



Democratic Decentralization and the Urban Grassroots: Role of Political Parties in Municipal Governance of India

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DOI : <https://doi.org/10.5281/zenodo.18627729>

ARTICLE DETAILS

Research Paper

Accepted: 19-01-2026

Published: 10-02-2026

Keywords:

Constitution, Democratic Decentralization, Municipal Governance, Political Parties

ABSTRACT

Democratic decentralization and Indian municipal governance involve the delegating of power and responsibility from the state and central governments to local government institutions. The aim is to provide participatory government as well as involve the people in the process. The system is based on existing local self-government practices. These practices have evolved extensively over time and encountered several challenges. The 74th Constitutional Amendment of 1992 was a significant change which was initiated to enact a constitutional framework for urban local governments (ULBs). By this act urban local self-governance got place in the Indian Constitution. Democratic decentralization can empower local communities, enhance service delivery, and foster economic growth. But issues still exist notwithstanding legislation to enhance local government. These are budget constraints, party control, and gaps in responsibility. These should be rectified in order to attain the full realization of democratic decentralization for enhanced municipal government throughout the nation. The paper considers the evolution of democratic decentralization in India at the urban grassroot level, the constitutional structure of the government of municipalities, the justification of municipal government, and the contradiction between state domination and local autonomy. It also considers the contribution of political



parties to Indian municipal government within the wider context of democratic decentralization.

Introduction:

Decentralization refers to the transfer of powers and functions from the central government to local governments. The English word ‘decentralization’ is derived from a Latin word, which means ‘away from the centre’. Decentralization is also seen as a process of transfer of responsibility, authority, and functions from a superior government unit to a lower government (Mishra, 2022). ‘Democratic Decentralization’ is an extension of democratic principle. It widens the area of people’s participation in decision- making process. It is the devolution of people’s representative institutions from the top level to the bottom level. It is the mechanism which bring governance closer to people. Democratic decentralization makes all the government accountable to the people. In India, the 74th Constitutional Amendment mandated the creation of urban local bodies (municipal corporations, municipalities, and nagar panchayats) with constitutional legitimacy. Despite the reform, the effectiveness of municipal governance has been uneven. On the other side, India has a multi-party system. Therefore, political parties, which are central actors in India’s representative democracy, play a pivotal role in shaping the functioning of these institutions. Urban governments are not the exceptions. Political parties play a dominant role in municipal politics.

Evolution of Democratic Decentralization in India:

With the making of the Constitution, India was declared a Democratic nation. However, Local Self Government as a means of democratic decentralization was not guaranteed by the Constitution of India. Though the tradition of local self-governance was rooted in ancient India. Municipal government is one of the most ancient governing systems. This system can be found in Kautilya’s Arthashastra and in Megasthenes’s Indica. For instance, In Indica it is stated that the city of Patliputra was governed by a commission 30 members divided into 6 committees of 5 members each (Swamy, 1997). Each committee has a different job. That municipal governing system-maintained peace and security in the city. The needs of the city were fulfilled by those committees. They were responsible for the welfare of the people. The Arthashastra bears testimony to the highly evolved condition of municipal government (Swamy, 1997). Later on, during the Muslim rule municipal government-maintained peace and order in the city. Thereafter municipal government under British rule was introduced in 1842 with the Bengal Act of 1842.



Lord Mayo's Resolution of 1870 was a turning point in democratic decentralization or municipal governance. Financial decentralization which led to a decisive step in the development of local bodies, was taken by Mayo. By that initiative, local requirements started to be fulfilled by local taxation.

People had no interest in the municipal institution because all the members of the municipality were appointed from above. Later on, several steps were taken by several rulers. Even after the independence of India or the adoption of the Constitution of India, there was no such mechanism for municipal governance. Urban local governments neither debated with much vigour in the Constituent Assembly nor did they find any clear mention in the final text of the Indian Constitution (Idiculla, 2020). Many municipal institutions were working or serving the people. Ultimately 74th constitutional amendment act has taken place, and municipal governments are working as a means of democratic decentralization. After that, municipal governments are working as a means of democratic decentralisation. Presently, it is located in part IX-A under articles 243P to 243ZG and in the 12th Schedule.

The Constituent Assembly was silent on the creation of the urban bodies. State governments are allowed to design their own municipal acts in accordance with the broad parameters outlined in the 74th Amendment Act (Misra, 2022). At the time of the enactment of the Indian Constitution, Local Government got its position in item number 5 in the State List of the Seventh Schedule. Local governments did not have any inherent power but were a subject matter of the state government, which has the exclusive jurisdiction to make laws on this subject (Idiculla, 2020).

Structure of Urban Government:

The Constitution of India has made detailed provisions for ensuring the protection of democracy in Parliament and in the state legislatures. However, the Constitution did not make local self-government in urban areas a clear-cut constitutional obligation. While the Directive Principles of State Policy refer to village Panchayats, there is no specific reference to Municipalities except implicitly in Entry 5 of the State List, which places the subject of local self-governments as a responsibility of the states.

