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## **UNIT 2 CONTEXTUAL DIMENSIONS OF DEMOCRATIC DECENTRALISATION-1: POLITICAL, CONSTITUTIONAL AND ADMINISTRATIVE**

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### **2.0 LEARNING OUTCOME**

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After studying this Unit, you should be able to:

- Understand constitutional provisions/stipulations for democratic decentralisation in India;
- Identify the political and administrative possibilities inherent in decentralisation; and
- Analyse the issues relating to the decentralisation.

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### **2.1 INTRODUCTION**

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Democratic decentralisation needs to be appreciated in the context of *post-modernism* which marks an ideological shift in political terms from “authority to individuation values” and from “material welfare to aesthetic and spiritual concerns” epitomised by the generic, ‘sustainable development’. ‘Modernist’ emphasis on order and conformance is giving way to plurality and diversity in secular, religious and cultural matters, redefining the concept of ethic/what constitutes right. This paradigm cultural shift is increasingly manifest in public policy for development administration. Democratic decentralisation is being advocated as an alternative to central control, particularly planning, which shows scant regard for local diversity (Ingelhart, 1997). Pluralism is the essence of democracy. To incorporate all interests in public policy, institutional is a must. In this unit we shall attempt to understand the political, constitutional and administrative ramifications of decentralisation. Emphasis would be on impact of decentralisation on administrative efficiency

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## 2.2 POST MODERNIST CRITIQUE

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Post modernist critique comes down heavily on top- down technocratic planning processes; instead, calls for public-participatory planning processes incorporating indigenous ideas and allowing for the same in/through public policy. Also as per the New Public Management “roll back of the state” phenomenon/precept, ways are being explored to make governance, more broad based, participatory and representative, in the sense of creating options/alternatives to government ‘monopoly’ over public goods services provision (“monocentric order”) by introducing/involving the private corporate sector and other civil society actors, such as interest groups, pressure groups, non government and community based organisations in matters of governance (“polycentric order”). The aim as per ‘post- modern’ approach is to impart a pluralist- representative character to the modern nation- state, moving beyond the limitations of ‘oneness’ to incorporate/*emphasise* diversity on religious, linguistic, ethnic, *et al* lines by articulating the same in policy craft in order to institutionalise minority representation. As per public choice critique, such ‘majority orientation’ negates democracy since the opportunity cost of options foregone in policy choices in favour of one alternative translates into real costs to the society both in tangible and intangible terms. Apart from the political marginalisation of affected groups, which results thereby, democracy is rendered less representative; consequently policy choices and decisions get tinged with arbitrary character which confuses the idea/purpose of ‘public interest’, which is the central theme of public policy. Such governance is not ‘efficient’ since it is less ‘rational’ in the sense of ‘inclusiveness’ of the *process* of articulating public interest in all political, economic and social aspects (s).

As per World Bank explanations, democratic decentralisation implies more than the downward delegation of authority. It entails a system of governance in which citizens possess the right to hold local public officials accountable through the use of elections, grievance meetings and other democratic means. Decentralisation is purported to be democratic in that the key word is accountability of officials to the local public. ‘Popular control’ is the essential condition for any variant of decentralisation (*delegation, deconcentration, decentralisation*) for effectiveness. (The same can be read in key concepts).

Change in system orientation from “top- down” to “bottom- up” is expected to break entrenched oligarchic interests that further traditional/charismatic privileges through subversion of state authority; foster prevalent inequalities. This could/is being attempted by empowering the ‘passive publics,’ referring particularly to the inert backward segments through proactive measures like reservations, institutionalisation of ‘communitarianism’ inherent in social groupings which implies institutionalization of ‘social capital,’ via the gram sabha and catalytic promotion of non- government organisations and social action groups on the part of the state, for rational “interest articulation” and “public accountability” of officials. This structural reformation of government is being referred famously as, “reinventing government” (Osborne and Gaebler, 1992).

