

**Federalism, Decentralization and Democratization in a Multicultural Polity: Some Critical Issues in the State of Federalism in India**

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***I. Introduction***

**1.1. Federalism, Decentralization and Democratization: A Conceptual Framework**

Federalism and decentralization are the two dominant contemporary theories which support vertical power sharing among multiple layers of government and protect the interest and choice of the people. Federalism has been widely accepted as the form of government which involves two or more tiers within the polity, each with a measure of constitutional autonomy, each directly governing and being accountable to the people. Federalism is a viable political and legal tool for addressing the critical issues of conflict that exist in a multi-cultural, multi-ethnic and multi-linguistic country and to establish peace and order. The federal system limits the omnipotence of a particular locus of power and provides opportunities for several centers of power to work together within an established constitutional order. The federal system also upholds certain democratic procedures and processes and to get high degree of legitimacy from the people who are living in different parts of the country and having multiple identities. Federalism is no doubt, the useful answer for managing conflicts and accommodating the diverging interests and to establish peace and order in a pluralist democracy. Federalism is not only an effective tool for managing conflicts but it is widely considered as an effective instrument for protecting the democratic rights of people in the decision making process of different tiers of the polity.

Decentralization further promotes distribution of powers within the federal polity and provides certain new institutional mechanisms for extending the democratic powers further to the community at large. Decentralization facilitates to translate the agenda of the principles of federalism in to operation and bring the different social sections in to democratic action. This in turn, facilitates the democratization process and force the different tiers of governments work with a high degree of legitimacy and accountability. Decentralization therefore, facilitate to extent democratic accountability from lower tiers of the federal state in to higher tiers and to make the federal system more constitutionally legitimate and democratic. Decentralization no doubt, makes the federal system more democratically and politically balanced one and establishes new institutional arrangements for political participation of different sections of people in a society having diversity and multiculturalism. In a federal polity the decentralization process and the different new institutional arrangements also provides opportunities to the people and to engage them in the management of public services and ensure its efficiency and effectiveness. This in turn creates trust in governance and makes the people more visibly engage in the democratic political process. Therefore, decentralization strengthens the democratic content of the federal polity and further enlarges the scope and meaning of the political process.

## **1.2. Indian Federal Polity and its Structural Setting**

India is a vast country having more than one thousand million population with heterogeneity and diversity of languages, religions and ethnicities. It is having a federal polity and sustained democracy over the last sixty years of independence. Indian Constitution clearly defines the relationship between the federal government and the federating units and incorporated some institutional set ups for maintaining the intergovernmental relations between the Central Government ( Federal Government) and the State Governments(Federating Units). The Indian Constitution listed the powers and functions of the central government and state governments in the Seventh Schedule in to three lists: the Central List, the State List and the Concurrent List (under schedule VII). According to Article 246 of the Indian Constitution, Parliament have exclusive power to make laws regarding matters enumerated in List-I, notwithstanding the provisions of the other clauses of this article. On the other hand the state legislatures have exclusive power to make laws for the state regarding any of the matter listed in List-II. With regard to List –III both Parliament and State Legislature can make laws but the law listed in List –I and List-III, vest with the Union Government. This clearly shows that the Union Government has supremacy over the state governments in matters related to legislation. This supremacy exist not only in legislative powers but, in administrative and financial matters also.

India became an independent democratic nation on 15<sup>th</sup> August 1947 and a constitutional republic on 26<sup>th</sup> January 1950. The constitution of India explicitly adopted a federal political and administrative structure with enormous powers to the central government and assigned certain specified financial and administrative powers to the state governments. India is now comprised of 28 states (federating units) and 6 Union Territories and a National Capital Territory (NCT), New Delhi. In general the constitution of India was designed to give central government vast amount of powers in areas of national importance and residuary authority and considerable discretionary powers over the state governments. Therefore, it is widely listed India as a federal country with unitary features.

## **1.3. Legal and Administrative Framework of Indian Federalism**

The Constituent Assembly of India adopted the Indian Constitution on 26 November 1949 and India became the largest democracy in the world. The goals of the Indian Constitution are to be summarized as follows;

- 1) achievement of national unity and stability
- 2) promotion of democratic political behavior based on parliamentary procedures
- 3) protection of minority interests and social justice
- 4) expression of general principles and humanitarian sentiments

With this constitution India attempted to achieve administrative and political unity and an economic and social revolution in the country with the largest population in the world having wide variety of diversities.

