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***Public Policy & Administration in India***

**TOPIC: Type and Approaches of Decentralisation**:

There are numerous types of decentralization which may include political, administrative, fiscal, and market decentralization. Further decentralization subdivided into territorial (vertical) decentralization and functional (horizontal) decentralization. Following are the major typologies of decentralization:

**(1) Political decentralization:** Political decentralization is considered as the vital forms of decentralisation. It involves citizens and their elected representatives in public decision-making process. It provides ample opportunities to its citizens or their representatives to participate in public decision-making. The main objective behind political decentralization is to give citizens or their elected representatives more power in public decision-making.

Moreover, the concept signifies that the selection of representatives from local electoral jurisdictions allows citizens to know better their political representatives and allows elected officials to know better the needs and desires of their constituents. Thus, political decentralization often requires constitutional or statutory reforms, the development of pluralistic political parties, the strengthening of legislatures, creation of local political units and also the encouragement of effective public interest groups.

**Examples:** The establishment of City Governments in USA, Panchayati Raj and Municipal Corporations in India, County Governments in Britain and Prefectural Governments in Japan are good examples of political decentralization.

**Advantages:** The most significant advantages of political decentralisation are:

1. Political decentralization gives citizens and their elected representatives more power in public decision-making.
2. It is often associated with pluralistic politics and representative government.
3. Increase the transparency of decision-making.
4. It supports democratization by giving citizens and their representatives more influence in the formulation and implementation of policies.
5. The supporters of political decentralization asserted that decisions made with greater participation will be more relevant to serve the diverse interests in society than those made only by national political authorities.
6. The political decentralization concept indicates that the selection of representatives from local electoral jurisdictions allows citizens to know better their political representatives. Because this allows elected officials to know better the needs and desires of the people.

Thus, political decentralization citizens have more influence in the formulation and implementation of public plans and policies. By involving broader participation, government decisions will be more relevant to various interests in society.

**(2) Administrative decentralization:** Theadministrative decentralisation obviously implies the extent of decentralisation at the organizational level. The aims behind the administrative decentralization are to redistribute authority, responsibility, and financial resources to provide public services at various government levels. Here, we can cite one case; the Union Government transfers the responsibility for planning, financing, and managing certain public functions to local governments, semi-autonomous public authorities or corporations, or regional or functional authorities.

**Example:** It is also called the territorial decentralisation: It stands for the establishments of area administrative units (field offices) by the higher authority (headquarters). For example, the creation of divisions, districts, talukas, circles, and so on in India. These are vested with decision-making powers within specified limits and thus function in an independent manner.

Following are the major forms of administrative decentralization:

**(a) Deconcentration:** It implies transfers of decision-making authority, and financial and management responsibilities to various Union Government agencies. The deconcentration simply shifts responsibilities from Central Government officials working in capital city to those working in different regions, provinces or districts. In other words, it can create strong field administration or local administrative capacity under the supervision of Central Government ministries. The deconcentration is often criticised to be the weakest form of decentralization as it is the vital feature of unitary states.

**(b) Delegation:** The administrative decentralisation through delegation is a more extensive form of decentralization. Basically, the Central Governments transfer responsibility for decision-making and administration of public functions to semi-autonomous organizations. These organizations may not be under the control of the Central Government and have a great deal of discretion in decision-making. However, they remain partially under the control of the Central Government, and ultimately accountable to it.

**(c) Devolution:** A third type of administrative decentralization is devolution. It implies changes in the political and fiscal dimensions of government. Local governments to which authority and resources are devolved acquire the power of autonomous initiative and decision making with respect to framing their own rules, goals and objectives. They possess the power of elaborating and implementing their own policies and strategies, and of allocating resources to different activities within the domain assigned to them. Besides, they often are given authority to raise financial resources through taxes.

**(3) Fiscal decentralization:** Fiscal decentralization means providing greater flexibility in managing revenue and expenditure at the regional government level while maintaining financial responsibility. It can take many forms, including by:

1. Provides the authority to make decisions about expenditures;
2. Provides the authority to collect certain types of taxes;
3. Expanding local government revenue sources, for example, property tax, sales tax, or motor vehicle tax; and
4. Transfer of funds from the central government to local governments;

In general, effective fiscal decentralization ensures that local governments have adequate revenue and authority to manage their budgets. The revenue source is usually a combination of local revenue (via local taxes) and transfers from the Central Government. Expenditures are usually for local, rather than national, public services. And, for some vital services, they may still be under the Central government.