Also, for true democracy, governance should be ‘economically efficient’ in that the taxpayers’ money should have been properly spent and accounted for. There should be transparency about fiscal decisions, not just for the purpose of professional audit, policy analysis and evaluation, but also for the sake of information/awareness of the general ‘public’ whose resources are spent on/for public purposes. Needless to assert, they must have ‘voice’ (of ‘exit’ and ‘voice’) to express dissent to exert needed pressure or in

extreme cases of *malafide*, explore the ‘exit’ option to avail of better services. For the purpose that fiscal deficits be in control, government machinery can/should be less expansive, which is possible if the other sectors, viz. the private corporate and the non-government sectors partake in governance related to production and distribution of public goods. Decentralisation is being perceived as a ‘means’ to ‘the’ end of such pluralist “polycentric” governance. {Efficiency, for the purpose of this discussion, is understood in Simonian terms, i.e. maximum benefit/minimum cost}.

Therefore, the three main arguments most cited in favour of democratic decentralisation as a legitimate ‘end’ to the value of ‘public freedom’ encompassing all virtues aforesaid, are as follows:

- Democratic decentralisation makes developmental policy more ‘responsive’ to public interest, since problems can best be understood and articulated by local representatives with active involvement of the people whose needs are to be addressed. Environmental protection and law and order are other emerging areas where the contribution of local bodies is expected to be significant.
- It *empowers* local communities, who are otherwise usually ‘passive’ with regard to governance related matters. This makes governance transactional/participatory. Civil society actors(s) effectively articulate and press for public interest at successive stages in governance through social activism, representation or lobby pressure public interest litigations, et al. It brings administration closer to the doorstep of the poor. This is also because accountability is much more clear and direct, and officials are more easily accessible, which improves organisational culture since officials are put under obligation to answer questions posed by civil society.
- It leads to efficiency in resource management, since community ownership and application of local innovative management strategies based on past practices/indigenous knowledge prevents a lot of waste.

The aforesaid features will be put to critical analysis in subsequent sections in the Unit. At this point, suffice it to say, that democratic decentralisation is emerging as an exciting proposition for scholars and practitioners in social sciences in that it is generating immense positive expectations regarding better institutionalisation and grounding of democracy, rendering it more stable against possible arrogation of power or otherwise arbitrary behaviour on the part of the central and state executives.

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## 2.3 THE POLITICAL ENVIRONMENT OF CHOICE

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Public choice theorists favour a decentralised politico-administrative set up where in case of extreme dissatisfaction, people can “vote with their feet” (Tiebout,——)or relocate to a different jurisdiction, where services are comparatively cheaper and/or more efficient. In third world economies, which remain largely regulated or under ubiquitous government control, ‘rent seeking opportunities/behaviour’ on the part of public officials is alleged, which entails compromise on public interest, since people lack the information/awareness to question administration or hold it accountable for omissions/commissions. According to Craig Johnson, (2003) decentralisation can create such ‘political environment of choice’ by creating the ‘political space’ for self help on the part of people which could also be catalysed through devolution of authority to local user groups, community based agencies, energise civil society and create opportunities for creative interface synergy between the

government and civil society agencies operating at the local level. Some of the possibilities are explained below as “exit” and “voice” options.

### “EXIT” OPTIONS

K.V. Sundaram foresees development of “polycentric institutional arrangements” by way of spontaneous cooperation and aggregation of interests at the local level for binding consolidating, and unifying spontaneous groups and promoting group interests. These user groups/ interest groups could be traditional indigenous institutions, which would need to be revitalised around the fulcrum of elected bodies. These polycentric or non-central institutions are expected to perform functions across jurisdictions acting as instruments for collective action covering a spatial extent, in developing and maintaining, for instance, common property resources such as water conservation systems and credit societies and providing various public facilities based on self help. They could also be “receiving mechanisms” (user groups) which, interact with the government’s delivery system in distributing the benefits to the target groups. These could also be special purpose groups that provide for, operate and maintain certain small infrastructures like roads, water supply irrigation, community buildings, and irrigation systems (indigenous institutions) under the aegis of local administration. This would help revive traditional infrastructure, which has remained dormant for lack of emphasis in development planning, which could form sustainable local infrastructure. This would require catalytic intervention on the part of the administration by way of proactive efforts to institutionalize social capital inherent in communitarian ties. According to Sundaram therefore, “enabling potential beneficiaries of infrastructure and other types of public goods to organize themselves into polycentric limited purpose functional groups, with circumscribed governmental authority should be the top most priority in the development agenda for/in development planning. Researches suggest that such organisations perform efficiently, control corruption and economise a lot better such as the *Chattis Mauja* (36 villages), a farmer managed irrigation system involving 25, 000 people in about 54 villages. What is being suggested largely by academics, mainly new public management advocates and public choice theorists is catalytic government action in institutionalizing inherent social capital in communities which could be self help groups of artisans, traders framers, social action groups et al, organized spontaneously in productive activities in an entrepreneurial mode of functioning across spatial contours.

