

## Research Stream

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### Decentralization and Participatory Democracy in Local Governance

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#### Abstract

Decentralisation and participatory democracy are key concepts in Modern governance. They aim to transfer political power and decision making from Central government to local levels while involving citizens directly in planning and decision processes. This paper explores how decentralisation enables more accountable, responsive and inclusive local governance and how participatory democracy strengthens civic engagement and development outcomes.

Governance refers to processes and structures through which public decisions are made and implemented. Traditionally, central governments made most decisions, but many countries have shifted toward decentralised governance to bring government closer to the people.

Participatory democracy complements this shift by allowing ordinary citizens to actively shape policies and priorities rather than merely elect representatives.

**Key Words:** democratic, decentralisation, devolution, participatory, governance, Panchayati Raj, accountable

#### Introduction

India's tryst with democracy began with the republican constitution coming into force in 1950. The concept of 'democratic decentralization' for rural development by creating new political units called ; 'panchayats' at the village , block and district levels.<sup>1</sup> this recommendation by the team was based on the theoretical approach of democratically devolving 'resources, power and authority' to statutory elective local bodies in order to enable the local community to understand its problem, realise its responsibilities.<sup>2</sup> This recommendation for democratic decentralisation ,accepted by the Government of India, finally led to the inauguration of Panchayati Raj as the new institutional innovation for devolving powers on elected local bodies to improve democratic governance in India. Decentralisation can be usefully understood as a political process whereby administrative authority, public resources and responsibilities are transferred from Central government agencies to lower-level organs of government or to non-governmental bodies, such as community-based organisations, 'third party' non-governmental organisations or private sector actors.<sup>3</sup> Decentralisation is the transfer of authority and responsibilities from central government to lower levels, such as States, Districts, Municipalities or Village Councils. It includes three main types:

- Political Decentralisation---elected local bodies with decision making power
- Administrative Decentralisation—Local Offices manage public services
- Fiscal Decentralisation—Local Units have control over Budgets and Revenue like (Panchayati Raj Institutions in India)

Participatory Democracy is a model where citizens directly participate in decision making and public life instead of only through representatives. It values inclusion, dialogue and collective choices.

Local Governance—refers to how local units (city-councils, rural Panchayats) make decisions, deliver services, and interact with citizens. Meaningful local governance requires transparency, accountability and participation.

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In the words of Awasthi & Maheshwari” the Planning Commission symbolises the trends, towards centralisation, while Panchayati Raj’ epitomises the trend towards decentralisation.”<sup>4</sup>

**Objectives of Decentralisation-** The objectives of Decentralisation are closely related to the policy of promoting planning and management of rural development. To this end, the present-day study reveals that the functional importance of the Panchayat in the preparation of plan relating to agricultural and rural development programmes, is still existing. It poses challenges as to how the delegation of responsibilities for development functions to field agencies and local government are to be worked out. The one form of decentralisation is delegation of power to field agencies or various development departments. The second is devolution of power to Panchayati raj Institutions. The third, is the deconcentration of power to the autonomous organization called DRDA.

**Why Decentralisation matters?** --- Decentralisation refers to the physical location of facilities and the extent of dispersal of authority throughout an organisation. The word decentralisation is often confused with delegation, deconcentration and devolution, which is not correct. To make the distinction clearer, Panchayati Raj is an example of decentralisation. State governments in India demanding for more powers, amounts to devolution. The District Collector, being vested with authority over development departments in the district is an example of deconcentration.<sup>5</sup>

Decentralisation brings government functions closer to the people improving responsiveness to local needs like water supply, sanitation, infrastructure and education. The urge for decentralisation has come from many sources. Firstly, it has been prompted by the need to deliver the basic public goods like food, housing, water from local units of administration as soon as possible. Secondly, most people in developing countries live in rural areas and link these up with the nation. Thirdly, in many countries sociological diversities manifest themselves in ethnic, linguistic and religious differences. Administration needs to be decentralised in response to regional diversities, fourthly, regional and local resources can be utilised for area development purpose, only if administration would move out to the regions and localities. Decentralisation, therefore, facilitates local planning and development with the help of local resources. Politically, local participation in development activities, with intensive responses paves the way for meaningful articulation of local demands.

