# CHAPTER - II

## THEORY OF DEMOCRATIC DECENTRALIZATION

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## 2.1 Introduction.

'Democratic Decentralization' is the need of the present time. After a long and exploitative rule of the British Empire, India could achieve Independence on 15th August, 1947. Soon after obtaining Independence, our leaders engaged themselves into making India self-reliant and· self-sufficient. After considering every aspect of various political systems, our leaders opted for the Federal Parliamentary Democratic Political system. But the concept of democracy itself is having an inherent meaning of the rule of the people. So, if India is to bring democracy in reality, if it wants to bring economic democracy in practical life, there is a need for decentralization of power. Unless there is democratic decentralization, we cannot expect active participation and involvement of people in developmental activities throughout the country, especially of the rural people.

If there is an existence of a strong centre, having wide powers in political, economic and other fields, and a lack of other autonomous bodies at State, district and village levels, the centre will take decisions at its convenience without having correct knowledge of· every part of the country, and it will simply pass on the orders to be followed by lower level bodies.

This process will create the disadvantageous situation of macro level and will fail to create enthusiasm among the people to participate in decision-making and involve in developmental activities actively.

Democratic decentralization gives an opportunity to the people, even at remote village level, to take part in their own planning process. If they reveal that the sacrifice which they made by way of fees and taxes is utilised to develop their own area, and they have been given power to dispose this off for the developmental purpose of their own region, they will sacrifice in an increasing manner. This calls for the implementation of 'Democratic Decentralization'.

## 2.2 Meaning and Implications of Democratic Decentralization.

The V.P.Naik Committee appointed by the Government of Maharashtra to study the recommendations of 'Mehta Study Team on Community Development Project' and to suggest suitable structure and plan for Panchyati Raj implementation in Maharashtra made the following observations regarding their concept of 'democratic decentralization':

"In our view, decentralization does not mean division of the functions of State between the State Government and the local bodies, each discharging its functions independent of the other.

"Decentralization means and includes devolution of State functions on local bodies. The latter discharging them, subject to the constitutional

responsibility of the State in respect of law and order and development, of course, in respect of the functions devolved on the local bodies, they will have full freedom in deciding the priorities between the various activities and the suitability of the areas in which they should be undertaken provided they conform to the general policy of the State.

"On the other hand, the State will have to exercise certain amount of supervision and control to ensure that the administrative and regulatory functions devolved upon the local bodies are discharged properly and that developmental activities undertaken by them are not at variance with the State or the national plan. In view of the large devolution of functions, it will be also necessary for the State to provide for certain built-in safeguards which, while giving freedom to the local bodies in their activities, will maintain the efficiency of the local administration. The fundamental purpose of decentralization should be to train the local leadership to assume higher responsibilities and to serve the people with maximum efficiency and economy and minimum vexation so as to meet their growing needs within the resources at their disposal, giving priority where it is legitimately dues. This, in our opinion, is the real content of 'Democratic Decentralization'."[1]

## 2.3 Difference between Delegation of Power and Democratic Decentralization.

First of all, it is necessary to have a clear cut idea of delegation of power and 'democratic decentralization'. These two terms are frequently used with the same sense in mind, but these two terms are quite different. These two terms cannot be equated with each other. In delegation of power, lower level of executive machinery is subordinate to the higher level machinery. The whole executive machinery is always responsible for the actions of authority to whom power is delegated. The higher body does not divest itself of certain functions.

On the other hand, decentralization is a process whereby the government divests itself completely of certain duties and responsibilities and devolves them to some other authority. Delegation of power is taking place most commonly at lower level of executive machinery; on the other hand, democratic decentralization has now become urgent and can be effected by devolution of power to a body, which when created, will have the entire charge of all developmental work within its jurisdiction. If this body is to function with any vigour, initiative and success, the government will have to devolve upon it all of its own functions in these fields (developmental work) within the jurisdiction of this body, reserving to itself the functions of guidance, supervision and higher planning and wherever necessary, providing extra finance.

## 2.4 Need for Democratic Decentralization.

There was an ideal system of Republic State in

the ancient period of Indian history. During the British Rule, self-reliant villages with 'Baara Balutedar' were destroyed, concentrating the power at centre. Every decision was taken in the interest of the British Kingdom in England and every Act was also passed by them only with such an intent. This situation badly affected the Indian villages, making them only the production centres of slaves and the followers of the tradition.

After Independence, India accepted the Federal Parliamentary Democratic Political system. The term 'Democracy' itself is having the inherent meaning of decentralization. Without its wide implementation, democracy cannot become real in actual practice. This necessitates India to decentralise its political power to get good fruits of democracy. The pattern of democracy succeeds only when there is a decentralization of political power to even village level.