It is strongly urged that the basic concept/approach of land and water management on the basis of *natural watersheds* should be adopted and where need be, existing district/block boundaries could be accordingly re-arranged to accommodate and adjust the natural watersheds or groups of watersheds.” Such flexibility can only be provided if local governance is effectively ‘institutionalised.’ Besides “common” or uncultivated lands, wastelands, ravines and river beds, but also the local grazing and pasture lands can be placed under local care and management, possibly of Panchayat, Panchayat Mandal, or the Panchayat Samiti, depending on the area of a natural physio-geographical or topographical unit of which such land may constitute a **Watershed**. (Hooja, 1986).

The establishment and empowerment of local resource user groups (through delegation or privatisation) can improve the ways in which local people manage and use natural resources. The functioning of local credit agencies shows that identification of beneficiaries leaves a lot to be desired. This process has to be affected through the Panchayats if benefits of policies have to reach the target population (Bhattacharya, Datta, 1991).

Collaboration between public agencies and local resource users can produce ‘synergistic’ institutional arrangements based on positive social capital in which citizens and civil

servants cooperate to provide goods that would otherwise be unobtainable (if acting alone). Pertinent examples of this would be, joint forest management, fisheries co-management and participatory watershed management (Johnson, 2003).

### **“VOICE” OPTIONS**

In China and Nigeria accountability of public officials reportedly increased with mass participation (Meenakshisundaram, 1999). Experience from Bolivia, Honduras, India (Karnataka), Mali, Ukraine and the Philippines suggests that civil society organisations have succeeded in fostering strong accountability in peripheral rural areas; officials have acted more in consonance with formal and informal norms of responsibility/responsiveness when mass participation was evoked (Blair, 2000).

Craig Johnson (2003) highlights other social and economic benefits of local participation. Participation in local, democratically elected bodies leads to heightened self esteem among local people which dilutes/mitigates identities based on/of caste inequality. Besides, active participation in democratic procedures improves knowledge through membership of local administrative bodies in skills such as bookkeeping, leadership, etc. which can be used elsewhere.

Economic Liberalisation is throwing immense opportunities, which have to be absorbed by rural India. Employing Amartya Sen's (1990) terminology, more 'entitlements' have to be created for people by way of quality education, better health, and better connectivity through rails, roads, better law and order for these are the prerequisites for further development. The difference between the Indian situation and the Chinese and South Asian is that the latter have opened up after securing the essential prerequisites with respect to human resource development. The human capital in these countries is therefore better prepared to avail of the opportunities in the liberalised globalised world, whereas Indian people suffer from "capability deprivation". Instead of reforming education health and law and order to see that the teachers teach, public health officials attend to duty, police are better trained, the government is throwing money almost aimlessly. Rural areas can be empowered if Panchayats are given the power to hire fire and discipline absentee teachers and health staff. Increasing spending without effecting necessary structural reforms will be a waste since neither skill enhancement nor empowerment is likely to result. (Aiyar, 2005)

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## **2.4 CONSTITUTIONAL DIMENSION**

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The Constitution deals with the subject of local government in its 7<sup>th</sup> schedule under Article 246 of the Indian Constitution. Local government legislation is reserved to the states. The entry is very wide and empowers the state legislature to legislate with respect to local government, that is to say, the constitution and powers of municipal corporations, improvement trusts, district boards, mining settlement authorities and other local authorities for the purpose of local self government or village administration. The state government can also confer such powers including the power of taxation to a local authority as it itself possesses. The only constitutional provision, which can be invoked, is the presidential veto over state legislation, which has been referred by the state governor. For example, such a veto was used with respect to Madhya Pradesh legislation which made membership of the Zilla Parishad entirely nominated by the government and restricted the voting rights for the Panchayats. Accordingly, the bill was drafted in accordance with more democratic norms (Bajpai, 1995).