Some of the characteristic features of the Indian Constitution are;

- 1) It is the longest constitution in the world. The Indian Constitution contains 395 Articles and 12 Schedules.
- 2) It makes India a sovereign democratic republic and also a secular state
- 3) It is federal in character
- 4) It divides powers between Union and the States though, the Union has more powers
- 5) It provides for single citizenship for the whole of India
- 6) It gives the right to vote for all citizens of 18 years and above

- 7) It provides for parliamentary form of government both at the Union and State levels
- 8) It guarantees all citizens certain fundamental rights (combination of individual rights and group rights.)
- 9) It provides the Directive Principles of State Policy (DPSP) to guide the state in law making for social and economic welfare (non-enforceable social and economic rights. In recent years, the judiciary has applied the principle of harmonious construction, which implies reading fundamental rights and DPSP together.
- 10) It lists fundamental duties expected of citizens of India.

The States must follow the principles contained in the Indian Constitution both in law making and administration. According to the Directive Principles of State Policy (DPSP), the state should try to secure the social well being of the people and establish social and economic democracy. The constitution thus seeks to make India a welfare state. To achieve this aim, the states should strive:

- 1) to see that all citizens have the right to an adequate means of livelihood
- 2) to provide equal pay for equal work for both men and women
- 3) to organize village panchayats
- 4) to enact a uniform code for all citizens
- 5) to provide free and compulsory education for all children till they are fourteen
- 6) to raise the standard of living and to improve public health
- 7) to organize agriculture and animal husbandry
- 8) to protect monuments and places and objects of national importance
- 9) to keep the functions of the executive and judiciary separate
- 10) to promote international peace and security.

The Indian Constitution thus provides for both a Union( Federal) and State Governments( Federating Units) and they have specific powers and responsibilities in their respective area of jurisdiction. No doubt, India is a 'Union' of States (Article 1) and the constitution is federal in character. The term 'federal' means a system where powers are divided between the Union and State Governments. For certain things the Union Government is responsible, while for some others both Governments share responsibility. However, the States do not enjoy powers equal to those of the Union Government. During an emergency the Union Government can always deprive the states of their authority. In short, specific powers are enumerated in the Indian Constitution for the Union Government, for the State Governments and on the Concurrent List shared responsibility of the Union and State Governments are listed. Eventhough, federalism is not clearly defined as in the United States Constitution, the constitutional provisions in India clearly points out that that India is federal country and it is the best example of a co-operative federalism between the Central and State Governments.

#### **1.4. Moving from co-operative federalism to multi-level political federalism**

The architects of the Indian constitution strongly expressed the view that in order to govern a large and populous country like India needed a federal administrative system with a strong centralized control. They designed a system of administrative dualism and each level of government is to be equipped with its own set of administrative instrumentalities and mechanisms. The two levels of governments have their own separate levels of public administration.

Eventhough, the Indian constitution does not use the term “ federation,’ India is a federation and federalism is the basic characteristics of the constitution (Bommai case, 1993). The Indian constitution is described by various political scientists as a “ federation without federalism”, ‘quasi- federal’, ‘semi-federal’ and a ‘union of unequal states’. Indian federalism is no doubt a judicious blend of rigidity and flexibility. The basic structure of the constitution cannot be easily amended. Certain provisions in the constitutions can be changed only with a two third majority in parliament, besides being ratified by not less than half of the state legislatures. There are also cases, including the formation of new states, which require approval of a simple majority in parliament. Thus the Indian constitution allows for change and evolution through its amending formulas.

In spite of the extra ordinary powers vested with the central government, India has always been a federation. The transformation of the party system has produced certain substantial changes in the Indian federal system. The shift from the one party dominant system to a multi party system has again strengthened federalism in India. Regional political parties are in power in some of the important states of India since 1970s and regional political parties have become important constituents of the national government since 1996. It is quite evident that India has moved a long way from co-operative federalism to a competitive federalism. The country still have a strong central government, but it does not have the same clout as it once wielded in the days when the congress was the dominant party. India is now moving from administrative federalism toward multi level political federalism. With the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments, a third stratum of governance has been established in rural and urban areas in India. These local authorities have been given constitutional mandate to exercise powers, responsibilities and resources in their devolved areas of functional jurisdiction. They are closer to the people and democratically more accountable than the other two levels of governments. With these constitutional amendments the local governments moved beyond the exclusive control of central and state governments and act as autonomous institutions of political authority within the Indian federal system.

Therefore, with the end of one party dominant rule and with the advent of the coalition governments at the centre, India is moving towards a more healthy federal system. The constitutional amendments in 1993 further strengthened the democratic base of Indian federal system and enlarged the scope of the rights of the people accompanied by increasingly assertive political authorities at the local level.

