



## Decentralization of Power and Effective Local Government for Institutionalizing Democracy and Social Welfare: An In-Depth Study

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### ABSTRACT

This comprehensive study investigates the crucial relationship between decentralization of power and effective local governance, emphasizing their profound impact on institutionalizing democracy and promoting social welfare. It underscores the correlation between decentralization and the consolidation of democratic ideals, emphasizing the empowerment of local communities in participatory governance. The study critically assesses the pivotal role of effective local government in translating decentralization principles into tangible citizen benefits. It examines mechanisms for enhancing service delivery, ensuring equitable resource distribution, and addressing diverse community needs. The analysis extends to the importance of fostering transparency, accountability, and civic engagement at the local level to strengthen the democratic fabric of society. A central focus of the research is the impact of decentralization on social welfare. Through case studies and comparative analyses, the study evaluates decentralized structures' ability to address socio-economic disparities, promote inclusive development, and elevate the quality of life for all citizens. In brief, the study highlights the symbiotic relationship between decentralization, effective local government, and the flourishing of democracy and social welfare. It stresses the transformative potential of empowering local communities and advocates for strategic policy frameworks and institutional reforms to achieve a harmonious balance between central and local governance. The research findings contribute to the ongoing discourse on optimizing governance structures, offering insights for policymakers, scholars, and practitioners committed to advancing democratic principles and social welfare on a global scale.

**Keywords:** Decentralization, Institutionalizing Democracy, Local government, Social welfare.

### Introduction

In the pursuit of fostering robust democratic systems and promoting social welfare, the imperative of decentralizing power and establishing effective local government structures stands as a cornerstone. A significant number of development and service-oriented programs are implemented by local government divisions (LGD) for poverty alleviation and the well-being of rural people while the participation of all stakeholders is not yet ensured (Hossain, 2014). This in-depth study endeavors to explore the intricate dynamics surrounding the decentralization of power, recognizing its pivotal role in institutionalizing democracy and advancing the well-being of communities. Decentralization, as a principle, advocates for the distribution of authority and decision-making beyond centralized entities, ensuring a more inclusive and participatory governance framework. Decentralization ... confers onto local communities the power... to manage their affairs to promote their development. (Bakary Thaore, 2001). By dispersing power to the local level, societies aim to cultivate a democratic ethos that resonates with the diverse needs and aspirations of their citizenry. Within the broader context of democracy, effective local government becomes a hub for the realization of a responsive and accountable governance system. The study seeks to explore the mechanisms through which local governance structures can not only act as conduits for citizen engagement but also serve as catalysts for socio-economic development and equitable resource distribution. The symbiotic relationship between decentralization, local governance, and social welfare forms the crux of our inquiry. As we navigate through the multifaceted dimensions of this nexus, we will assess the impact of decentralized decision-making on fostering civic participation, enhancing public service delivery, and mitigating socio-economic disparities. Through a meticulous examination of case studies, comparative analyses, and theoretical frameworks, this study aims to contribute valuable insights to the ongoing discourse on the efficacy of decentralized power structures in promoting democracy and social welfare. Ultimately, by unraveling the intricacies of these interwoven concepts, we aspire to provide a comprehensive understanding of how decentralization and effective local governance can synergistically shape societies into more equitable, participatory, and socially conscious entities.

### Objectives of the Study

The core objectives of this in-depth study are to thoroughly examine the decentralization of power and its correlation with the establishment of effective local government systems, aiming to institutionalize democracy and enhance social welfare. The research seeks to investigate the mechanisms and

structures involved in power decentralization, emphasizing its impact on democratic practices. Furthermore, the study aims to analyze the role of local government in implementing and sustaining decentralized power structures, with a particular focus on their effectiveness in promoting democratic values and social welfare initiatives. Through a comprehensive exploration, the research aims to identify best practices, challenges, and opportunities associated with decentralization efforts, contributing valuable insights for policymakers and stakeholders seeking to strengthen democracy and improve social welfare through localized governance structures.

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## Methodology

This is secondary data-based research and data collected from different books and Journals on local government and decentralization, Newspapers, and Prominent Websites on recent activities and trends of local government. Maximum data are presented here based on different works of local government. There are two variables used in this paper one is the independent variable and the other is the dependent variable. Here dependent variables are the institutionalizing of democracy, public welfare and mostly local government. Some are independent variables such as the Constitution and Acts, Decentralization, Central Government, Role of Politicians, Intellectual views and Local Government Commissions. In this study, the qualitative method has been used to explain the various factors of Local Government and to find out the solution for institutionalizing democracy and public welfare.

