup>Q no- 39/446, Sandiya, Neemuch: Mangi Lal Rajaram jee

<sup>69</sup>Q no- 23/149, Sandiya, Neemuch: Gopal Bhawar Lal.

<sup>70</sup>Mohan Patidar was sarpanch during 2000-05. This is another typical example of how people understand government programmes not by its official name and content but by the name of those who exercise command over it. See also f.n. 49.

<sup>71</sup>For example, as well as JRY funds, the panchayat received funds under: (i) grant for well deepening; (ii) funds from education department; (iii) funds from planning department; (iv) funds for hand pumps from PHED department; (v) funds from EGS; (vi) 10<sup>th</sup> Finance Commission grants; (vii) grants from Support

almost invariably have the sarpanch in the forefront<sup>72</sup> of their execution (construction). Hence, it is possible that the respondents automatically attribute sarpanchs as the main authority behind them. This does not, then, necessarily reveals any specific understanding of JRY.

In order to try and tease out *actual* knowledge of JRY, the 17 additional poor villagers were then asked to identify, from a list, (compiled from audit reports and field enquires)<sup>73</sup> JRY projects executed in their panchayat. Only four of the 17 respondents recognized any of the mentioned projects. Hence, to be accurate, only these four and not all 17 responses should be added to the seven reporting direct knowledge. Even then, it suggests that about 31% of the poor were partially knowledgeable about JRY, despite never having held any position of importance. Thus, at least in comparative terms, Sandiya's positive scenario requires an explanation. This will be returned to in WP 5.

## **7. Did common villagers' preferences and felt-needs script the selection of projects under JRY?**

How was this level of ignorance possible when the villages were now in control of the funds and decisions as to how to use them? How had the information *not* passed from sarpanch/panchs living in the same villages to the villagers themselves? With these questions in the background, and remembering the saying: "*In theory, there is no difference between theory and practice. But, in practice, there is,*"<sup>74</sup> the research moved on to explore the next important facet of JRY, i.e., whether the villagers could influence the selection of projects, either informally or through the institution of the *gram sabhas*? Its findings are reported below.

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Source Programme; (viii) funds for piped water scheme; (ix) Minimum Needs Programme; and (x) Animal husbandry works (Sandiya Audit Reports, 1990 to 1998).

<sup>72</sup>Sometimes in the background too, but in villages people are well aware who wields the actual power..

<sup>73</sup>See Appendix III, which also contains the list of projects for Sandiya panchayat. Projects that were mentioned to the respondents to find out whether or not they knew those were executed under the JRY programme and the confirmation are shown with tick marks in the appropriate columns in the Appendix.

<sup>74</sup> This is attributed to Johannes "Jan" L. A. van de Snepscheut (1953-1994), who had a short but an inspiring life. At the time of his untimely death, he was working as a computer scientist at the California Institute of Technology.

Sandiya panchayat showed a wider recognition of JRY than the other research districts, but this did not automatically equate to villagers being able to translate their felt-needs into plans and projects. Even though as many as 67% poor had expressed the awareness that JRY was for local development, an overwhelming 92% of them said they had no idea how JRY projects were selected in their panchayat (see Table 1.10 and Graph 1.12).<sup>75</sup> The majority of those who did offer some information said that the sarpanch decided on project selection without consulting the common villagers and *gram sabhas* had no role to play. Just one respondent said that though *gram sabhas* were not held, villagers apprised the sarpanch of their problems, who then decided how to (or not) solve them. It was clear that the sarpanch wielded sole authority in these matters – which sometimes addressed villagers’ needs made known to him informally.

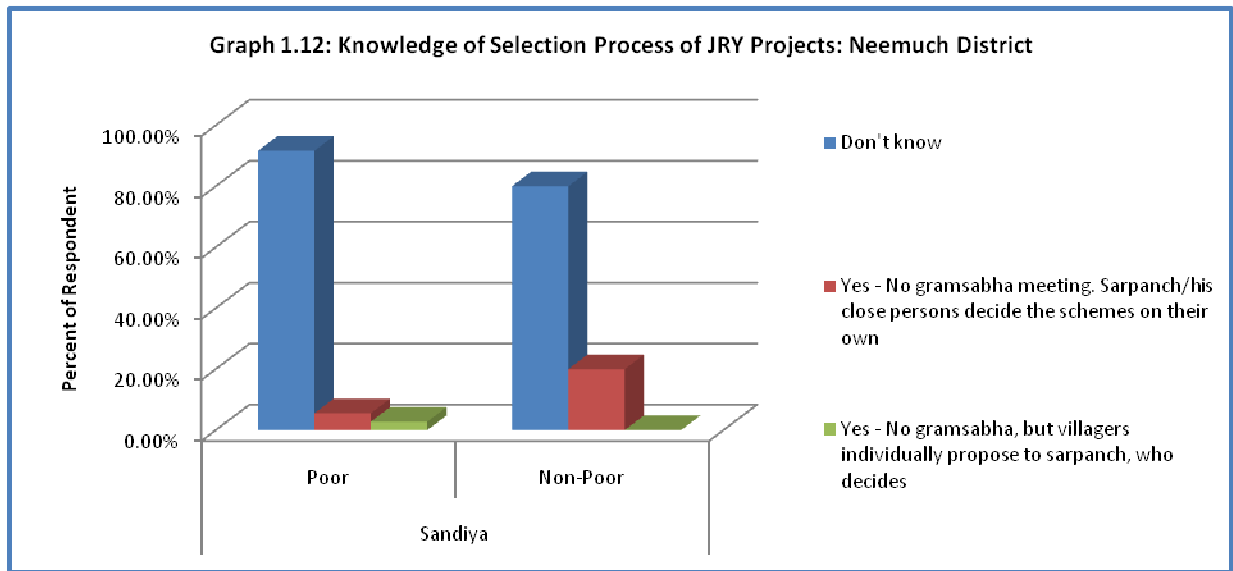
Among the non-poor the story was the same - even though 80% of them had demonstrated some knowledge of JRY, 80% of them also reported they had no knowledge of the project selection process! The remaining 20% of among them, like the poor, informed that the sarpanch and his henchmen were the decision makers. Surprisingly even the respondents who had been panchs and thus had answered positively on the issue of awareness of JRY appeared as ignorant as the others. It was now clearer why small construction projects were being identified as sarpanch’s schemes - they indeed were.

**Table 1.10: Knowledge of Selection Process of JRY Projects: Neemuch District**

Do you know how JRY projects were selected?	Sandiya		
	Poor (N=36)	Non-Poor (N=10)	Total (N=46)
<b>Don't know</b>	<b>91.67%</b>	<b>80.00%</b>	<b>89.13%</b>
<b>Yes</b>	<b>8.33%</b>	<b>20.00%</b>	<b>10.87%</b>
No <i>gram sabha</i> meeting. Sarpanch/his close persons decide the schemes on their own	5.56%	20.00%	8.70%
No <i>gram sabha</i> , but Villagers individually propose to sarpanch, who decides	2.78%	0.00%	2.17%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

<sup>75</sup>As mentioned above, the list of actual JRY schemes was read out to them, thus their answers were in reference to concrete set of projects rather than generalisations.



In sum, in Sandiya whereas 72% of all respondents<sup>76</sup> had some idea of JRY, 89% of them were not aware of how projects were selected (Table 1.10). And all that was heard from the remaining respondents was that the only *dramatis personae* on the ground for JRY's operation was the sarpanch. It is a telling, though ironical, commentary on the metamorphosis that JRY had undergone: *from people's programme to sarpanch's scheme!* No wonder that this, along with several allied factors, compelled even Digvijay Singh, the ex-CM of MP, to lament: "We had dreamt of panchayati raj as the *raj* of the common people, not as a sarpanch raj that it seems to have become."<sup>77</sup> The question of why the apparent widespread awareness of JRY in this panchayat did not result in pressure on the sarpanchs to involve the people will be returned to shortly.

Contrary to the picture in Sandiya panchayat, the finding that 95% poor and 82% non-poor in Delhi panchayat of Rewa District thought that JRY's selection process was

<sup>76</sup>This figure is derived as the following: 30.43% of all respondents report direct awareness of JRY (Table 1.8) and 41.30% of all respondents report awareness of JRY by other names (Table 1.9), which combines to 71.73%, or about 72%.

<sup>77</sup>This was stated by the CM in his speech delivered at Satna district (adjoining to the research district Rewa) before a large gathering of panchayati raj representatives from all over the district and also chairmen of the watershed committees on 12/04/2003, where I was present to capture its proceedings as a part of my field research.

‘sarpanch’s show’ (see Table 1.11 and Graph 1.13) was not surprising. However, when one non-poor even commented that JRY projects were selected by the Collector (District magistrate),<sup>78</sup> this turned out to be amazing. For, this stood as the polar opposite to JRY’s spirit, which had envisioned that far away from the command of the centralist authority of all powerful DMs, this programme would be in the hands of the common and the poor people. This only emphasised the importance of hierarchy and power in the world view of the people of Rewa.

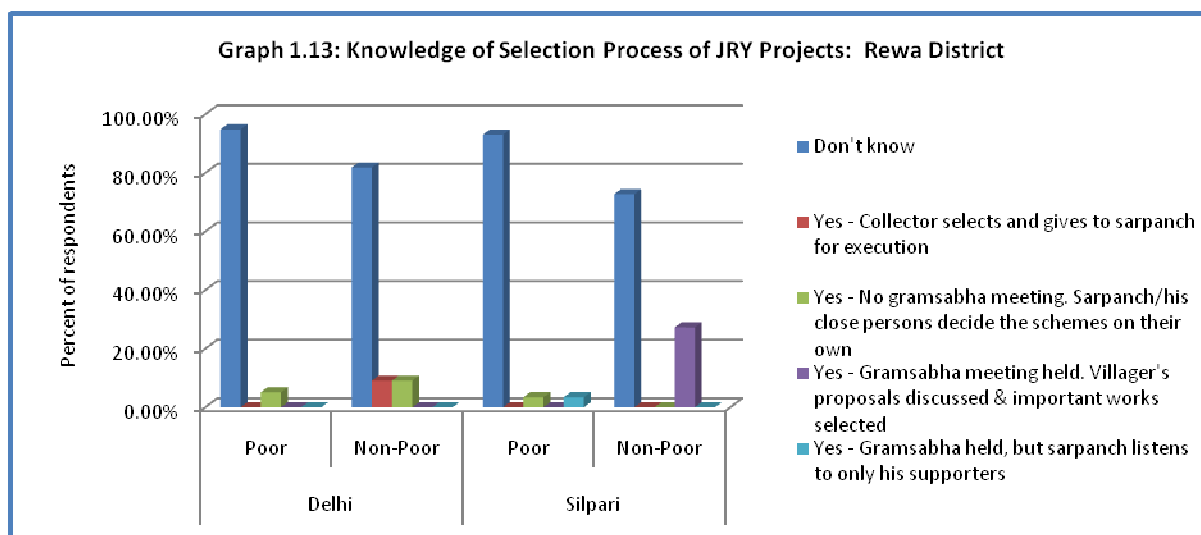
**Table 1.11: Knowledge of Selection Process of JRY Projects: Rewa District**

Do you know how JRY projects were selected?	Delhi			Silpari		
	Poor (N=39)	Non-Poor (N=11)	Total (N=50)	Poor (N=29)	Non-Poor (N=11)	Total (N=40)
<b>Don't know</b>	<b>94.87%</b>	<b>81.82%</b>	<b>92.00%</b>	<b>93.10%</b>	<b>72.73%</b>	<b>87.50%</b>
<b>Yes</b>	<b>5.13%</b>	<b>18.18%</b>	<b>8.00%</b>	<b>6.90%</b>	<b>27.27%</b>	<b>12.50%</b>
Collector selects and gives to sarpanch for execution	0.00%	9.09%	2.00%	0.00%	0.00%	0.00%
<i>Gram sabha</i> held, but sarpanch listens to only his supporters	0.00%	0.00%	0.00%	3.45%	0.00%	2.50%
<i>Gram sabha</i> meeting held. Villagers proposals discussed & important works selected	0.00%	0.00%	0.00%	0.00%	27.27%	7.50%
No <i>gram sabha</i> meeting. Sarpanch/his close persons decide the schemes on their own	5.13%	9.09%	6.00%	3.45%	0.00%	2.50%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

Silpari in Rewa had also exhibited a comparably better picture of JRY’s awareness. As in Sandiya, however, the results reversed on the question of scheme selection: 93% poor and 73% non-poor were unaware (see Table 1.11 and Graph 1.13). The rest reported, in essence, about the familiar sarpanch’s command, except for the three non-poor respondents who unequivocally mentioned that schemes were selected through *gram sabha* meetings: two of these ideal answers however, came from ex-sarpanchs.

<sup>78</sup>Q no- 24/245, Delhi, Rewa: Shyamshree Tiwari



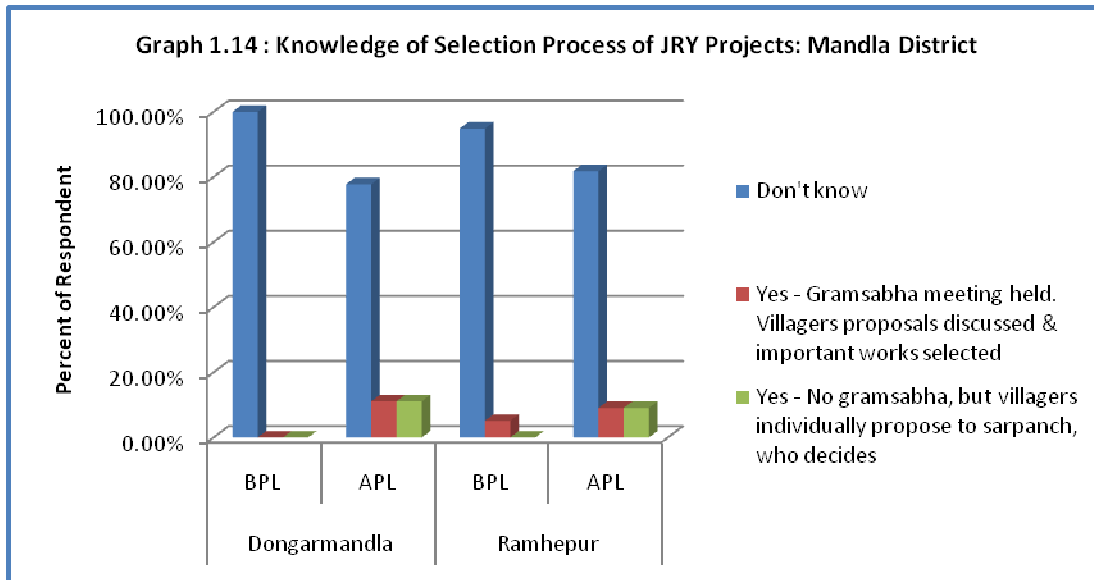
Quite understandably, they could have hardly admitted silencing the *gram sabhas* and dictating scheme selection. The third answer was given by a villager, who, in the course of the interview, disclosed that he was a sharecropper of the ex-sarpanch, was very close to him and would sit almost daily at his house for hours, which had afforded him a lot of knowledge on panchayat. The fact was that given his loyalty to the sarpanch, he could have ill afforded to speak of JRY as the sarpanch's show.<sup>79</sup>

**Table 1.12: Knowledge of Selection Process of JRY Projects: Mandla District**

Do you know how JRY projects were selected?	Dongarmandla			Ramhepur		
	Poor (N=23)	Non-Poor (N=9)	Total (N=32)	Poor (N=39)	Non-Poor (N=11)	Total (N=50)
<b>Don't know</b>	<b>100.00%</b>	<b>77.78%</b>	<b>93.75%</b>	<b>94.87%</b>	<b>81.82%</b>	<b>92.00%</b>
<b>Yes</b>	<b>0.00%</b>	<b>22.22%</b>	<b>6.25%</b>	<b>5.13%</b>	<b>18.18%</b>	<b>8.00%</b>
Gram sabha meeting held. Villagers proposals discussed & important works selected	0.00%	11.11%	3.13%	5.13%	9.09%	6.00%
No gram sabha, but Villagers individually propose to sarpanch, who decides	0.00%	11.11%	3.13%	0.00%	9.09%	2.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

<sup>79</sup>Q no- 13/269, Silpari, Rewa: Hira Lal Patel



In Ramhepur panchayat, Mandla District, a depressingly similar 95% poor and 82% non-poor had no knowledge of the selection procedures (see Table 1.12 and Graph 1.14). Only 5% poor talked about the *gram sabha*, but for obvious reasons this answer came from the ex-sarpanch and panch. In Dongar Mandla, 100% of the poor and 78% non-poor were unaware on this count. Only one villager from each group mentioned that villagers could present their proposals to the sarpanch, but with the caveat that it was he who finally called the shots.