In this context it is also important to refer to the Directive Principles of State Policy that enunciated some of the ennobled Gandhian Principles. The Constitution 73<sup>rd</sup> and 74<sup>th</sup> constitution amendment bill draws its inspiration from Arts. 40, 46, 47, 48 and 48- A of the Indian Constitution.

Article 40 deals with the organization of village panchayats. The promise held out is that the “the state shall take steps to organise village panchayats and *endow them with such powers and authority*” as may be necessary to enable them to function as units of self government.”

Art. 46 deals with promotion of educational and economic interests of Scheduled Castes, Scheduled Tribes and other Weaker Sections. Article 47 enunciates the duty of the state to raise the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties, and, in particular, take steps for preserving and improving the breeds and prohibiting the slaughter of cows and calves and other milch and draught cattle.

As per article 48, the State is enjoined to endeavour to organise agriculture and animal husbandry on modern and scientific lines and shall in particular, take steps for preserving and improving the breeds and prohibiting the slaughter, of cows and calves and other milch and draught cattle.

Article 48 A stipulates that the State shall endeavour to protect and improve the environment and safeguard the forests and wild life of the country. To that end local self-government is considered the appropriate level for bottom up policy making and delegation of power and authority to local administration.

### **Move for Constitutional Status**

The movement for vesting panchayat bodies with constitutional status, gained momentum, particularly in the period, 1985-1992, with initiative provided by the then Prime Minister, late Mr. Rajiv Gandhi. Five workshops of District Magistrates and Collectors were organised between December 1987 and June 1988 at different places in the country on the generic theme of ‘responsive administration.’ The broad consensus emerging out of these deliberations was that a democratic framework at the local level with constitutional legitimacy was essential to develop these institutions as ‘responsive’ instruments of planning and development at the local level. This was essential for bottom up policy planning, which is the identified goal of a representative democracy. It had been observed for some time that rural and urban local bodies could not function effectively. Their growth throughout the country had been patchy and uneven; there was lack of uniformity with respect to the institutional set up, powers and functions and resources; also, there were political and administrative hurdles like, political apathy with respect to their state, unwillingness on the part of the bureaucracy to share power and resources, which could be explained as partly owing to lack of trust in administrative circles regarding the efficacy and legitimacy of local institutions as instruments of representative democracy and primary actors/medium in/for national building. Hence, problems like, irregular elections, lack of funds, frequent super sessions and dominance of the bureaucracy continually thwarted local self-government attempts at the grass roots level. It was felt that this was so due to lack of dignity and status attendant on constitutional guarantee. It was therefore accepted/realised that constitutional status was imminent, to secure timely elections, periodic and appropriate funds, avoid frequent dissolutions, institute planning *et al* to ensure these the status of viable and responsive local bodies, especially to enable

