

The National Rural Employment Guarantee Act: Towards Governance & Conservation of Natural Resources

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Abstract:

In recent times India has seen many people friendly policies been implemented across the country, this through the arduous efforts of social networks/NGO's and individuals. The National Rural Employment Guarantee Scheme (NREGS), which was started in the year 2006, is one such policy, which will soon be implemented in all 596 districts of the country. This paper explores the role of the scheme in addressing rural poverty by ensuring hundred days of wage employment as a right and how this can be exploited to it's optimum to enable village communities to plan for the restoration and regeneration of severely degraded common lands/ building of village assets and thus also addressing the conservation of natural resources. Work on restoring individual farmlands through the Act, is a further incentive for rural people.

As an organization which works on a pan India scale, The Foundation for Ecological Security (FES, a registered NGO) addresses issues of common land regeneration in several different agro-climatic zones of the country. The NREGS seems very encouraging to us as the Act enables many highly vulnerable and degraded lands to come under some governance and for these to be restored, in dryland areas it also seems to be the panacea to agricultural productivity and a solution to food security.

The author's experiences being rich from the Southern Rajasthan district of Udaipur, the paper draws from experiences of the FES team in being an implementing agency in the Act and further explores the scope of natural resource governance through the same. The role of village institutions such as

Forest Protection and Grazing- land Development Committees (which FES has been promoting through Government mandates), has also suddenly found a new lease of life as they would be the ideal agencies to plan along with the Gram Panchayats for their village. This more so as the Act is promoting the democratic decentralization of powers by making the lowest rung of governance, the Gram Panchayats the nodal agencies for planning, implementation and governance.

The implications of the Act are immense as never before has there been such a large flow of money for the restoration of these commons. All the departments of the government are involved in the Scheme and have found it much easier to implement development for an area in a holistic manner given the assured monetary backing and ability to take an integrated approach. It serves as a statement of the Indian government in recognizing the importance of the degrading commons and an understanding of how this is the lynchpin to agricultural productivity as well as a support to rural people's livelihoods. This also reduces the vulnerability of these otherwise 'wastelands', which are being handed over to be put to ostensible productive use by industrial units and others economic forces.

Key Words: *Democratic Decentralization, Governance of Natural Resources (NR), Conservation of NR, Strengthening Role of village institutions, Livelihoods Generation*

Introduction:

At Independence there was increasing realization by the newly formed Indian government that the economic growth of the country needed to be the thrust for development. Ever since, the government laid stress on a process of industrialization. Lands which were hitherto in the hands of the Raj or princely States and on which communities were allowed agriculture/ restricted usage,

now came under Forest/Revenue Departments and the Panchayats¹ and large tracts were further allotted for purposes such as industrial activity construction of roads etc. Subsistence and small scale agriculture was encouraged to scale up to achieve the Center's desired agricultural productivity and grain self – sufficiency. All these processes together contributed towards a gradual degradation of natural resources. Restricted usage patterns were now exploited to the optimum in light of communities losing ownership over commons and any kind of conservation hitherto followed was forgotten.

In an era when climate change concerns have become the need of the hour spearheaded by Al Gore and the Inter Governmental Panel on Climate Change (IPCC), the Indian Government too is having to face up to the harsh realities and accordingly having to customize its acts and policies towards the same. One way of dealing with this is definitely by taking stock of our degrading natural resources and strategizing towards addressing the same. Several Acts and policies in India have in the past addressed the degradation of natural resources while trying to integrate solutions with community involvement however they have not been able to live up to their goal because of systemic fallbacks. 'National Sample Survey data shows that nearly 80 per cent of agricultural labour families in India own land. But the capacity of their farms to provide work has been decimated by years of environmental degradation. So they are compelled to work outside as labourers' (NREGA, Watershed Works Manual, SPS July 2006). Today, the National Rural Employment Guarantee Act (NREGA) offers solutions; it has paved a way for the conservation as well as governance of commons in a sustainable and democratic manner. The National Rural Employment Guarantee Scheme (NREGS), which began in the year 2006, has been a landmark scheme, in already being able to provide the largest employment so far. Today the NREGS has been extended to all the 596 districts in the country². The Act

¹A Panchayat is the lowest elected body of governance in India, which has a statutory character and has also been given administrative and other powers.

² *NREGA- Opportunities & Challenges*, Policy Paper 2008- Centre for Science & Environment – (Data: Ministry of Rural Development, New Delhi, December 2007)

provides for at least 100 days guaranteed wage employment to every rural household whose adult members volunteer to do unskilled manual work, and if it is not able to do so for some reason has to ensure that people are paid compensation on a daily basis. The passing of the act is definitely due to the ardent efforts of the academia, civil society organizations, mass media and policy makers.

The scheme is meant to build village assets/common lands in a complete manner and thus also be able to address the issue of migration. It is being looked at as a panacea to the food security crisis in India given the plateauing of agriculture in our time especially due to increasingly low investments on common lands and watersheds and inability to address the degrading agriculture with an integrated approach. 'Raising the productivity of neglected rainfed areas is an imperative even for meeting the goal of national food security in the coming years. To a large extent, the crisis of India's agriculture is the crisis of India's rainfed agriculture'(Deep Joshi). About 60 per cent of the families below the poverty line are farmers – presumably a majority of them practitioners of rainfed farming. It is estimated that even in the most optimistic scenario of further irrigation development in India, nearly 40% of national demand for food in 2020 will have to be met through increasing the productivity of rainfed dryland agriculture.' NREGA funds could help us in achieving this goal through increasing the productivity of dryland areas through intensive watershed works.' (NREGA, Watershed Works Manual, SPS July 2006). Public investment directed at increasing the labour supporting capacity of these farms through massive rainwater harvesting, soil conservation and treatment of their catchment areas must form the centerpiece [of the work] (SPS Manual). The Act sanctions work in the category of water conservation, land development, plantation, afforestation, and roads, in that priority. Any other labor-intensive task as notified by the State or Central Government, are also permitted. Majority of the investments in the NREGS are essentially being made on common lands (revenue, forest, grazing and other 'common lands'). In the March of 2007, based on activities done the total expenditure was within the NREGS was found to be about Rs.9000/- crores

while the average expenditure per district was Rs. 45 crores, in some States this went up to more than Rs.100 crores.

The activities provided for have potential to further build linkages: common land development leading to increase in water table levels, decrease in soil run off and thus agricultural productivity of farmlands; forests lands if developed through the above said tasks could spill over into Non Timber Forest Products being developed, good crown coverage (hence availability of firewood); Similarly the linkage of investments in grazing lands- enhanced fodder production - animal husbandry-milk production and thus alternate livelihood choices being developed. The Act thus throws up potential to not just address 100 days of employment on a short-term basis but also for the creation of livelihoods opportunities through the NR based production systems and durable assets built.

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The Scheme on the one hand seems to have the potential to address degrading commons by restoring/ regenerating them through activities of SWC, plantation, land development and the like (which are it's priority). But gradually the dependence on these commons and extraction from them will also increase once they are developed and have the potential of supporting several livelihoods. At this stage the management of these commons and governance of the same will

be an issue. Unless this is addressed we will fall back into the cycle of degradation and extraction without thinking about the future.

The Act has potential to address this issue through the decentralized and democratic governance systems that it is promoting. The Gram Panchayats have been chosen to implement at least 50% of activities thus testifying for the government's keenness to decentralize powers to the bottom. This decision also seems to stem from a realization about the criticality of people's participation and a need to engage them in processes of NR management. This is seen in the repeated emphasis (of the Act) on the Panchayats and Gram Sabhas involvement in planning, implementing and monitoring of activities. The Act thus 'provides an opportunity to revive public investment in agriculture, tackle the prevailing environment crisis that is gripping rural India and galvanize the panchayati raj institutions'³.

