



## FROM POLICY TO PRACTICE: A STUDY ON THE IMPACT OF LOCAL SELF-GOVERNMENT ON AGRICULTURE

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### ABSTRACT

*Agriculture, being the backbone of Indian society, plays an important role in the Indian economy. This paper mainly focuses on the impact of Local self-government on agriculture and how it plays an important role in fostering schemes for the development of agriculture. The study also analyses the existing schemes by the government for the betterment of farmers and the agricultural sector. It also focuses on the 73<sup>rd</sup> and 74<sup>th</sup> amendments, which introduced the three-tier system of governance, especially focusing on the existence of the Panchayati Raj system and municipalities. The methodology adopted is a mixed approach comprising both doctrinal and empirical studies. The empirical study involves analysing the effectiveness of the study by interviewing the panchayat members and municipalities, and by interacting with farmers. The doctrinal methodology includes analysing existing articles, research papers, and books. This paper points out the necessity of local self-government in implementing the policies and its role in agricultural development.*

**Keywords:** Local Self-Government, Agriculture, Panchayati Raj, Municipalities, Scheme.

### INTRODUCTION

The Constitution of India, 1992, under the 73rd Amendment, provided a legal framework for implementing Article 40, giving constitutional status to Panchayati Raj, a system of local self-government in rural areas. Further, the Constitution (Seventy Fourth Amendment) Act, 1992 has introduced a new Part IXA in the Constitution, which deals with Municipalities in articles 243 P to 243 ZG. This amendment, also known as the Nagarpalika Act, came into force on 1st June 1993. It has given constitutional status to the municipalities and brought them under the

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justifiable part of the constitution. States were put under a constitutional obligation to adopt municipalities as per the system enshrined in the constitution. Agriculture is the livelihood of a majority of people in India, and the development of agriculture plays an important role in the development of the country and its economic condition. The legislature, with the intent of upholding agricultural development, established local self-government under the 73<sup>rd</sup> and 74<sup>th</sup> amendments. The local self-government plays a crucial role in agricultural development in both rural and urban areas.

## **HYPOTHESIS**

**Null Hypothesis:** The Local Self Government does not play a significant role in developing the agricultural sector.

**Alternative Hypothesis:** The Local Self-Government plays a significant role in developing the agricultural sector.

## **SCOPE OF THE STUDY**

The study mainly delves into the role of local self-government in agriculture. In this study, the researcher analyses the importance of local self-government in agriculture through the qualitative method of interviewing panchayats, municipality members, and farmers. This study also analyses the impact of the 73rd and 74th amendments, which paved the way for the introduction of the three-tier system in India. The researcher focused on the major schemes initiated by the government, which include the Pradhan Mantri Kisan Samman Nidhi, Pradhan Mantri Kisan MaanDhan Yojana, the Pradhan Mantri Fasal Bima Yojana, the Rashtriya Krishi Vikas Yojana, and the Soil Health Card (SHC), Grameen Credit Score, as well as their implementation by local self-government. This paper explores the evolution of the Local self-government in India by analysing the 73rd and 74th amendments of the Indian Constitution. The paper is limited to the study of Agricultural development with the help of local self-government in Kerala. The researcher has interviewed the Panchayat member, the Municipality chairman, and farmers who are based in Kerala.

## **METHODOLOGY**

This research article discusses the impact of local self-government in the agricultural sector. In this paper, the methodology adopted is a mixed approach comprising both a doctrinal

methodology and an empirical method. The doctrinal research methodology involves analysing books, case laws, statutes, and available secondary sources that include articles, research papers which analysed the different aspects and provisions related to local self-government, and also its impact on the agricultural sector and farmers, etc., whereas the empirical study deals with the interviews of the authorities of local self-government. In which the interviews were conducted with the panchayat members, especially the ward members, Municipal members, and also with the farmers.