#### **1.5. Issues of Multi- culturalism, Cultural Pluralism and Social Exclusion in India**

India has a diverse and highly complex ethnic composition. The country is having more than 1600 linguistic groups and six major religions. The major religion - Hindu religion is further divided by a hierarchical caste system. In addition about 10 percent of the population has been characterized as tribal. In spite of the existence of such a vast spread of cultural diversity and heterogeneity, Indian society still remains as peaceful and not became a melting pot like other multi cultural societies in the world. The composite culture has evolved over centuries, through a process of assimilation and amalgamation. The spirit of tolerance and the feeling of oneness within a composite whole that existed in the Indian society substantially helped to maintain the culture of unity in diversity. But in spite of its secular posture and the protection of the rights of all religious and ethnic groups, social cleavages in India are very strong.

Multiculturalism or cultural pluralism is fundamental to the belief that all citizens are equal. Multiculturalism in India ensures that all citizens can keep their religious

identities, can take pride in their ancestry and have a sense of belonging. The constitutional trait of secularism gives every Indian citizen a feeling of security and self confidence, making them more open to, and accepting of diverse cultures. India has embraced diversity, or cultural pluralism in policy and practice. The Indian constitution can said to be a basic multi cultural document, in the sense of providing for political and instrumental measures for the recognition and accommodation of the country's diversity. Cultural diversity is viewed as one of India's most important attributes, socially and economically. Through multiculturalism India recognize the potential of all citizens, encourage them to integrate in to their society and take an active part in its social, economic, cultural and political affairs. By taking an active part in our civic life, we affirm these rights and strengthen Indian democracy. Indian polity also remains as one of the most inclusive polities in the world. The essence of inclusiveness is that we are part of a society in which language, colour, education, sex and money need not or should not divide us.

A multicultural society cannot be stable and last long without developing a common sense of belonging among its citizens. Although equal citizenship is essential to foster a common sense of belonging, it is not enough. Citizenship is about status and rights, belongingness is about acceptance, feeling comfort and welcome, a sense of identification. Alienation of some sections damages one's quality of citizenship as well as one's commitment to the political community. Provide opportunities of participation in its political life also reduce sense of alienation. The Indian polity deliberately and strategically ensures inclusiveness opportunities for building trust among different linguistic, religious and social groups.

#### **1.6. Caste system and forms of social exclusion in India**

In India, exclusion revolves around the societal interrelations and institutions that exclude, discriminate, isolate and deprive some groups on the basis of their identity like caste and ethnicity. Historically, the caste system has regulated the social and economic life of the people in India. The nature of exclusion revolving around the caste system particularly needs to be understood and conceptualized. It is this caste based exclusion which has formed the basis for various anti-discriminatory policies in India. Given the iniquitous and hierarchal character of Indian society, and exclusion linked deprivation of a large section of excluded groups and groups which are discriminated against, viz, the Scheduled Castes (SCs), the Scheduled Tribes (STs), there is the need for compensatory and packaged programmes to help them to come out of exclusion. Caste, untouchability and ethnicity based exclusion reflect the inability of individuals and groups like SCs and STs to interact freely and productively with others and to take part in the full economic, social and political life of a community. Caste and untouchability based exclusion and discrimination is essentially "structural in nature" and comprehensive and multiple in coverage, involving denial of equal opportunities. The caste and untouchability- based exclusion and discrimination can be categorized in the economic, civil, cultural and political spheres as follows:

(1) Exclusion and the denial of equal opportunity in the economic sphere may be practiced through denial of jobs; denial of access to capital; agricultural land and denial of sale and purchase of commodities and consumer goods. Exclusion and discrimination can occur in terms of access to social needs supplied by the government or public institutions, or by private institutions in education, housing and health, including common property resources. They may also face exclusion and discrimination from

participation in certain categories of jobs because of the notion of purity and pollution of occupations, and engagement in so-called unclean occupations.

(2) In the civil and cultural spheres individual and social groups may face exclusion in the use of public services like roads, temples, water bodies and institutions delivering services like education and health also due to the physical (or residential) segregation.

(3) In the political sphere, they may face discrimination in access to political rights, and participation in the decision-making process.

Scheduled Castes (SCs) and Scheduled Tribes (STs) were historically denied of the right to ownership of agricultural land and access to basic services like education. Hence government policy since independence has been geared towards improving their access to agricultural land, non-land capital assets, and improving levels of education.