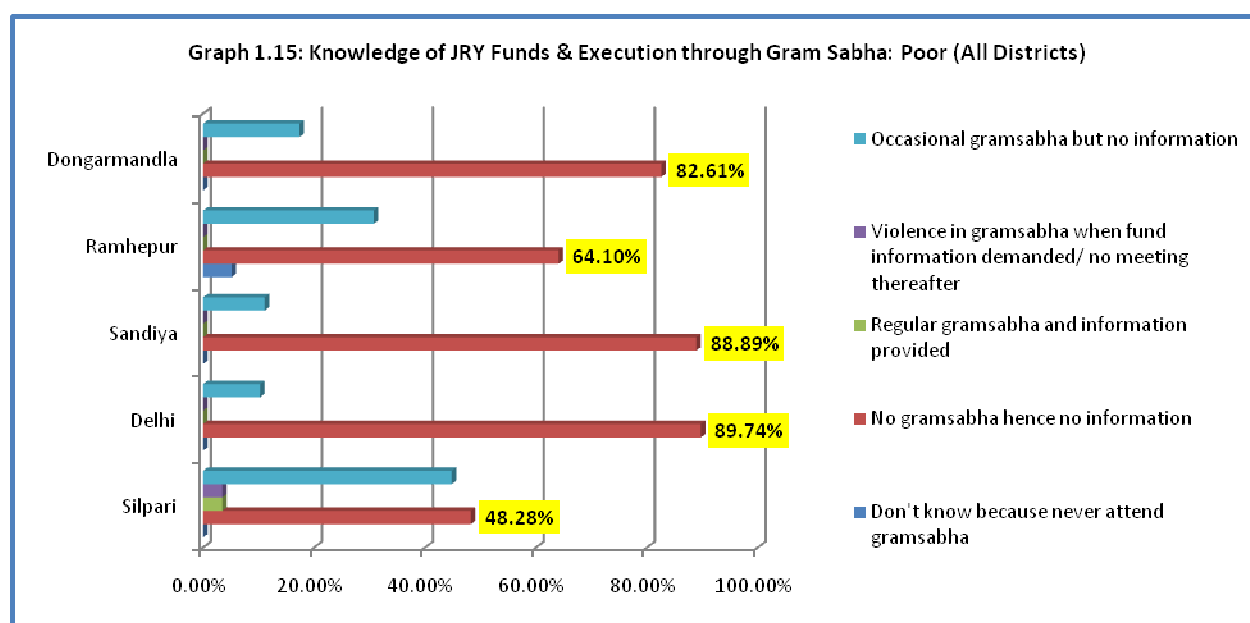
### **8. Did the *gram sabha* inform the villagers of JRY funds and their utilization?**

Did the aforementioned - general ignorance result because *gram sabhas* were either not held or, when held, JRY project selection was not on the agenda? If, as mandated by JRY guideline, villagers were informed of JRY funds and their approval sought on their utilization, but not in the selection of schemes, then, the reasons might not lie in sarpanch malpractice and corruption, but elsewhere.

**Table 1.13: Knowledge of JRY Funds & Execution through Gram Sabha: Poor (All Panchayats)**

Did Sarpanch provide information on JRY funds and their utilisation in <i>gram sabha</i> : Poor	Silpari (N=29)	Delhi (N=39)	Sandiya (N=36)	Ramhepur (N=39)	Dongar Mandla (N=23)
Don't know because never attend <i>gram sabha</i>	0.00%	0.00%	0.00%	5.13%	0.00%
No <i>gram sabha</i> hence no information	48.28%	89.74%	88.89%	64.10%	82.61%
Violence in <i>gram sabha</i> when fund information demanded/ no meeting thereafter	3.45%	0.00%	0.00%	0.00%	0.00%
Occasional <i>gram sabha</i> but no information	44.83%	10.26%	11.11%	30.77%	17.39%
Regular <i>gram sabha</i> and information provided	3.45%	0.00%	0.00%	0.00%	0.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research



As Table 1.13 and Graph 1.15 - clearly demonstrate, except for Silpari panchayat in Rewa District, the vast majority of poor reported that *gram sabhas* were not held, thus they had no information on funds and how they were spent. The percentages follow: Delhi 90%; Sandia 89%; Dongar Mandla 83% and Ramhepur 64%. Although at first glance, the Silpari figure of 48% appears much lower, when combined the additional 45% responses which reported conduct of occasional *gram sabhas* but with no information on funds it to 93%. When these figures were combined for the other panchayats, the total lack of information on funds and their utilization among the poor appears is almost complete: *Delhi: 100%; Sandia: 100%; Dongar Mandla: 100%; Ramhepur: 95%; and Silpari: 97%*. Even in Ramhepur, the outstanding 5% said since they *never attended*

*gram sabha*, they had no information. The 3% in Silpari who reported positively was a single panch

**Table 1.14: Knowledge of JRY Funds & Execution through *Gram Sabha*: Non-Poor (All Panchayats)**

Did Sarpanch provide information on JRY funds and their utilization in <i>gram sabha</i> : Non-Poor	Silpari (N=11)	Delhi (N=11)	Sandiya (N=10)	Ramhepur (N=11)	Dongar Mandla (N=9)
Don't know because never attend <i>gram sabha</i>	0.00%	0.00%	0.00%	0.00%	11.11%
No <i>gram sabha</i> hence no information	45.45%	81.82%	50.00%	63.64%	33.33%
Occasional <i>gram sabha</i> but no information	9.09%	9.09%	50.00%	27.27%	33.33%
Regular <i>gram sabha</i> and information provided	45.45%	9.09%	0.00%	9.09%	22.22%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

The corresponding figures for the responses by the non-poor are: Sandiya: 100%; Delhi: 91%; Ramhepur: 91%; Dongar Mandla: 78%; and Silpari: 55% (see Table 1.14). Most of the knowledgeable respondents in this category were either (ex-) position holders or their close associates and so their responses did not reflect those of the “common man.”

Deep interviews with insiders and knowledgeable persons confirmed this scenario even more emphatically. Some telling parts of two interviews among them are worth quoting. One backward caste ex-panch shared the following, wherein his deep anguish was palpable:

The fact is that I could not understand till today what are the responsibilities of a panch and what is his importance in the panchayati raj system? I could not also understand till date how different programmes and schemes come to our panchayat. Uday Prakash Tiwari<sup>80</sup> used to bring projects due to his connections with powerful politicians at higher level, but mostly executed them on paper and diverted the funds for his personal gains..... I was the panch of ward no. 8 during his time for just name sake..... Whenever any work had to be done, I used to be called to his home and asked to sign on a register. I used to do that without understanding anything and, because of his fear, had no courage to ask any question in this regard as well..... no real *gram sabha* used to take place ever. Sometimes sarpanch's men would come to my house to get my signature on the register of *gram sabha* also.

<sup>80</sup>Husband of the sarpanch Pramila Tiwari in 2000-05.

*During my entire tenure of five years, my only work as panch was to sign on dotted lines and I had no other work.*<sup>81</sup>

Equally revealing was the interview of a scheduled caste senior PRI member, who was a Janpad (block) panchayat representative during 2000-05:

Nobody comes to know how much fund come to panchayats and how much out of them are properly spent. I was also a member of the Janpad (block) level standing committee on finance. All types of discussions used to take place in that committee except financial matters, on which no clear information used to be provided to us as members.<sup>82</sup>

Similarly, a number of other knowledgeable interviewees, for example: teachers,<sup>83</sup> local politicians,<sup>84</sup> serving of past PRI members,<sup>85</sup> retired government servants<sup>86</sup> and villagers<sup>87</sup> clearly mentioned that hardly anybody could come to know about which projects were executed under JRY and how much funds came for them, since “sarpanch and secretary suppressed all information” and “*gram sabhas* were never conducted.”

It was now clear that since *gram sabhas* rarely took place, the question of JRY project selection in such meetings was redundant. This also explains why almost complete secrecy was maintained about funds and expenditures. If sarpanchs selected JRY projects in non-transparent ways, with ulterior motives, they would not want this known. In short, it seems to be a vicious and closely guarded cycle in direct opposition to JRY design: sarpanchs mostly personally selected JRY projects; they rarely organized

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<sup>81</sup>Interview, Ram Sajivan Vishwakarma, Ex-Panch (2000-05), Delhi, Rewa, 07.10.09. Emphasis added.

<sup>82</sup>Interview, Ram Sajivan Saket, ex-Janpad (block) member (2000-05), Delhi, Rewa, 06.10.09.

<sup>83</sup>Interview, Prabhunath Mishra, Teacher (rtd.), Delhi, Rewa, 03.10.09, Brijendra Kumar Sharma, Teacher (rtd.), Delhi, Rewa, 05.10.09 and Nand Lal Narte, Teacher, Dongar Mandla, Mandla, 14.10.09.

<sup>84</sup>Interview, Subhash Pandey, BJP leader, Delhi, Rewa, 04.10.09.

<sup>85</sup>Interview, Sudama Prasad Dahiya, ex-Panch (Ward-13, 1995-2000), Delhi, Rewa, 06.10.09, Ram Shiromani Kol, ex-Panch (Ward-14, 2000-05), Delhi, Rewa, 07.10.09, Ram Madhukar, ex-Janpad (block) member (1983-85), Ramhepur, Mandla, 09.10.09, Ramkrishna Gayari, panch (2005-10), Chukni/Sandiya, Neemuch, 05.10.09 and Uday Ram Manna, panch (1995-2000), Sandiya, Neemuch, 03.10.09.

<sup>86</sup>Interview Brijmohan Pd. Dubey, Army personnel (rtd.), Silpari, Rewa, 12.10.09.

<sup>87</sup>Interview, Raghubar Patel (also a defeated candidate in 2005 sarpanch's election), Silpari, Rewa, 11.10.09.

*gram sabhas*; and even when they did, did not allow information on funds and expenditure to become public.

### **9. People's perceptions about how properly (or not) JRY funds were being utilised?**

These findings also hinted at the possibility of corruption in the running of JRY. It was crucial to investigate this further. However, probing corruption issue in field usually proves a highly challenging task. The lack of an established trust relationship between researchers and villagers make them, understandably though, concerned that any information they gave might not be kept confidential and thus leave them open to retribution by the powerful. It was also unclear, given the lack of knowledge regarding funds and expenditure, whether further information could be acquired. Nonetheless, it was tried in right earnest.

Respondents were asked about both their personal perception of the extent of corruption in JRY and what they thought villagers in general felt about it. It was hoped that if people might be less inclined to confide what they perceived personally, that they would be more open to the latter question. In this regard, 80% poor and 69% non-poor said they did not know what the other villagers thought, but it was not possible to say with any certainty if this was because they genuinely did not know or because of the fear of retribution mentioned above. There were, however, two particularly articulate responses:

How do we know how much of the funds were misutilized by sarpanch and Secretary? They only know between themselves how much they spend on actual implementation and how much they siphon off. And do you think they would tell us? *(The last sentence in an unmistakably sarcastic tone)*.<sup>88</sup> (Sandiya villager)

How can we know about this? The ex-sarpanch once tried to extract such information in *gram sabha*, but the sarpanch reacted violently. People were beaten up with *lathi* (sticks)..... *Gram sabha* meetings largely stopped taking place thereafter.<sup>89</sup> (Silpari villager)

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<sup>88</sup>Interview, Udai Ram Manna, Sandiya, Neemuch, 03.10.2009.

<sup>89</sup>Q no- 1/96, Silpari, Rewa: Md. Basar

As already noted above, even ex-panchs revealed during interviews that sarpanchs and secretaries would never allow them any information on financial transactions out of fear that the information might leak to the public with damaging consequences.<sup>90</sup> This insightfully reveals why the Right to Information so dreaded an issue among politicians and bureaucrats. Despite the might of the state power behind the politicians and public servants, what makes them most vulnerable is public knowledge of what they actually do (or not) contrary to what they say they do (or not). This vulnerability is no different in case of sarpanchs and their secretaries, even when panchayats are conceived not as state bureaus but people's offices.