**(4) Market decentralization:** Market decentralization involves transferring responsibilities for some public functions to non-governmental organizations (private sector). Thus, the Central government allows them to perform functions previously performed by the government. It goes through deregulation or privatization. For example, the government privatizes public services such as postal services, schools, and waste management.

**(5) Functional decentralisation:** It implies the vesting of decision-making authority in the specialized units by the central agency. For example,the creations of technical or professional bodies in India like the University Grants Commission, Flood ControlBoard, Central Social Welfare Board, and so forth.

**Approaches of Decentralisation: James W. Fesler’s Approaches**

In Public Administration the concept of decentralization has been approached from the point of view of organizational decision-making. James W. Fesler has grouped different approaches to decentralization into four main categories in his article ‘*Approaches to Understanding of Decentralisation’ (1965).* All these approaches may be discussed in the following ways:

**(1) Doctrinal Approach:** The doctrinal approach views decentralization in terms of idealization or theory which views that things exist only as ideas in the mind. In other words, the approach seeks decentralization as an end in itself and not as a means to the realization of some goal. For instance, the Gandhian concept of ‘concentric circle’ of power distribution and the idealization of village community in Panchayati Raj have reduced decentralization into a mere dogma or a kind of faith. Fesler asserted that such idealization elevated the concept of decentralization to a hardened doctrine, instead of considering the decentralization as a means to the achievement of some end-values. Despite, it lays emphasis on the empowerment of local community such as village, town or city. The essence of this approach is the empowerment of people by granting them decision-making and functional authority.

**(2) Political Approach:** The approach basically denotes the political character of decentralization and believes that decentralization occurs in a political setting. It says that the creation of decentralized units and granting the necessary operational autonomy is decided by political factor. Mohit Bhattacharya opined that decentralization in the shape of devolution of local self-governing bodies marks an attempt to set up autonomous government at the level of the locality.

In India, for instance the creation and functioning of Panchayati Raj institutions as a rural local self-governing body is politically determined. To create and maintain local self-government is, thus, a major political commitment. In the absence of such commitment, it will merely remain in law than in actual practice. This led J.W. Fesler to call ‘illusory decentralization’. For example, in India both Panchayati Raj and Municipal bodies have been granted devolution of power formally, but these bodies are not given sufficient funds, functions and functionaries required to operate as an autonomous institution. As they are controlled or influenced by respective states directly.

**(3) Administrative Approach:** J.W. Fesler viewed administrative approach on the principle of efficiency and effectiveness. In other words, it lays emphasis on the establishment of autonomous decentralized units in the fields is determined by the administrative efficiency factor. When field administrative units are set-up through a process of decentralization, the measure is considered appropriate for field level decision making and prompt problem solving. In this process, many administrative units might come up between the local administration and the Central Headquarters. The creation of regions, divisions, districts, sub-divisions and circles between the state headquarters and the field are such type of units. Currently, in India the district administration is faced with these problems of area-function duality. Hence, decentralisation in administrative terms may not always ensure ‘clarity of authority and orderliness of operations’ In order to resolve the functional duality and to promote operational principles, necessary attempts are needed to readjust from time to time conflicting claims of area and function in deconcentrated field administration.

**(4) Dual-role Approach:** J.W. Fester asserted that the dual-role approach is a kind of rehearsal of the area-functions dichotomy in a new establishment. The approach opposes the maintenance of status quo rather accepts development and change as the basis of decentralization. The approach seeks to highlight the conflict in field administration between tradition and change. It conceives decentralization as a method of resolving conflicts in field administration between tradition and change. The basic conflict, according to Fesler, is between the traditional function of maintenance of law and order, to collect revenue and advancement of socio-economic development. As majority of the developing countries were under colonial domination and have inherited colonial field system of administration are seeking to rapid social and economic change. As a result, there is radical change in the functions of field administration. J.W. Fesler stated that there is intention to change established way so as to carry out rapid socio-economic development. This obviously contradicts with the status quo orientation of a field system and may conflict with the personal orientation of field generalists, is chosen to identify themselves with the class, families, and other groups who constitute the establishment. The resolution of conflict between two different orientations in the field administration calls for adaptations of decentralization to changing circumstances

In India, the usage of status-quo oriented colonial field administration to bring about speedy socio-economic change is leading to area-function dichotomy in district administration.

Approaches of decentralization are thus, adopted for access, peoples participation and political responsiveness. The four basic approaches of J.W. Fasler elaborated different issues and challenges in the realization of decentralization. The doctrinal approach treats decentralization as an end in itself. Similarly, the political approach highlights political character of decentralization. The administrative approach is based on efficiency, effectiveness and rationality. Finally, the reorientation of roles from status quo to change orientation is considered as the crux of dual-role approach.

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