The NREGS, designed for the successful implementation of the act, therefore, will have to have a strong planning component of works and a well designed strategy (facilitated by people's participation) for implementing the scheme. Somehow these areas have always received the inadequate attention of policymakers and implementers in India in the past, with the result that, as studies after studies have shown, the planning and implementation of all wage employment programs, including the Employment Guarantee Scheme of Maharashtra on which the NREGS is modelled, have remained weak. (Hirway 1986; Hirway and Terhal 1994; Dev 1995; Maithreyi, Pandey, and Kanchi 2004; Acharya 1990; and Mukhopadhyay and Saha 2005). In order to make the present act successful, it is extremely important to improve these areas radically.⁴

This paper explores the opportunities and potential inbuilt in the NREGS to address the governance of NR and how this can be further strengthened. The

³ Shah, Mihir: *National Rural Employment Guarantee Act- A Historic Opportunity*, EPW Commentary, December 11, 2004

⁴ Indira Hirway

paper highlights the value of democratic decentralization towards the governance of natural resources and how far the Indian Government has enabled this. A large focus is also on several principles of governance enabled by increased devolution and community based management and how these can be used by the NREGS to address the agenda of NRM and conservation in a better manner. Lastly, the paper talks of various instruments and systems which need to be put in place in order to achieve our goal of conservation of NR within the NREGS.

Governance of Natural Resources:

In order to increase environmental management efficiency and improve justice and equity for local people, many environmentalists have advocated participatory and community-based natural resource management (CBNRM). Democratic decentralization is a promising means of institutionalizing and scaling up the popular participation that makes CBNRM effective (Ribot). Experiences from CBNRM are testimony to the fact that democratic local institutions can effectively carry out management of natural resources towards even the restoration and regeneration of degraded commons. They indicate that communities have or can develop the skills and desire to make and effectively execute natural resource management decisions, and that community level management can have ecologically and socially positive effects. This off course is also subject to the benefits the community members derive from protection and management of those natural resources whether personal or for the collective. However, aspiring for CBNRM and the community not being given custodial or ownership rights over the common natural resources (constitutionally) would be self-contradictory. The logic of decentralization of natural resources grows from that point.

'Decentralization takes place when a central government formally transfers powers to actors and institutions at lower levels in a political-administrative and territorial hierarchy. Almost all developing countries are undertaking decentralization reforms.'⁵ While motives for decentralizing vary greatly, most

⁵ Ribot, Jesse C., World Resources Institute. 'Democratic Decentralization of Natural Resources-*Institutionalizing Popular Participation*'

donors and governments justify decentralization as a means for increasing the efficiency and equity of development activities and service delivery, and also for promoting local participation and democracy.⁶ Where decentralization reforms are preceding natural resources, they impact how local people access, value, use, manage, and voice their claims and concerns. The underlying logic of decentralization (*See Box 1*) is that democratic local institutions can better discern and are more likely to respond to local needs and aspirations because they have better access to information due to their close proximity and are more easily held accountable to local populations.

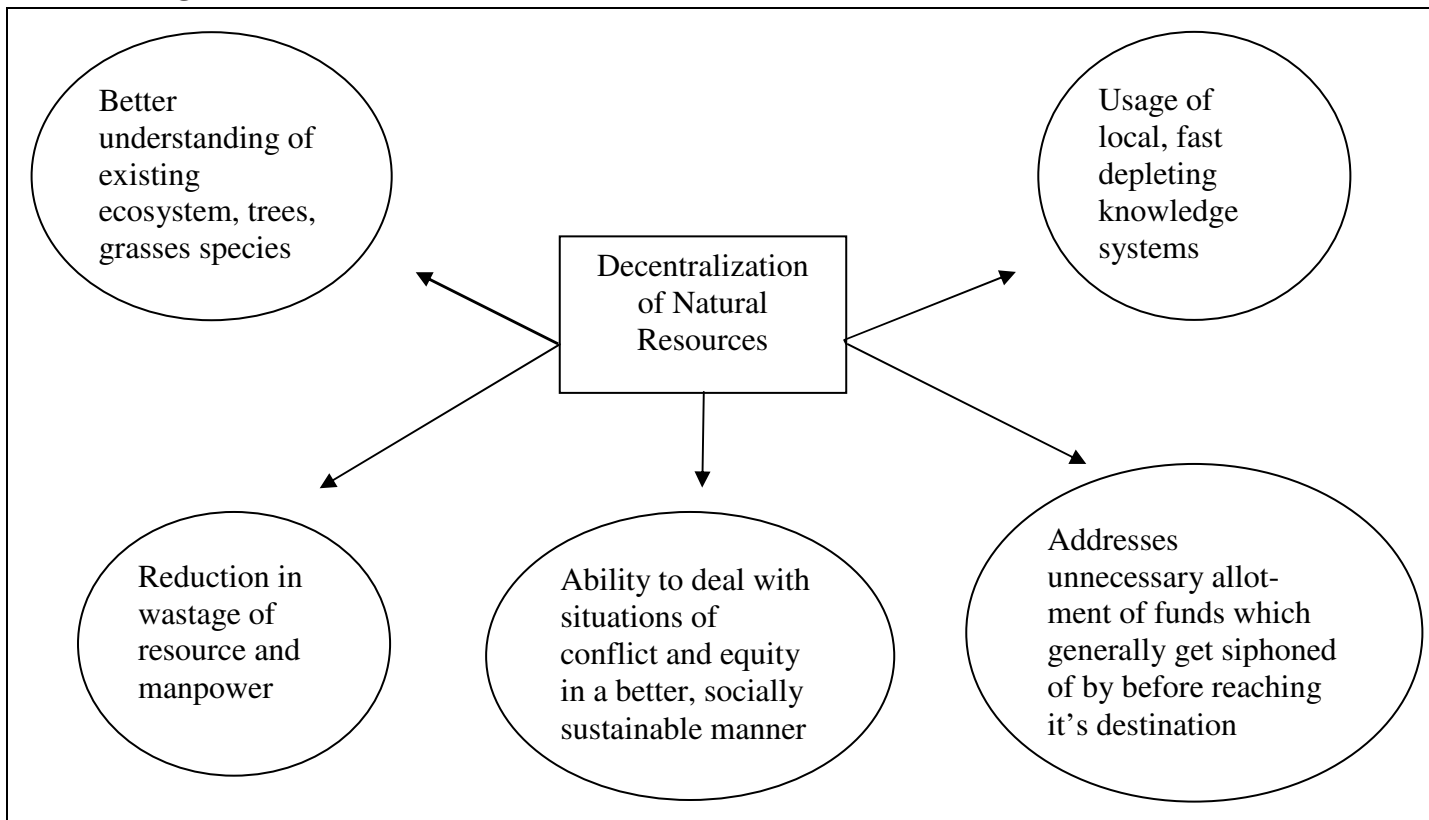
Decentralization is not about the downsizing or dismantling of central government; rather it calls for mutually supportive democratic central and local governance (Ribot).