**Table 1.15: Villagers' perception on proper utilisation (or not) of JRY funds: (All Districts)**

Can you tell what villagers' think what %age of JRY funds are properly utilised	Poor (N=166)	Non-Poor (N=52)
All fund misused	1.20%	1.92%
Below 25%	3.01%	3.85%
Between 25% to 50%	10.84%	3.85%
Between 50% to 75%	2.41%	9.62%
Between 75% to 90%	1.81%	1.92%
90 % or more	1.20%	9.62%
Villagers have no idea	34.34%	25.00%
Can't say	45.18%	44.23%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

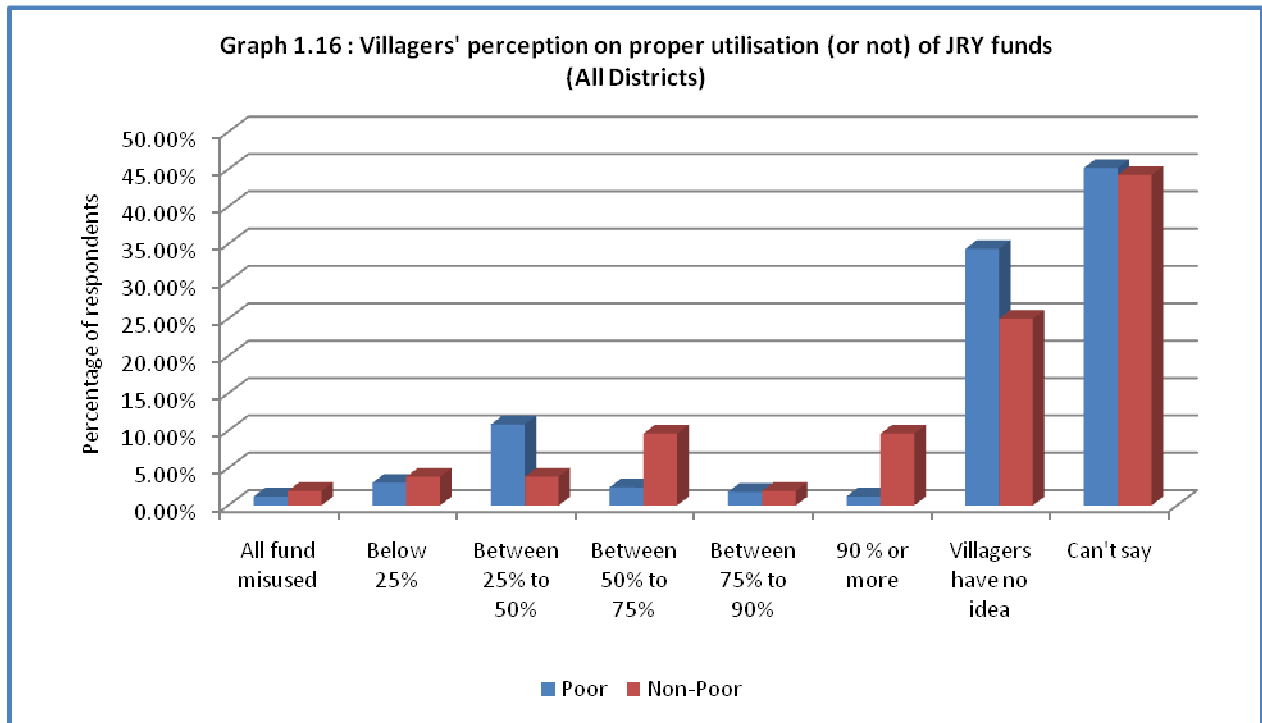
Source: Primary data from the field research

The limited responses (see Table 1.15 and Graph 1.16) show that only about 20% of the total 166 poor villagers answered. The majority of them felt that villagers-at-large

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<sup>90</sup>An up-sarpanch from a ST community in Khaira panchayat, Rewa District informed me that he was asked by his sarpanch to get a small repair done to the road passing by his house before a visit by the local MP. He pressed a few local labourers into service and the work was completed for an expenditure of Rs. 800. He ensured that the labourers got their wages from the panchayat. However, he was asked to sign an account sheet that, he thought, presented the expenditure in far excess of the actual (at that time he was unable (was not allowed?) to see the exact accounts made in the name of the repair work, but from the elaborate paper works he suspected it to be so). He refused to sign. But, later he got a chance to see the account sheet being finalized by his panchayat secretary (another panch having been persuaded to sign it off) in the Block office. He was shocked to find that the expenditure for the work, that he had personally organized for Rs. 800 was being shown as Rs. 53,000!.

thought less than 50% of funds were actually utilized properly. Of the 31% non-poor who responded, the majority suggested 50% to 90% range of proper utilization of funds.



It must be borne in mind that responses in the non-poor category have to be taken with rather a large pinch of salt, as they always include ideal responses from ex-sarpanchs, panchs and secretaries who always give “correct” answers.

**10. What did the people think were the reasons for corruption? Did the social audit provision prove effective in controlling corruption?**

Table 1.15 also reveals that the majority of respondent poor villagers, about 75% of them, thought that the community possibly perceived that not more than 50% of JRY funds were actually spent on projects. This was indicated a possibility of a high level of corruption in JRY. It was further reinforced by a number of deep interviews that have already been referred to above. Hence, further questions were asked regarding perceived reasons for corruption (see Tables 1.16 & 1.17). The majority of answers came from Sandiya panchayat where 42% of poor thought sarpanch’s selfish motives were the main reason. Others such as the need to give ‘commission’ (bribe) to higher

officials/engineers to sanction funds/projects, and the cost of networking with big politicians were also mentioned, but to a lesser extent.

Among the non-poor in Sandiya, 50% mentioned mixed reasons: bribes for officials, meeting election expenses and selfish motives.<sup>91</sup>

**Table 1.16: Reasons for Misutilisation of JRY Funds: Poor (All Panchayats)**

What do you think are the reasons for misutilisation of funds?: Poor	Dongar Mandla (N=23)	Ramhepur (N=39)	Delhi (N=39)	Silpari (N=29)	Sandiya (N=36)
<b>No</b>	<b>100.00%</b>	<b>97.44%</b>	<b>84.62%</b>	<b>93.10%</b>	<b>52.78%</b>
<b>Yes</b>	<b>0.00%</b>	<b>2.56%</b>	<b>15.38%</b>	<b>6.90%</b>	<b>47.22%</b>
For bribing panch to get their support	0.00%	0.00%	0.00%	3.45%	0.00%
For giving commission (bribe) to higher officials/engineers for sanction of schemes	0.00%	2.56%	2.56%	0.00%	2.78%
Mainly Sarpanch, or power behind him misutilised fund for selfish motives	0.00%	0.00%	12.82%	0.00%	41.67%
No honorarium, hence sarpanch needs to meet personal/family expenses	0.00%	0.00%	0.00%	3.45%	0.00%
Sarpanch invests money for networking with big politicians	0.00%	0.00%	0.00%	0.00%	2.78%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

**Table 1.17: Reasons for Misutilisation of JRY Funds: Non Poor (All Panchayats)**

What do you think are the reasons for misutilisation of funds?: Non-Poor	Dongar Mandla (N=9)	Ramhepur (N=11)	Delhi (N=11)	Silpari (N=11)	Sandiya (N=10)
<b>No</b>	<b>77.78%</b>	<b>100.00%</b>	<b>81.82%</b>	<b>81.82%</b>	<b>50.00%</b>
<b>Yes</b>	<b>22.22%</b>	<b>0.00%</b>	<b>18.18%</b>	<b>18.18%</b>	<b>50.00%</b>
For giving commission (bribe) to higher officials/engineers for sanction of schemes	11.11%	0.00%	9.09%	9.09%	10.00%
Mainly Sarpanch, or power behind him misutilised fund for selfish motives	0.00%	0.00%	9.09%	0.00%	20.00%
Sarpanch misutilises for meeting election expenses	0.00%	0.00%	0.00%	0.00%	20.00%
Sarpanch needs to meet expenses of running round, other officials needs	11.11%	0.00%	0.00%	9.09%	0.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

<sup>91</sup>In Ankli panchayat, all four poor and two non-poor from the total 18 respondents (as already noted earlier, Ankli could be covered by the questionnaire work only partially) who answered singled out the selfish motive of sarpanch as the prime factor.

Overall selfish motives of the sarpanch emerges as the main factor. But, interestingly, sarpanchs had tried to present a different picture among the people. This came to light when some of the key respondents suggested during deep interviews that sarpanchs and secretaries almost claimed a right to misutilise JRY funds. Why? Because sarpanchs argued that their allowances, a notional amount of Rs.150-200, could hardly compensate for their full time involvement in managing panchayats' affairs. And, thus, they could hardly look after their families' and their personal needs, so the government sent JRY funds for their personal use!<sup>92</sup> In addition, multiple pressures on them to turn to corrupt practices were also heard, a few of which have also been mentioned in Tables 1.16 and 1.17, for example: commissions to officers and, even to senior PRI members; compulsion to periodically pay some money to panchs to ensure their loyalty; keeping the audit team and also other inspecting officers in good humour; and links with MPs and MLAs to get their support. Some of these problems and pressures may be real, but people's responses, as discussed above, suggest that they think otherwise and view sarpanchs' own lust for money and personal aggrandizement as largely responsible for corruption. This was strongly reinforced in their responses to the question about what they thought of the situation of panchayati raj over the last fifteen years of its functioning (see Section 12).

As the emerging picture was of problems of exclusion of people from the workings of JRY and serious unaccountability, it was decided to check whether people knew of the unique and bold rules of social audit (see Section 3.v) and to what extent it proved helpful (or not) in reasserting their control on the programme. At this first stage of inquiry in this regard, however, without mentioning the existence of "social audit" respondents were asked generally to ascertain whether they knew of it on their own. The answers are depressing:

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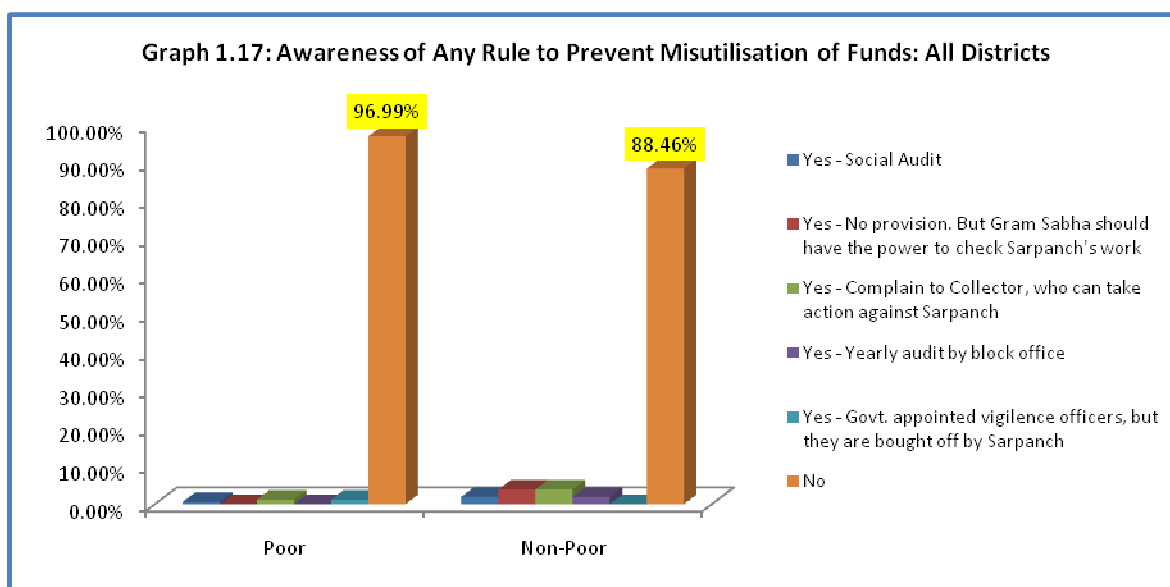
<sup>92</sup>Interview, Basant Maravi, ex-panchayat secretary, Ramhepur, Mandla, 01.10.09, Bhagwat Tiwari, Post Master, Delhi, Rewa, 05.10.09 and Nurul Haque, ex-panch (Ward-17, 2000-05), Silpari, Rewa, 10.10.09.

**Table 1.18: Awareness of Any Rule or Provision to Prevent Misutilisation of Funds: All Districts**

<b>Do you know of any rule or provision under the panchayati raj system that can help to prevent misutilisation of funds?: All districts</b>	<b>Poor (N=166)</b>	<b>Non-Poor (N=52)</b>
<b>Yes</b>	<b>3.01%</b>	<b>11.54%</b>
Social Audit	0.60%	1.92%
No provision. But <i>gram sabha</i> should have the power to check Sarpanch's work	0.00%	3.85%
Complain to Collector, who can take action against Sarpanch	1.20%	3.85%
Yearly audit by block office	0.00%	1.92%
Govt. appointed vigilance officers, but they are bought off by Sarpanch	1.20%	0.00%
<b>No</b>	<b>96.99%</b>	<b>88.46%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

Only 3% of the total 166 poor knew, rightly or wrongly, of the existence of any provision for checking their panchayat's works. None knew of the social audit provision (one had heard its name but knew nothing further). A similar scenario prevailed among the non-poor (see Table 1.18 and Graph 1.17). In sum, all 218 villagers in all three districts and their five panchayats did not know of the social audit.



Thereafter, provision of social audit was then mentioned (in case they might have forgotten) and villagers were asked again (see Table 1.19).

**Table 1.19: Knowledge of Social Audit: All Districts**

Have you heard of Social Audit? What do you know of it?	Poor (N =166)	Non-poor (N=52)
<b>Don't know</b>	<b>97.59%</b>	<b>86.54%</b>
<b>Only heard its name</b>	<b>1.81%</b>	<b>3.85%</b>
<b>Yes</b>	<b>0.60%</b>	<b>9.62%</b>
Vigilance committee of few villagers could check panchayat's works	0.00%	3.85%
Social audit means verification and approval (or disapproval) of panchayat's works by <i>gram sabha</i>	0.60%	3.85%
Audit means checking of accounts and unearthing misutilisation of funds	0.00%	1.92%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

This time only 2% of the total poor answered affirmatively. Three of them had only heard the name and the one person who correctly described it was a teacher in Silpari panchayat.<sup>93</sup> Among the non-poor, about 13% or seven persons answered: only two understood it correctly, the panchayat secretary in Silpari<sup>94</sup> and a teacher in Sandiya.<sup>95</sup> Another three confused social audit with the vigilance committee or official audit and remaining two had simply heard the name.<sup>96</sup> Further, it is crucial to highlight that this was the only issue on which all key respondents, from many cross sections of society, who were interviewed were found wholly ignorant. This was indeed stunning since usually most of them turned out to be knowledgeable on other facets of research. In a nutshell, even after fifteen years of panchayati raj this highly empowering pro-people provision remained in darkness, even in the state that pioneered it!

Time was then spent with each respondent explaining the salient features of social audit in some detail: they were then asked why, despite social audit's provision in existence, people could not intervene to improve the situation?

