

Strengthening Decentralization and Devolution

The Decentralization Community of Solution Exchange, an initiative of the United Nations Country Team in India, provides a platform to strengthen the Institutions of local self government- Panchayati Raj Institutions and Municipal Bodies- to bring about more transparent and participatory governance, more effective local development and better delivery of services. It connects people with similar concerns through email discussion groups and face to face interactions. The summary of one of the discussions held in the previous month:

Summary of Responses

Discussion touched upon a wide-ranging issues including devolution of funds, functions and functionaries for effective local governance, strengthening the State Finance Commissions, District Planning Committees, District Planning and institutions such as Gram Sabha, among others.

Members suggested that an independent evaluation of the progress made so far by local self government institutions be a starting point. They also shared the conclusions of a workshop held in February on "Inclusive Growth through Inclusive Governance: The Future Agenda for Local Government".

DPC in every state needs to be strengthened by defining its structure, powers and functions in detail. Following steps could strengthen DPC:

- Full-time office staff should be positioned for providing secretarial assistance to the DPC
- District Collector/ Deputy Commissioner could be made as the member secretary of the DPC
- Role of the District Collector/Deputy Commissioner as the Member-Secretary needs to be reviewed at the appropriate levels at regular intervals
- DPC can be strengthened if the national planning and state planning is linked with district planning. There is a need to differentiate between institutions working as implementing agencies at district and sub-district level.

Linking finance, planning and departments for Panchayat and Urban development is necessary for strengthening decentralized district planning. An Elected district council instead of Zilla Parishad covering the entire geographical area of the district without any artificial rural urban divide could overcome the issue of integrated spatial planning. In such cases by amending article 243(d) of the Constitution, the DPC can function as an advisory body. Second Administrative Reforms Commission (ARC) has suggested creation of District Government that would replace the existing DPC and cover both rural and urban areas. The Constitution needs to be amended to form three tier governments in the federal structure - Union Government, State Government and District Government and three separate Lists to be drawn - Union List, State List and District (Local) List. Discussants stressed that the system should be of multi level planning with backward and forward linkages.

Contributors suggested merging of the funds for Centrally Sponsored Schemes (including that of flagship programmes like NREGS, SSA etc, with the Central Assistance to State Plan and devolution of more functions down to the States un Vao day nghe bai nay di ban <http://nhattruongquang.0catch.com> due to be transferred after 73rd and 74th Constitutional Amendments), for effective Vao day nghe bai nay di ban <http://nhattruongquang.0catch.com> Commissions, fixing a higher norm of 50 per cent for

devolution of Central assistance to states and inclusion of plan fund sharing too in the agenda of Central Finance Commission. There is also need to see decentralization as a means of empowerment in the larger context, rather than looking at it merely as a tool for better service delivery.

All the Ministries dealing with the subjects in the domain of Panchayati Raj Institutions (PRIs) should undertake an activity mapping exercise in accordance with the subsidiarity principle. A PRI cell in each Ministry could consider cases relating to the Centrally Sponsored Schemes (CSS) and other flagship programmes by interacting with the Panchayati Raj Ministry. Further, there could be a system for identifying the local government implications of every government policy or legislation.

National and State governments need to evolve a system of financial accountability at the level of Gram Panchayats. Transparency is the key to strengthening decentralization and devolution which in turn is likely to raise awareness leading to enhanced/better public demand on participation for development. Members mentioned software such as Plan Plus developed by the National Informatics Centre (NIC), which has been used by many State governments to share the details of local body plans in the public domain.

Civil society could play a critical role in strengthening Panchayati Raj and members suggested the following ways:
Capacity building of the elected representatives of Panchayats

State governments can be influenced through advocacy. Identifying the better performing States in terms of devolution and making the less performing States replicate the 'success model' of these better performing States.

Discussants observed that decentralization and devolution are political battles in the ultimate analysis. For instance, they cited the case of Gujarat, where Samras Yojana, is providing monetary incentive for selection of Pradhans. Organizations like the Mahila Swaraj Abhiyan have found that the scheme violates the basic rights of the villagers to contest and to vote. This leads to elite capture as has been seen in Uttarakhand as well.

Issues in strengthening decentralization and devolution are many. "One size fits all" type decentralization can not be taken as a national strategy. Effective devolution would require combined efforts of governments at all levels with the support of civil society.

For complete responses including related resources and documentation, to join the discussion or to become a member of Decentralization Community, please write to Joy Elamon (joy.elamon@un.org.in) or Tina Mathur (tina.mathur@un.org.in) or visit our website www.solutionexchange-un.net.in