## **CONCEPT OF LOCAL SELF-GOVERNMENT**

Local Self-Government of India plays a vital role in the Indian Democracy. Local self-government refers to the system of administration in which representatives are elected locally to manage the affairs of the local community and to engage people in decision-making, in matters that impact their daily lives.<sup>1</sup> The main objective of this system is to empower the local people and to work for the development of both rural and urban areas. The local self-government consists of a three-tier system, in which the rural area comprises Gram Panchayat, Panchayat Samiti, and Zilla Parishad, whereas the Urban area consists of Municipal corporation, municipalities, and Nagar Panchayats.

## **ANALYSIS OF 73<sup>RD</sup> AND 74<sup>TH</sup> AMENDMENTS OF THE INDIAN CONSTITUTION**

Parts IX and IX-A were added to the constitution by the 73<sup>rd</sup> and 74<sup>th</sup> amendments, which are popularly known as the Panchayati Raj and Nagarpalika Constitution Amendment Acts. These amendments provide constitutional sanction to democracy at the grassroots level by inserting two new parts relating to panchayats and urban local bodies in the Constitution. The bill was introduced by the Rajiv Gandhi government for the first time in 1989 but failed to obtain the requisite majority in the Rajya Sabha. Further, the bill was referred to the select committee, and after certain modifications, it was introduced in the Lok Sabha and finally passed on 23<sup>rd</sup> December 1992.<sup>2</sup>

These amendments provided a constitutional guarantee to the basic and essential features of the self-governing democratic institution in rural and urban areas. With the implementation of

<sup>1</sup> Umamaheswararao Chandaka. (2021). LOCAL SELF-GOVERNMENT IN INDIA: AN HISTORICAL EVOLUTION. International Journal of Academic Research, Vol 8(Issue 12), <http://ijar.org.in/stuff/issues/v8-i12/v8-i12-a006.pdf> accessed on 10 December 2025

<sup>2</sup> Dr. J. N. Pandey Constitutional Law of India (60<sup>th</sup> Edition). Central Law Agency

these amendments, the state was obligated to hold elections regularly, except for those with a population of less than 20 lakhs, to establish a three-tier panchayat system of the village level, intermediate level, and district level. The history of the emergence of the 73rd amendment goes back to the Gandhian era, as Mahatma Gandhi wanted the Gram Swaraj to become a reality, as it was an integral part of the Indian social society.

## STRUCTURE OF LOCAL SELF-GOVERNMENT

**The Panchayat:** The Constitution (73<sup>rd</sup> Amendment) Act 1992 added a new Part IX consisting of 16 articles and the Eleventh Schedule to the Constitution. The amendment provides for a three-tier Panchayat Raj system at the village, intermediate, and district levels. There is an exception to the small states with a population below 20 lakhs not to constitute panchayats at the intermediate level. The act provides that the panchayat bodies will have an assured duration of five years, with elections mandatory after that period. The powers and authority of the Panchayati Raj institutions are regulated by the state government.<sup>3</sup> Article 243-A provides that “A Gram Sabha may exercise such powers and perform such functions at the village, intermediate and district levels in accordance with law provided.”<sup>4</sup> The 73<sup>rd</sup> Amendment emphasises the Gram Sabha as the foundation of the Panchayati Raj system.

**The Municipalities:** The 74<sup>th</sup> Amendment Act, 1992, inserted Part IX-A to the Constitution. This amendment added 18 new articles and a new schedule – the twelfth schedule relating to urban local bodies in the Constitution. The 74<sup>th</sup> Amendment provides for constitutional sanction to the urban self-governing institutions, ensuring regular elections and helping them to play a greater role in the development of urban areas. This act provides for three types of municipal corporations, namely Municipal Corporation (for larger urban areas), Municipal Council (smaller urban areas), and Nagar Panchayats (for a transitional area, rural area to urban area). It ensures the reservation of seats in every municipality for scheduled castes, scheduled tribes, and women. The state legislature regulates the powers and responsibilities of the municipalities in respect of the preparation of the plan for economic development, the levy of taxes and duties by municipalities.