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## Conceptualizing

### *Local Government*

According to Tindal "A local unit is a legal entity that provides public services to its people within the territory where it exercises jurisdiction, but it is also a democratic institution that from the decision-making point of view, is governed by a council with representatives elected by the people who are accountable to their constituents" (Tindal, 1977; 2).

Tindal says "We should not forget that the local institutions are there not only to provide various public services to citizens but also to represent in the best way possible the will of the people" (Tindal, 1977:3).

Lockard thinks that the local government can be defined as a public organization, authorized to establish and administer public policies within a given territory, the latter is a subdivision of the central government. The organization of local government is a public organization, changing from private organizations; they are aimed at the general interest of citizens (Lockard, 1963).

According to Hasluck Local Government is the sphere of government where local authorities are allowed by law to issue acts or decisions to adjust the way of governance (Hasluck, 2010).

In his book "Elements of Politics", Sidgwick considers local government as a government of some sub-organs that have special powers to issue regulations or rules within the area which they manage. So Sidgwick connects this government with its legislative character (Sidgwick, 2014).

Stones defines local government as part of the governance of a country, but that deals with problems or issues of population within certain territory or location. According to him, this kind of government does the so-called "housework" so that living in these areas is affordable for its residents. It achieves this by keeping the roads clean, children's education, residential housing construction, etc (Stones, 1968).

In a socio-developmental definition, given by L. Godwin on local governance, he defines this kind of government as the management of their affairs by the people of the locality where they are. Although short, this definition socially finds its place (Godwin, 2014).

Hampton in his book "The Local Government and Urban Policy" states that local authorities have boundaries defined geographically, are organs highly functional, directly elected, but on the other hand have disabilities related to the determination of local taxes, this comes depending on the determination of the margin from the central government (Hampton, 1991).

### *Decentralization*

Decentralization ... confers onto local communities the power... to manage their affairs to promote their development. (Bakary Thaore, 2001).

"Decentralization is usually referred to as the transfer of powers from central government to lower levels in a political-administrative and territorial hierarchy (Crook and Manor 1998, Agrawal and Ribot 1999).

This official power transfer can take two main forms. Administrative decentralization, also known as deconcentration, refers to a transfer to lower-level central government authorities, or to other local authorities who are upwardly accountable to the central government (Ribot 2002).

In contrast, political, or democratic, decentralization refers to the transfer of authority to representative and downwardly accountable actors, such as elected local governments" (Larson).

"The term decentralization is used to cover a broad range of transfers of the "locus of decision making" from central governments to regional, municipal or local governments" (Sayer et al.).

Decentralization reform refers to “transforming the local institutional infrastructure for natural resource management on which local forest management is based” (**Ribot**).

“Decentralization is “the means to allow for the participation of people and local governments” (**Morell**).

### ***Institutionalizing Democracy***

Institutionalized Democracy: Democracy is conceived as three essential, interdependent elements. One is the presence of institutions and procedures through which citizens can express effective preferences about alternative policies and leaders. Second is the existence of institutionalized constraints on the exercise of power by the executive. Third is the guarantee of civil liberties to all citizens in their daily lives and acts of political participation. Other aspects of plural democracy, such as the rule of law, systems of checks and balances, freedom of the press, and so on are means to, or specific manifestations of, these general principles. (**World Bank**)

Institutionalizing democracy refers to the degree to which the electorates value the importance of their votes to validate good governance (**Toyin Cotties Adetiba, 2019**)

### ***Social Welfare***

The older English term ‘welfare’ can be traced back to the fourteenth century, when it meant to journey well and could indicate both happiness and prosperity (**Williams; 1983**)

**Social Work Dictionary:** “A nation's system of programs, benefits and services that help people meet their social, economic, educational and health needs that are fundamental to the maintenance of society.”

**Ronald C. Federico:** “Social welfare is defined as a society’s governmental and non-governmental efforts to help its members function more effectively as individuals and as participants in organized social structures.”

Social welfare is described as “the organized system of social services and institutions, designed to aid individuals and groups to attain satisfying standards of life and health and personal and social relationships which permit them to develop their full capacities and to promote their well-being in harmony with the needs of their families and the community” (**Friedlander, 1980**).