<sup>93</sup>Q no-21/95, Silpari, Rewa: Jagdish Prasad

<sup>94</sup>Q no-19/406, Silpari, Rewa: Shatrughna Prasad Patel

<sup>95</sup>Q no- 20/414, Sandiya, Neemuch: Rajendar Kashiram

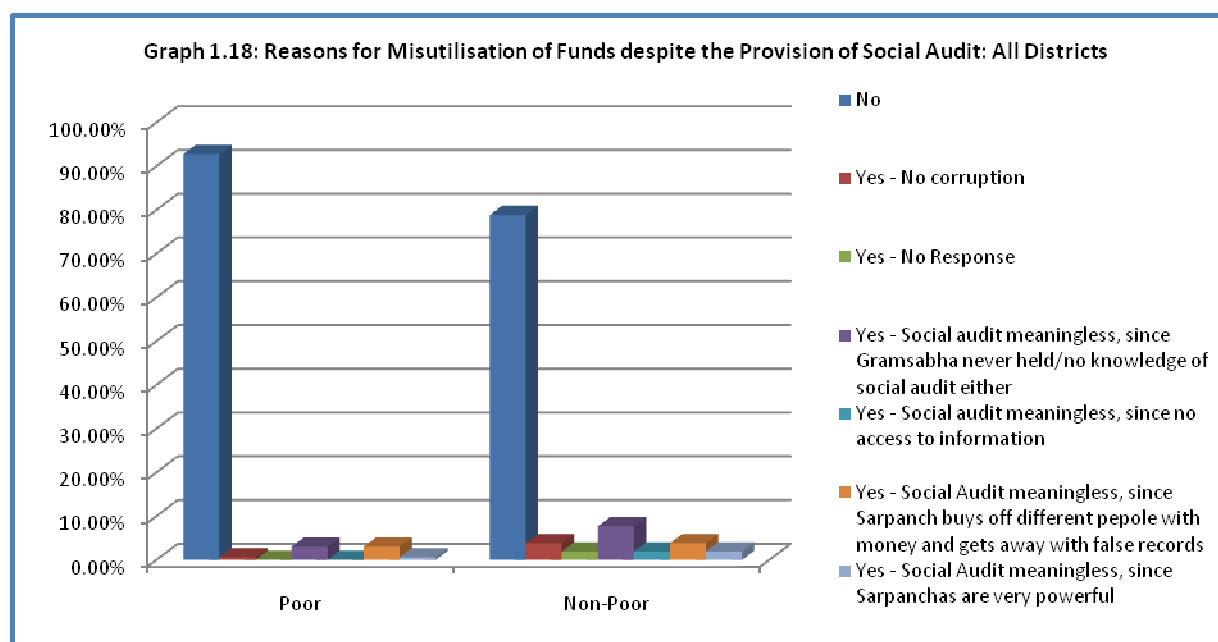
<sup>96</sup>Under JRY guidelines, there was a provision for a vigilance committee to be constituted by the panchayat. But this was different from the provision of social audit. It seems that the respondent somehow knew the former provision, and confused it with that of the social audit.

**Table 1.20: Reasons for Misutilisation of Funds despite the Provision of Social Audit: All Districts**

Can you say why despite the provision of Social Audit, misutilisation of funds take place?	Poor (N=166)	Non-Poor (N=52)
<b>No</b>	<b>92.77%</b>	<b>78.85%</b>
<b>Yes</b>	<b>7.23%</b>	<b>21.15%</b>
No Response	0.00%	1.92%
No corruption	0.60%	3.85%
Social audit meaningless, since <i>gram sabha</i> never held/no knowledge of social audit either	3.01%	7.69%
Social audit meaningless, since no access to information	0.00%	1.92%
Social Audit meaningless, since Sarpanch buys off different people with money and gets away with false records	3.01%	3.85%
Social Audit meaningless, since Sarpanchas are very powerful	0.60%	1.92%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

Only 7% of the poor came forward to answer (see Table 1.20 and Graph 1.18). Initially this low response was disappointing, but with the benefit of hindsight, it can be said that it was hardly realistic to expect anything better, given that they were being asked to respond to what was, in their experience, an entirely hypothetical question.



Does this imply that if *gram sabahs* were held, the social audit could have worked? The remaining answers gave the impression that people did not think so: “even if the social audit provision was known, nobody would have raised their voice in *gram sabhas*

against sarpanchs out of fear. And panchs and others capable of raising their voice would have been bought off. Thus, it still would have remained ineffective”; “since sarpanchs bribe engineers or audit parties to authenticate their false records, that too could have rendered the social audit ineffective,” etc.

### 11. If needed, could people protest against panchayat’s wrongdoings?

The unequivocal message that came across is that both *gram sabhas* and social audit were almost nonexistent on the ground. Did this also mean that people did not protest against wrongdoings? Or if they did, in what ways and with what results? This was the next issue put to the villagers.

23% of the poor responded (Table 1.21 and Graph 1.19). However, the overwhelming majority 21% said no protests were made, because of, in one way or another, fear of sarpanchs’ possible retribution. Unawareness of their rights and of methods of lodging complaints was also mentioned as a major factor. The remaining few mentioned caste divisions and capable people being bought off as the constraints.

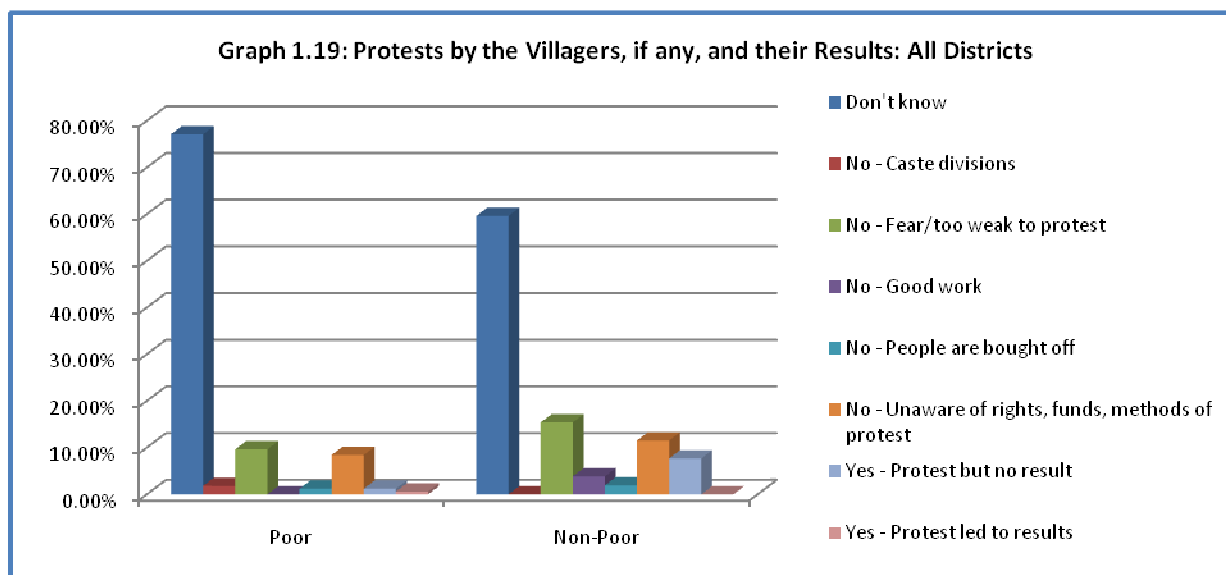
**Table 1.21: Protests by the Villagers, if any, and their Results: All Districts**

Did the villagers protest against wrong doings by the sarpanch? If yes, what were the results? If no, why?	Poor (N=166)	Non-Poor (N=52)
<b>Don't know</b>	<b>77.11%</b>	<b>59.62%</b>
<b>No Protest</b>	<b>21.08%</b>	<b>62.69%</b>
Caste divisions	1.81%	0.00%
Fear/too weak to protest	9.64%	15.38%
Good work	0.00%	3.85%
People are bought off	1.20%	1.92%
Unaware of rights, funds, methods of protest	8.43%	11.54%
<b>Protests</b>	<b>1.81%</b>	<b>7.69%</b>
Protest but no result	1.20%	7.69%
Protest led to results	0.60%	0.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

The panchayat wise disaggregated responses are provided in Appendices XA & XB. They reveal that the issue of fear of sarpanch and unawareness of people’s rights were most prominently mentioned in Sandiya, Delhi and Silpari, but, an exceptional silence prevailed on this issue in the tribal regions. This has interesting implications for

understanding how decentralised institutions, howsoever well crafted from above, ultimately unfold into reality through deep interactions with the existing social institutions, specially their cultural dimensions. These issues will be returned to in WP 5.

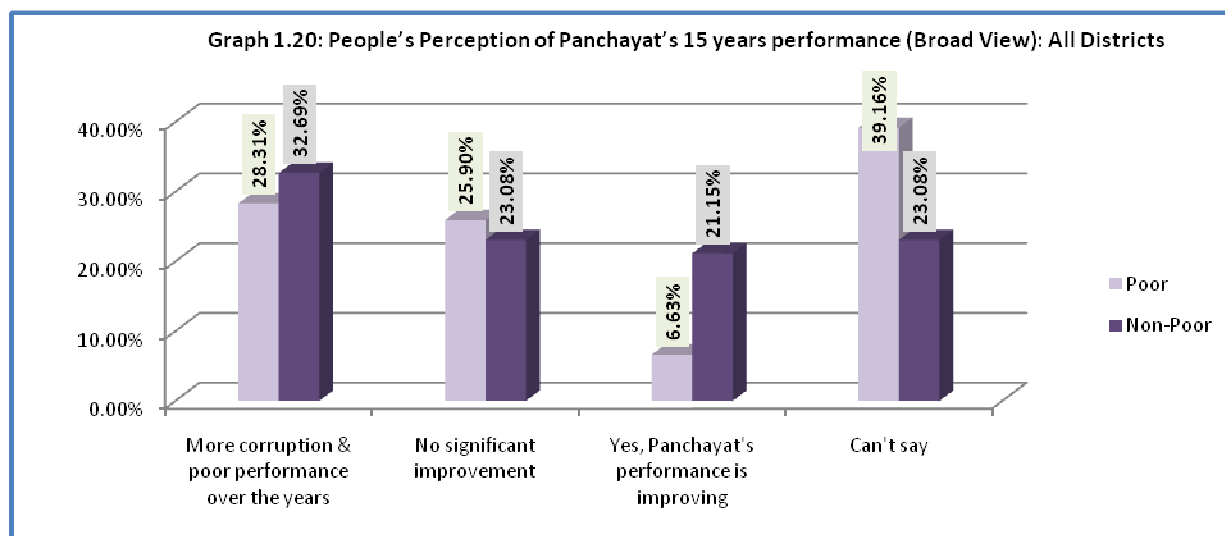


An overwhelming majority of the non-poor, too, said that no protests were made. Again the majority identified fear of sarpanch's power as the main reason for the absence of protest, the unawareness factor coming second. The similarity of poor and non-poor answers, given the expectation that the non-poor would be less vulnerable to power structures, is striking.

## **12. What did people finally say about their panchayat's performance over the fifteen years of its existence?**

It was in this area of questioning that respondents were most eager to share their opinions. 61%, or 101, of all poor (166) responded (see Table 1.22 and Graph 1.20). 47% of 101 answering respondents found the panchayati raj system deteriorating over the years, and an additional 43% found no significant improvement. In total, then, approximately 90% of 101 villagers who shared their views were telling us a negative story. Only 10% said panchayats had improved. Among the non-poor, 77% of the total

52 respondents (40) shared their views. Here too, the majority, 73% of the answering respondents, held negative views.



**Table 1.22: People's Perception of Panchayat's 15 years performance (Detailed): All Districts**

Do you think your Panchayat has improved over the last 15 years of its working or not? What are the reasons of the answer you gave?: All Districts	Poor (N=166)	Non-Poor (N=52)
<b>More corruption &amp; poor performance over the years</b>	<b>28.31%</b>	<b>32.69%</b>
Earlier people became sarpanch for fame, now only for making money	3.61%	5.77%
No <i>gram sabha</i> organised by sarpanch; gives no information	1.20%	1.92%
Sarpanch from poor caste; powerful people control him and do not allow him to work	1.81%	1.92%
Sarpanch spends lot of money to win election, so he indulges in corruption	0.00%	1.92%
Sarpanch has become more unaccountable now	2.41%	0.00%
Very little work happening now as compare to past	1.81%	0.00%
Can't say	17.47%	21.15%
<b>No significant improvement</b>	<b>25.90%</b>	<b>23.08%</b>
After election all sarpanchs think only about themselves, and indulge in looting	4.82%	5.77%
Misuse of funds and corruption continues in present as in the past	1.20%	3.85%
Not as much development work in the present as in the past	4.82%	0.00%
People remain unaware about panchayat works even now as in the past	0.00%	1.92%
Can't say	15.06%	11.54%
<b>Yes, Panchayat's performance is improving</b>	<b>6.63%</b>	<b>21.15%</b>
At least panchayat listens to our problems, officers did not	0.60%	0.00%
Better employment generation	0.00%	1.92%
Easy to get caste certificates and the like	0.00%	1.92%
More/better quality works are happening	0.00%	1.92%
More developmental works (road, drainage, handpump, etc.) are happening	1.81%	3.85%
Panchayat has become more powerful	0.00%	1.92%
Can't say	4.22%	9.62%
<b>Can't say</b>	<b>39.16%</b>	<b>23.08%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

The most interesting and insightful answers came when respondents were asked for the reasons for their answers, whether positive or negative. Of the 101 poor villagers who answered one way or another, only 40 or 40% of them could articulate their reasons. The majority of these 40 villagers, about 55%, in one way or other pointed to the quality of people becoming sarpanchs as the most problematic factor. The highlighted rows in the Table 1.22 all point to: increasing lust for money, secretive functioning and unaccountability of sarpanchs as the critical factors behind panchayats' degeneration or non improvement. Among the non-poor, 45% of those who initially gave broad answers (18 out of 40) gave their reasons. 56%, or 10 responses out of 18 (highlighted), gave similar reasons as the poor, i.e., poor quality of sarpanch's leadership, though in different words (for a panchayat wise and disaggregated view of the responses, see Appendix X1).

The small percentage of those who thought the panchayat had been improving mainly highlighted that more development works (road, drainage, handpump, etc.) were being done.