To provide for a common framework for urban local bodies and help to strengthen the functioning of the bodies as effective democratic units of self-government, Parliament enacted the Constitution (74th Amendment) Act, 1992, relating to municipalities in 1992. The Act received the assent of the President on 20 April 1993. The Government of India notified 1 June 1993 as the date from which the said Act came into force. This act is also called the '**Nagar Palika Act**'. A new Part IX-A relating to the Municipalities has been incorporated in the Constitution, which deals with Municipalities in articles 243



P to 243 ZG. According to the Article 243Q of the Indian Constitution, there are three types of Municipalities, i.e., **Nagar Panchayats** for areas in transition from a rural area to urban area, **Municipal Councils** for smaller urban areas and **Municipal Corporation** for large urban areas, fixed duration of municipalities, appointment of state election commission, appointment of state finance commission and constitution of metropolitan and district planning committees. These categories are based upon the population, density of population, revenue generated for local administration, percentage of employment in Non-agricultural activities and other factors. State/UTs have set up their Election Commissions. The State Election Commission conducts the municipal elections. All the members of a municipal government are to be directly elected by the people of the municipal area, and for the purpose of making the electorate, the municipal area will be divided into territorial constituencies known as Wards. Besides the seats filled by direct elections, some seats may be filled by nomination of persons having special knowledge and experience in municipal administration. Persons so nominated shall not have the right to vote in the meetings of the municipality.

Advantages of Democratic Decentralization:

Democratic decentralization is a form of governance. It gives authority to the local governments from federal and state governments. The advantages of democratic decentralization are-

Sharing Power

The division of authority among the several tiers of government is a key component of democratic decentralization. In order to enable a more participatory governance style, this entails transferring decision-making authority from central authorities to local entities like municipalities and districts.

Local Authority

A key component of democratic decentralization is local governing institutions. These organizations, which include elected councils and their leaders, have the authority to deal with matters unique to a community. A decentralized approach to administration and development is made possible by the creation of local governing structures, such as the Panchayati Raj in rural India.

Empowerment of the Community

By strengthening their autonomy and encouraging originality, democratic decentralization seeks to strengthen communities. Development projects are more productive and effective when local governments are better able to recognize and respond to the particular requirements of their areas.



Additionally, this empowerment increases the representation and voice of marginalized groups in government processes, including women and marginalized social groups.

Enhanced Availability of Services

Providing access to government facilities is one of decentralization's aims. Local governments can better address the distinct requirements and objectives of their communities by bringing governance closer to the people. The promptness and effectiveness of service delivery get enhanced by this localized strategy.

Economic Progress

Democratic decentralization promotes the best use of local resources and boosts the local economy. The decision-making power of local governments may lead to more strategic planning and implementation of growth initiatives in accordance with the unique characteristics of the community.

Engagement and Accountability

To maintain accountability, more people must be involved in local decision-making. The procedures needed to create a culture where local government is accommodating to its citizens include elections, public involvement, and accountability mechanisms. Public education regarding local government projects has two advantages: it fosters civic engagement and builds trust.

Challenges and Issues:

Democratic decentralization and municipal governance in India face numerous challenges that hinder effective service delivery and governance. These challenges are-

Financial Limitations

Lack of financing is one of the main barriers to efficient local government. Lack of funds, which is occasionally insufficient to meet basic needs, is a problem for many local governments. They usually rely largely on government assistance because they can't make enough money from existing private sources. By restricting their power to spend allocated funds, the financial architecture makes it more difficult for local authorities to effectively handle a range of important needs. For example, if funds designated for specific projects cannot be used to pay for necessary supplemental work, like creating sanitary facilities in addition to renovating roads, the project's sustainability and service delivery may be compromised. Additionally, both horizontal and vertical liquidity imbalances continue to plague India's urban local government bodies (ULBs), creating a low stability trap characterized by disparities in both income and



expenditure requirements. This situation results in low mobilization of local resources and challenges in accountability, further undermining service delivery capabilities.

Limitations on Human Resources

The lack of qualified staff in local government organizations is another major issue. Many local organizations lack the experienced personnel needed to oversee administrative tasks and successfully carry out projects. Administrative inefficiencies and delays in service delivery are caused by high vacancy rates in sanctioned positions. Additionally, poor decision-making and execution result from elected officials' and staff members' lack of training, which impairs their comprehension of financial management and governance procedures.

Corruption and inadequate leadership

Corruption and poor leadership remain major problems in municipal governance. By undermining public trust and resulting in financial breaches, these behaviours ultimately diminish the quality of governmental services provided to communities. Efforts to improve accountability and transparency are made more difficult by interference from politicians and local governments' financial reliance on federal and state funding.

Infrastructural Deficiencies

Functioning of local urban government is hampered by poor infrastructure. A lack of proper workspace, access of communication, and necessary equipment can compress the operational efficiency. This, combined with weak organizational structures and inadequate technical expertise in areas such as urban planning and waste management, contributes to the inability of local governments to fulfil their mandates effectively.