## ***II. Federalism, Decentralization and Democratization***

### **2.1. Decentralization and Promotion of Social Cohesiveness**

Decentralization and devolution of powers to the lower tiers of the political system has been considered as an appropriate constitutional and administrative technique for resolving some of the problems faced by different countries of the world. This is particularly useful for countries having the existence of multiple ethnic, religious and linguistic groups etc. Decentralization is a safety valve to manage conflicts that exist among different cultural, communal and ethnic groups. Decentralization facilitate to articulate the choices of these different groups and protect their cultural identity and this in turn help to enhance the trust and sense of ownership of the people in a multi cultural society. Over the past decade, a large number of federal democratic countries have been transformed from a centralized administrative system in to decentralized system and devolved significant amount of powers and resources to the local governments. Decentralization process also opened up new systems and procedures for political mobilization and participation of all sections of people not only in local governance but in other levels of governments in a federal democratic system. Decentralization process enhanced enthusiasm and sense of ownership of the people and the civil society organizations and this has resulted in high degree of political participation in the democratic process.

Along with decentralization of administration, massive efforts have been initiated for decentralization of planning and decentralization of resources in these developing countries of the federal democratic systems. The local governments in these countries emerged as real centers of political authority with legitimacy and constitutional support. The institutional structures created as part of decentralized planning provided new opportunities for the people to engage and articulate their choice in development decision making. These new opportunities for participation in the lower tiers of the political structure in a federalism system helped the people to demand a better delivery of goods and services and to redress the serious economic and social equalities that existed in these countries. Decentralization and reorganization of the political structure also created new opportunities for the socially excluded and deprived communities of these multi cultural societies to protect their democratic rights and engage them more meaningfully in to the democratic decision making process. The various social cleavages existed in these developing countries and the system of bureaucratic control in fact, prevented the marginalized social groups from political action and enthusiastic bargaining. The decentralization process in these countries no doubt, substantially contributed to generate a new political culture advantageous to the democratization

process at the lower level of the political structure. This democratic spirit and culture generated as part of decentralization will have to influence the shaping of the systems and procedures at the higher tiers of the federal democratic systems.

## **2.2. Decentralization and Democratization of the Political Process**

Decentralization takes the government closer to the people or to the people's doorstep, particularly the lower tiers of the government are compelled to work more accountably to the people. There is also possibility for greater transparency and responsiveness in a decentralized system of administration. Initially the instrument of accountability, transparency and responsiveness operates at the local government level and then in the long run it will be extended to other levels of governments in the federal system. In the decentralized system there is also greater opportunity for better flow of information from the government to the people and the government also easily gets feed back and response from the people. The institutional arrangement of transparency, accountability and responsiveness in the decentralized system may also create better opportunities of checks and balances in the federal system. These institutional systems help the people to engage in the decision-making process, articulate their choices and interests, monitor the functioning of government and inculcate a new development culture. Moreover, the proliferation of elected structures in a decentralized system induce greater political mobilization and participation which in turn may lead to a more aware and active citizenry capable of enforcing their interests and democratic rights.

## ***III. Decentralization and Administrative Reforms in Indian polity***

### **3.1. Introduction of Multi-tier Political Structure in India**

Decentralization process started in the early 1990's in India paved the way for establishing a multi tier political institutional set up and a new system of public administration in India. The constitution of India was amended in 1993 and local governments gained constitutional entity with this constitutional amendment. Below the state level a new set of local political institutions came to existence as a result of the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments. The local governments are the third level of governments apart from state and central governments. Today the republic of India comprises the union (federal)government, 28 state governments and 7 union territories and about 24,15,47 local governments ( 3723 Urban Local Bodies and 237824 Rural Local Bodies). The local governments are known as panchayats in rural areas, municipalities and municipal corporations in urban areas. The powers and responsibilities of the local political institutions have been clearly defined in the constitution itself and they got clear mandate to engage in the devolved functional areas. The provision for devolving financial resources to the local governments enhanced their capacity to manage areas of their jurisdiction and functional domain. The constitutional amendments accorded constitutional status to the rural and urban local bodies and created a national framework for the local government system in India. In most states the panchayats have a three tier system- village, block and district- where as the cities and towns have municipal bodies. The most significant factor in these constitutional amendments are the reservation of seats for women (33.3% i.e. one third of the total seats) and scheduled castes and scheduled tribes (in proportion to their population in the state). The constitutional amendments also stipulated regular election to the local governments by appointing State Election Commissions as independent institutions to conduct local body elections and State Finance Commission for reviewing and augmenting the resources of local governments.