While fulfilling various needs of the people in a welfare State and making the economic base of the country broader and stronger, the government has to perform various duties, at the time of undertaking programmes of all round economic development. So naturally, the Central Government and State Government make a very small portion of funds available for regional development. The work of regional economic development, While fulfilling the increasing needs and expectations of people, self-reliance is very essential. For this purpose, rural community should be given the charge to plan their future. Also, there is a need of freedom to them to plan their own economic developmental plans according to their needs, with programmes for their

implementation.

The rural community should be given some chance to rectify their mistakes. If rural people realise that the benefit of their sacrifice is being utilized for the development of their own region, and if they are given the power to determine how to dispose off their sacrifice, then by way of taxes, fees, etc., they will take more initiative to sacrifice.

All this necessitates an adequate power to local self governments. Also, these government bodies are required to use the available resources in an optimum manner while implementing the schemes of socio-economic development in the rural area.

The Constitution of India has accepted the democratic political system. A democratic government consisting of the representatives who are directly elected is in power at the Centre and State levels. Also, there are Gram Panchayats all over the country.

Democracy depending upon such institutions, which are far away from each other, will not survive, unless there is an establishment of local self-governments. Self-governments will be the co-ordinating cells between the State and rural population.

The process of planning requires concentration of economic and political power. This is one of the misconceptions, which is having a strong support. In the planning process, there is every possibility of concentration of economic and political power with various controls in the economy. This provides a very

favourable ground for Dictatorship. Inspite of all these thoughts and misunderstandings, India has trusted in democratic principles. Indian Government and Indian people are adopting democratic ways and policies while solving various problems.

~ Indian planning aims to uplift the living standard of a common man. At this juncture, Democractic Decentralization will help to check the evils of concentration of power. Decentralization even at village level will boost the rural development programme in an effective way.

In consonance with the national policies and with the initiative of regional entrepreneurship, hard efforts of local people, planning targets can easily be achieved. This will help the planning to be effective.

Democractic Decentralization will provide an opportunity to maximum people to involve in the administration and planning in our country. This will encourage the enterprising spirit of the rural masses while framing suitable programmes of their own economic development considering their domestic needs. In this way, idle and unemployed manpower will be utilised for development purpose. This is possible only with the help of local self-governments.

Planning Commission, at the time of preparation of Second Five Year Plan, stressed the need of the involvement of local self-government in the planning process effectively. It also suggested decentralized planning and existence of well organized local self-government institutions.

The future of democratic socialism entirely depends upon how much we, the people of India, involve common people in governing various institutions and their decision-making. For this purpose, the Government of India is required to pass comprehensive Acts and frame suitable plans which will involve local representation in developmental activity.

## 2.5 Mehta Study Team and Its Recommendations.

The Mehta Study Team on Community Development Projects emphasized the need of decentralised local government for real democracy in practice in India. The Study Team suggested the scheme of 'Democratic Decentralization' to increase the initiative and participation of rural people in community development programme and to make them feel that this programme is of their own. The Study Team gave the following suggestions for 'Democratic Decentralization':

i.  Full power will be devolved to the institution which has been assigned the task of development of local region. The State Government, while giving this power, will just plan at higher level, supervise and will guide. It will also provide finance, if necessary.

ii.  At block level, one committee, namely 'Panchayat Samiti', will be constituted, the representatives of which will be elected indirectly by Gram Panchayats and this committee will be assigned the definite plan of development.

iii.  At the district level, there will be the establishment of Zilla Parishad, instead of district local boards, which will work as a co-ordinating cell between the institu-

tions at different levels of Panchayati Raj. The members of Panchayat Samitis, Members of Parliament, Members of Legislative Assembly and the Development Officers at the district level from various Departments should be given representation in Zilla Parishad. This Parishad will also work as an agent between the State Government and Panchayat Samitis.

iv. Gram Panchayat will be the base of this decentralization scheme, consisting of the representatives ,elected by voting with appropriate representation to ladies and backward-classes. The Gram Panchayats will complete the development plans prepared by their respective Panchayat Samitis.

The Mehta Study Team stated that "If the experiment of Democratic Decentralization is to succeed, then it is necessary to devolve full power to the smallest institutions".[2] Therefore, the Study Team fixed the 'Block' as the area of development unit.

The above stated recommendations of the Mehta Study Team are nothing but a plan to establish three-tier structure of Panchayati Raj. After receiving these recommendations, the process of Democratic Decentralization gained a momentum.

## 2.6 Democratic Decentralization and the Present State of Panchayati Raj.

The recommendations of the Study Team on Community Development Programme in favour of the system of

democratic decentralization were considered by the National Development Council in January 1958. The Council emphasized that the foundation of any democratic structure had to be democracy in the village and endorsed the recommendations of the Study Team on the Community Development Programme. It was, however, left to each State to work out the structure, best suited to its conditions. This point was further affirmed by the Central Council of Local self-government, when it suggested that the evolution of this genuine transfer of power to the people may be left to the State Government.