**Agriculture:** Agriculture is the largest livelihood of the people in India, especially in rural areas. Agriculture contributes a significant percentage of GDP, and also helps in improving the

<sup>3</sup> Dr. J. N. Pandey Constitutional Law of India (60<sup>th</sup> Edition). Central Law Agency

<sup>4</sup> India, 1950, The Indian Constitution, § 243-A.

living conditions of people in rural areas, as agriculture is the main source of income. In India, agriculture is the primary source of livelihood for 55% of the population.<sup>5</sup> India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, and sugar. The agriculture sector in India holds the record for the second-largest agricultural land in the world, generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.<sup>6</sup>

Foodgrain production in India touched 330.5 million metric tonnes (MT) in 2022-23 (3rd Advance Estimate). India is the world's 2nd largest producer of food grains, fruits, and vegetables, and the 2nd largest exporter of sugar. A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23.<sup>7</sup>

The Union Budget 2025-26 has allocated a significant amount for the development of the agricultural sector. The key announcements made in the budget, which include the PM Dhan Dhaanya Krishi Yojana scheme, will be launched in partnership with states and are estimated to cover 1.7 crore farmers. The scheme will target 100 districts with low productivity, moderate crop intensity, and below-average credit access. The National Mission on High-Yielding Seeds will focus on ensuring the commercial availability of more than 100 seed varieties, and the development and propagation of climate and pest-resilient high-yielding seeds. The Loan limit under the Modified Interest Subvention Scheme will be increased from three lakh rupees to five lakh rupees. A comprehensive programme for the promotion of production, efficient supply, processing, and remunerative prices for fruits and vegetables will be launched. It will target the formation and participation of Farmer-Producer Organisations and Cooperatives across states. A new Mission for Aatmanirbharta in Pulses will be launched for six years.<sup>8</sup>

<sup>5</sup> India Brand Equity Foundation, Agriculture in India: Information About Indian Agriculture & Its Importance <https://www.ibef.org/industry/agriculture-india> accessed on 10 December 2025

<sup>6</sup> India Brand Equity Foundation, Agriculture in India: Information About Indian Agriculture & Its Importance <https://www.ibef.org/industry/agriculture-india> accessed on 10 December 2025

<sup>7</sup> ibid

<sup>8</sup> PRS legislative research, Demand for Grants 2025-26 Analysis Agriculture and Farmers Welfare, [https://prsindia.org/files/budget/budget\\_parliament/2025/DFG\\_Analysis\\_2025-26\\_Agriculture\\_&\\_Farmers\\_Welfare.pdf](https://prsindia.org/files/budget/budget_parliament/2025/DFG_Analysis_2025-26_Agriculture_&_Farmers_Welfare.pdf) accessed on 10 December 2025

## MAJOR SCHEMES INITIATED BY THE GOVERNMENT FOR AGRICULTURE DEVELOPMENT

Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) is a scheme initiated by the central government for the welfare of farmers. The main objective of this scheme is to provide financial assistance to farmers, for which the central government deposits 6000/- per year into the farmers' accounts.<sup>9</sup> Pradhan Mantri Kisan MaanDhan Yojana (PM-KMY) is a scheme introduced by the central government to provide old-age protection and social security to the unorganised farmers. This scheme is implemented by providing pensions to the farmers after the age of 60 years.<sup>10</sup> The Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme mainly focuses on providing financial protection to farmers against crop loss due to natural calamities. This scheme was introduced by the Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture.<sup>11</sup> Modified Interest Subvention Scheme (MISS). Price support scheme (PSS)

