Chapter 18
Democratic Decentralisation
and Functioning of Local Governments in Tribal Areas of India:
Possibilities and Constraints in the Era of Globalisation

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ABSTRACT
The chapter reflects the evolution, institutionalisation and functioning of the local self-governing institutions in the tribal areas of India in the context of the emergence of Globalised Model of development. The decentralised self-governing institutions, otherwise known as Panchayats have been functioning since a long period of time in the country. However, the functioning of these institutions since the last three decades has passed through the era of reforms in which the so called economic reforms under the canopy of globalisation influenced their functioning. Such scenario created implicit and explicit impacts on the functioning of these institutions. Further, the tribal self-governance system, cultural practices, livelihood pattern and above all socio-economic development programmes also pass through the phase of transition, which creates hope as well as challenges for the tribals.

INTRODUCTION
The increasing global debate on the functioning of local government has attracted the attention of many scholars of the world to explore the different facets of these institutions and their relationship with the matter development in a globalised era. It is widely believed that in the contemporary era of development the local self-governing institutions have been playing a prominent role while contributing significantly towards the process of socio-economic betterment. The ongoing changes in the world economic order
DOI: 10.4018/978-1-5225-0320-0.ch018
with the emergence of the free-market oriented economy has also motivated many scholars towards exploring the effects of such changes on the various aspects of democratic governance in tribal areas, process of decentralisation and local area development. The onset of the new economic order manifested in the form of globalisation, liberalisation and privatisation has brought a new governance paradigm being referred as good governance. The much debated issues of local government and economic development have also proceeded through the contemporary debate of institutional reforms. This debate has also enhanced the need and importance of democratic governance as a key instrument of promoting and strengthening the local level institutions for healthy development. However, international experience has shown that the contribution of decentralised governance towards the eradication of regional and local dimensions of poverty has not achieved the desired result in many countries (Johnson, 2003). Particularly in the context of the emergence of the globalised development model with excessive emphasis on growth model of development has raised doubts on the essence of the local governments as instrument of promoting equity and social justice.

Decentralisation has emerged as a dominant trend in the world politics (Johnson, 2003). Rondenelli (1983) defines decentralisation as “the transfer of planning, decision-making or administrative authority from the central government to its field organisations”. Advocates of decentralisation in developing countries argue that “bringing government closer to the people will make it more responsive and hence more likely to develop policies and outputs which meets the needs of the ordinary citizens-the majority of whom are the poor” (Crook and Sverrisson,2001). Being closer to the people, decentralised governance is assumed to meet needs and preferences of the people (Islam, 2004 cited on Crook 2003, p. 77; Braun and Grote 2002, p.90; Sangita 2002, p.145; Breton 2002, p.41; Bardhan and Mookherjee 2002). However, there is a disagreement among the scholars regarding the effectiveness of the decentralised governance in addressing the needs of the people particularly the weaker section of the people such as the Scheduled Tribes (STs). Cross country experiences show that while the burden of the “implementation” has been devolved to the local self-governing institutions, the control over “needs and preferences” is largely managed by the top level governing institutions.

The present debates on the role of the local self-governments, which have been evolved as an outcome of the process of democratic decentralisation, are based on the assumption that “decentralised governance is better able to achieve what central government cannot manage to do”. The assertion in favour of decentralised governance is based on its “institutional arrangement and capability to address the local development needs” with the strategy of local economic development through a sustainable development framework. Decentralised governance can also promote effective participation of the excluded communities such as the STs through the strategy of institutional arrangement and participation. The institutional arrangements are expected to be shaped through the process of democratic decentralisation based on the strategy of the greater degree of devolution, process of empowerment, allocation of funds to the local governments and ownership over natural resources.

The effects of democratic decentralisation on the process of development are enormous. Since the last three decades, many countries in the world are embarking on the path of decentralisation with a firm belief that decentralised institutions can promote healthy development and ensure sustainable growth. In 1998, the World Bank estimated that not all but 12 of the 75 developing and transitional countries with population greater than 5 million embarked on a process of political devolution (Crook & Manor, 1998, p.1). Litvack et.al. (n.d.) summaries that “decentralisation can have significant repercussions for resource mobilisation and allocation and ultimately for macroeconomic stability, service delivery and equality”. In most countries, decentralisation reflects a broader process of political and economic reform