

Professor V.K.R.V. RAO CENTENARY YEAR (2007-2008)



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ISEC Public Lecture – 2

by

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on

**'Present Discourse on Decentralisation in India:
Conceptual Origins'**

on Friday, 31st August 2007 at 5.30 pm
at Jnanajyothi Seminar Hall, Central College Campus, Bangalore - 560 001

Presidential Remarks

by

Shri Cyriac Joseph

Honourable Chief Justice of the High Court of Karnataka

PRESENT DISCOURSE ON DECENTRALIZATION IN INDIA: CONCEPTUAL ORIGINS

Prime Minister Manmohan Singh in his Address to the Chief Ministers' Conference on Panchayati Raj on 29 June, 2007 is reported to have said that the transfer of responsibilities should be on the basis of subsidiarity theory. It can be taken as a reason good enough to conclude that the current official efforts at administrative decentralization are to be governed by the principle of subsidiarity. But the origins of the concept of subsidiarity itself is complex. Perhaps the first time that the people of India encountered subsidiarity in any form might have been when the early British colonialists engaged Indian Princes in Subsidiary Alliances. In a way it also was a form of decentralization. Those Princes who signed the Treaty were promised the support of the British Indian Army and the Colonial Government to rule as they pleased within their own realms. They in turn had to pay a regular tribute and follow the British in major areas of decision making; especially foreign affairs.

In late 19th century, particularly under Lord Rippon's Viceroyalty, a more clear cut policy of decentralization and local government was introduced. It was meant to 'educate' Indians in self-governance by involving some of them at least in the actual act of governance. Though under the later Dyarchy the department of local self government was allotted to the Provincial Governments and that too under the control of elected Ministers, at least a section of the nationalist opinion seems to have been opposed to it. They believed that the local government policy on the basis of subsidiarity was meant to contain the emergence of widespread nationalist feelings among the Indians. In this context two streams of thought that emerged in India and in Europe deserves special attention. Mahatma Gandhi developed his powerful concept of '*Village Swaraj*' and converted it into an important slogan of the National Movement. He read the history of pre-colonial Indian villages on the basis of the continuity of 'panchayats' under which the rural people lived relatively unhindered by external authorities. On that basis he developed his 'communitarian' ideas of governance which covered even a world government based upon consensus rather than contestation. One can see, without detracting from the greatness of his idea, a subtle political genius at work. This slogan resulted in mobilization of vast majority of the rural masses of India behind the Movement against the then central government which was British. In 1931, the head of the Roman Catholic Church, Pope Pious XI, through his Encyclical '*Quadragesimo anno*' enunciated a similar theory by 'reinventing' the subsidiarity principle. His suggestion towards reorganising the social order was on the basis of "not taking any decisions which can be taken at the lowest level, any further." This enunciation of the theory was carried forward by political scientists of different colours until it got reaffirmation under the influence of Christian Democratic Parties in various European countries. The principle got entrenched in the Maastricht Treaty, one of the fundamental documents of the European Union.

Meanwhile, independent India at its Constituent Assembly widely debated the Gandhian principle of Village Swaraj. The colonial concept of subsidiarity which argued for power devolved from above was already under a cloud and it was effectively contained within British Indian territories alone. Except for Mysore and to some extent Baroda, no other Indian princely states seem to have implemented it seriously. On the other hand the Papal Principle of power being built up from below seem not to have had any impact upon Indian decision making around 1950. Therefore the debate was mainly around the Communitarian concept of Village Swaraj which had to accept a serious set-back when it was counter attacked by a group of brilliant theorists led by no less a person than Dr Ambedkar. It is possible that Dr Ambedkar and company had a better reading of pre-colonial village history and the contemporary rural situation in India. The Village Swaraj concept had to take a lower seat in the Directive Principles of the Constitution. Thus a powerful slogan which aroused millions of rural people in their fight against the British was found inappropriate to be placed in the mainstream of constitutional provisions when independent India set upon creating a government for itself.