### ***Practice of Decentralization in Local Government in Bangladesh***

Bangladesh, Pakistan, and India share a common history of local government considering that they all had been British colonies for centuries. The Bangladesh local government has its roots in British rule, and it passed through the neocolonial Pakistani period before arriving at its present state. Therefore, the evolution of the local government in Bangladesh is discussed in terms of these three periods, namely, the British period (1757-1947), the Pakistani period (1947- 1971), and the Bangladesh period (1971 to 2010) (**P.K Panday, 213**).

### ***Is power Decentralized? How Much?***

It is un-doubtful that some measures had been taken to decentralize power in Bangladesh under different periods of rulings from the British period to the present time. But it is a matter of wonder that power has been decentralized very limitedly. Some questions frequently had been raised about how far the local government bodies enjoy authority. This paper is an attempt to analyze the range of power decentralization in the local government in Bangladesh.

When analyzing the decentralization practices of different governments in Bangladesh, it is evident that the local government bodies have never been established as “self-governing” bodies in their true sense. These bodies can certainly be identified as an extension of the central government where the scope for participation of local people is very limited. As a result, the management of the local government bodies is poor. It suffers from institutional and financial weaknesses, and it lacks social and political credibility. Of course, different reform initiatives have strengthened the local government bodies in terms of structures, but there are still different issues that have created a hindrance in the process of making the local government bodies administratively and financially powerful (**P.K Panday 217**).

Further, when evaluating the decentralization process, it is quite evident that no comprehensive decentralized planning has been taken up yet. With the change in the Government, the decentralization policy also changes. In most cases, such frequent changes are politically motivated. Their purpose is to create political loyalty and to build a strong political base at the local level by putting party men in various positions. Another issue that deserves special mention is that no decentralization initiative has been based on wide consultation with people. In most cases, decentralization policies have come into effect based on a set of recommendations put forward by the Government-appointed commission. Although such recommendations are supposed to be made after consultations with all stakeholders, such initiatives have been absent in most cases. Here and there, it has been found that there is no representation of the stakeholders in the commission formed for decentralization. In general, the so-called commissions give recommendations to take into consideration the Government's motive and preferences over power-sharing with the local bodies. However, the recommendations of these commissions have not been considered for implementation in most cases. Since the decentralization policy of different governments has failed to include different stakeholders, its implementation suffers from the non-cooperation of the stakeholders (**P.K Panday 217**).

There are various forms of decentralization like devolution, deconcentration, and delegation. Among them, devolution is the most powerful in the true sense. Devolution means the transfer of authority of the central government to the local government for making decisions, financing, and self-management

by the local government. But it is a matter of sorrow that there is always a control of the central government in terms of devolution. However, it is acknowledged that true decentralization policy depends on the principles of deconcentration and delegation. The central government enjoys authority over the functions of local government in both forms. From the previous observation, it is seen that there was a limited decision-making power of these. Even if they have the power, they lie liable to the central government and also local units of central government. There are some obstacles to what decentralization practice in Bangladesh is not working in standard format and is not successful yet. These are discussed in the next sections below.

### ***Deficiency of Authoritative Freedom***

There is a very limited authorization of local government in a real sense to do anything independently. "From the very outset, the Local Government (LG) bodies in Bangladesh have remained confined within the jurisdiction of specific development functions. These bodies have no authority to exercise power over regulatory administration (Hussain & Sarker, 1994; Panday, 2005)". Social welfare, Education, Public health, infrastructural development (roads, bridges, culverts, drainage, etc.), and so on are the main duties of the local government for now. Interestingly these projects are funded by the central government and monitored by different agents of the central government. In this situation, it is clear that the roles and responsibilities are very limited and they cannot enjoy the freedom of authority under the monitoring of the agents of the central government. They are typically called bureaucrats (Khan, 2000). In a situation where the LG remains under the constant supervision of bureaucrats, devolution of power (which is the central theme of decentralization) is not possible (P.K Panday 219).

### ***Insufficient Financial Resources***

From the emerging period of local government is facing this insufficient financial resources problem. There is no specific budget for the local government to implement their policy and plans. For instance, out of the total revenue that the UP generates from leasing of rural markets, it receives only 50%. Out of the other 50%, the national government retains 25%, the Upazilla receives 10%, and the remaining 15% is kept for the maintenance of the market (Khan, 2000; Panday, 2005). How much local government receives from the central government as grants under Annual Development Programme (ADP) is to expense according to the central government with clear and specified sectors that impede local government to do social welfare as they need for instance.

### ***Central Dominations***

In most cases central government control over local government bodies by different issues. Local units of central government like the Deputy Commissioner (DC), the UNO, and different administration bodies try to control local government bodies' activities.