Democratic Decentralization is not to imply complete handing over of resource ownership, but rather devolution of an adequate set of rights and responsibilities within a framework that permits autonomy on a day-to-day basis, while leaving significant tasks such as regulation to higher state organs. In other words, decentralization should be seen as a process of moving from today's highly centralized governance to an *appropriate multi-layered governance system* (Sharachchandra Lele). Decentralization requires both power transfers and accountable representation (Ribot). Downward accountability of local authorities and their accountability to local populations—is the central mechanism in this scheme. In brief, an inclusive local process defines effective decentralization supported by local authorities empowered with discretionary decisions over resources that are relevant to local people. In order to identify appropriate and sufficient powers to transfer, principles of power distribution, called *environmental subsidiarity* principles are propagated. (Ribot) Such principles could be developed to effectively guide the division of decision-making, rule-making, implementation, and dispute resolution powers among levels of government and

⁶ Ribot, *ibid*

among community based institutions at each level. Security of power transfers also matters. Local representatives have the ever-powerful presence of government authorities looming over their heads threatening to snatch away powers at their whim. This also accounts for interests of community members waning towards the development and management of natural resources. For local people to become enfranchised as citizens and to own the processes of NRM taking place around their physical boundaries, rather than remaining dependent subjects, their local representatives require a domain of secure discretionary powers and rights. This domain of secure rights must be established in law and protected through representative rights of community/committee members.

BOX1



The Indian Experience

During the time of the setting up of the Indian Constitution in the 50's certain efforts were made towards decentralized governance, however the thrust of the first four decades post independence was distinctively towards centralised control and management by the Centre as well as State governments. The 1990s, however, saw a significant thrust being given to decentralised management of natural resources. Efforts towards the decentralising the management and governance of natural resources in India have taken several

trajectories. One of the forms of decentralisation is 'administrative', enabled by *partnerships* between line departments and user groups for the management of a particular resource. This model can be seen in tank and canal irrigation, forest management, and watershed development. They operate under various labels, such as 'joint management', 'co-management' or 'participatory development'. The second form of decentralisation is 'political' or broad-based *devolution* of all developmental and natural resource-related governance. This was to be enabled by the 73rd amendment to the constitution passed in 1992, which introduced a three-tier system of self-governance through Panchayati Raj Institutions (PRI's). A third form of decentralisation initiatives is a 'bottom-up' one, wherein several community-level and civil society actors have set up systems of community management of natural resources at the village-level on their own. There are also in existence some traditional systems, such as cascades of irrigation tanks, in pockets of the country. (Lele, 2004)⁷ While the first two systems discussed are constitutionally approved and backed the third is still at the level of only social approval and is not formally recognized by the government.

Panchayati Raj & Governance of NR:

The 73rd Constitutional Amendment of 1992 institutionalized three tiers of local government at district (generally referred to as *Zilla Parishad*), block (various local names e.g. Taluk Panchayat, Panchayat Samiti) and village levels (*Gram Panchayat*), collectively called *Panchayati Raj Institutions* (PRIs). The Amendment also added to the Constitution the 11th Schedule that enumerates the powers and functions of the PRIs. This Schedule specifies 29 areas over which the PRIs have jurisdiction. In the context of natural resources, the relevant areas listed in the 11th Schedule include agriculture, land improvement (including reforms, consolidation and soil conservation), minor irrigation, water management and watershed development, animal husbandry, fisheries, social forestry, minor forest produce, drinking water, fuel and fodder, non-conventional energy sources, health and sanitation. The Amendment cast a constitutional

⁷ The section on 'The Indian Experience' is heavily influenced by: L  le, Sharachchandra, 2004, "Decentralising Governance of Natural Resources in India: A review,"

imperative on all the State Governments necessitating the formation of appropriate Panchayati Raj (PR) Acts enabling the devolution of functions, defining the functionaries and setting up funding arrangements for these 3 tiers. They were also to amend existing sectoral laws (subject legislations) such as the Irrigation Act, Forest Act, Land Revenue Act, etc. so as to bring the allocation of functions in line with the PR Act. All states have since passed the necessary PR Acts, and at least two rounds of elections to these bodies have been held since 1993 in most states. Thus, a system of decentralised governance has been in place in India for a decade now.⁸

On the face of it, the essence behind the 73rd Amendment and the PR Acts that followed it, is clear—creating democratic and decentralized levels of government and handing them as many functions and powers as possible. In reality, however, there is more of decentralizing developmental activities rather than enabling democratic self-governance at the sub-state scale. Thus, although all states have passed the required legislation, the details of this laws and their implementation leave much to be desired. Most states have diluted the list of functions to be handed over,⁹ have often assigned the functions at the higher (district- or block/taluka-level) rather than village level, and moreover have not amended the subject legislations at all, thus undermining the notional powers given to the Panchayats. The state agencies such as Forest Department, Revenue Department and Irrigation Department continue to exert ownership and control as before. (Lele, 2004)

The NREGS – enabled by PRI's:

⁸The states of Nagaland, Mizoram, Meghalaya and parts of Manipur and the Darjeeling area of West Bengal, which already had their own systems of village councils etc., were exempt from the 73rd Amendment.

⁹ For instance, the Karnataka Panchayat Raj Act 1993 does not mention minor forest produce, only vaguely talks of fuel plantations and fodder development and development of social forestry.

As has been discussed in the section propagating CBNRM, the situation of increased dependence on the commons in our time calls for a need to strengthen community based management and governance of natural resources by strengthening the functioning of PRI's (especially at the Panchayat level) as well as community based institutions (FPC's/CVS/TGCS etc) and for these bodies to have an integrated approach. A promising Act to usher in the agenda of democratic decentralization and to address the issue of governance of natural resources has been the National Rural Employment Guarantee Act (NREGA). The NREGA when it was planned seems to have been well aware of the logic of decentralization and CBNRM towards effectiveness. The Act seems to work on the concept of the devolution of powers to the PRI's in line with the 73rd Amendment. It seeks to ensure that Panchayati Raj Institutions function as institutions of self-government rather than as mere implementing agencies. It is one of the few acts, which goes to lengths to specify the Gram Sabha as well as Gram Panchayats involvement at all levels of planning, implementation as well as monitoring of activities. The Gram panchayat is responsible for planning of works, registering households, issuing job cards and monitoring implementation of the scheme at the village level. The Act, thus accounts for a good model of willingness on the Government's part to transfer powers to the bottom.

Using provisions of the Panchayati Raj Acts as well, the NREGA can be used effectively towards the governance of natural resources. It is also one of the few schemes which allows for inter-departmental coordination between the Panchayati Raj bodies as well as other departments such as the Forest and Revenue thus allowing for it's mandate to be met in a much more effective manner. This convergence allows for work to be taken up on any category of 'commonland' be it forest, grazing land or revenue wastelands and even private lands (activities such as well deepening, land development and plantations of private orchards) and for the Panchayat to spearhead this. Panchayats are thus able to plan building of rural assets/ enhancing natural resources in a much more holistic manner without worries about inter departmental conflicts and monetary concerns. As per the Act, the Panchayats at each level will be the 'Principal

Authorities for planning and implementation of the Schemes' (NREGA, Section 13(1)). Currently, according to the Union ministry of rural development, village panchayats are implementing close to 66 per cent of all works under the Act (CSE Report, 2008). Democratic principles have been followed in its provisions for not less than 1/3rd of the total work force being from weaker sections namely SC's, ST's, OBC's and Minorities.

The Act itself seems geared towards the Panchayat governing it's natural resources. Much of the sanctioned work reflects an idea to address the degraded natural resources in rural areas which will also allow for the 'creation of durable assets and strengthening the livelihood resource base of the rural poor' (*Section I, NREGA*). The basket of interventions on the common lands would have a direct bearing on enhancing farmland/ agricultural productivity and thus food security, one of the concerns gripping the country. The focus of the Scheme shall be on the following works in their order of priority:-

- (i) water conservation and water harvesting;
- (ii) drought proofing (including afforestation and tree plantation);
- (iii) irrigation canals including micro and minor irrigation works;
- (iv) provision of irrigation facility to land owned by households belonging to the Scheduled Castes and Scheduled Tribes or to land of beneficiaries of land reforms or that of the beneficiaries under the Indira Awas Yojana of the Government of India;
- (v) renovation of traditional water bodies including de-silting of tanks;
- (vi) land development;
- (vii) flood control and protection works including drainage in water logged areas;
- (viii) rural connectivity to provide all-weather access; and
- (ix) any other work which may be notified by the Central Government in consultation with the State Government.