### **13. Summary and concluding remarks**

The following chart summarises the story of JRY:

## Elements of the story

## Findings

<b>1. Basic Awareness/knowledge</b>	<ul style="list-style-type: none"><li>• Apart from in Neemuch, hardly any common villager from the poor or even the non-poor knew of JRY. The few who did were mostly those who had held, or were holding, a position (panch, teacher, etc.), which gave them access to information the other villagers did not have.</li><li>• However, everywhere such common villagers who recognized JRY only knew it as “a scheme of small construction works,” or “sarpanch’s scheme”; they did not know that <i>gram sabha</i> had full control over its operation.</li></ul>
<b>2. Selection of JRY projects</b>	<ul style="list-style-type: none"><li>• The vast majority of respondents everywhere were unaware of how schemes were selected. The few who could speak on this invariably reported that sarpanch was the only <i>dramatis persona</i> in the play of scheme selection. Other villagers were not consulted.</li><li>• Only ex- or current sarpanchs, panchayat secretaries and one or two close associates of sarpanchs mentioned that schemes were selected in the <i>gram sabha</i>.</li></ul>
<b>3. Knowledge of implementation of JRY, as provided to people</b>	<ul style="list-style-type: none"><li>• Everywhere the majority of both poor and non-poor respondents reported that either <i>gram sabhas</i> were never held (most responses), or if occasionally held, no information on funds and implementation was ever provided.</li><li>• Violence broke out if some people dared to ask for such information in the <i>gram sabha</i>.</li><li>• A very few positive responses came from ex- or current sarpanchs.</li></ul>
<b>4. People’s perception of the propriety in utilization of JRY funds</b>	<ul style="list-style-type: none"><li>• The majority, specially the poor, simply expressed their inability to answer this. The most common remark was: “how can we know about it, when the sarpanch/secretary never tells us anything?”</li><li>• The majority of the few poor (about 20%) who could say something thought that not more than 50% of the funds were properly utilized.</li></ul>
<b>5. Reasons for misutilisation of funds</b>	<ul style="list-style-type: none"><li>• Once again, only a few could suggest reasons. According to both poor and the non-poor, sarpanchs were indulging in corruption entirely out of selfish motives. Other pressures, e.g., commission (bribe) to higher officials, lack of honorarium, need to please more important politicians, etc., figure only as minor issues.</li></ul>
<b>6. Self knowledge of Social Audit</b>	<ul style="list-style-type: none"><li>• The social audit, boldly initiated by Madhya Pradesh for the first time in the country, which empowered people to demand information on and inspect panchayat’s works, and approve or disapprove those, most astonishingly remained unknown to people despite its existence in the rule books for the last 15 years. 98% of the poor and 87% of the non-poor reported complete unawareness.</li></ul>
<b>7. Effectiveness of Social Audit</b>	<ul style="list-style-type: none"><li>• Since nobody knew of the social audit provision only a few ventured hypothetical responses. They minced no words, however, in telling us that even if they had known of it, it would have been meaningless due to the lack of <i>gram sabhas</i> and sarpanchs’ buying off of officials, audit party members, and even those few villagers capable of raising their voice with money.</li></ul>
<b>8. People’s protest and their results</b>	<ul style="list-style-type: none"><li>• The few poor who spoke on this predominantly mentioned that no protests are usually made for the fear of sarpanch’s power, being too weak to challenge, mostly busy in struggles for daily survival and being unaware of their rights.</li><li>• Interestingly even among the non poor, the fear of sarpanchs’ power was given as the most prominent reason for not protesting.</li></ul>
<b>9. Performance of panchayat over time (last 15 years)</b>	<ul style="list-style-type: none"><li>• About 61% among the poor and 77% non poor came forward to share their thoughts on this rather candidly. In both categories, a clear majority suggested that either panchayats have degenerated or not significantly improved over the past 15 years.</li></ul>

This is a remarkable story of an almost complete turnaround of all that JRY was supposed to stand for, or, to be more accurate, *all on which the JRY stood*. Put analytically, the central elements of the institutional logic – the foundation of the faith behind JRY’s potential for becoming a true pro-poor policy - appear to have been blown to winds. Consider these:

(i) Even the flow of basic information of the coming of the JRY as a new programme to be run entirely by the people proved amazingly so costly transaction, that it could never reach to the people;

(ii) People’s felt-needs could not inform the formulation of developmental plans under the JRY, and the fact that they lived at walking distances from the houses of their panch and sarpanch remained entirely inconsequential in this regard;

(iii) Despite the theory that the agent’s (sarpanch) activities would come under the full gaze of, thus an easy oversight by, the principals (the people), the latter did not even know how much their agents received in funding, let alone how well and honestly it was spent and for what. The principals remained almost powerless to intervene to correct this situation, let alone punish the deviant agents, regardless of the fact that the rule books had enormously empowered them to enforce their will on the agents through the provision of the social audit. The principal-agent conundrum appeared infinitely more intimidating in the field, notwithstanding the assumption of zero transaction costs of implementation; and

(iv) Finally the most puzzling of all is the finding that the interests of the key players (sarpanchs, etc), and even others who colluded with or were co-opted by them, whether panchs or other more capable persons, who too were villagers, stood hugely misaligned with the incentives on offer by JRY. It appeared as if it did not matter to them whether their corrupt practices led to the casting of fragile roofs over school buildings, with life and death implication for their own children, or to deepening of poorly built roads as ditches after every rainy season, again with life and death implications for their kith and kin. Some other interests came to dominate these

issues so perversely and intensively that the idea of those being a mirror image of incentives stood shattered unrecognizably.

Perhaps anticipating these that old wise tribal lady had alerted Rajiv Gandhi to transfer the money during the daylight. She surely trusted Rajiv Gandhi, but not the darkness in the villages. So she had hoped that broad daylight could help in actualising the dreams of Rajiv Gandhi. The findings as reported above seem to belie even this hope, since all those we learned about had happened in the broad daylight!

These findings are, to say the least, highly intriguing. Though they would be analysed in depth in WP 5, however, an immediate perception may arise from the preceding account: did such outcomes of JRY result since only the institution of village panchayats was involved? They often remain colonised by a few traditional but powerful local players, who are not easily challenged within their microcosms of dominance. Thus, spaces of empowerment of and participation by common villagers in village panchayats can be almost irredeemably chocked *ex ante*. Could the scenario have been different had all layers of decentralised PRIs – District, Block and Village Panchayats – together come into play? Because then the chances of countervailing the local power structures by more informed, resourceful and better networked people's representatives, likely to be thrown up in large numbers by the entire *panchayati raj* system, could have been higher?

Precisely because of these assumptions, the study of the dynamics of the Employment Assurance Scheme (EAS) was designed within the research, since its implementation involved all layers of the PRIs in their full measures. It is interesting to find that the intriguing outcomes of JRY also seem to leading the research into this direction. Additionally, EAS was framed as the first national level “rights-based” employment generation programme for the poor, with a view that bringing in the “rights-based” strategy would create a programmatic enabling environment for additionally empowering the poor to work the EAS in their best interests. Hence, it is only apt to present the story of EAS now, which follows in the next Working Paper 2.

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## Appendix

### Appendix I: State-wise Allocation of JRY Funds (Central and State Share: 80:20) and Utilisation (1992-99)

Sl. No.	States of India	Total Fund (In Rs. million)	Share of States (%)	Utilisation (In Rs. million)	% of Utilisation
1	Andhra Pradesh	17803.7	7.72	17444.7	97.98
2	Assam	6387.7	2.77	5297.4	82.93
3	Bihar	35113.2	15.22	32272.2	91.91
4	Gujarat	6838.4	2.96	6627.3	96.91
5	Haryana	1770.0	0.77	1571.1	88.76
6	Himachal Pradesh	739.3	0.32	702.8	95.06
7	Jammu & Kashmir	1438.8	0.62	1352.0	93.97
8	Karnataka	11972.8	5.19	11632.9	97.16
9	Kerala	4486.4	1.94	4295.8	95.75
10	Madhya Pradesh	23441.9	10.16	22944.6	97.88
11	Maharashtra	19151.9	8.30	18310.8	95.61
12	Orissa	14284.4	6.19	13349.4	93.45
13	Punjab	1179.9	0.51	999.2	84.69
14	Rajasthan	9802.3	4.25	9501.4	96.93
15	Tamil Nadu	15918.4	6.90	17473.1	109.77
16	Uttar Pradesh	43027.9	18.65	42769.0	99.40
17	West Bengal	14726.9	6.38	14529.3	98.66
18	Arunachal Pradesh	177.5	0.08	177.2	99.83
19	Goa	194.3	0.08	198.9	102.37
20	Manipur	281.8	0.12	220.3	78.18
21	Meghalaya	309.8	0.13	234.3	75.63
22	Mizoram	174.6	0.08	176.6	101.15
23	Nagaland	422.4	0.18	304.3	72.04
24	Sikkim	195.9	0.08	214.9	109.70
25	Tripura	648.3	0.28	645.9	99.63
26	A & Nisland	58.1	0.03	58.1	100.00
27	Dadra & Nagar Haveli	48.4	0.02	39.3	81.20
28	Daman & Diu	19	0.01	17.9	94.21
29	Lakshadweep	36.1	0.02	41.4	114.68
30	Pondicherry	89	0.04	84.4	94.83
<b>Total</b>		<b>230739.1</b>	<b>100.0</b>	<b>223486.5</b>	<b>96.86</b>

Note: In the Graph 1.1. presented in the text, small States' (sl. no. 18-30) total Rs. 2655.2 ml. has been shown together.  
Source: CAG report (2000)

### Appendix IA: Yearwise Allocation of JRY Funds and mandays created (92-99)

Year	Total Allocation of JRY Funds in the Country (In Rs. million)	mandays (In million)
1992-93	31823.4	782.1
1993-94	38830.9	1025.8
1994-95	43706.7	951.7
1995-96	46070.7	895.8
1996-97	20483.8	400.6
1997-98	24257.9	394.9
1998-99	25465.3	330.5
<b>Total</b>	<b>230638.7</b>	<b>4781.4</b>

Source: CAG report (2000); Basu (2003).

**Appendix II: District-wise Distribution of JRY Funds, Expenditures and mandays created  
Madhya Pradesh (1994-2000)**

Sl.No.	Districts	Released Amount (in millions)			Expenditure Amount (in millions)			mandays generated (in millions)		
		1994-95	1995-96	1996-97	1994-95	1995-96	1996-97	1994-95	1995-96	1996-97
1	Balaghat	55.64	70.73	42.70	55.29	67.91	50.04	1.16	1.53	0.79
2	Baitul	93.28	112.88	59.43	73.09	85.59	58.00	1.88	1.71	1.02
3	Bhind	28.61	39.32	20.82	28.77	37.99	21.52	0.62	0.63	0.52
4	Bhopal	38.66	27.20	16.51	27.89	30.71	14.31	0.56	0.50	0.28
5	Chatarpur	51.50	61.71	33.40	50.86	36.92	32.45	1.05	1.01	0.88
6	Chindwara	73.99	102.63	45.13	76.51	93.80	31.23	1.62	1.60	0.38
7	Damoh	54.43	53.99	24.12	50.53	43.87	31.51	1.05	0.77	0.66
8	Datia	28.43	29.01	12.93	25.55	17.62	14.27	0.54	0.33	0.27
9	Dewas	51.48	39.07	34.60	52.23	56.60	31.86	1.11	1.04	0.65
10	Dhar	117.49	144.18	77.33	100.28	129.32	65.13	1.84	2.26	1.01
11	Guna	63.20	74.66	26.76	63.73	59.66	37.84	1.36	1.01	0.59
12	Gwalior	22.71	31.56	16.95	23.80	19.86	15.00	0.51	0.34	0.21
13	Hosangabad	71.74	62.17	29.46	65.57	42.72	24.29	1.34	0.62	0.76
14	Indour	31.50	37.60	20.77	22.82	32.57	22.03	0.60	0.56	0.38
15	Jabalpur	98.10	121.69	58.54	88.85	99.22	58.45	1.90	1.78	0.94
16	Jhabua	121.77	192.58	96.15	109.03	170.37	84.52	2.45	3.01	1.32
17	Khandwa	91.54	103.54	60.95	77.48	102.98	67.14	1.60	1.74	1.07
18	Khargaoon	128.99	172.26	56.76	93.98	128.19	67.27	1.55	2.02	0.94
19	Mandala <sup>a</sup>	116.28	156.13	78.03	121.82	131.11	53.57	2.73	2.89	0.95
20	Mandsour <sup>b</sup>	40.54	66.39	40.03	52.09	54.03	33.42	0.89	0.93	0.54
21	Muraina	41.32	49.81	22.20	33.31	36.15	30.98	0.69	0.65	0.48
22	Narsinghpur	46.18	39.99	21.82	41.77	34.91	25.69	0.81	0.59	0.67
23	Panna	41.78	51.84	18.17	40.56	29.60	29.47	0.75	0.56	0.48
24	Raisen	70.25	47.64	23.34	71.52	45.55	21.02	1.59	0.79	0.57
25	Rajgadh	60.73	55.56	36.29	63.58	50.96	29.35	1.35	0.96	0.45
26	Ratlam	62.64	77.47	38.81	56.13	44.03	34.44	1.21	0.74	0.84
27	Rewa	22.32	80.64	36.73	57.11	46.65	35.40	1.19	0.82	0.61
28	Sagar	78.29	71.46	38.43	82.02	63.50	25.62	1.79	1.10	0.72
29	Satna	75.46	86.39	44.74	72.15	69.23	27.55	1.46	1.23	0.72
30	Sihor	43.30	49.43	25.85	32.72	57.25	20.91	0.91	0.63	0.72
31	Sipni	76.39	104.10	62.74	78.91	90.67	47.09	1.87	1.62	0.76
32	Sahdole	107.39	152.64	74.84	126.10	142.19	85.01	2.66	2.44	1.36
33	Shajapur	63.27	52.07	29.56	55.58	50.08	32.49	1.08	0.78	0.54
34	Shivpuri	53.04	62.18	34.46	40.58	52.26	40.76	0.82	0.90	0.70
35	Sidhi	77.66	115.90	59.79	78.06	114.50	55.89	1.77	2.00	1.07
36	Tikamgarh	39.99	51.52	30.70	40.33	83.58	26.51	0.77	0.60	0.44
37	Ujjain	49.90	62.00	35.50	42.36	59.96	33.17	0.92	1.04	0.52
38	Vidisha	42.24	43.30	16.00	41.94	29.81	20.17	0.89	0.52	0.66
39	Bastar	193.70	249.64	108.23	173.91	143.00	109.04	7.20	2.59	1.69
40	Bilaspur	121.98	194.14	94.15	92.85	207.65	91.09	1.70	3.66	1.44
41	Durg	76.43	104.76	51.83	87.17	90.67	45.07	1.20	1.62	0.70
42	Raigadh	121.31	162.78	68.67	121.79	153.95	71.25	2.55	2.68	1.11
43	Raipur	142.10	179.93	80.90	161.41	178.24	84.85	3.03	2.19	1.35
44	Rajnandgaon	87.01	102.39	59.23	75.00	95.90	57.36	1.46	1.90	0.89
45	Sarguja	123.52	188.70	81.72	137.42	167.64	78.36	3.14	2.10	1.27
	<b>Total</b>	<b>3298.10</b>	<b>4135.56</b>	<b>2046.05</b>	<b>3164.44</b>	<b>3578.95</b>	<b>1972.41</b>	<b>69.12</b>	<b>60.98</b>	<b>34.90</b>

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<sup>a</sup>Till 1999-2000, Dindori with its 363 panchayats was included in Mandla district that had additional 472 panchayats. During this period JRY funds shown here were being distributed from Mandla to all its 835 panchayats. After formation of Dindori as a separate district in 2000-01, Mandla is left with 472 panchayats.

<sup>b</sup>Neemuch was within Mandsaur district till 1999-2000. Undivided Mandsaur had 655 panchayats including 214 panchayats of Neemuch. During this period, JRY funds shown here were being distributed by Mandsaur district to all its 655 panchayats. After formation of Neemuch as a separate district in 2000-01, Neemuch operated separately for its 214 panchayats.