Perhaps the most enduring image of decentralisation in India is Gandhi’s vision of village Swaraj, in which universal education, economic self-sufficiency and village democracy would take the place of caste, untouchability and other forms of rural exploitation, that the economic and political power would be decentralised and each village would be self-reliant economically. It was in deference to the wishes of the Mahatma Gandhi’s that the Article 40 of the Constitution of India was adopted stipulating 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 functions as units of self-governments.”<sup>6</sup>

The 73<sup>rd</sup> and 74<sup>th</sup> Amendments are designed to promote self-governance through statutory recognition of local bodies.<sup>7</sup>

Democratic decentralisation visualizes people’s participation in initiating and implementing policy-decisions. The concrete organizational form of it is local self-government. Development becomes meaningful only with people’s participation, which is considered an important aspect of good governance. In India’s Panchayati Raj system people’s participation has been institutionalised in Gram Sabha, which signifies rural democracy. It is mandatory institution under 73<sup>rd</sup> Constitution amendment (1992)

**Better Accountability and transparency**—Local authorities are more visible to residents, making it easier to hold them accountable. Decentralised institutions often lead to improved transparency because citizens can monitor decisions directly.

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**Efficiency and innovation---** local Governments can tailor solutions to specific contexts. Decentralisation encourages experimentation and innovation in policy and service delivery.

Perhaps the strongest argument in favour of decentralisation is the idea that the establishment of strong and accountable systems of governance will encourage a more equitable distribution of state provided resources which can be directed towards poor and vulnerable groups. An underlying hypothesis here is that democratic participation will yield strong mechanisms of accountability, which in turn, will improve the distribution of benefits to groups that are traditionally marginalised by market and state.<sup>8</sup>

### **Participatory Democracy: Principle and Practices: -**

- Marginalised groups have a voice
- Deliberation- citizens discuss and debate issues before decisions
- Empowerment—ordinary people influence public policies

A series of ideal conditions have been identified under which local institutions have been shown to be more accountable to poor and politically marginal groups in society such as: Active participation among broad elements of society, including voting, campaigning, attending meetings, running for office, lobbying representatives etc., Fiscal and political support from higher level authorities within government, the existence of competitive political parties whose legitimacy depends at least in part on the support of the poor.

### **Mechanisms of Participation---** some common tools of participatory democracy are: -

- Public Meetings or Assemblies
- Citizen Advisory committees
- Participatory Budgeting
- Social Audits
- Local Referendums and Consultations

### **Benefits ---**

- Enhanced Legitimacy-Decisions reflect Citizens' needs.
- Empowered Communities—Residents develop skills in governance
- Social Cohesion—shared decision-making builds trust

The link between Decentralisation and citizen participation-

While decentralisation creates the space for local decision making, participatory democracy fills that space with citizens engagement. Without participation, decentralisation may simply shift power to local elites, not ordinary people.

### **A strong Synergy Exists:**

- Decentralisation without participation can be bureaucratic and unresponsive.
- Participation without decentralisation may lack authority to implement decisions. Together, they promote inclusive and accountable governance.

**Limitations: -** This Decentralisation of power, however, has one basic limitations: the local bodies have very little regulatory power. They are generally viewed as agencies of local development under the control of higher-level authority such as the District Magistrates and department of the state Government. The local bodies in India are still not “governments” in their own rights. The constitutional amendments have only ensured that these elected local bodies have a right to exist, that they cannot be superseded or dissolved

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whimsically by the state government as was the practice before the enactment of the constitutional amendments in 1992.

As it has been aptly observed: “the Panchayats are horizontal interventions in the vertical jungles of administration. Any hope that they would be able to secure horizontal coordination was doomed because the vertical hierarchies were well entrenched and the panchayats did not have even minimum administrative weaponry to bring them within the coordinating discipline.”<sup>9</sup>

The key point is that the local bodies in India do not constitute a tier of the Indian Federal state. The Eleventh and Twelfth Schedules in the constitution merely indicate the permissible limit of functional areas in which the elected local bodies may be entrusted with development work.

In the Indian scheme of democratic governance, the PRIs and municipal bodies have never been given the real power and financial resources to enable serious development intervention. Their functional scope was confined to mere civic duties and that too under the strict supervision of the state government. The central government also contributed to the process by refusing to develop more powers to the states and thrusting on them a plethora of centrally sponsored and planned development schemes.

To conclude, the concept of democratic decentralisation implies the devolution of sizable powers and responsibilities by the Central Government through properly enacted legislative measure to the democratically created territorial units. Under this arrangement, the units of local government enjoy, more or less, complete autonomy within the territorial and functional jurisdiction that is thus limited to them.

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