### **3.2. Constitutional Status and Powers of Local Governments**

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts paved the way for devolving powers and resources to local governments in India. The 73<sup>rd</sup> Amendment specifically deals with rural local governments and the 74<sup>th</sup> Amendment deals with urban local governments. The powers and responsibilities of the rural and urban local governments are listed in the Eleventh and Twelfth Schedules of the Constitution respectively. These constitutional amendments ensured that local governments at all levels are to be functioned as self –governing institutions rather the implementing agencies of the state governments. The Constitutional Amendment Acts also stipulated state governments to formulate state conformity acts for defining and devolving the powers of local governments at all levels and to undertake activity mapping related to devolved functions and responsibilities keeping in mind of the principle of subsidiarity.

Though the local government system is in existence in India for long time, these institutions have not been able to acquire the status of viable and responsive institutions of political and administrative authority. They have no real powers of taking decisions related to the social and economic life of the people at the local level. There was no regular elections and political legitimacy for these local governments before the passing of the Constitutional Amendment Acts in 1993. The weaker sections of the society like the Scheduled Castes, Scheduled Tribes and women were not adequately represented in the decision making forums of local governments. Moreover, there was inadequate devolution of powers and lack of financial resources crippled these local governments to act as effective instruments of political authority in the Indian federal system. In the light of the experiences in the last forty years and in view of the shortcomings which have been observed, it is considered that there is an imperative need to incorporate certain basic and essential features of local government institutions in the constitution to ensure certainty, continuity and strength. Accordingly, the constitution was amended and new provisions for local governments were included in 1993. With these amendments certain institutional structure for direct democracy like Grama Sabha / Ward Sabha was also included for the first time in the Indian Constitution.

### **3.3. Devolution of Powers and Empowerment of Local Governments**

The 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments also provided room for devolving powers, responsibilities and resources for local governments by the state legislature with respect to preparation of plans for economic development and social justice and for the implementation of development schemes. The Eleventh Schedule of the constitution listed the powers and functions of the rural local governments (29 subjects) and the Twelfth Schedule (18 subjects) listed the powers and functions of the urban local governments. (see Annex I)

The functions of local governments in India can be generally divided in to two categories; obligatory and discretionary. Obligatory functions include; Supply of drinking water, construction and maintenance of public streets, lighting of public streets, cleaning of public streets, regulation of offensive and dangerous trade, maintenance of public hospitals, establishment and maintenance of primary schools, registration of birth and death etc.

Discretionary functions mainly include; laying out of areas, Securing and removal of dangerous buildings, construction and maintenance of public parks, gardens and markets, rescue homes for women, housing for low income groups, public entertainment, provision of transportation etc.

Even though, some of these functions of local governments overlap with the functions of the state governments, local governments touches almost every aspects of the social and economic life of the people and play an important role in public policy decisions and delivery of goods and services.

#### ***IV. Democratization and Instruments of Effective Social Inclusion: Experience of Kerala***

##### **4.1. Decentralization and Democratization in a Federal Polity**

Decentralization and democratization of the polity have attained increased attention in India with the introduction of 73rd and 74th constitutional amendments. The democratic base widened after 1994 enabled the local governments for horizontal planning and implementation. As a result planning is done at many layers of government - Centre, State, District, Block and village. This multi-level planning has widened the scope for ensuring the involvement of local governments to achieve the twin-fold constitutional objectives of economic development and social justice. The massive decentralization efforts carried out by the state government in Kerala with a high degree of political will and vision had been provided new lessons to the democratization process of the Indian federal polity. The democratic decentralization process enlarged the democratic potential of local governments, empowered them and helped to emerge as true self-governing institutions. Decentralization, as it is being attempted in Kerala, is not a political fad or an administrative gesture. It is informed by a rare clarity of vision about the nature of local governments and the process of empowering them. Democratic decentralization in Kerala upholds people's right to initiate their own projects and the power to execute and operate them and provide good number of institutional arrangements for community participation and public management of local governments.

The two landmark events in enlarging and deepening the process of decentralization in Kerala are the launching of People's Planning Campaign on 17th August, 1996 and the appointment of the Committee on Decentralization of Powers under the chairmanship of late Dr. S.B. Sen. The people's Planning Campaign was a movement for social transformation directed towards harnessing social mobilization and public action in participatory planning at the grass root level. It has created a favorable environment for decentralization and exerted social pressure for necessary legislative and administrative changes in the existing system of centralized democracy. In order to facilitate the process of political participation, concerted attempts have been made to arouse the confidence of people of all social sections including the minorities and socially excluded communities in local democracy and development. It is also believed that democratic decentralization in Kerala is an important political response to Kerala's development crisis. The expectation is that it will accelerate economic growth and increase production and productivity and create a new model of growth with equity.