**District-wise Distribution of JRY Funds, Expenditures and mandays created Madhya Pradesh (1994-2000)**

Sl.No.	Districts	Released Amount (in millions)			Expenditure Amount (in millions)			mandays generated (in millions)		
		1997-98	1998-99	1999-2000	1997-98	1998-99	1999-2000	1997-98	1998-99	1999-2000
1	Balaghat	49.64	47.67	44.33	47.30	44.89	44.79	0.66	0.59	0.57
2	Baitul	69.08	100.24	44.11	86.50	71.78	71.75	1.19	1.15	0.89
3	Bhind	26.04	22.82	22.85	25.54	22.95	19.01	0.36	0.31	0.25
4	Bhopal	19.48	16.62	25.54	19.80	18.39	15.34	0.25	0.21	0.18
5	Chatarpur	36.85	35.31	51.46	36.62	36.86	32.12	0.51	0.50	0.40
6	Chindwara	32.10	29.75	45.63	56.40	40.37	44.84	0.79	0.53	0.59
7	Damoh	36.24	33.58	46.23	40.76	37.77	31.07	0.57	0.53	0.39
8	Datia	12.87	12.91	16.36	15.77	13.80	11.25	0.25	0.21	0.14
9	Dewas	30.23	25.16	35.53	37.86	28.31	20.96	0.53	0.43	0.25
10	Dhar	83.75	129.78	73.20	89.57	83.75	113.23	1.25	1.20	1.34
11	Guna	33.50	35.99	39.31	46.31	38.49	37.76	0.65	0.51	0.50
12	Gwalior	19.33	19.04	28.22	19.79	27.86	16.56	0.27	0.36	0.19
13	Hosangabad	28.13	19.86	30.40	26.27	29.20	27.45	0.37	0.45	0.36
14	Indour	19.36	19.91	33.70	21.81	21.48	21.13	0.29	0.28	0.27
15	Jabalpur	69.25	60.45	90.10	67.49	74.30	61.93	0.95	0.98	0.80
16	Jhabua	113.30	117.35	91.04	102.64	118.62	112.51	1.48	1.82	1.76
17	Khandwa	68.32	73.24	57.14	74.60	69.86	66.13	1.03	0.97	0.84
18	Khargaon	95.97	133.05	46.86	102.71	88.58	94.48	0.83	1.34	1.42
19	Mandala*	94.29	57.67	107.68	113.68	67.63	30.13	1.60	1.03	0.42
20	Mandsour*	31.66	33.05	39.68	45.02	32.93	35.58	0.61	0.45	0.41
21	Muraina	28.90	25.67	27.01	28.20	24.35	32.20	0.40	0.35	0.42
22	Narsinghpur	16.92	14.63	32.86	15.01	17.29	10.84	0.25	0.26	0.13
23	Panna	32.89	20.66	31.88	26.09	34.00	26.76	0.36	0.48	0.33
24	Raisen	22.14	25.11	23.70	27.06	26.05	24.28	0.72	0.49	0.29
25	Rajgad	46.60	39.63	37.06	52.28	40.21	36.05	0.74	0.53	0.47
26	Ratlam	28.57	39.42	46.29	44.39	46.42	36.75	0.56	0.65	0.50
27	Rewa	40.06	24.37	40.73	48.22	26.52	47.47	0.68	0.37	0.56
28	Sagar	45.34	43.15	36.63	44.41	50.27	36.36	0.65	0.66	0.43
29	Satna	52.39	29.92	67.38	40.26	40.58	44.94	0.56	0.57	0.56
30	Sihor	23.32	28.22	26.39	26.73	24.76	25.89	0.39	0.41	0.33
31	Sipni	69.29	62.10	109.54	86.33	68.94	62.40	1.36	0.89	0.79
32	Sahdole	86.99	113.53	52.45	84.39	88.21	82.42	1.19	1.20	1.08
33	Shajapur	34.79	30.66	31.47	34.87	36.05	28.12	0.48	0.47	0.37
34	Shivpuri	42.04	32.54	34.90	41.43	38.37	31.84	0.59	0.53	0.39
35	Sidhi	64.62	50.20	56.24	68.58	50.41	60.02	0.99	0.66	0.71
36	Tikamgarh	22.26	21.84	16.89	33.15	24.37	16.51	0.45	0.34	0.23
37	Ujjain	36.27	27.79	37.41	47.05	38.84	32.08	0.65	0.56	0.38
38	Vidisha	21.22	18.23	17.84	24.77	19.05	17.92	0.61	0.23	0.20
39	Bastar	124.53	120.60	112.48	136.16	125.01	103.53	2.06	1.75	0.85
40	Bilaspur	110.86	105.66	94.82	120.14	107.09	97.20	1.68	1.46	1.22
41	Durg	32.04	42.29	53.50	48.12	37.21	54.28	0.68	0.56	0.82
42	Raigadh	80.47	70.61	72.93	69.60	81.32	51.80	0.97	1.12	0.68
43	Raipur	87.00	89.47	79.55	82.56	87.66	90.47	1.17	1.21	1.37
44	Rajnandgaon	62.61	66.69	61.39	61.88	79.79	56.88	0.87	1.05	0.66
45	Sarguja	94.96	91.83	86.15	89.29	95.49	69.16	1.21	1.30	0.82
	<b>Total</b>	<b>2276.45</b>	<b>2258.23</b>	<b>2256.85</b>	<b>2457.41</b>	<b>2276.07</b>	<b>2084.14</b>	<b>34.72</b>	<b>31.93</b>	<b>26.53</b>

\* See f.n. a & b on the first page of this Appendix

**District-wise Distribution of JRY Funds, Expenditures and mandays created Madhya Pradesh (1994-2000)**

Sl. No.	Districts	Released Amount (in millions)			Expenditure Amount (in millions)			mandays generated (in millions)		
		2000-01	SUBTOTAL for 94-98	SUBTOTAL for 94-01	2000-01	SUBTOTAL for 94-98	SUBTOTAL for 94-01	2000-01	SUBTOTAL for 94-98	SUBTOTAL for 94-01
1.	Balaghat	38.25	266.38	348.95	39.23	265.44	349.46	0.45	4.72	5.74
2	Baitul	53.22	434.91	532.25	59.60	374.97	506.31	0.73	6.95	8.57
3	Bhind	18.62	137.62	179.08	17.99	136.76	173.76	0.22	2.44	2.90
4	Bhopal	14.67	118.46	158.67	24.84	111.10	151.28	0.29	1.80	2.27
5	Chatarpur	29.88	218.78	300.12	41.43	193.71	267.26	0.49	3.95	4.84
6	Chindwara	40.01	283.59	369.23	40.31	298.30	383.45	0.47	4.93	5.99
7	Damoh	27.44	202.36	276.02	43.36	204.44	278.87	0.47	3.57	4.43
8	Datia	11.48	96.17	124.00	18.73	87.01	116.98	0.26	1.61	2.00
9	Dewas	24.61	180.53	240.66	35.53	206.85	263.34	0.40	3.76	4.40
10	Dhar	69.23	552.52	694.95	77.51	468.05	658.79	0.92	7.56	9.82
11	Guna	33.77	234.11	307.18	33.77	246.03	317.55	0.42	4.10	5.01
12	Gwalior	13.81	109.58	151.61	18.92	106.31	141.79	0.26	1.69	2.14
13	Hosangabad	16.90	211.37	258.68	17.03	188.05	232.53	0.22	3.55	4.13
14	Indour	19.09	129.15	181.93	29.45	120.71	171.30	0.34	2.11	2.72
15	Jabalpur	27.84	408.04	525.98	40.02	388.31	490.27	0.47	6.55	7.81
16	Jhabua	85.79	641.15	817.98	99.74	585.18	797.43	1.55	10.09	13.39
17	Khandwa	57.39	397.59	512.11	63.49	392.06	521.68	0.72	6.41	7.98
18	Khargaoon	42.09	587.02	675.97	41.56	480.73	616.78	0.55	6.68	8.65
19	Mandala*	52.25	502.41**	662.34	90.80	487.81	608.74	1.16	9.20	10.77
20	Mandsour*	22.80	211.66**	274.14	24.81	217.48	277.87	0.29	3.41	4.11
21	Muraina	13.90	167.90	208.81	15.74	153.00	200.94	0.19	2.57	3.18
22	Narsinghpur	10.91	139.54	183.31	30.63	134.67	176.15	0.31	2.58	3.02
23	Panna	27.39	165.34	224.61	31.05	159.72	217.53	0.27	2.63	3.23
24	Raisen	20.83	188.47	232.99	20.52	191.20	236.00	0.26	4.16	4.71
25	Rajgad	32.40	238.80	308.26	36.16	236.37	308.58	0.42	4.02	4.91
26	Ratlam	41.75	246.91	334.95	50.60	225.41	312.75	0.55	3.99	5.05
27	Rewa	41.04	204.12**	285.88	45.97	213.91	307.35	0.52	3.68	4.77
28	Sagar	34.33	276.67	347.62	34.66	265.83	336.84	0.40	4.92	5.75
29	Satna	39.67	288.91	395.96	55.31	249.77	350.02	0.65	4.53	5.74
30	Sihor	23.10	170.11	219.60	26.59	162.37	214.84	0.34	3.05	3.72
31	Sipni	65.54	374.62	549.70	92.15	371.94	526.48	1.16	6.50	8.45
32	Sahdole	50.44	535.39	638.28	58.93	525.89	667.25	0.78	8.85	10.72
33	Shajapur	27.03	210.35	268.85	29.37	209.07	266.56	0.32	3.35	4.03
34	Shivpuri	27.30	224.26	286.46	27.19	213.40	272.42	0.28	3.53	4.20
35	Sidhi	53.55	368.17	477.96	60.60	367.43	488.05	0.69	6.49	7.89
36	Tikamgarh	24.48	166.31	207.68	26.91	207.94	251.36	0.34	2.60	3.16
37	Ujjain	33.34	211.46	282.20	40.33	221.37	293.78	0.48	3.68	4.54
38	Vidisha	19.58	140.99	178.41	22.21	135.74	175.87	0.20	2.91	3.31
39	Bastar	0.00	796.69	909.17	0.00	687.12	790.65	0.00	15.28	16.13
40	Bilaspur	0.00	626.78	721.60	0.00	618.82	716.02	0.00	9.94	11.16
41	Durg	0.00	307.35	360.85	0.00	308.24	362.52	0.00	4.76	5.58
42	Raigadh	0.00	503.83	576.76	0.00	497.92	549.72	0.00	8.43	9.11
43	Raipur	0.00	579.40	658.95	0.00	594.72	685.19	0.00	8.95	10.32
44	Rajnandgaon	0.00	377.93	439.32	0.00	369.94	426.82	0.00	6.16	6.82
45	Sarguja	0.00	580.72	666.87	0.00	568.20	637.35	0.00	9.01	9.83
46	Dindori*	16.94	0.00	16.94	44.20	0.00	44.20	0.57	0.00	0.57
47	Hardi	9.42	0.00	9.42	9.27	0.00	9.27	0.14	0.00	0.14
48	Katni	24.59	0.00	24.59	31.16	0.00	31.16	0.37	0.00	0.37
49	Neemuch*	12.80	0.00	12.80	13.97	0.00	13.97	0.13	0.00	0.13
50	Shyampurkala	7.56	0.00	7.56	7.65	0.00	7.65	0.09	0.00	0.09
51	Umaria	16.56	0.00	16.56	17.03	0.00	17.03	0.28	0.00	0.28
52	Barbani	36.46	0.00	36.46	34.81	0.00	34.81	0.46	0.00	0.46
	<b>Total</b>	<b>1409.98</b>	<b>14014.39</b>	<b>17681.21</b>	<b>1721.12</b>	<b>13449.26</b>	<b>17254.52</b>	<b>20.84</b>	<b>231.65</b>	<b>279.02</b>

Source: DoPRD, MP (1997 to 2002, 6 volumes).

Notes: (i) \* See f.n. a & b on the first page of this Appendix. (ii) \*\*Amounts shown here have been also presented in the Diagram 1.4 in the text for the concerned research districts Rewa, Mandla and Neemuch. (iii) Districts shown at Sl.No. 39 to 45 were transfer to the Chhatisgarh State that was newly carved out from Madhya Pradesh in the year 2000. (iv) District shown at Sl.No. 46 to 52 are in Madhya Pradesh, but were created as independent districts for the first time in the year 2000 prior to that they were part of bigger districts in Madhya Pradesh.

**Appendix III: Yearwise Allocation & Expenditure of JRY Funds in the Research Panchayats**  
(various years between 1990-2007 in Rs.)

Sl. No.	Year	District - Rewa				District - Mandla		District - Neemuch	
		Silpari		Delhi		Ramheur*		Sandiya*	
		Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure	Allocation	Expenditure
1	1990-91	-	-	-	-	-	-	48810	10451
2	1991-92	-	-	-	-	-	-	24196	37077
3	1992-93	-	-	-	-	-	-	27490	10978
4	1993-94	-	-	-	-	36920	44382	45365	52521
5	1994-95	-	-	-	-	50970	51054	21682	23560
6	1995-96	49042	72193	-	-	43700	17050	15732	14916
7	1996-97	25092	23849	-	-	35000	47169	33455	26872
8	1997-98	38300	30702	-	-	81500	88726	30676	58010
9	1998-99	-	-	-	-	43400	71809	24383	24500
10	1999-2000	17347	17003	-	-	55400	40123	19045	19763
11	2000-01	64128	59782	47093	39195	158600	57022	16152	16040
12	2001-02	34333	17920	48591	-	-	-	13421	13800
13	2002-03	13299	28000	47969	4480	-	-	-	-
14	2003-04	25679	143989	52205	54660	-	-	-	-
15	2004-05	30000	29999		-	-	-	-	-
16	2005-06	-	-	60744	-	-	-	-	-
17	2006-07	-	-	78090	77397	-	-	-	-
18	2007-08	-	-	26949	80239	-	-	-	-
<b>Subtotal 94-98**</b>		<b>112434</b>	<b>126744</b>	<b>-</b>	<b>-</b>	<b>254570</b>	<b>275808</b>	<b>125928</b>	<b>147858</b>
<b>Grand Total</b>		<b>297220</b>	<b>423437</b>	<b>361641</b>	<b>255971</b>	<b>505490</b>	<b>417335</b>	<b>320407</b>	<b>308488</b>

Note: (i) Data for Panchayats with \* mark are compiled from their audit reports for the years shown under each panchayat. (ii) Data for another Research Panchayat Dongar Mandla in Mandla district and Ankli in Neemuch district could not become available by any means. (iii) Data could be available for different years for different panchayat. Hence, the years for which those could not become available have been kept blank. (v) \*\*: Subtotal for 94-98 available for the research panchayats have been also presented in the Diagram 1.4 provided into text.