Within post-independent India, it is seen that the idea of decentralized local self-government reappearing with a vengeance. Originally it appeared under the Community Development and National Extension Service Programme. The idea was 'borrowed' from an entirely different source; that of Anglo-Saxon social science and town planning. Though serious attempts were made to adapt them on to the Indian village scene, it did not seem to have made any great impact, as Balwantrai Mehta Committee which was appointed to look into its working, reported. Mehta Committee suggested rejuvenation of the programme by linking it up

with elected representatives and their decision making bodies. In the 1970s when the short-lived Janata Government came into power, they effectively reasserted their right to inherit the Gandhian legacy by attempting further to strengthen the Panchayat Raj System.

As a result the structure of Panchayat Raj with limited amount of transfer of power existed in India. On the other hand, as part of the so called “third wave of democratisation” there was a turn of focus towards decentralisation, internationally. With the breakdown of Soviet Union and Communist Regimes in Eastern Europe, international funding as well as developmental agencies, backed by academic thought all over Europe and America, found new virtues in decentralization. Along with the Constituent Principles of the European Union, there were economic theories supporting open markets pointing out the inefficiencies and non-transparencies built into socialism and centralized planning. The concept of “rolling back the State” was accepted not only by the neo-conservative opinion but also by a wide spectrum of people all over. This concept went hand-in-hand with the Papal theory reasserted by European Union, of the Central Government playing only a subsidiary role, and together had a decisive role in international decision making. Once India was caught up in the reformist stream, it also could not, it seems, get out of this persuasive argument.

India could argue that we have had a decentralized system of Panchayati Raj going. Nevertheless, close observers could raise any number of instances with regard to widespread corruption, lack of transparency and community participation in decision making, inability of development projects to reach the grassroots since they are governed by New Delhi or State Capitals etc. The first response, was by the Rajiv Gandhi government which introduced the 64th Constitutional Amendment which faltered under parliamentary opposition. In 1993 under Narasimha Rao, a revised version of the Amendment, 73rd and 74th were presented and passed by the Parliament.

My argument is that the current wave of decentralization in India is highly influenced by the internationally conceived opinion that it is required for “good governance” which in turn is inevitable for the spread of a market economy; preferably a “human-faced version” of it. Nevertheless, the story will not be complete if I do not mention deviations from this trend. In 1983, Karnataka under the leadership of Ramakrishna Hegde and ably assisted by the Panchayati Raj Minister, Abdul Nazir Sab introduced an Act towards decentralization, which not only preceded both the 64th and 73rd Amendments but also had different conceptual origins. The most prominent point of departure in the thinking behind this Act from the later Constitutional Amendments was that it stressed the transfer of authority not only from the State Government downwards, but also transfer from the Central Government itself. The conceptual origins of this line of thinking is yet to be ascertained. But my hunch is that it might have been inspired by vestiges of communitarian thinking originating from Gandhi, Bhave and Jayaprakash Narayan. Decentralization attempts were made by the Left Front Government of West Bengal and the Left and Democratic Government of Kerala earlier than the Constitutional Amendments. They are also of definitely different conceptual origins. They are not so much influenced by the limited experiments that have been implemented in the wider Communist world, like those in China, Cuba and Yugoslavia, as they are by the actual demands of government and politics in these respective States. Nevertheless, the influential ideas of EMS Namboodiripad, leading Marxist ideologue, cannot be ignored in the context. His ideas seem to have stressed the strengthening of government at all levels, through decentralization. Communitarian, and decentralization theories based upon subsidiarity sometimes overlaps another important concept; that of sovereignty. This has to be checked if decentralization is not to result in economic reforms promoting an open market. The political ideology which had an important role in the formation of West Bengal and Kerala governments, had interest in that, for obvious reasons. There was, in addition, the fact that Namboodiripad was a Gandhian in early days of his political career and continued to claim that he was influenced by some aspects of Gandhian thought.

In other words, though the Prime Minister has said that decentralization in India is to be governed by the theory of subsidiarity, it may take lot of convincing in some parts of the country that he leads.