The Department of Agriculture and Cooperation implements the Price Support Scheme through NAFED, which is the Central nodal agency, at the MSP declared by the government. The main crops which are covered under this scheme are Bajra, Paddy, Cotton, Wheat, Sugarcane, Mustard, etc. When the prices of these commodities fall below the Minimum Standard Price fixed by the government, the state and central notified procurement nodal agencies purchase them directly from the farmers, thereby protecting them against the economic loss in farming and providing them with economic stability.<sup>12</sup>

Rashtriya Krishi Vikas Yojana was launched as a flagship scheme of the Department of Agriculture and Farmers' Welfare in 2007-2008 to incentivise states to draw up comprehensive agriculture development plans for ensuring more inclusive and integrated development of agriculture. This scheme provides the states/UTs the flexibility to propose projects related to the infrastructural and productional development of the agricultural sector.<sup>13</sup> Soil Health Card

<sup>9</sup> Department of Agriculture and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India, PM Kisan Samman Nidhi, <https://pmkisan.gov.in/> accessed on 10 December 2025

<sup>10</sup> Ministry of Labour and Employment, PM-SYM

[https://maandhan.in/show\\_content.php?lang=1&level=1&ls\\_id=28&lid=28&page=6](https://maandhan.in/show_content.php?lang=1&level=1&ls_id=28&lid=28&page=6) accessed on 10 December 2025

<sup>11</sup> Ministry of Agriculture and Farmers' Pradhan Mantri Fasal Bima Yojna (PMFBY) Welfare, <https://www.myscheme.gov.in/schemes/pmfby> accessed on 11 December 2025

<sup>12</sup> My Scheme, Price Support Scheme, <https://www.myscheme.gov.in/schemes/pss> accessed on 11 December 2025

<sup>13</sup> Department of Agriculture welfare, Rashtriya Krishi Vikas Yojana (RKVY), [https://agriwelfare.gov.in/sites/default/files/rkvy\\_intro.pdf](https://agriwelfare.gov.in/sites/default/files/rkvy_intro.pdf) accessed on 11 December 2025

is a Government of India scheme promoted by the Department of Agriculture and Co-operation under the Ministry of Agriculture and Farmers' Welfare. The Soil Health Card is used by farmers to assess the current status of their soil health and also to determine the changes that have occurred to the soil health due to land management. It is very beneficial to those farmers who do not know which types of crops they should grow to get maximum yield.<sup>14</sup>

The Union budget 2025-26 announced the Grameen Credit Score, which is to be developed by the public-sector banks for the credit needs of members of Self-Help Groups (SHGs) and people in rural areas. It helps in assessing the creditworthiness of rural individuals, thereby facilitating them with easy access to loans, ultimately helping them improve their agricultural infrastructure.<sup>15</sup> The Rainfed Area Development scheme was launched in 2014-2015 to mainstream the development of rainfed areas in a sustainable manner. This scheme also emphasises the importance of adopting various other components of agriculture, such as horticulture, apiculture, fishery, etc, thereby reducing the impact of adverse weather conditions and enhancing the productivity. It also helps in improving the productivity, sustainability, and climate resilience by promoting location-specific Integrated Farming Systems.<sup>16</sup>

## IMPACT OF LOCAL SELF-GOVERNMENT IN AGRICULTURE

A survey was conducted to understand the effectiveness of local self-government and also to assess the effective working of these bodies in implementing these schemes. In this study, the researcher conducted an effective phone call interview with various local body members and farmers, which paved the way for a greater understanding of the topic. During the interview, the researcher indulged in different questions, which included

- A. How effective is the local government in implementing the schemes by the state and central government?
- B. How diligent is the local self-government towards the farmers' problem?
- C. What measures are taken by the local government to improve the awareness of the farmers regarding these schemes?
- D. How often are meetings conducted to address the farmers' issues?