(Section I, Schedule I, NREGA)

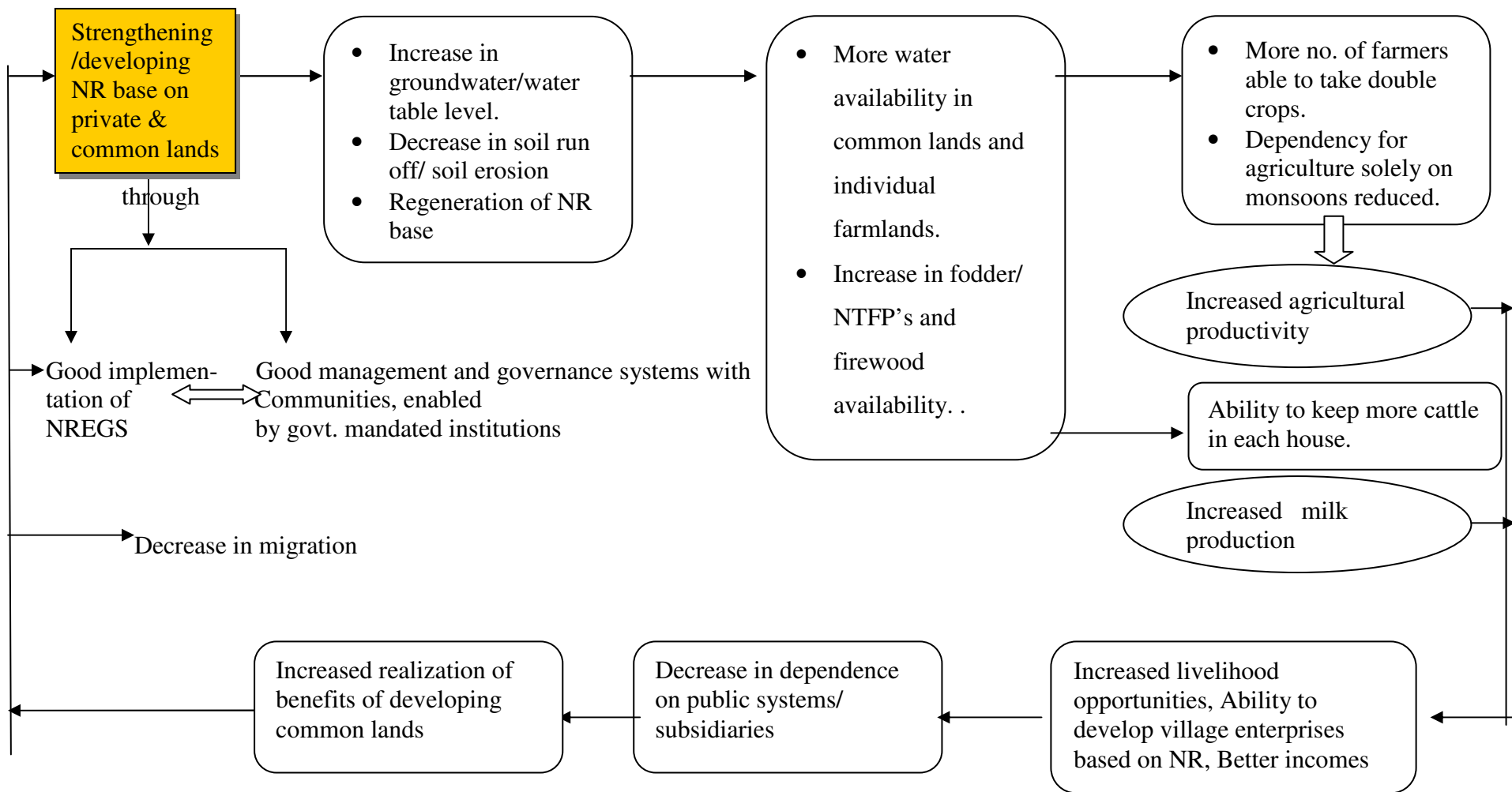
On the creation of development assets: each district under NREGA is creating around 2,000- 4,000 village assets every year – this is double the numbers

created under previous employment schemes annually. In the last two years, over one million assets, mostly for water conservation (accounts for 52.7 of the total works) have been created. (CSE Report)¹⁰

This might sound very idyllic at the face of it but the looming question is how the Act will face upto it's mandate and combat forces of corruption and lethargy of Government and other officials. Understanding the realities of this, the Act itself has built in systems, which would be able to bring defaulters to book through necessitating processes of regular social audits and the formation of Vigilance Committees to report directly to the Zilla Collector. Another empowering tool given in the people's hands is the Right to Information (RTI) Act, which allows any Panchayat member to question Government Departments on fund flows etc. By allowing NGO's also to be implementing agencies in the NREGS, the Act is ensuring effective meeting of their goal and for more democratic values to be encouraged and set in place. The voluntary sector has an important role to play in ensuring transparency and accountability of state institutions and facilitating strong partnerships between the Panchayats and the former. Based on resolutions passed in the 7 Round Table Conferences of Ministers In-charge of Panchayati Raj (July- December 2004), ensuring that the principle of subsidiarity must, to the extent possible, be followed is important. The principle of subsidiarity states that any activity that can be undertaken at a lower level must be undertaken at that level in preference to being undertaken at any higher level.

Infact, the Act in places it is reported is serving in promoting democracy and devolution of powers as it necessitates the occurrence of processes such as Gram Sabah's because of the requirement of social audits, and other vigilance processes. This process itself has lead to the number of Gram Sabhas going up to 4-5 instead of the piecemeal 26th of January and 2nd October processes.

¹⁰ *NREGA- Opportunities & Challenges*, Policy Paper 2008- Centre for Science & Environment



Principles of Governance & the NREGA

The recent amendments (73rd) to the Constitution of India enabling greater decentralization to the *Panchayats* and the implementation of massive programmes on natural resource management such as the NREGS present a need for illustrative models on democratic functioning of village and inter village institutions and their nesting under the umbrella of *Panchayats* so as to bring about a synergetic development of both the natural resources and processes of local self governance. In keeping with this the article discusses certain crucial principles of governance, which could be brought into the ambit of affairs to create sustainable models to work with for the NREGS, the Act itself would have to enable these. The principles focus on the one hand on decentralized governance as also on learning's from the effectiveness of CBNRM experiences. The focus also is on building up or strengthening institutional systems for regular interaction between habitation/village based local institutions as well as Panchayats and other agencies. Elucidated below are the governance principles:

Improving the basic democratic functioning of village institutions at hamlet level;

The Act necessitates planning in a holistic manner along with the Gram Panchayats and through the village members. This governance could be carefully planned to include hamlets (issues of which will be addressed by ward level planning). The comprehensive planning at the ward¹¹ level would further be synergized at the meetings of the Panchayat where all Ward Panches of the Panchayat and other Panchayat representatives plan together. As plans could take a watershed approach (suggested) they cannot be canceling out each other. This planning would then have to feed in to the plans made for the whole Panchayat which might include issues over and above just the conglomeration of ward level planning.