Accordingly, the State Governments evolved their own patterns of democratic decentralization. Subsequently, the term 'Democratic Decentralization' was given up and the term 'Panchayati Raj' was adopted.

In this way, Panchayati Raj is a three-tier system of rural local government in India, viz. Gram Panchayat at village level, Panchayat Samiti at block level and Zilla Parishad at the district level, with adequate powers and resources and responsibility for planning and development in their respective jurisdictions. Some one may say that Panchayati Raj is an extension of the community development programme. No doubt, the scheme of Panchayati Raj emerged as an alternative to the district and block advisory/development committees, which failed to evoke popular initiative and response for the imeplementation of community development programme. And in the context of conditions of our country, self government is possible only when there is development. But it must be conceded that it has brought about revolutionary

changes in the structure of administration within the district and in the pattern of rural development. The development administration was carried to local self-government bodies. Still some one may say that Panchayati Raj is an agency of the State government.

Panchayati Raj institutions form a part of the decentralized State. They can be entrusted with any work by the State government and they are supposed to execute the same.

In this way, Panchayati Raj is:-

1.  a unit of local government,

2.  an extension of the community development programme,

3.  an agency of the State Government.

"We are clear in our minds that Panchayati Raj embraces in its scope all these three sets of functions".[3]

"The fact is that in seeking to establish Panchayati Raj in India, we are doing nothing unusual or unique. It is what any modern self-governing country must and is doing.

"The only difference is of the name that we have given to the system. It can be stated here that in giving this name to the present scheme, the intention has been to make the scheme popular amongst the villagers because they are much akin to and acquainted with it since time immemorial. Even if the common villagers do not understand the full implications of the scheme, atleast because of

the familiar name given to it, they will not oppose it, and that is quite sufficient at the outset for any scheme to go ahead.

"To say that the present concept of the democratic decentraliztion is an extension of the old village system is not correct. The Panchayats of today are not to be little Republics. Therefore, the contention that the present system of democratic decentralization is an extension of the old village Panchayats does not stand to reason.

"With the introduction of Panchayati Raj, the District Planning Committees and the Block Advisory Committees have been replaced by statutory bodies known as Zilla Parishads and Panchayat Samitis, respectively. A new system of local self-government has been introduced which seeks to tackle the problems at the grass-root level, building up democracy and mobilising the entire potential manpower resources of the country for the purpose of economic and social progress. Besides creating units of local self-government administration at the village, block and the district levels, it seeks to develop a totally new and revolutionary concept of local self-government which will provide the main needed impulse to democracy.

"Administration is no longer an end in itself but has become a means to an end, having a larger and nobler aim - 'development of man'.

"Nearly all the State governments have accepted the principle of transfer of authority to various levels below the district, as outlined by the Mehta Team. Rajasthan and Andhra Pradesh were the first States to implement the scheme of Panchayati Raj. The movement spread like a wildfire all over the country. There has been a considerable progress in the implementation and coverage of Panchayati Raj in the country.

"Devolution of power, authority and responsibility, along with adequate financial resources, to local representatives elected on the basis of adult franchise, it was expected, would produce a new fountain spring of enthusiasm for co-operative effort in rural areas. It was expected also that the newly established local institutions would have some durable strength and would channelise the impulse for self-help on a continuing and organized basis.

"At the present juncture, expressions of cynicism regarding the role and efficacy of Panchayati Raj bodies is becoming increasingly vocal. It is, therefore, but proper that one should take stock of the situation.

"Well, then, do we see in the experience of last three decades a fulfilment of the promise? Has there been any noticeable increase in the extent of people's participation - participation in the right sense of the term, in the process of local development?

"The experiment of democratic decentralization is very recent one. Panchayati Raj bodies have been functioning only for a short time. It will not be justifiable to comment on their activities and importance. Divergent views have been expressed about this programme. The Panchayati programme has already taken a form and direction which future development can hardly demolish or reverse".[4]

A number of interesting studies have been carried out in different parts of the country, which give a mixed picture. There are areas where the new leadership, which has emerged in the wake of evidence of a popular surge forward. In such areas, democracy and freedom have become a reality to the masses. It is also true that taken on the whole, Panchayati-Raj bodies have succeeded in resource-mobilization in rural areas. There are, however, pockets where the Panchayati Raj bodies seem to have proved to be just another means for further entrenchment by the vested interests. It has, in places, resulted in exploitation and oppression of the weaker sections of the society.

"In the first flush of decentralization, the poor and the dispossessed willingly contributed their labour to building roads, schools and Panchayat Ghars, but soon afterwards, they were assailed by doubts".[5]

A certain measure of coercion has been applied here and there to make these classes contribute their labour on such works. In some areas, factionalism seems to have become more intense, dividing the villages into rival groups. It has

also accentuated caste feelings in places by encouraging caste loyalties in elections. It may be that evils that existed in our villages have been thrown up. They may settle down, if proper correctives are applied.