assertion on their part, of their position *vis a vis* the bureaucracy which had long asserted its right as the prime agent of national development against panchayat institutions, and the argument had acquired considerable weight, post CDP, (community development programme), and the subsequent shift of approach in rural development strategy in the 1970s. The Community Development Programme was launched in selected blocks across the country. It was an ambitious attempt at rural development through peoples' active participation. It promised economic and social development in the countryside. The actual achievement however fell far short of what was envisaged. The main reason behind lack of success was diagnosed as failure to evoke peoples' participation and over reliance on the administrative machinery, which was found lacking in expertise to translate policies into action plans. Establishment of grass roots democracy through concrete measures at institutionalization of cooperative effort at successive spatial levels, rationally related to implementation vantage points was therefore considered a necessary precondition for success of any such future ventures. This was asserted by the study team constituted under Balwanrai Mehta to inquire into the causes behind lack of expected success in the CDP. A three-tier model was suggested by Balwanrai Mehta, which was promptly accepted and followed up by states. However, practice was far removed from precept. The increasing clout of local politicians was resented both by the state MLAs and the bureaucracy, which did not appreciate the idea of patting with developmental responsibility. Decline of the PRIs started in the sixties. Frequent suppressions, irregular elections, general ill attention on the part of state governments became the order of the day. Meanwhile a paradigmatic shift was necessitated in rural development strategy from the long-term goal of 'self government' to enhanced productivity in fertile areas through application of science and technology in agriculture. The shift in emphasis was necessary/affected to address the imminent food crisis that plagued India in the 1960s. To answer the immediate concern, the goal of participatory democracy was, for the time being, set aside in favour of the 'Grow More Food' campaign, which ultimately became the rallying cry of the Green Revolution. The shift in emphasis also caused a related policy shift in favour of the rich farmers who could grow more food employing modern capitalist farming techniques; away from the poor landless; and towards richly endowed regions (fertile soil, good rainfall quotient etc.) which could produce the required quantum; hence entailing the inevitable compromise on balanced regional development. To rectify the imbalances subsequently, generated as a result of the exigent policy shift, the sectoral development schemes aforesaid were launched, for the benefit of the small and landless farmers, who had been left out in the lurch in the earlier approach; which could be implemented by the state machinery, through the bureaucracy and not the local institutions. The orientation of the economy had changed from participatory grass roots democracy to area-wise sectoral development approach, through schemes such as the IRDP and the NREP, (later integrated under the JRY) which could be implemented mainly through the instrumentality of the bureaucracy (Maheshwari).

Hence the pendulum shifted decisively, from the newly emergent panchayat raj institutions, following the Balwant Rai Mehta Committee Report, once again to the time tested bureaucracy, which once again got an opportunity in the prevailing circumstances and the existing scheme of things, to assert its right as the principal agency for development; its stance reinforced by reported lack of success of panchayat raj institutions.

This has led scholars to retrospectively question the wisdom of launching the Community Development Programme in the absence of essential prerequisites. The community development programme was the first ambitious attempt of independent India to attempt

rural development with financial backing from the USA. The focal point of development effort was slated to be the Block. The venture however, did not meet expected success. Principal reason for a failure is understood to be failure to evoke peoples' participation in requisite measure along with administrative hurdles like lack of trained staff, coordination and the power struggle between the Panchayat Raj institutions and the bureaucracy.

It has by hindsight, been criticised as a precocious attempt on the part of a nascent democracy to capture in an incredibly small time, fruits of development attained in the developed states through a protracted evolutionary process spanning years.

Since then, such false promptings by the developed states to nascent nations were also shunned as an erroneous conception of development. This caused a paradigm shift in development administration in that the blue print approach, whereby 'development packages' were prepared and transferred by the developed states to the developing nations with the purpose of doctoring/dictating development therein, exogenously, was rejected in principle and replaced in time by the Ecological Approach which advocated taking the environmental context comprising cultural, socio-economic variables particular to the country /region which comprise the "environmental setting" of public policy in the area. These factors determine the operational success or otherwise of the any measure. Doctored solutions do not work since policies are at best generic in nature; specific features reveal/unfold only in the process of application, with reference to the context in which they are played and the requirements.

Subsequently, grass roots democracy through a three tier institutional set up at the local level, as gram sabha at the village level, the panchayat samiti at the block level, and the zilla parishad at the district level was envisaged, stressing fundamentally peoples' participation in administration to articulate local needs and factor the same into policy and correct the balance of power which had tilted unfairly towards the bureaucracy, in the post CDP phase. The Janata government came to power and attempted afresh initiative by constituting the Ashok Mehta Committee. The report articulated the need for constitutional status to PRIs for long-term viability. Thereafter the issue was lost in political vicissitudes in the period 1985-1992. The congress government under late Prime Minister Mr. Rajiv Gandhi introduced draft legislation in the form of 64<sup>th</sup> and 65<sup>th</sup> constitutional amendment. The bill lapsed due to stiff opposition in the Rajya Sabha. It was construed as a pernicious attempt to subvert democracy on the part of local institutions in non-congress ruled states. Thereafter the Janata government came to power in Dec. 1989 elections and introduced a fresh legislation, which too lapsed because of dissolution of the Lok Sabha. Fresh elections in 1991 brought the Congress back to power under the leadership of P.V. Narsimha Rao. Subsequently, the 73<sup>rd</sup> and 74<sup>th</sup> amendment bills were introduced and passed in Dec. 1992 (Bajpai, 1995)