In the year 2006, the FES team at Udaipur was involved in the creation of perspective/five year plans along with several Panchayats in it's project area. The team was aiming for these plans to be converged with the 5 year plans of the Panchayat (which the Government had ordered all Panchayats to undertake). The team undertook the exercise in a very comprehensive manner holding Gram Sabha meetings with all the members of the Panchayat and sometimes planning even in hamlets for members living in remote areas, which were not able to make it to the main Panchayat and then integrating this with the main Panchayat plans. Post the preparation and submission of plans to the Panchayat, today the team is using the Perspective Plans as a dynamic document to plan in a more comprehensive manner especially for activities to be taken up in the NREGS, along with the ward panches in meetings with them. The document is further being used to leverage funds for proposed activities and also to hold higher authorities accountable for the same. Many of the tasks proposed in the Perspective Plans prepared by the villagers and FES have already been taken up through the NREGS.

¹¹ A ward is the smallest administrative unit in rural India, a Panchayat comprises of several wards. The ward panch is the elected representative of this unit, while the Ward Sabha is a meeting of the members of this unit.

In places like Rajasthan where the Rajasthan Panchayati Raj Act Section V¹², necessitates the occurrence of Ward Sabhas at least twice in a year or if one tenth of the members of the Ward see a reason to call for the same there is much potential for ward level planning to take place. The ward being more of a physical and administrative boundary it needs to be alive to requirements of hamlets, which are defined by social and cultural processes/ interactions in the village. At several places Village Forest Protection and Management Committees or other institutions exist at the hamlet level. These committees which have been protecting common lands for a continued period are now best suited to guide conservation and regeneration activities in the area because of having both the technical expertise, knowledge of soil and nutrient cycles, knowledge of biodiversity aspects and the impacts of the same. More importantly they have carefully crafted these institutions through an understanding of the social dynamic of common land restoration/ regeneration activities, building conflict resolution mechanisms thus strengthening CBNRM processes.¹³

Recognizing the role of the committees and involving them in ward level planning would be beneficial, also the annual management plans of the committee could be dovetailed with NREGS action plans of the Panchayat. The democracy of these village institutions would further be strengthened once they are nested within the larger body of the Panchayat in a formal manner. Promoting the responsibility and accountability of these village institutions to the larger Panchayat can help us in achieving this. The Foundation for Ecological Security (FES)- Udaipur team has been involved in this kind of a system where the village institutions report to the Panchayat. This is done by discussing issues around natural resources, reporting financial matters, fund flows, etc to the Panchayats in General Body Meetings on a regular basis.

Panchayats to function in a more accountable and transparent manner- to its constituents:

Building on the former point where we saw the value of institutions within the Panchayat being accountable to the Panchayat the reverse equation also needs to fall into place where the Panchayat would be accountable to all its constituents. The NREGA enables Panchayats to be accountable to its members as it necessitates the formation of vigilance committees as well as social audit processes. This formation of Vigilance Committees was infact was one of the requirements of many Panchayati Raj Acts as well, however it is only recently with the coming of the Act and other processes that the Government has started giving increased impetus to such processes.¹⁴The Vigilance

¹² This article specifically relates to rural India where the structures for governance are the Panchayats. Also the author repeatedly mentions examples from the state of Rajasthan in India because her experiences are mostly from the same.

¹³ People and Forests- Communities, Institutions and Governance. Edited Clark C. Gibson, Margaret A. McKean, and Elinor Ostrom.

¹⁴ This article is based on the author and the Foundation for Ecological Security- Udaipur, Rajasthan', experiences of working with Panchayats in the Udaipur regions of Jhadol and Gogunda.

Committees within the NREGS are constituted of local Panchayat members such as school teachers, retired government officials, local NGO members etc. Their roles lie in monitoring activities through the whole process of their planning, implementation and evaluation and are to be given account of all expenses planned for and made in the implementation of an activity. They also have the power to conduct site checks during the course of the implementation of an activity. The establishment of institutional design principles and mechanisms that provide spaces for the poor and women would also need to be looked into by the vigilance committees and through social audits.

It would be Herculean for individual village Panchayats to carry out these processes on their own, for them to be established it would thus require arduous efforts of civil society members and networks. In the year 2004, there were 7 Round Table Conferences (RTC) of Ministers of Panchayati Raj held, some of the resolutions passed in the same also need to be put in place in order to effectively support processes of transparency and democracy within the NREGS. These include:

- a) The right/entitlement to all the information required for the Gram/Ward Sabhas to contribute to transparent and good governance, as well as to make the elected Panchayat truly answerable to the Gram/Ward Sabha.
- b) The adoption of a Citizens' Charter, the Right to Information by law and community-based movements such as *Jan Sunwais* (Social Audits) have been found to be greatly effective aids in the exercise of the effective devolution of powers and responsibilities to the PRIs. It is, therefore, recommended that a time-bound plan be put in place, along with a built-in system of checks and balances, for ensuring transparency and community participation in the working of the Panchayats.
- c) Social Audit is an important complement to formal audit and for the sound and healthy development of Panchayati Raj, it is essential to establish a symbiotic relationship between social and formal audit.
- d) Authorize the issue of Utilization Certificates after having verified the progress of a work. It is crucial that the Gram Sabha's social audit functions be written into the law.

Institutions in the Panchayat such as SHG's, VFPMC's, CVS, CBO's etc must also function in a more responsible way and their final accountability must be to the Panchayat. As has already been stated, in the financial year 2007-08, the FES Udaipur team was able to ensure the accountability of the village institutions to the Panchayat especially within the implementation of the NREGS (FES was an implementing agency within the same). This through a process where the work was planned along with FES members by the village institutions (VI's) and passed in their name (VFPMC's in this case) but all processes of vigilance, submission of documents and bills etc was done by the Panchayat wherever required and reported to the Panchayat by FES (as per the Acts guidelines).

Improvement in the biophysical condition of natural surroundings - forests, grazing lands and water bodies, through village institutions;

Clarifying the differences and similarities between types of goods, property rights and owners is an essential step towards an understanding of the interaction between people and forests. The differences can have critical effects on the distribution of a forests benefits and finally on the overall condition of the forests. To misjudge the type of goods involved with a resource system can lead to the design of inappropriate property rights arrangements, and these can in turn create the incentive for grievous depletion rather than sustainable use.¹⁵ Natural resource systems are fundamentally interactive- forests provide watershed control, species are interdependent in ways we are often unaware of, an interaction exists also between forests, grazing grounds and individuals residing in and around it, the goods in the forest and these individuals share a relationship. An understanding of these and taking management of these commons forward keeping that in mind could have a deep impact on the biodiversity of the patches and how they are maintained. The role of village institutions comes in, in a big way for the management of these kinds of assets created by the NREGS. The Act is silent about the maintenance and management of these productive assets once created. It is here that village institutions could play a key role in carefully monitoring survival rate of species (forest / grazing land committees), seeing how maintenance of SWC structures created is being carried out etc. This would also mean carefully planning for the plots of lands they are protecting and getting these plans integrated into the NREGS action plan of the Panchayat. It also entails strengthening the capacity of Panchayats to envisage the inter-linkages of different components in their natural environment (through strengthening of the knowledge base regarding status of natural resources, support in planning, leadership development etc.) and make informed decisions/rules based on the principle of conservation.