Societal and Political Challenges

Finally, including low civic education and socio-economic disparities are the present additional challenges to effective democratic decentralization. Resistance from entrenched political structures and the dominant powers at the grassroots level often hampers the participation of marginalized groups, thereby limiting inclusivity and equitable governance.



Role of Political Parties in Municipal Government:

According to Section 29A of the Representation of the People Act, a “political party” is any organization or collection of people that participates in elections and campaigns for or against candidates for public office (India code, representation act).

Political parties play a dominant role in the municipal governance of India. These parties shape the political landscape at the local level. Their involvement has been a topic of debate, particularly regarding whether national and state parties should engage in local politics to control municipal governance structures (Aggarwal, 2025). Municipal governance is highly dependent on political parties. These political parties are essential to control the environment of municipal governance. They not only compete for power but also play a significant role in political representation and policy-making in the local area. Political parties function as bridges between the government and the common people. They work as the representative of the common people. They convey the demands and requirements of the masses to the government, and the government reaches the people through these political parties. In this way, political parties serve as mediators. For instance, the Aam Aadmi Party (AAP) worked against corruption and promoted transparency, which helped them to be highlighted. The urban voters were so frustrated with bureaucratic inefficiencies and corruption in municipal governance. Therefore, AAP gained prominence and ultimately came into power. Political parties act as campaigning machines which mobilize citizens and encourage people to participate in the electoral process by casting their votes. This mobilization not only integrates citizens into the political system but also helps ensure that election outcomes align with public opinion (Bulmer and Choudhry, 2025). The involvement of political parties in municipal governance significantly impacts local development initiatives. The role of political parties as opposition is also essential for the transparency of the government; it acts as a forum that opposes or criticizes the decision of the ruling government (Dubey and Tiwari, 2024). The local self-governments, often guided by political parties, promote the development of the economy of that area. As a means of democratic decentralization, a prominent local self-government also encourages social justice. For these, decision making play a crucial role, and this decision-making process of local government is heavily impacted by the political ideology. These ideologies help them to gather resources and support, which highlights their importance in municipal governance. Furthermore, the ideologies of political parties are diverse. The regional political parties, such as Samajwadi Party (SP) and Bahujan Samajwadi Party (BSP), mostly focus on local and cultural issues, which influence municipal governance in a different way. This can lead to the prioritization of specific social services such as health and education. These regional parties



dominate the urban bodies. Like, All India Trinamool Congress actively take participation in municipal elections and rules most of the municipal boards in West Bengal.

However, the influence of a political party in municipal politics is not without challenges. The involvement of representatives with political affiliation dominates the decisions in local government meetings. This involvement often leading a lack of transparency in the municipal affairs. The fragmentation of opposition parties limits their effectiveness in challenging dominant parties. Internal conflicts or competitions within the major parties, like the Indian National Congress (INC) is the result of this. This can affect the efficient role of parties in municipal governance, as the internal dynamics may overshadow broader public interests. The loyalty of the members is hard to maintain as well. It can lead to fragmentation and change party dynamics, which can affect the local decentralisation system. Opportunist behaviour can be found among members who might prioritize personal interest over party allegiance, undermining democratic accountability. In addition to this, in municipal election political parties' symbols are not always crucial. People choose their local representative through this election, and since the areas they serve are small, they are well-known to them. Small to minor issues (such as obtaining a residency certificate to resolve family issues) require people to rush to the representative. As a result, the party symbol is irrelevant. They always select the individual who, in their opinion, is suitable, capable of resolving the problems, and readily available. A section of people in India do not support political parties participating in local elections. No less a person than Mahatma Gandhi and Lok Nayak Jayprakash Narayan have been pleading for Partyless Democracy at the grassroots level, on the ground that the local bodies should be free from political strife since local problems do not necessarily involve political parties (Anjaneyulu, 1988).

Despite the drawbacks, political parties actively participate in elections in a variety of ways to maintain control at the grassroots level. They select candidates and work to elect them. They attempt to convince people by running political campaigns. In practice, political parties attempt to seize control of local representatives to sustain their direct dominance.

Conclusion:

Democratic decentralization has its urban grassroot and this root must be strong. Decentralization without autonomy is paralysing the local urban governance. States should cease controlling the urban planning, resource allocation, and policy priorities, which frequently supersede local preferences. Municipal government ought to be strong economically as well and shouldn't rely solely on government funding. It might enhance fiscal autonomy through broader taxing powers and fiscal transfers. Additionally, it is



important to develop administrative competence locally. Lack of staff, inadequate training, and dependence on state-appointed personnel are undermining efficient decentralized government. Therefore, with the help of a visionary administrator and trained staff, the urban local government might become more effective. It could strengthen participatory mechanisms beyond elections, including neighbourhood forums and public budget consultations, where the political parties could have a significant impact. Political parties may serve as a link between the general public and the government, even though they are not necessarily required for the people to receive all services. The interests of the public may be served if the political parties do not act in their own best interests. These political parties may be crucial to democracy and the process of democratic decentralization.

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