##### **4.2. Participatory Planning as a Tool for Democratizing Decentralization**

Participatory Planning was launched as a campaign mode in 1997 which involved the Governments at different levels as well as the active involvement of civil society organizations. Kerala has succeeded in providing a practical methodology for participatory planning which attempts to balance the need for participation with the requirements of rational planning. Kerala has used decentralized planning and governance as a tool to deliver basic services to the poor and to reduce poverty. The focus laid on Grama Sabhas (Village councils) and devolution of 1/3 of State's plan fund to the local governments has enhanced the voices and expanded the choices of the

poor. As a result, the Kerala model of decentralization has widely been acclaimed in regional, national and international platforms. Within a period of ten years, decentralization has triggered sweeping social changes in Kerala, transferred people's lives, empowered local bodies and rewritten the rules of democratic decentralization. A large number of institutional structures have been innovated as apart of participatory planning to engage the citizens in the political process at the local level and to identify and prioritize their felt needs and protecting their democratic rights. Planning was used a tool for political mobilization and strengthening the capacity of people to engage in the decision making process of local governments.

#### **4.3. Decentralization and Democratic Rights of the Socially Excluded Groups: Kerala Experience**

Decentralization in Kerala was different from the conventional bureaucratic or administrative decentralization in other parts of the world. The architects of the decentralization process in Kerala maintained the view that decentralization should be placed within a larger political process, by which democratic governance would be extended from central and state level to the local level. The decentralization in Kerala was really an experiment of democratic decentralization and proved its commitment for democratic decentralization during the last one decade by devolving powers and resources to the local governments. The system and procedures innovated as part of democratic decentralization have paved the way for self conscious organization of the people in the democratic political process at the local level. The democratic decentralization in Kerala was an attempt to defending and extending democracy to the grass root level and bringing people of all social sections including the poor and marginalized in to the democratic process. This democratization process will definitely help to strengthen the parliamentary democracy that exists in the country and to protect the rights of the citizens and their freedom. This in turn enhances the bargaining power of the people and to articulate their choice and to have a better share in the political system.

Defending the parliamentary democracy at the central and the state level and its extension to the district and lower levels as envisaged in the four – pillar democracy is of extreme importance in the advance of Indian society. It is also of obvious importance to protect the Indian federal democratic system from the forces of authoritarianism and bureaucratic omnipotence. The efforts for extending democracy to the local level and to the people therefore, help to create political consciousness and this in turn develop sense of ownership in the democratic political process and local level development. This democratic consciousness leads to mass mobilization and public action in favor of efficient use of devolved functions and responsibilities not only by the local governments but, other tiers of governments. Democratic decentralization and the different institutional set ups empowered the people of all social sections to engage in all the phases of development decision making and implementation and to provide effective checks to the bureaucratic rule. Democratic decentralization requires that officials at all levels would be accountable to the elected representatives and to observe their policy guidance in developmental decision making. Democratic decentralization deliberately provided room for the deprived and marginalized social sections for their collective bargain and to get their due share in local governance and development process. Special attempts have been taken to protect the interests of the most excluded social groups like scheduled castes and scheduled tribes and also women as part of democratic decentralization. Sizeable amount of Special Component Plan (SCP) and Tribal Sub Plan (TSP) have been devolved to the local governments and ensured

their active participation in the formulation and implementation of development programmes for these social sections. For the first time in the history of development planning a Women Component Plan (WCP) and gender budgeting was also introduced as part of decentralized planning in Kerala. The efforts taken by the democratic decentralization process substantially helped the socially excluded communities for mainstreaming them in to development process at the local level and their capacity building. The greater involvement of people and the efforts to make use of the vast reservoir of their life experience and local wisdom increased the trust of the people in local governance. This was really an asset for rallying them in to the movement for protecting their democratic rights and defending the federal democratic system in India.