One of the most popular ways propagated to deal with these landscape level issues is the watershed approach. It involves connecting land units through flows of water, nutrients, and sediment. E.g. forests with farm lands, forests with grazing lands etc. 'Watershed development is increasingly seen as the lynchpin of development in rural areas – one that integrates sectors and provides the foundation for subsequent development. Some of the notable examples of watershed development appear to offer a way out of stagnation and degradation for all those areas that development had seemingly bypassed'.¹⁶ Infact, the Parthasarthy Committee Report suggests that in view of the virtual plateauing of irrigated agriculture in India, a reformed and expanded watershed programme holds the key to livelihood security in India (Shah, Mihir). The Report 'has brought out sharply the crisis we face in agriculture; it makes a strong case for a coherent strategy for the development of rainfed regions to ensure food security; and it argues forcefully that watershed development needs to grow out of its conservation cocoon and focus on sustainable livelihoods.' (Deep, Joshi). The Report also suggests the restoring of the Village Watershed Committees (which were done away with in the Hariyali guidelines that currently guide the watershed programme of the ministry of rural development) instead of the programme being managed directly by

¹⁵ Ibid. People & Forests- Communities, Institutions and Governance.

¹⁶ *Issues in Restructuring*: Joy et al. EPW July 8-15, 2006

the PRI's. Recognizing the volume of work the Gram Panchayats already have to deal with and the setbacks this has had on the watershed programmes the Report suggests positioning the VWC as one of the committees of the gram panchayat so that they still have the necessary legal and administrative powers to deal with conflict- equity situations.¹⁷ This would also widen the democratic base of the watershed programmes and be much more participatory and help people to be involved in decision making. This committee/ institution would be an ideal body to hold together NREGS work of Panchayats. The constitutional backing to these bodies (which will have a say on the management of this body) would further assist village communities in 'owning' their natural assets.

Awarding custodial or ownership rights over collectively used lands such as grazing lands, revenue wastelands and forests so as to foster long enduring institutions for collective management of natural resources;

When people lose secure property rights to other stakeholders they also lose any sort of incentive they could have felt in the past to manage these natural resources for maximum long term benefits. In such a scenario, they might as well compete with each other and new users to extract as much short term benefits from the resource as possible. In many instances, the transfer of property rights from traditional user groups to others eliminates incentives for monitoring and restrained use, converts owner-protectors into poachers and thus exacerbates the resource depletion process it was meant to prevent. (McKean, A., Margaret). Then again a situation where there are too many individuals who use a scarce resource in common without management restrictions could lead what Garret Harding aptly defined as the '*The Tragedy of the Commons*'- 'Therein is the tragedy. Each man is locked into a system that compels him to increase his herd without limit-in a world that is limited. Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons.'(Hardin, 1968, Science, p.1244)

Tenurial arrangements on community owned lands must be extended in such a way that people feel a sense of ownership of their Panchayat. Processes of planning, implementation and monitoring can be owned only when people are sure that these commons and villages resources are secure/ can be called their own (collective) and will not be snatched away from them. Presently most communities have working permissions on the forest or other lands for a certain period of time (which can be renewed post this period), however this is all based on the discretion of the Forest Department, Revenue Department etc. In Rajasthan for instance the Forest Department leases land for protection to communities based on its discretion, revenue wastelands are leased for 25 years¹⁸ while on grazing land which comes under the jurisdiction of the Panchayat, communities are given only working permissions. This results in situations where the Panchayats might in name manage grazing lands but there are higher up orders allotting the same for other activities such as cultivation of *jatropha carcus*,

¹⁷ From Hariyali to Neeranchal: Report of the Technical Committee on Watershed Programmes in India, Department of Land Resources, Ministry of Rural Development, GOI, Delhi, 2006

¹⁸In exercise of the powers conferred by Section 261 of the Rajasthan Land Revenue Act, 1956 and the Rajasthan (Allotment of Land to Co-operative Societies) Rules, 1959

mining etc. For example, the Rajasthan Land Revenue (Allotment of wasteland for biofuel plantation and biofuel based industrial and processing unit) Rules, 2007. This rule allows for 1000ha- 5000ha of village commons 'wastelands' to be leased for 20 years for the purpose of biofuels.

Communities that have been protecting lands for years through institutional arrangements have today realized the importance of the same and seen them through a process of extreme degradation to replenishment through the institutions' management. Government policies allow for changing of the category of lands from say Forest to Grazing land or vice versa. Today groups who are a part of CBNRM talk of the dangers of this and the implications for the ecosystem.

In a grazing land being protected and managed by village communities (Grazing land Committees as allowed by the Rajasthan Panchayati Raj Act, Rules 170) at Udaipur, the Panchayat recently ordered for jatropha carcus to be planted on the land based on official orders. Having seen the land heal from a complete degraded state to a thriving grazing land able to provide the fodder needs of the entire village, community members rose up in protest. They went and met members of the Block Administration and sent petitions to their local political representative to stall this process. Finally the administration relented but still went ahead with implementing the same on one patch of their protected plot.

If these issues are addressed by the NREGA it could reduce the vulnerability of these otherwise 'wastelands', which are being handed over to be put to ostensible productive use by industrial units and other economic forces. The awarding of these custodial rights will thus also protect the cause of many rural livelihoods, which sustain themselves on these commons. Additionally communities would be able to own the processes of development of the lands in their Panchayat and have a vision for the same. An encouraging Act passed in the December of 2007 in India has been the, Forest Right Act¹⁹ which secures community tenure over forest lands and gives communities the 'right to protect, regenerate or conserve or manage any community forest resource which they have been traditionally protecting and conserving for sustainable use'.

Collaborative working of the Panchayats and the local hamlet institutions for the governance of natural resources

The current wisdom in democratic decentralization is that for management of public resources such as forests, pasture lands, and fisheries, accountability should run from these groups through elected local bodies to the people (Ribot).

Panchayati Raj Institutions (PRIs) and other Government enabled institutions such as those formed under the Forest Departments and Revenue Departments often stand at loggerheads with each other and control over land is often disputed. The argument put forward is that most Panchayati Raj Acts are silent about the role of these other village

¹⁹ The Schedule Tribes & Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, Government of India, 2006

level institutions except for the Charagah Vikas Samitis (CVS) which it states can be formed. The Forest Department, Revenue Departments etc meanwhile claim their constitutional backing. In the case of the NREGS, while the Panchayat is enabled as the nodal agency it also allows for the coordination and planning of Forest and Revenue and other Departments and institutions supported by the same.

Government realization and learning's about the usefulness of managing forests along with communities and this being translated to the Joint Forest Management (JFM) Policy or the usefulness of Tree Grower Co-operatives etc must not be bypassed and forgotten. At places where the JFM Policy is in place or where Charagah Vikas Samiti's (formed with the permission of the Panchayats) etc are in place the community is much better equipped to deal with NREGS planning and development of their Panchayat natural resources. The Act enables the translation of ideas of these committees and the management/micro plans developed by them into a reality through the flow of funds and co-operation of all the Government departments.

In the year 2007, the Foundation for Ecological Security was granted permission from the Zilla Parishad, Udaipur to undertake NREGS activities in Panchayats of Jhadol and Gogunda as an implementing agency. The permissions required were sought in the name of the Village Forest and Protection Committees, which have been carefully crafted along with the organization's support since the year 2002. Experiences for these VFPMC's were extremely rich in this year. Every year the annual management plans they make are now being catered to by not the Foundation but largely by the Government itself through the NREGS. Today, when we go and meet with the committee members in their casual conversations they talk not about how FES will fund them (as they used to for years together) but say: 'oh we need an anicat to be de-silted in the village, we will include it in the NREGS action plan for this year!' The good thing is also that even as an implementing agency the Foundation has to facilitate partnerships of the VFPMCs and other committees and the Panchayat. This, because any work which the VFPMC wants done cannot directly be asked for by the implementing agency but needs to be passed as the NREGS action plan of the Panchayat by the Gram Sabha and only then will be considered at the next level.