<sup>14</sup> Department of Agriculture, Cooperation & Farmers Welfare, Soil Health Card, <https://www.india.gov.in/spotlight/soil-health-card#tab=tab-1> accessed on 11 December 2025

<sup>15</sup> Ministry of Rural Development, Grameen Credit Score, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2112198> accessed on 12 December 2025

<sup>16</sup> Ministry of Agriculture & Farmers Welfare, Rainfed Area Development, <https://www.myscheme.gov.in/schemes/rad> accessed on 12 December 2025

### E. Is local self-government helpful to farmers?

## ANALYSIS

Agriculture being the livelihood of the majority of people in rural and some parts of urban areas, local self-government acts as a catalyst for the development of agriculture. The findings of the study revealed that the development of the agricultural sector is one of the important aims initiated by the local self-government. During this study, the researcher conducted various interviews with the authorities of the panchayat, municipalities, and farmers. The responses obtained from the members of the local self-government authorities emphasised that there are many initiatives undertaken by the authorities to implement the different schemes for the welfare of agriculture and the farmers. In rural areas, the panchayat members ensure that the various schemes by both the central and state governments are properly implemented at the village level by creating awareness about these schemes. in the present scenario, technology plays a vital role in communication. new modes of communication systems are adopted in which most information is transferred through mobile phones. One of the main methods adopted is the creation of WhatsApp groups through which all the information and latest updates are shared with the Farmers. This also makes the communication with the officials and authorities smoother without any hindrances. The authorities also take into consideration the people without any access to mobile phones, for which they have initiated monthly meetings as a platform for them to raise their issues and concerns. in all panchayats, funds are provided by the government to utilise for the betterment of the people. From the survey, members of the panchayat and municipalities responded that during a natural calamity or if any kind of loss is faced by the farmers, these funds are utilised to compensate the farmers. In this way, local self-government acts as a support for the farmers. The local self-government, in collaboration with the agricultural department, also initiates new projects for the farmers, which include providing new saplings, training programmes for the farmers with new technologies and also providing the farmers with fertilisers at a nominal price. The local self-government also hold meeting once a month, in which the elected members and the authorities, along with farmers, are present. this session will help to solve the issue faced by the farmers, and also as a means by which the problems of farmers can reach the higher officials. From the interview conducted from member of the municipality, it is noticed that the agricultural development and importance are comparatively lesser compared to the rural areas. Most people are not aware of being diligent towards the new schemes. This implies that farmers in the rural areas are actually

benefiting a lot from the local self-government. Local self-government acts as a hand for them and helps them when they are in need.

Therefore, from the analysis of the interviews conducted, the researcher accepted the alternative hypothesis that the local self-government plays a significant role in developing the agricultural sector.

## **SUGGESTIONS**

The researcher suggests that there should be more training programmes for the elected representatives, as this will ensure more effective functioning of the local self-government. There should be more youth involvement in the decision-making, and also ensure that there is proper representation from all people, especially women, SC, ST, and other minority groups in decision-making. There should be a more speedy problem-solving mechanism, as this is one of the concerns raised by the majority of farmers, which includes support during any natural calamities, or to provide compensation in case of any losses suffered due to any unforeseen circumstances. The Local self-government should be the voice of the voiceless; they should represent the farmers and help them in their development, as agriculture is one of the most important sectors in the Indian Economy.

## **CONCLUSION**

The study reveals that the local self-government plays a significant role in the development of the agricultural sector. The main aim of the 73rd and 74th amendments, which paved the way for the Panchayati Raj system and municipalities, is to play a significant supportive role for the farmers. The local self-government is responsible for providing proper awareness to the farmers related to the existing schemes for agricultural development. The local self-government acts as a mediator for the farmers to represent their voices before the higher authorities. They act as a support system for the farmers during any unforeseen circumstances that affect the cultivation and productivity. The panchayat presidents are elected every 5 years, and they are presented as representatives of the people and work for the benefit of the people. The study concludes through the empirical research conducted by the researchers that the local self-government has a vital position in developing the agricultural sector and is initiating schemes and projects for the welfare of the farmers.