#### **4.4. Decentralization and Devolution of Power: Strategy for Social Inclusion**

Formulation of appropriate and relevant strategies suited to local situation is one of the pre-conditions for addressing exclusion. At this context decentralization could be regarded as a best tool for social inclusion. Decentralization works towards democratization, only if it is combined with positive action in favor of underprivileged groups. It is generally believed that decentralization is a counterpart of globalization. With the principles of “bottom up” and “last man first”, decentralization can target the groups of people who are deprived of their basic necessities, therefore socially excluded. The context of Indian attempts for decentralization is largely dependent on Gandhian principles of ‘antyodaya’ wherein the fruits of development reaches first to the poorest of the poor. Such a strategy will help poorest of the poor to expand their choices. According to some studies, the variables like participation in voting and election, participation in Village Assembly (Gram Sabha), participation in signing petitions and organizing meetings, demanding and putting pressure on the elected representatives are central in social inclusion of deprived classes. Based on empirical studies on three Indian states Viz; Kerala, Maharashtra and Tamil Nadu it is substantiated that in all the above variables the participation of weaker sections in local governance of Kerala is very high.

The success of democratic decentralization depends largely on the achievement to effectively include marginalized groups in local decision making and power structures. The effectiveness of the programmes for weaker sections of society is another measure of the success of democratic decentralization. Local governance shall attain real significance only when it becomes evident that participation of the disadvantaged is perceived to be pivotal for the effective functioning of local governments. An institutional mechanism is devised for effectively including the deprived sections. Chapter three will analyze these institutional structures in detail.

#### **4.5. Decentralization and Social Inclusion of Scheduled Castes: Experience of Kerala**

The exclusion in the economic sphere by way of deliberate denial of equal opportunity, denial of jobs, denial of access to capital, agricultural land and denial of sale and purchase of commodities and consumer goods, denial from participation in certain categories of jobs are not very much experienced by the SCs of Kerala. What is more common is that the SCs are not provided with a favourable environment to access the potentials of the economic sphere. As a result majority of SC workforce tend to engage in agriculture labour. Maintaining a labour force in favour of agriculture is beneficial to agriculture, but how far it is capable of providing significant and decent livelihood to SCs is often questioned. Exclusion of SCs from accessing public services like roads, water bodies, education and health are not so common in Kerala. What is more common is that the SCs get excluded from basic amenities of life due to their

segregated habitation and incapacity to avail the costly facilities of modern education and health care. Similarly, SC people live along with rest of the people across the State. As a result the impressive fall in the general poverty level in Kerala has had a significant inclusive effect on the SCs.

Deliberate exclusion of SCs in the political sphere by way of discrimination in the access to political rights and participation in the decision-making process is not common in Kerala. Since SCs constitute 9.81% of the total population of Kerala, they have emerged as a political force in Kerala. What is more common is that the SCs are not equipped to make use of their force for the benefit of the entire community due to socio-historical reasons. The above discussion indicates that the pattern of social exclusion among the SCs of Kerala is unique and local specific. As a result local specific strategies for addressing social exclusion are necessary. However since the level of deprivation and exclusion among the SCs differ from region to region and sub-group to another sub- groups, only local specific plans and programmes can help them to properly come out of social exclusion. This will also be helpful in supplementing the national policies for social inclusion.

There are adequate mechanisms under decentralized governance for the social inclusion of the scheduled castes. Several democratic forums are created for ensuring participatory and functional local democracy. Adequate fund is devolved to the local governments for the social inclusion of Scheduled Castes by taking up livelihood promotion programmes. Since the 9<sup>th</sup> plan, local governments have been formulating and implementing plans for local economic development. The participatory planning process has a larger scope for ensuring the participation of wider stakeholders and thereby for guaranteeing inclusive governance. The local level planning process itself is a tool for community mobilization and engaging people of all social sections in public policy making at the local level.

Kerala has made use of local governance system as a tool for social inclusion through enhancing the participation of the disadvantaged groups in local governance. The scheduled caste constitutes 9.81% of Kerala's population. They have never been in the front line of development for decades. With the introduction of the decentralized democracy in Kerala, several systems are in place for their empowerment. Several efforts are taken to include the Scheduled Castes in the democratic set up as detailed below.

1. The socially excluded community like Scheduled Castes have been given adequate space, in the elected councils of local governments including the post of chairperson, though reservation of seats. This has provided opportunities for social and political mainstreaming of the SCs.
2. Separate fund is earmarked for the development of SCs by way of Special Component Plan. The fund earmarked as Special Component Plan shall be utilised only for those projects beneficial to SCs. Emphasis has to be given for income and employment generating programmes.
3. All local governments have to constitute a special working group for SC development. SC elected representative chairs this working group and majority of the members are to be from SC category. Participatory studies are to be conducted by the working groups to understand the poverty status and local specific development issues of SCs prior to plan formulation.