Local institutions are now envisaged as three tier developmental agencies. Significant innovation is the District Planning Committee, which would institutionalise development planning at the Micro level. Requirement of area based spatial planning, which had been expressed for sometime, has been addressed. Requirement of integrated rural -urban planning has also been addressed via the new institutions. The intent is clear in the acts. Local bodies are to be developed into agencies for socio economic planning and not just passive instruments for plan implementation as had been till then (Tenth Plan, 2002-07).

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## 2.5 ADMINISTRATIVE ARGUMENT

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Decentralisation is expected to tackle the colonial hangover of *disjointed* administration at the local level. Since administration during the British rule was heavily top centric, local administration could not develop. Reliance was placed on ad-hoc bodies for plan implementation, which proliferated in time to produce a chaotic state in the district. Establishment of Local self-governance is expected to facilitate rationalisation of the administrative apparatus at the local level since many such agencies would be rendered irrelevant. Technical know how and funds as per requirements should be provided to facilitate local planning and implementation of development programmes. Presently, specialist expertise as also implementation of development policy is disaggregated in that rural development has a department/sector orientation, implying that the staff functions within their own specialties without being organically and horizontally linked/aligned with related specialties for comprehensive/cohesive effort at coordinated spatial development with required inter-sector linkages. For example, soil conservation, supply of credit and minor irrigation work as isolated sections in the field when cross-disciplinary integration is required. Precisely, integration is more desired among personnel involved in related specialties. This would create the desired dispensation of area-wise, regional, sub-regional, district or lower level field units of development manned by multi-disciplinary teams of experts and technical personnel under their control. Accordingly, some modifications would be desirable in financial administration as, providing budget provisions not for the department as such but for the an aerial unit which could be a **watershed** as stated earlier or other administrative cum developmental unit, with considerable delegation of autonomy, to local staff head to sanction transfer of funds from one activity to another as per local requirements.

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## 2.6 THE DECENTRALISATION DEBATE

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International experience puts up a mixed picture with respect to decentralisation. Despite great strides at devolving power to local, democratically elected bodies, decentralisation in Colombia, Brazil and the Philippines appears to have achieved little in reducing poverty or improving regional disparities. Experiences in Bolivia, and Bangladesh are equally pessimistic. As Crook and Sverrisson's cross-country comparison (2001: 52 in Johnson, 2005) concludes,

“The notion that there is a predictable or general link between decentralisation of government and the development of more ‘pro-poor’ policies or poverty-alleviating outcomes clearly lacks any convincing evidence. Even the most successful forms of democratic decentralisation have been unable to overcome economic and political disparities, both within and among regions. This, in part, highlights the problem of raising public revenue in rural areas, in which economic surplus (and therefore taxable revenue) is typically poor.”

Decentralisation therefore should not be uncritically accepted as a panacea. Instead it should be critically analysed taking cognizance of both the arguments and counter arguments. As brought out in studies conducted by the World Bank, political opportunism often takes precedence over administrative concerns in decentralisation. In fact political benefit forms the *rationale* as also the *criterion* for evaluation/continuation of/with decentralisation. If wider community interests are served and people are mobilised enough, as expected/intended for short-term political benefits, decentralisation should be persisted

with, otherwise discontinued. Also, significantly, most countries embark upon decentralisation for efficient management instead of addressing the weaknesses directly in the existing administrative set up. Hence, decentralisation is an 'indirect' reform effort in most countries (Rondonelli, Nellis, Cheema, 1984). Moreover, along with the good governance agenda in general, decentralisation has been prompted as a technocratic means of reducing or smartening the central state rather than as a political project aimed at transforming state legitimacy and forging a new contract between citizens and the local state (Hickey and Mohan, 2003).