From the very beginning, there has been a section of critics who questioned the very necessity and utility of these bodies and felt that the scheme of Panchayati Raj was hasty, halting and revolutionary. They also expressed fear that our village people being uneducated, inexperienced, caste-ridden and narrow-minded, there representatives may not succeed in discharging efficiently. It is true that the pattern of our society has been such that our villagers perforce had to remain backward, ignorant and ill-informed. But it would be wrong to deny them the right to self-government on that ground. The remedy for backwardness and illiteracy is not to deny the village-folk their right to govern but to educate and train them with as much expedition as possible.

In the beginning, they may commit mistakes in the use of powers and resources that are thrust upon them in the wake of Panchayati Raj.

It must be remembered that it is only by actually handling responsibility and resources that the necessary competence and requisite ability for self-government can be acquired. These, in whose hands this new power is being entrusted, will realise the depth and extent of their responsibilities. They may also remember that this great experiment is a sacred trust placed in their hands and that they should discharge it honestly.

Many people stumble and fall. Many people make mistakes. Many people betray the objective aimed at. Some Panchas must have misbehaved, but the fact remains that Panchayati Raj is a mighty experiment.

The initial failure must not dampen one's courage. Therefore, it is essential that utmost caution and patience should be exercised in the entire working of democratic decentralization.

The experiment of Panchayati Raj can be of value if it continues as a people's movement, deriving dynamism from the people. One can safely conclude that Panchayati Raj has great potential if real power and funds are transferred to the people at the lowest level.

But the implementation of the community development programme through the local government authority has some very serious drawbacks, which must be kept in mind and should be well guarded against. In the first place, local bodies are not only established to allow the people a freedom of choice in certain aspects of local administration. They are often also used as local agents of the government at the higher level, and must carry out its policies in the local area. In this case, there is not a devolution of power, but a decentralization of power only. This may create difficulties for the local authority.

Further, community development is consciously informaal whereas local authority is formal by its very nature.

Therefore, community development tends also to be a political affair. The services offered by the local authority are likely to be determined by political factors. Sometimes, a local authority may, for political reasons, decide to start a project in a particular place or area. But it is just possible that that place or area may not be suitable for initiating that project from 'self-help' or 'felt-need' point of view. This discourages those areas where self-help exists or where there is a greater need for those projects and, therefore, a degree of response for those projects. As a matter of fact, local authority needs to be encouraged to assist self-help wherever it appears and not to regard self-help wherever it appears and not to regard self-help as a useful means of undertaking projects which the local authority would like to see in a particular area.

In this way, community development is becoming a political development and it may adversely affect the democratic process, which we cherish so much. A change in outlook and attitude of the political leaders at various levels is the need of the hour, if community development approach is to succeed. All the representatives of different political parties after being elected to the local bodies should leave aside their party affiliations and work in a team for the development of the area. They should not forget that their loyalty is first to the area and then to the party to which they belong.

Panchayati Raj makes democracy a reality, it aims at making democracy real by bringing the millions into the functioning of democracy. It is really a grassroot democracy wherein an

individual family in the remotest village is linked up with the democratic process. The introduction of Panchayati Raj is thus the most appropriate step for building up democratic traditions in the country.

> "India is committed to democratic form of the government. Democracy is not only a form of Government, but a way of life. Democracy cannot be built up either from Delhi or from a State Capital. It can be built up only when all people are directly or indirectly involved in it. It stands for local government, local leadership, local competency, local initiative and participation of local people in all the activities".[6]

The fruits of democracy could not immediately travel to levels below that of the State as the transfer of power from the British to the Indian hands on the midnight of August 14, 1947, was, in effect, the handing over the keys of the administration to people's representatives at the centre and the state levels. But, by this pattern, State legislature will travel from the State headquarters down through the district and the block to the village Panchayat.

In this way, there is a complete link-up of the millions in this country from the Gram Sabha to the Lok Sabha. The people of India will govern themselves through their representatives in institutions from the Panchayat to the Parliament and thus, the democracy will travel from Lok Sabha to Gram Sabha.

"Panchayati Raj thus reflects the new concept of inter-connected democracy from the Gram Sabha to Lok Sabha".[7]

Panchayati Raj is the only route by which the people of India may eventually gain the knowledge, the feeling, the practice and the experience they must have, to make freedom a living reality, while at the same time, building an economy in which they may share the benefits of the 20th century.

## 2.7 Conclusion.

The Panchayati Raj system in a three-tier structure has to be regarded as a structure devised within the State structure to ensure involvement of the people, at appropriate levels, in the process of development in certain specified matters and to promote a democratic way of life and to evolve administrative organizations to support and sustain the same.

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