**Appendix IV: Yearwise Allocation & Expenditure of JRY Funds in certain other panchayats**

*(various years between 1990-2007 in Rs.)*

Sl. No.	Year	District - Rewa				District - Mandla				District - Neemuch			
		Hinauti		Tatihara		Gajraj		Ghughri		Devri Khawasa		Dhakni	
		Allocation	Expdt.	Allocation	Expdt.	Allocation	Expdt.	Allocation	Expdt.	Allocation	Expdt.	Allocation	Expdt.
1	1990-91	-	-	-	-	-	-	-	-	-	-	-	-
2	1991-92	-	-	-	-	-	-	-	-	-	-	16085	45927
3	1992-93	-	-	-	-	-	-	-	-	-	-	-	-
4	1993-94	-	-	-	-	42130	52991	-	-	-	-	-	-
5	1994-95	-	-	-	-	40360	30389	-	-	37013	40107	-	-
6	1995-96	-	-	-	-	15100	22254	-	-	-	-	22558	22810
7	1996-97	-	-	-	-	67700	53570	-	-	-	-	42169	53400
8	1997-98	-	-	-	-	89700	80194	-	-	53174	57358	45333	57656
9	1998-99	-	-	-	-	44300	79360	-	-	-	-	-	-
10	1999-2000	-	-	-	-	56700	25744	-	-	32940	39080	-	-
11	2000-01	62042	57097	-	-	-	-	242900	182871	82121	57054	-	-
12	2001-02	43476	24800	-	-	-	-	140000	334709	-	-	-	-
13	2002-03	72830	40994	-	-	-	-	81388	76600	-	-	43460	42840
14	2003-04	0	29456	-	-	-	-	78400	60986	-	-	-	-
15	2004-05	-	-	9548	10000	-	-	191910	221037	-	-	-	-
16	2005-06	45771	144230	116589	94650	-	-	260730	234448	-	-	-	-
17	2006-07	-	-	29147	45000	-	-	83800	109947	-	-	-	-
18	2007-08	-	-	12464	17743	-	-	-	-	-	-	-	-
<b>Subtotal 94-98</b>		-	-	-	-	<b>257160</b>	<b>265767</b>	-	-	<b>90187</b>	<b>97465</b>	<b>110060</b>	<b>133866</b>
<b>Grand Total</b>		<b>224119</b>	<b>296577</b>	<b>167748</b>	<b>167393</b>	<b>355990</b>	<b>344502</b>	<b>1079128</b>	<b>1220598</b>	<b>205248</b>	<b>193599</b>	<b>169605</b>	<b>222633</b>

Note: (i) Data for other Panchayats are compiled from their audit reports for the years shown under each panchayat.

(ii) Data could be available for different years for different panchayat. Hence, the years for which those could not become available have been kept blank.

**Appendix V: List of JRY Schemes of Sandiya Panchayat, Neemuch District**

Sl. No.	Year	JRY fund received	Village	Schemes	Amount (in Rs.)	Type of Scheme	Projects mentioned	No. of who confirmed
1	1990-91	48810.00	Sandiya	Construction of government school building	10451	School building	-	-
2	1991-92	24196.00	Sandiya	Construction of drainage	37077	Drainage	-	-
3	1992-93	27490.00	Chukni	Murum (Red gravel) laying from Chukni to Manasa	10978	Earthen/murum	-	-
4	1993-94	45365.00	Sandiya	Repair of drainage, Sandiya	28887	Drainage	-	-
5	1993-94		Chukni	Repair of drainage, Chukni	23634	Drainage	-	-
6	1994-95	21682.00	Chukni	Construction of Kutia Harijan basti, Chukni	4633	Building	✓	-
7	1994-95		Sandiya	Construction of Panchayat bhawan	13229	Panchayat building	✓	1
8	1994-95		Sandiya	Murum (Red gravel) laying Sandiya	5698	Earthen/murum	✓	-
9	1995-96	15732.00	Chukni	Construction of school building, Chukni	10358	School building	✓	4
10	1995-96		Sandiya	Construction of Roof of panchayat bhawan, Sandiya	1223	Panchayat building	✓	-
11	1995-96		Sandiya	Construction of Pond	3335	Pond	✓	-
12	1996-97	33455.00	Chukni	Construction of Culvert, Chukni	3750	Bridge	✓	1
13	1996-97		Chukni	Construction of road	1452	Earthen/murum	✓	-
14	1996-97		Chukni	Construction of school building, old Chukni	1884	School building	✓	-
15	1996-97		Chukni	Construction of school building, Chukni	13014	School building	✓	2
16	1996-97		Sandiya	Construction of Road, Sandiya	6328	Earthen/murum	✓	1
17	1996-97		Sandiya	Construction of Panchayat bhawan	444	Panchayat building	✓	-
18	1997-98	30676.00	Chukni	Construction of road, Chukni	4750	Earthen/murum	✓	4
19	1997-98		Chukni	Construction of road along Chukni school	29831	Earthen/murum	✓	7
20	1997-98		Sandiya	Construction of road, Kundkheda	2750	Earthen/murum	✓	1
21	1997-98		Sandiya	Construction of Road, Sandiya	2625	Earthen/murum	✓	-
22	1997-98		Sandiya	Murum (Red gravel) laying Harijan Basti, Sandiya	1400	Earthen/murum	✓	-
23	1997-98		Sandiya	Construction of Old School building, Sandiya	16654	School building	✓	3
24	1998-99	24383.00	Chukni	Murum (Red gravel) in Sandiya & Chukni	14500	Earthen/murum	✓	2
25	1998-99		Sandiya	Murum (Red gravel) in Sandiya & Chukni	10000	Earthen/murum	✓	2
26	1999-2000	19045.00	Chukni	Murum (Red gravel) from Chukni to Manasa road	6246	Earthen/murum	✓	9
27	1999-2000		Sandiya	Murum (Red gravel) laying between School and Harijan Basti, Sandiya	6879	Earthen/murum	✓	3
28	1999-2000		Sandiya	Brick soling work from house of Kanhaiyalal Joshi to Kanhaiyalal kharol	6638	Earthen/murum	✓	1
29	2000-01	16152.00	Chukni	Pipe line new habitation, Chukni	4049	Pipe line	✓	7
30	2000-01		Sandiya	Construction of drainage, Sandiya	6029	Drainage	✓	6
31	2000-01		Sandiya	Construction of drainage with culvert	5962	Drainage	✓	1
32	2001-02	13421.00	Chukni	Murum (Red gravel) Chukni	5040	Earthen/murum	✓	3
33	2001-02		Sandiya	Construction of drainage, Sandiya	4560	Drainage	✓	2
34	2001-02		Sandiya	Murum (Red gravel) laying from Sandiya to Sandiya round about	4200	Earthen/murum	✓	3

Source: Audit reports, Sandiya (1990-98); Primary data from field research for the rest years.

**Appendix VI: List of JRY Schemes of Silpari Panchayat, Rewa District**

Sl. No.	Year	JRY fund received	Village	Schemes	Amount (in Rs.)	Type of Scheme	Projects mentioned	No. of who confirmed
1	1995-96	49042	Silpari	Murrum (Red gravel) laying from garden to culvert in Itahan tola	10000	Earthen/ murrum	✓	2
2	1995-96		Silpari	Murrum (Red gravel) laying in Patehan tola	7200	Earthen/ murrum	✓	-
3	1995-96		Silpari	Murrum (Red gravel) laying in Itahan tola	35000	Earthen/ murrum	✓	1
4	1995-96		Patehra	Murrum (Red gravel) laying across Patehra road	19993	Earthen/ murrum	✓	2
5	1996-97	25092	Silpari	Murrum (Red gravel) laying from garden to culvert in Pathan tola	13564	Earthen/ murrum	✓	5
6	1996-97		Silpari	Murrum (Red gravel) laying in Itahan tola	4358	Earthen/ murrum	✓	2
7	1996-97		Silpari	Murrum (Red gravel) laying in Patelan tola	5927	Earthen/ murrum	✓	3
8	1997-98	38300	Silpari	Murrum (Red gravel) laying in Patelan tola from house of Kaushal sen to Kumrai	12702	Earthen/ murrum	✓	3
9	1997-98		Mahua	Murrum (Red gravel) laying from Mahua road to house of Ramashraya patel	18000	Earthen/ murrum	✓	8
10	1999-2000	17347	Silpari	Murrum (Red gravel) laying in Itahan tola road (250 m)	17003	Earthen/ murrum	✓	3
11	2000-01	64128	Silpari	Repair of handpump	15733	Handpump	✓	3
12	2000-01		Silpari	Murrum (Red gravel) laying from garden to patelan tola (500-600 m)	17980	Earthen/ murrum	✓	7
13	2000-01		Mahua	Digging of handpump (house of Damodar Tiwari in Mahua)	26069	Handpump	✓	3
14	2001-02	34333	Silpari	Murrum (Red gravel) laying in Tewariyan tola	5040	Earthen/ murrum	✓	2
15	2001-02		Mahua	Murrum (Red gravel) laying from Mahua to culvert	12880	Earthen/ murrum	✓	6
16	2002-03	13299	Mahua	Murrum (Red gravel) laying from house of Ramashray Patel to Lakshman Patel, Mahua	18000	Earthen/ murrum	✓	5
17	2002-03		Patehra	Murrum (Red gravel) laying across Patehra road	10000	Earthen/ murrum	✓	1
18	2003-04	25679	Silpari	Murrum (Red gravel) laying approach road Harijan basti, Silpari	19989	Earthen/ murrum	✓	8
19	2003-04		Silpari	Construction of handpump	4000	Handpump	✓	-
20	2003-04		Silpari	Construction of handpump, SC basti (5 nos.)	60000	Handpump	✓	5
21	2003-04		Mahua	Construction of handpump, minority basti (5 nos.)	60000	Handpump	✓	3
22	2004-05	30000	Silpari	Murrum (Red gravel) laying across Silpari road	25000	Earthen/ murrum	✓	3
23	2004-05		Patehra	Murrum (Red gravel) laying at Patehra garden	4999	Earthen/ murrum	✓	3

Source: Primary data from the field research

**Appendix VII: List of JRY Schemes of Ramhepur Panchayat, Mandla District**

Sl. No.	Year	JRY fund received	Village	Schemes	Amount (in Rs.)	Type of Scheme	Projects mentioned	No. of who confirmed
1	1993-94	36920.00	Dalkagopangi	Approach road PWD road to Gopangi	23200	Earthen/ murrum	-	-
2	1993-94		Dalkagopangi	Deepening of pond	3252	Pond	-	-
3	1993-94		Dalkagopangi	Temporary drainage	1330	Drainage	-	-
4	1993-94		Ramehpur	Murrum (Red gravel) laying on road from Ramhepur to Dalka Gopangi	16600	Earthen/ murrum	-	-
5	1994-95	50970.00	Dalkagopangi	Murrum (Red gravel) laying on Road between ward no. 11 & 12	18864	Earthen/ murrum	-	-
6	1994-95		Dalkagopangi	Temporary drainage	3000	Drainage	-	-
7	1994-95		Ramehpur	Murrum (Red gravel) laying between Durga Manch to Upar ghat via Mukhaddam tola	21200	Earthen/ murrum	-	-
8	1994-95		Ramehpur	Pond repair	7990	Pond	-	-
9	1995-96	43700.00	Ramehpur	Approach road Tikra tola	14700	Earthen/ murrum	-	-
10	1995-96		Ramehpur	Construction of road	1100	Earthen/ murrum	-	-
11	1995-96		Ramehpur	Repairing of Handpump	1250	Handpump	-	-
12	1996-97	35000.00	Ramehpur	Platform construction	19865	Plateform	-	-
13	1996-97		Ramehpur	Repair of School building	1350	School building	-	-
14	1996-97		Ramehpur	Approach road construction	25954	Earthen/ murrum	-	-
15	1997-98	81500.00	Dalkagopangi	Construction of primary school, Dalkagopangi	58190	School building	✓	5
16	1997-98		Dalkagopangi	Approach road construction, ward no. 12-13	28985	Earthen/ murrum	✓	-
17	1997-98		Ramehpur	Approach road construction, ward no. 6	1551	Earthen/ murrum	✓	-
18	1998-99	43400.00	Ramehpur	Repair of panchayat bhawan	66199	Panchayat Building	✓	8
19	1998-99		Ramehpur	Road repair along. assembly election	5610	Earthen/ murrum	✓	-
20	1999-00	55400.00	Dalkagopangi	Road construction from headpump to Bahera tola in Dalka gopangi	27412	Earthen/ murrum	-	-
21	1999-00		Dalkagopangi	Some work in Jhiria tola	892	Small work	-	-
22	1999-00		Ramehpur	Well repair	6269	Well	-	-
23	1999-00		Ramehpur	Temporary drainage	600	Drainage	-	-
24	1999-00		Ramehpur	Road repair during election	4950	Earthen/ murrum	-	-
25	2000-01	158600.00	Dalkagopangi	Construction of road, Dalkagopangi	5900	Earthen/ murrum	✓	7
26	2000-01		Dalkagopangi	Construction of road	8000	Earthen/ murrum	✓	-
27	2000-01		Dalkagopangi	Construction of road	30000	Earthen/ murrum	✓	-
28	2000-01		Dalkagopangi	Deepening of stopdam	10453	Stop-dam	✓	6
29	2000-01		Ramehpur	Repair of Primary School	2669	School building	✓	5

Source: Audit reports, Ramhepur (1993-2000); Primary data from the field research.

**Appendix VIII: List of JRY Schemes of Delhi Panchayat, Rewa District**

Sl. No.	Year	JRY fund received	Village	Schemes	Amount (in Rs.)	Type of Scheme	Projects mentioned	No. of who confirmed
1	2000-01	47093	Delhi	Deepening of pond	39195	Pond	✓	-
2	2001-02	48591	-	-	-	-	-	-
3	2002-03	47969	Delhi	JRY expenditure	4480	-	✓	-
4	2003-04	52205	Delhi	Repair of handpump	39420	Handpump	✓	-
5			Delhi	Repair of Stopdam	5280	Stopdam	✓	-
6			Delhi	Construction of road across Delhi-Mohgarh approach road	5798	Earthen/ murrum	✓	-
7			Delhi	Repair of school building, M.S. Delhi	4162	School building	✓	-
8	2005-06	60744	-	-	-	-	-	-
9	2006-07	78090	Delhi	Repair of handpump	57861	Handpump	✓	-
10			Delhi	Handpump digging	19536	Handpump	✓	-
11	2007-08	26949	Delhi	Handpump maintenance	41851	Handpump	✓	-
12			Delhi	Handpump digging	38388	Handpump	✓	-

Source: Primary data from the field research.