Local governments in most Asian countries for example, still function as "bureaucratic instruments of the center, rather than as generators of alternate values, preferences and aspirations." Central government officials see local leaders merely as "communicators and solicitors of support for national policies rather than as instruments for articulating local needs or mobilisers of local resources for planning." It has been realised through case studies of area specific programmes, such as the SFDA at local levels, post CDP, that local planning and control over resources is an imperative condition for success of development plans. Though the programme succeeded reasonably in increasing the incomes of poor farmers through asset creation such as irrigation tube wells in the 1970s, the study of Always shows that it was less successful in constructing physical infrastructure, providing technical assistance, or strengthening local institutions. The reason was that in most fiscal years SFDA was able to allocate less than half the funds provided to it because of lack of trained staff. SFDA also suffered due to rapid staff turnover and unwillingness on the part of local officials to innovate or to deal with local problems. They had difficulty in translating central government guidelines into actions effectively (Rondinelli, Nellis, Cheema, 1984). Also, decentralisation is a complementary arrangement whereby success in one sector is dependant on corresponding reform in the other (related) sectors. As experience in Kerala has shown without adequate training and support, the devolution of large sums of money can also over-burden local bodies whose members lack the resources and expertise to spend large and complex budgets.

Also, as pointed out by Harris (2001 in Johnson, 2003), social capital and civil society are likely to be ineffective without active external support from the bureaucratic state. In the absence of support, local activism is likely to dissipate into mere rhetoric. External support is needed in the form of political will, resources, as even participation involves costs of transportation and other requirements of mobilisation which cannot be persisted with in the absence of resource availability.

Meenakshisundaram (1999 in Johnson, 2003) argues that effective decentralisation is dependent on the existence of three necessary conditions:

- strong political commitment from higher level authorities within government;
- relative autonomy of the local body in decision making and implementation of local schemes;
- the availability of internally generated resources at the local level.

Hence, without active catalytic intervention, which stems directly from political will, decentralisation is likely to be ineffective. In fact this has been the lament of local self-government bodies in India and the principal cause of lack of success of decentralization initiatives elsewhere in the World. Without effective devolution of powers and functions and the overbearing resource constraint, local bodies are unable to translate plans into actions.

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## 2.7 CONCLUSION

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Decentralisation is being looked upon as an *imperative* of democracy as per post-modern thought. It has political merit apart from administrative, which translates into tangible economic gains as policies are more relevant, policy making process, more democratic which results in better interest articulation. Better service delivery, which makes for efficiency of the policy implementation process. Though reports following experiments with democracy in different parts of the world have been mixed, the option is being persisted with in respect of its viability as a long term political arrangement following failure of central planning in bringing expected benefits. It was found seriously lacking in real *input* for policy-making and resultant failure of policies. Hence, an alternative arrangement by way of democratic decentralisation is being explored to bring about desired structural reform and thereby development at the grass roots level.

Two well-known causes of failure ascribed to the working of the self-governing institutions have been lack of control over financial resources and the absence of strong and qualified executive machinery at the local level. Decentralisation is expected to cure the system defect by shifting focus towards local institutions. Effective devolution of powers and functions is expected to generate desirable spin off effects by way of training local administration and volunteer groups in different facets of administration, leading to their education and empowerment overtime.

Defects of overlapping, duplication and diffused responsibility in the policy implementation process are also attributed to lack of efficient administrative arrangement at the local level. Such defects can also be addressed by energising local administration. The potent socio economic benefits of proposed measure are being considered as a viable means to make up for policy failures of the past. In the end it would be pertinent to add that decentralization is a not a panacea nor should centralisation and decentralisation be viewed as dichotomous arrangements. Each country has to evolve its own suitable mix of centralisation and decentralisation to meet its individual requirements.

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## 2.8 KEY CONCEPTS

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**Community Development Programme** : The Community Development Programme was launched on October 2, 1952, with a view to involving popular effort in the development of rural areas. It ushered in an era of development with peoples' participation. This was followed in 1953 with the introduction of the National Extension Service, which created the community Development Blocks as units of development. Initially popular enthusiasm was considerable, leading to creation of roads dispensaries, schools, but by the end of the fifties the programme lost momentum. This was phase I of rural development, which lasted from 1952-1960.