Given that, the provisions of the Act must be extended in a better way to these institutions and must involve them in the planning, implementation and evaluation of activities on the respective commons. The annual management plans of these committees must be dovetailed with the action plans which Panchayats are making to be implemented by the NREGS. Several village communities have been developing VFPMCs under the provisions of JFM arrangements. These committees are formed based on user regimes and could very often be across revenue villages and even across Panchayats. This is because the committees look into traditional use and protection regimes and adhere to them, they thus follow much more inclusive principles. Today, the NREGS offers opportunity for the committees on the one hand but there is also the danger that these traditional usage patterns and rights might once again be hampered with if Government authorities supersede the role of the village institutions. Based on resolutions passed by the 7 RTC's on Panchayati Raj parallel bodies must be

brought into an organic, symbolic relationship with the PRIs at the appropriate level so that PRIs are fully involved with the work of the parallel bodies.

Towards the goal of NR governance, within the NREGS Panchayats could also engage in exercises of forming laws and guidelines at the level of the Panchayat for all the bodies ensconced within the Panchayat such as the Forest Protection Committees, the CVS, The TGCS, Biodiversity Committees etc as also for all the natural resources of the Panchayats. This can be facilitated by acts of decentralized governance more specifically the Panchayati Raj Acts in each state. For instance, the Rajasthan Panchayati Raj Act, Section 104 allows for a Panchayat to frame its own bye-laws. The Act states that these bye-laws could be used effectively to 'regulate the manner in which tanks, ponds, cesspools, pasture lands shall be maintained and used'. Teemed with other provisions of the NREGS, these laws could be used to govern uses/ the demand and supply needs of grazing lands, forest lands and other categories of land in the Panchayat. This would further strengthen the Acts role in addressing conservation and NR governance.

The FES team has been involved in efforts towards the preparation of Panchayat bye-laws towards Natural Resource Management with certain Panchayats in two different blocks at Udaipur. A microcosm of the laws being made under different committees and bodies in the Panchayat (the CVS, VFPMCs, TGCS), these bye-laws can propel the Panchayat's role towards NR Governance by making that the single largest unit which all the committees are finally accountable to and also making the Panchayat finally responsible for all of the same. These documented laws of the Panchayat detail the provisions, roles and responsibilities of Panchayat members as well as representatives towards natural resources of the Panchayat. They also cover important schemes such as the NREGS, the role of the Panchayat level Vigilance Committees within the same and how the implementation of such

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can use the resource remain uncertain, no one knows what is being managed and for whom' (Elinor Ostrom)

The need of the hour would be to strengthen forums, which could address the traditional usage patterns, which could very often be across Panchayats (which is addressed in institutions such as VFPMC's). Geographical boundaries do not always adhere to administrative boundaries and if the planning of the Act has to address natural resources (through say a watershed approach) it cannot confine itself to only one Panchayat.

The Act itself allows the Panchayat to extend its arms to concerns of village level institutions. It states that a district level planning must take place, which would be a result of a collection of all the Panchayat level planning. One hopes that this would be done in a planned manner (at a landscape level) so that discrepancies in Panchayat level planning would be taken care of (inter Panchayat concerns would be addressed) and there would not be contradictions in the same.

The usefulness of federations across Panchayats would make more sense in this scenario, if recognized by the government all the more good. In Udaipur, panchayats which FES works with have been coming together to discuss and address as a collective issues of mining, SEZ's, plantation of *jatropha carcus*, implementation of the NREGS and the like. This sort of a collective effort serves as a powerful political force and is definitely better equipped to liaison with the Government compared with what an individual Panchayat would be able to achieve. There are also various forums such as NTFP Collectors Forum, Thrift Groups etc, which are often, inter Panchayat bodies, the Act should be flexible enough to reach out to concerns of such bodies.

Organizations that shy away from Panchayat or organized Government procedure do so seeing the all pervasive corruption and bureaucracies of the system. But can we suggest solutions?? The Mazdoor Kisan Shakti Sangathan (MKSS) at Rajasthan has set an example by being the one NGO, which has been instrumental in bringing in the revolutionary Right to Information (RTI) through arduous advocacy. Today, India is at the threshold of democratic devolution through acts such as the RTI and the NREGS. It requires a community of sensitized like minded people to contribute to these processes to see them to their successful end. Additionally it is transparently evident that sustainability and maximizing benefits of natural resources can only be done by the Government and through a process of decentralization.

Teemed with the Right to Information Act (RTI) the NREGS serves as a powerful formula in the hands of the people. In the Udaipur district post awareness about the RTI through the efforts of NGO's many people are now using this around issues of NREGS. NGO and civil society networks at all levels (block, district, state and national) would have a huge role to play in liasoning with the Government to ensure that the Act remains dynamic in nature. Planning at landscape level for the whole district could be an exercise demonstrated by this network in districts where several NGO's and NGO networks exist side by side.

Instruments to Address the Agenda of Conservation within the NREGS:

In order to achieve our goal of natural resource conservation and governance through the NREGS there is a need to build the capacities of members of the Panchayat and other stakeholders. This would extend to building of human resource, as well as of productive assets in the Panchayat. This sections highlights certain tools to achieve our goals:

The creation of perspective plans along with the community. A two-way process where 1) the community's perspectives are built on several issues/ subjects and plausible solutions towards the same, exploring newer avenues of livelihood generation. The community is also oriented towards thinking lateral and away from the dominant paradigms of development, which generally include only electricity, roads and education. The community now learns or is initiated into a process where they may also be able to think of their Panchayat as able to address issues closer to their hearts such as common land regeneration, treatment of their watershed, catchments in their areas. Perspective plans require a discussion where the resource person can build with the

community, through PRA's and other mapping exercise a vision of how this will benefit them and how the developing of natural resources will lead to further linkages and creation of livelihood opportunities. Linkages of forests-NTFP's/firewood, grazing lands-fodder-animal husbandry, common lands- farmland productivity must be explored.

2) the community must also be able to refer back to conservation processes of yesteryears which must be explored, where there was some way to restore what we took from nature. The older generation will be well versed with what types of crops/trees/grasses are endemic to the area. It would be senseless to plant species only because they can fillip incomes. The resource person would be able to build this perspective with the people and thus decide what plants/ species must be planted. Local silviculture methods and building of mutual relationships would be encouraged. The biodiversity of the area and considerations one has to make because of the same must be kept in mind. This planning from the bottom would encourage ownership of processes.

The perspective plans can be planned in such a manner that they become a demand supply analysis of the Panchayats requirements of fodder, fuelwood, firewood etc. it would also pander to the requirements of all types of land be it forest, grazing, revenue etc thus also facilitating an inter sectoral approach. The Panchayat can then accordingly address regulation of these resources based on their availability. The Plan would also prioritize tasks for the year and the years to follow based on the importance of what assets/ resource base needs to be created to pander to the Panchayats supply needs. The issue of conservation and replenishment as well as sensible usage thus becomes a Panchayat mandate and would be supported by a governance structure.

As provided for in the Constitution (Article 243ZD), each tier of the Panchayati Raj system - Village, Intermediate and District - must prepare the perspective Five Year Plan and Annual Plans for their respective jurisdiction. The District Planning Committee should consolidate the plans prepared by the Panchayats and Municipalities, as provided for in the Constitution, rather than prepare the District Plan of its own accord (Resolution passed in the II RTC on Panchayati Raj).

If the NREGS could have done this perspective planning exercise in the first year of it's induction it would have been ideal. This might not have ensured 100 days of employment as a right in the first year but in the long run it would have lead to a much better and holistic planning along with Panchayats. Having said that, in many places NFFWP and other EGS schemes' perspective plans that were made were integrated into the NREGS planning with the Panchayat.