4. Organizing sub-group discussions in different development sectors is mandatory in grama Sabha meetings and development seminar. A sub group should discuss the problems and suggest projects in SC development sector.
5. Development report of the local government, which is a base document for preparing first year plans, should mandatorily have a specific chapter having the profile of SCs in the locality.
6. It is insisted that each local government should include a separate chapter on SC development in the plan document.
7. The expert committees and Technical Advisory Groups have special subject groups for appraisal and vetting of projects on SC development.
8. Each local government shall prepare a sub-plan for poverty alleviation. Majority of the beneficiaries of this sub-plan shall be SCs.
9. A separate programme called “ashraya” (destitute rehabilitation) is designed for the empowerment of destitute through package of care services, majority of the beneficiary being SCs.
10. There have also been several methodological innovations to empower the women belonging to poor households through network for poor women (Kudumbasree).
11. Guidelines have been issued to bring to an end the notional flow of SC development fund.
12. 100% of the beneficiaries of individual beneficiary oriented projects shall be from SC category. If it is social development and area development projects, more than 50% of the beneficiaries should be from SC category.

What makes local self-government institutions accountable to the poor? There are three conditions under which local institutions can be made more accountable to the poor and marginal groups: (i) an active citizenry, whose participation in broad areas of political life serves to counter the arbitrary use of power; (ii) fiscal and political support from higher level authorities within the government; and (iii) the existence of competitive political parties.. The local governance system in Kerala has been hallowed with all these three pre-conditions of accountability. As a result it is desirable to expect that the local governance in Kerala has the capacity to social inclusion.

#### ***IV. Conclusion***

The Indian Constitution was established with a strong federal foundation and with strong cross cultural roots. The federal constitution of India dynamically combined the British constitutional framework of parliamentary supremacy with certain characteristics of the United States constitution. It clearly mention the division of powers between central and state governments, guarantee fundamental rights of the people and the judicial review of the validity of acts passed by the legislative branch. The rule of law is another important aiming principle of the Indian federal constitution. The rights of the people including the minorities and excluded communities are well protected by the constitution. The constitutional amendments in 1993 established the operational principles of decentralization and mandated the devolution of powers and responsibilities and resources of local governments. With these constitutional amendments, the democratic base of the federal system in India has been considerably

enlarged and paved the way for greater democratization and political mobilization of people of all social sections.

Changing state of federalism in the changing context of democratic decentralization is of interesting to those who are studying the Indian federal polity. India fulfills all the essential characteristics of a federal state and with decentralization and devolution of powers and resources to the third tier of governments the democratic base of the polity has been further strengthened. Decentralization provided new room for political participation and mobilization and no doubt, this has aroused the political awareness of the people of all sections including the socially excluded groups. This has also considerably contributed for strengthening their political organizations and capacity for effective bargaining for better delivery of goods and services. Decentralization and democratization would strengthen the capacity of the people of all social sections including the marginalized and socially excluded to make the political system at all levels accountable and responsive to the needs of the people and to respond better to their demands. This will in turn make the public services more efficient and democratic. Decentralization creates a large number of democratic institutions and social mechanisms which would ensure that the common people get their due share in the political system. This in turn creates a sense of oneness and ownership in the political and developmental process. Gradually people acquire the capacity to suggest alternative development policies and establish their democratic rights and bargain for their due share in the fruits of development. This is the effective way of democratization and exclusion of the people in the federal democratic process and broadening the mass base of democracy.

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### **Annexure I**

#### *Schedule XI*

The important powers and functions of the rural local governments are:

- 1) Agriculture
- 2) Animal husbandry
- 3) Fisheries
- 4) Social forestry
- 5) Small scale industries
- 6) Rural housing
- 7) Drinking water
- 8) Roads and bridges
- 9) Rural electrification
- 10) Non- conventional energy sources
- 11) Education
- 12) Health and sanitation
- 13) Women and child welfare
- 14) Social welfare and social security
- 15) Maintenance of community assets
- 16) Public distribution system

#### *Schedule XII*

The important powers and functions of the urban local governments are :

- 1) Urban planning including town planning
- 2) Regulation of land use and construction of buildings
- 3) Planning for economic development and social justice
- 4) Roads and bridges
- 5) Water supply for domestic, industrial and commercial purposes
- 6) Public health, sanitation and solid waste management
- 7) Slum improvement and up gradation
- 8) Urban poverty alleviation
- 9) Promotion of cultural, educational and aesthetic aspects
- 10) Burial and burial grounds, cremation and crematoriums
- 11) Vital statistics including registration of birth and deaths
- 12) Public amenities including street lightings, bus stops and public conveniences