Post CDP, in Phase II (1960-70), the focus shifted towards grows more food (Green Revolution). Resulting inequalities in regional development and income distribution, led to area development and beneficiary oriented programmes after 1970.

**De-concentration**

- : Clogging work at headquarters/ a central ministry, can lead to concentration of authority, fact confusion in policy inputs, role confusions among players, delays in decisions, poor logistics and inefficiency in other myriad forms. De-concentration is availed which is transfer of authority and functions to field units, of/within the central ministry. It is attempted for better reach and effectiveness of work of the organisation and also for the sake of administrative economy since de-concentration has been empirically established as being conducive to economy of administrative processes.

**Devolution**

- : Powers and functions are devolved on sub national units of government, which could exist, or are created at subsequent tiers to enable them to carry out the enjoined tasks. Devolution is an instrument of decentralisation / the way by which decentralisation is affected.

**Delegation**

- : Delegation takes place both within an organisation and from government agencies to outside agencies (involved in synergetic partnership with the government) who may be assigned specific functions. Delegation refers to transfer of managerial authority with regard to specifically defined functions to organisations that are outside the regular bureaucratic structure and that are only indirectly controlled by the government. In developing countries, responsibilities have been delegated to public corporations, regional development agencies, special function authorities, semi-autonomous project implementation Units, and a variety of parastatal organisations. Delegation has long been in use in administrative law. Within an organisation it involves transferring work to subordinates along with broad discretion to carry it out. Accountability remains with the Executive, though of the delegate, may be enforced by in-house formal/informal means. Formal indictment occurs if there is reported transgression of authority, implying overstepping or subversion of intent of the policy itself on the part of the subordinate authority enjoined with the administrative task. Delegation thrives on mutual support, confidence and teamwork. The Accent is on the administrative ethic of 'responsibility.'  
(Source: World Bank Working Papers)

Hence, authority is delegated, power is devolved and work is de-concentrated. In order that decentralisation be meaningful, correct correlations entailing the above, need to be invoked to get desired effect; in other words, meaningful decentralisation.

**Modern and Post Modern** : There is a distinct shift away from the scientific rationalism and materialism of the twentieth century, towards a more accommodating culture with humanist concerns. These include/imply a wide array of issues/concerns, ranging from plurality in democracy, instead of stress on order and conformance, more representativeness, respect for the mythical, unexplained aspects of life, apart from the strictly scientific, emphasis on environmental concerns in development, epitomized by the idea of sustainable development. This has significant implications for developing societies since public policy has significant exogenous influence, since 'suggestions' from international bodies are frequently forthcoming. Hence, rural development, urban planning, et al will increasingly reflect post-modern concerns.

**Public Choice** : Public Choice is a new look on democracy from an economic perspective. Scholars from both economics and political science as also other social sciences like sociology and psychology, involved in studying group dynamics are engaged in scholarly deliberations about how to make collectivities operate in social benefit so that both individual and collective interests are served. Public Choice studies behaviour in democratic processes, like elections, decentralization, accordingly voting mechanisms et al with a view to making them more conducive to larger benefits such as making democratic processes more *representative* and *participatory* in order that democracy be inclusive, therefore 'truly democratic'. Presently, there is allegedly, rent seeking on the part of bureaucracy and the influential elite representing majority interests, in government processes in the absence of adequate competition from the private and the non-government sector in public service provisions (public goods) lack of transparency and inadequate involvement on the part of the people in governance. Hence on most occasions what passes for public interest could just be some form of oligarchic lobbying leading to/implying suppression of minority interest by majority will.

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## 2.9 REFERENCES AND FURTHER READING

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## **2.10 ACTIVITIES**

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- 1) Discuss the three main arguments cited in favour of democratic decentralisation. Do you agree with these arguments that they are in favour of the democratic decentralisation in the Indian context?
- 2) Describe the various clauses and amendments which favours democratic decentralisation in India.