**Appendix IX: Reasons for Misutilisation of Funds despite the Provision of Social Audit (detailed view): All Panchayats**

Can you tell why despite the provision of Social Audit, misutilisation of funds take place?	Dongarmandla		Ramhepur		Delhi		Silpari		Sandiya	
	Poor	Non-Poor	Poor	Non-Poor	Poor	Non-Poor	Poor	Non-Poor	Poor	Non-Poor
<b>No</b>	<b>100.00%</b>	<b>77.78%</b>	<b>97.44%</b>	<b>100.00%</b>	<b>94.87%</b>	<b>54.55%</b>	<b>89.66%</b>	<b>72.73%</b>	<b>83.33%</b>	<b>90.00%</b>
<b>Yes</b>	<b>0.00%</b>	<b>22.22%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>5.13%</b>	<b>45.45%</b>	<b>10.34%</b>	<b>27.27%</b>	<b>16.67%</b>	<b>10.00%</b>
<b>No corruption</b>	<b>0.00%</b>	<b>11.11%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.09%</b>	<b>2.78%</b>	<b>0.00%</b>
Miniscule misuse	0.00%	11.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.78%	0.00%
No corruption, since 95% spent on real work; 5 % on movement for official work	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.09%	0.00%	0.00%
<b>No Response</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>9.09%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Social audit meaningless, since gram sabha never held/no knowledge of social audit either</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.56%</b>	<b>36.36%</b>	<b>3.45%</b>	<b>0.00%</b>	<b>8.33%</b>	<b>0.00%</b>
No gram sabha, hence villagers had no chance to conduct social audit	0.00%	0.00%	0.00%	0.00%	2.56%	36.36%	0.00%	0.00%	2.78%	0.00%
Since nobody knew of the social audit rule, it was never actually conducted. Sarpanch would have shown it only on paper	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.45%	0.00%	5.56%	0.00%
<b>Social audit meaningless, since no access to information</b>	<b>0.00%</b>	<b>11.11%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
Audit Committee could not access information	0.00%	11.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Social Audit meaningless, since Sarpanch buys off different pepole with money and gets away with false records</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>3.45%</b>	<b>18.18%</b>	<b>5.56%</b>	<b>0.00%</b>
By inflating the number of labourers and quantity of material, money siphoned off	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.09%	0.00%	0.00%
Despite provision of social audit, since Sarpanch falsifies records and shares booty with others, nothing happens	0.00%	0.00%	2.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Money in today's times is all powerful. Sarpanch buys off other especially active panchas and other powerufl persons. So nobody raises any voice	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.45%	0.00%	5.56%	0.00%
Sarpanch bribes audit committee member for regularising false record	0.00%	0.00%	0.00%	0.00%	2.56%	0.00%	0.00%	0.00%	0.00%	0.00%
Since funds come to Sarpanch's account, he prepares false record in advance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.09%	0.00%	0.00%
<b>Social Audit meaningless, since Sarpanchas are very powerful</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.45%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>10.00%</b>
Nobody wants to raise voice against Sarpanch, hence despite the provision of social audit it was ineffective	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.45%	0.00%	0.00%	0.00%
Since Sarpanch is very powerful, he could get away with sabotaging social audit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

**Appendix XA: Protests by the Villagers, if any, and their results (detailed view): Poor (All Panchayats)**

<b>Did the villagers protest against the wrong doings by the sarpanch? If yes, what were the results? If no, why?</b>	<b>Dongar Mandla (N=23)</b>	<b>Ramhepur (N=39)</b>	<b>Delhi (N=39)</b>	<b>Silpari (N=29)</b>	<b>Sandiya (N=36)</b>	<b>Grand Total (N=166)</b>
<b>Don't know</b>	<b>100.00%</b>	<b>94.87%</b>	<b>74.36%</b>	<b>75.86%</b>	<b>47.22%</b>	<b>77.11%</b>
<b>No Protests</b>	<b>0.00%</b>	<b>2.56%</b>	<b>25.64%</b>	<b>17.24%</b>	<b>52.78%</b>	<b>21.08%</b>
<b>Caste divisions</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>6.90%</b>	<b>2.78%</b>	<b>1.81%</b>
Our people (cast) are in minority	0.00%	0.00%	0.00%	6.90%	0.00%	1.20%
Society highly divided	0.00%	0.00%	0.00%	0.00%	2.78%	0.60%
<b>Fear/too weak to protest</b>	<b>0.00%</b>	<b>0.00%</b>	<b>17.95%</b>	<b>0.00%</b>	<b>25.00%</b>	<b>9.64%</b>
Everybody is waiting for somebody else to protest	0.00%	0.00%	2.56%	0.00%	0.00%	0.60%
Nothing comes out of protest	0.00%	0.00%	0.00%	0.00%	2.78%	1.60%
People are afraid of Sarpanch, who is powerful	0.00%	0.00%	15.38%	0.00%	16.67%	7.23%
Too poor and struggling in life to protest	0.00%	0.00%	0.00%	0.00%	5.56%	1.20%
<b>People are bought off</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>2.78%</b>	<b>1.20%</b>
Persons capable of protesting are bought off by Sarpanch	0.00%	0.00%	2.56%	0.00%	2.78%	1.20%
<b>Unaware of rights, funds, methods of protest</b>	<b>0.00%</b>	<b>2.56%</b>	<b>5.13%</b>	<b>10.34%</b>	<b>22.22%</b>	<b>8.43%</b>
Since people remain unaware about funds, rules, etc. of panchayat	0.00%	2.56%	5.13%	10.34%	16.67%	7.23%
No idea how to lodge protest	0.00%	0.00%	0.00%	0.00%	2.78%	0.60%
People not aware of their rights	0.00%	0.00%	0.00%	0.00%	2.78%	0.60%
<b>Protest</b>	<b>0.00%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>6.90%</b>	<b>0.00%</b>	<b>1.81%</b>
<b>Protest but no result</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>6.90%</b>	<b>0.00%</b>	<b>1.20%</b>
Protest in <i>gram sabha</i> , but violence erupted	0.00%	0.00%	0.00%	3.45%	0.00%	0.60%
Protest by ex-Sarpanch, but Sarpanch bribed officials to hush up the matter	0.00%	0.00%	0.00%	3.45%	0.00%	0.60%
<b>Protest led to results</b>	<b>0.00%</b>	<b>2.56%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.60%</b>
Complained to collector, and action was done	0.00%	2.56%	0.00%	0.00%	0.00%	0.60%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

**Appendix XB: Protests by the Villagers, if any, and their results (detailed view): Non-Poor (All Panchayats)**

<b>Did the villagers protest against the wrong doings by the sarpanch? If yes, what were the results? If no, why?</b>	<b>Dongar Mandla (N=9)</b>	<b>Ramhepur (N=11)</b>	<b>Delhi (N=11)</b>	<b>Silpari (N=11)</b>	<b>Sandiya (N=10)</b>	<b>Grand Total (N=52)</b>
<b>Don't know</b>	<b>88.89%</b>	<b>90.91%</b>	<b>36.36%</b>	<b>45.45%</b>	<b>40.00%</b>	<b>59.62%</b>
<b>No Protests</b>	<b>11.11%</b>	<b>9.09%</b>	<b>45.45%</b>	<b>36.36%</b>	<b>60.00%</b>	<b>32.69%</b>
<b>Fear/too weak to protest</b>	<b>0.00%</b>	<b>0.00%</b>	<b>27.27%</b>	<b>18.18%</b>	<b>30.00%</b>	<b>15.38%</b>
Everybody is waiting for somebody else to protest	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
Nothing comes out of protest	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
People are afraid of Sarpanch, who is powerful	0.00%	0.00%	18.18%	0.00%	30.00%	9.62%
Too poor and struggling in life to protest	0.00%	0.00%	9.09%	0.00%	0.00%	1.92%
<b>Good work</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>18.18%</b>	<b>0.00%</b>	<b>3.85%</b>
Sarpanch has done good work	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
Since <i>gram sabha</i> was regular	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
<b>People are bought off</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>10.00%</b>	<b>1.92%</b>
Persons capable of protesting are bought off by Sarpanch	0.00%	0.00%	0.00%	0.00%	10.00%	1.92%
<b>Unaware of rights, funds, methods of protest</b>	<b>11.11%</b>	<b>9.09%</b>	<b>18.18%</b>	<b>0.00%</b>	<b>20.00%</b>	<b>11.54%</b>
Since people remain unaware about funds, rules, etc. of panchayat	11.11%	9.09%	18.18%	0.00%	10.00%	9.62%
No <i>gram sabha</i> is held	0.00%	0.00%	0.00%	0.00%	10.00%	1.92%
<b>Protest</b>	<b>0.00%</b>	<b>0.00%</b>	<b>18.18%</b>	<b>18.18%</b>	<b>0.00%</b>	<b>7.69%</b>
<b>Protest but no result</b>	<b>0.00%</b>	<b>0.00%</b>	<b>18.18%</b>	<b>18.18%</b>	<b>0.00%</b>	<b>7.69%</b>
Protest against bad quality work. But no result	0.00%	0.00%	18.18%	0.00%	0.00%	3.85%
Protest by ex-Sarpanch, case is pending	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
Protest by ex-Sarpanch, but Sarpanch bribed officials to hush up the matter	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research

**Appendix XIA: People's Perception of Panchayat's 15 years performance (Detailed): Poor (All Panchayats)**

<b>Do you think your Panchayat is improving over the last 15 years of its working or not? What are the reasons of the answer you gave?</b>	<b>Dongar Mandla (N=23)</b>	<b>Ramhepur (N=39)</b>	<b>Delhi (N=39)</b>	<b>Silpari (N=29)</b>	<b>Sandiya (N=36)</b>	<b>Grand Total (N=166)</b>
<b>Yes, Panchayat's performance is improving</b>	<b>13.04%</b>	<b>2.56%</b>	<b>2.56%</b>	<b>6.90%</b>	<b>11.11%</b>	<b>6.63%</b>
Can't say	8.70%	2.56%	2.56%	6.90%	2.78%	4.22%
More developmental works (road, drainage, handpump, etc.) are happening	4.35%	0.00%	0.00%	0.00%	5.56%	1.81%
At least panchayat listens to our problems, officers did not	0.00%	0.00%	0.00%	0.00%	2.78%	0.60%
<b>More corruption &amp; poor performance over the years</b>	<b>13.04%</b>	<b>33.33%</b>	<b>25.64%</b>	<b>24.14%</b>	<b>38.89%</b>	<b>28.31%</b>
Can't say	8.70%	17.95%	25.64%	17.24%	13.89%	17.47%
Earlier people became sarpanch for fame, now only for making money	4.35%	12.82%	0.00%	0.00%	0.00%	3.61%
No <i>gram sabha</i> organised by sarpanch; gives no information	0.00%	2.56%	0.00%	0.00%	2.78%	1.20%
Sarpanch from poor caste; powerful people control him and do not allow him to work	0.00%	0.00%	0.00%	3.45%	5.56%	1.81%
Sarpanchs has become more unaccountable now	0.00%	0.00%	0.00%	3.45%	8.33%	2.41%
Very little work happening now as compare to past	0.00%	0.00%	0.00%	0.00%	8.33%	1.81%
<b>No significant improvement</b>	<b>4.35%</b>	<b>28.21%</b>	<b>25.64%</b>	<b>44.83%</b>	<b>22.22%</b>	<b>25.90%</b>
Can't say	0.00%	17.95%	20.51%	31.03%	2.78%	15.06%
Not much development work in the present as in the past	4.35%	2.56%	2.56%	6.90%	8.33%	4.82%
Misuse of funds and corruption continues in present as in the past	0.00%	0.00%	2.56%	0.00%	2.78%	1.20%
After election all Sarpanchs think only about themselves, and indulge in loot	0.00%	7.69%	0.00%	6.90%	8.33%	4.82%
<b>Can't say</b>	<b>69.57%</b>	<b>35.90%</b>	<b>46.15%</b>	<b>24.14%</b>	<b>27.78%</b>	<b>39.16%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research.

**Appendix XIB: People's Perception of Panchayat's 15 years performance (Detailed): Non-Poor (All Panchayats)**

<b>Do you think your Panchayat is improving over the last 15 years of its working or not? What are the reasons of the answer you gave?</b>	<b>Dongar Mandla (N=9)</b>	<b>Ramhepur (N=11)</b>	<b>Delhi (N=11)</b>	<b>Silpari (N=11)</b>	<b>Sandiya (N=10)</b>	<b>Grand Total (N=52)</b>
<b>Yes, Panchayat's performance is improving</b>	<b>33.33%</b>	<b>9.09%</b>	<b>9.09%</b>	<b>45.45%</b>	<b>10.00%</b>	<b>21.15%</b>
Can't say	0.00%	0.00%	0.00%	36.36%	10.00%	9.62%
More better quality works are happening	11.11%	0.00%	0.00%	0.00%	0.00%	1.92%
More developmental works (road, drainage, handpump, etc.) are happening	11.11%	0.00%	9.09%	0.00%	0.00%	3.85%
Better employment generation	11.11%	0.00%	0.00%	0.00%	0.00%	1.92%
Panchayat has become more powerful	0.00%	9.09%	0.00%	0.00%	0.00%	1.92%
Easy to get caste certificates and the like	0.00%	0.00%	0.00%	9.09%	0.00%	1.92%
<b>More corruption &amp; poor performance over the years</b>	<b>22.22%</b>	<b>27.27%</b>	<b>36.36%</b>	<b>54.55%</b>	<b>20.00%</b>	<b>32.69%</b>
Can't say	22.22%	9.09%	27.27%	45.45%	0.00%	21.15%
Earlier people became sarpanch for fame, now only for making money	0.00%	9.09%	0.00%	9.09%	10.00%	5.77%
Sarpanch spends lot of money to win election, so he indulges in corruption	0.00%	9.09%	0.00%	0.00%	0.00%	1.92%
No <i>gram sabha</i> organised by sarpanch; gives no information	0.00%	0.00%	0.00%	0.00%	10.00%	1.92%
Sarpanch from poor caste; powerful people control him and do not allow him to work	0.00%	0.00%	9.09%	0.00%	0.00%	1.92%
<b>No significant improvement</b>	<b>11.11%</b>	<b>36.36%</b>	<b>36.36%</b>	<b>0.00%</b>	<b>30.00%</b>	<b>23.08%</b>
Can't say	0.00%	18.18%	36.36%	0.00%	0.00%	11.54%
Misuse of funds and corruption continues in present as in the past	11.11%	0.00%	0.00%	0.00%	10.00%	3.85%
After election all Sarpanchs think only about themselves, and indulge in loot	0.00%	18.18%	0.00%	0.00%	10.00%	5.77%
People remain unaware about panchayat works even now as in the past	0.00%	0.00%	0.00%	0.00%	10.00%	1.92%
<b>Can't say</b>	<b>33.33%</b>	<b>27.27%</b>	<b>18.18%</b>	<b>0.00%</b>	<b>40.00%</b>	<b>23.08%</b>
<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Primary data from the field research.