As is evident, these kinds of exercises require a dedication and decision from the Zilla/ District as well as Tehsils/ Blocks that such a group of people who will be able to train/carry out Perspective planning exercises with the Panchayat will be created from the existing staff or will be employed on an adhoc basis and trained to undertake this exercise.

Involvement of youth especially as para workers:

NREGA resources could be used to catalyse the engagements of rural youths (almost 35% of rural population and majority of them are literate) in providing support to rural processes; this would involve training of Youth to act as Facilitators (as mentioned for exercises like Perspective Plans), Para Workers for implementation of NREGA. They are to be seen as both a political force in ushering in development in the Panchayat with many new ideas as well as a resource base in being able to work out the development of the village. Panchayat Samitis can take initiative in undertaking for the training and skill building of youths across Panchayats to be para agriculturists, para veterinarians, para doctors, para engineers etc so that they may be able to assist their respective Panchayats in planning for NREGS activities and further be able to take care of and cater to assets which are being built up and activities around the same. For instance the para engineers would have to render their services to the maintenance of watershed and soil and water conservation structures whereas the para vet will have a large audience to cater to thanks to the increased number of cattle in the village due to developing of grazing lands. Para agriculturists will be of benefit to individual farmers and would be able to render their services to them. These trainings will have to be planned for and funds allocated accordingly. The exhaustive training of one resource person would require that amount of financial willingness from the Government. The resource person will have to be skilled enough to undertake activities to such an extent that he may be paid for his services by others in the Panchayat as well as probably become the point person in the village for knowledge on those activities. These resource persons would also have a role in facilitating SHG groups towards income generating activities and micro enterprise/ linking with markets, as one foresees that there would be several by-products due to the creation of assets.

Information Education Communication(IEC):

Implementers of the Act such as the Panchayat Samiti, Zilla Parishad and higher levels need to get into an exercise of identifying existing stakeholders in this whole process and accordingly build training programmes for them to disseminate information as well as build their capacities. More financial resources have to be set aside for creating awareness - local networks, radio advertisements, cultural troupes, written material in the form of banners, brochures etc should all be used for official dissemination. IEC for Panchayat representatives and resource persons is crucial as they would be the main catalysts guiding planning and other processes in the NREGS.

➤ Panchayat Resource Centres (PRCs):

PRC's at Block levels could be established for enabling the Act to be implemented in a better way. These PRCs could facilitate capacity building, micro planning and model building at the Block level. They should also be at the Panchayat level. The PRC itself could serve as one of the assets the NREGS has been able to build. Experiences²⁰ with PRC's at the Panchayat level have shown how participation in Panchayat processes and access to the Panchayat itself has gone up with the setting up of the same in Panchayats. These PRC's could also employ many of the rural youth of the Panchayat

²⁰ Experiences and learning's across the paper are mostly from that of the Foundation for Ecological Security in Udaipur and sometimes also across teams of the Foundation.

and then self sustain themselves through a demand for voluminous amounts of information. Panchayat PRC's, which are computerized, have been able to assist Panchayat members completely in their planning activities by providing them with maps, toposheets, BPL/ SC/ ST lists etc.

Suggestions:

- The NREGS should not be restricted to providing 100 days of employment to 'households', it should be more demand driven and the effort should be to provide 100 days of employment to all those who demand it.
- The Scheme should also look into how best it can employ the skilled labourers within the Panchayat as well, in order to address issues of migration.
- Over burdening of Panchayats needs to be looked into. Currently even though Panchayats have been given an assistant secretary to handle all the NREGS work, if the Act has to live upto it's goal and 50% of the work has to be handled by the Panchayats one needs to look at more individuals been involved in the management of these processes. Developing rural volunteers and para workers could be a solution.
- Another way of handling this increased work within the NREGS is to make better payments to the Panchayat representatives (who are currently only given meager allowances) and to not leave everything to voluntarism and public pressure. For one this will boost the interest of the Panchayat representatives and it would also be a more sure shot and accountable way of bringing people involved to book.
- Tenurial arrangements on community owned lands should be extended so that people feel a sense of ownership while planning for the Panchayat.
- The Scheme must come up with a sound Exit Protocol for works undertaken in the Panchayat, this can involve the village institutions protecting and conserving various categories of 'commons' as well. The Exit Protocol shall specify a mechanism for maintenance of assets created, augmentation including levy and collection of user charges etc. Mechanism for equitable distribution and sustainability of benefits accrued under the NREGS should also be clearly spelt out in the Exit Protocol.
- The 'sound finances' of the Panchayats is a Constitutional obligation enjoined on the States by Article 243-I. In pursuance of this Constitutional obligation, the States and the Centre, in a true spirit of fiscal federalism, should work together to strengthen the finances of the elected local bodies;
- The states, depending upon their resource availability, might appropriately strengthen the sound finances of the PRIs so that planning at the District and Sub-District level is based on an indication of the resources available and those that would be made available, for the activities devolved on them.
- Social audit must necessarily be undertaken at the level of the Gram Sabha but might also be undertaken at higher levels of the Panchayat Raj system, as has been done in the state of West Bengal.
- The 7 RTC's also proposed a 'Devolution Index' in order to capture the extent of devolution that each state government has achieved. This indicator must be used by the NREGS as well while evaluating it's progress.

Conclusion:

According to the Union ministry of Rural Development data, the NREGA has generated at an average 30 days of employment for a rural adult during 2006-07 in 200 districts. During 2007- 08 it is around 40 days for an adult member. However, this is way short of the employment demand as expected. As the focus on productive assets blurs, communities may not find the Act relevant to them in long term. The irregular wage is already starting to be a disincentive. It was found that once soil and water conservation works allowed in private lands of scheduled castes and tribes (SC/STs) as well as Below Poverty Line (BPL) families, demand for works automatically went up. Whenever the local communities have been able to use the Act for development with direct impacts on local livelihoods, there is excitement (CSE Report). For an employment guarantee to work, it must be focused on labour – absorbing activities and technologies, which lead to growth that in turn provides more jobs.

Just as with the 73rd Amendment empowering panchayats, the real significance of all the provisions of the Act will be directly proportionate to the extent and manner in which they are creatively pushed to their limits by the very same forces of change at the grass roots who played a critical role in their being included in the act in the first place. It is also upto civil society, academia, policy makers and NGO groups to join hands and constantly engage / advocate with the Government towards enabling the Act to be used productively towards NR conservation and management. In a society beset with deep social and economic inequities, any such act can only create an additional space for change. The NREGA can become a major new instrument for galvanizing panchayat raj institutions in India, but how far this actually happens will depend a great deal on the mobilization of the disadvantaged in society – women, dalits, adivasis and the poor. Any such Act can only succeed if it holds supreme values of democracy and decentralization. This articles' focus on governance principles are towards enabling these processes so that the NREGA may live up to it's 'radical' goals and nature.

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List of Abbreviations:

- NREGS- National Rural Employment Guarantee Scheme
- NREGA- National Rural Employment Guarantee Act
- EGS- Employment Guarantee Scheme
- TGCS- Tree Grower Cooperative Societies
- JFM- Joint Forest Management
- SEZ- Special Economic Zone
- NTFP- Non Timber Forest Products
- NFFWP- National Food for Work Programme
- BPL- Below Poverty Line
- SC- Scheduled Caste
- ST- Scheduled Tribe
- PRI- Panchayati Raj Institution
- RTC- Round Table Conference
- NRM- Natural Resource Management