### ***Lack of Trained Personnel***

Training makes a person an expert on a specific task whatever it is. But it is a matter of great regret that there is a very shortage of trained personnel seen at the office of local government. Aminuzzaman (1998) indicates that the majority of the chairmen and members of the LG units do not have adequate knowledge and understanding of the operational procedures and functions of these bodies. They also lack the proper knowledge that is required to deal with the complicated rules of budgeting, planning, and managing resources. Moreover, the elected officials and salaried staff of the LG units are not given enough training to make them capable of carrying a tremendous workload (P.K Panday 220).

### ***Lack of Liability and Transparency***

Accountability and Transparency are the two most important indicators of good governance. Representatives from local governments who are elected should perform in a manner of accountability and transparency. To make them accountable and transparent proper monitoring is a must. But in most cases, it is seen that instead of monitoring local units of central government attempt to limit their activities. For their dominations, local government bodies are not willing to be liable and transparent in their performances.

### ***Ineligible Resolution for Effective Local Government***

From the above problems now need to address a comprehensive solution for strengthening local government as well as institutionalizing democracy and ensuring public welfare. Concerning the legerity of the local government system in Bangladesh, Ahmed (2010) indicates that despite having nearly all the features needed for the decentralized administration, the existing administrative structure and the elected local bodies have not been able to perform efficiently due to excessive control of the central government over the local bodies, and because of the top-down nature of the Government's decision-making (The Daily Star, 23/02/2010).

To overcome these conditions of local government, some alternatives must be out. These alternatives bellowed would be helpful to ensure the decentralization process in a real sense.

### *Dynamic leadership*

Capacity Building of Local Government Representatives As mentioned before, empowerment without capacity building is meaningless, and thus the Government needs to organize capacity-building programs for the elected local government representatives so that they can prepare themselves to efficiently discharge their responsibilities (Panday 220).

### *Ensure Participation and Plans for Local Interest*

To ensure participation and plans that reflect local interests, local governments should establish mechanisms for community engagement and consultation. This may involve town hall meetings, public hearings, and citizen forums where residents can express their needs, preferences, and concerns. Moreover, local governments should promote transparency by providing accessible information about their activities, budgets, and decision-making processes. "Local government in every administrative unit of the Republic shall be entrusted to bodies, Composed of persons elected by Law" (Article 59, I)

### *Assure Proper Coordination*

Assuring proper coordination within the context of decentralization and local government involves establishing effective mechanisms to synchronize and manage activities across various levels of governance. In a decentralized system, where power and decision-making are distributed among local authorities, proper coordination becomes paramount to ensure the alignment of efforts and resources toward common goals such as institutionalizing democracy and enhancing social welfare.

### *Establishment of Local Government Commission*

The establishment of a Local Government Commission is a crucial component within the framework of decentralization and local government. In a decentralized system, where governance is dispersed across various levels, a Local Government Commission serves as a regulatory and coordinating body to oversee and support the functioning of local governments. Its primary role is to ensure that decentralization efforts align with broader democratic principles, promote effective local governance, and enhance social welfare. The Local Government Commission typically has the responsibility to define the roles and powers of local authorities, ensuring that they have the autonomy to make decisions that affect their communities. It may develop guidelines and standards for local governments, fostering consistency and fairness in their operations. Additionally, the commission often serves as a mediator in case of disputes between different levels of government or within local government structures.

### *Self- Preparation and Sanction of Annual Budget*

The annual budget is to be prepared by the local government body and presented to the council in a special meeting convened for the purpose (Siddiqui 2005: 277). Government can help or support them only for better preparation and the local government must have the right to make and sanction its budget. (Sharmin Z. et. al. 82)

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## **Conclusion**

In conclusion, the journey through the labyrinth of decentralization of power and the establishment of effective local government as pillars for institutionalizing democracy and fostering social welfare has illuminated the intricate tapestry of governance dynamics. Our exploration underscores the pivotal role played by decentralized structures in cultivating a more inclusive and responsive democratic framework. Through the lens of effective local government, we discern that the empowerment of grassroots institutions is not merely a bureaucratic restructuring but a potent catalyst for positive societal transformation. By devolving decision-making authority to the local level, we witness the amplification of citizen voices, leading to a more nuanced and adaptive governance that mirrors the unique needs of diverse communities. The nexus between decentralization and social welfare becomes increasingly evident as we unravel the positive externalities of localized governance. As local governments become more attuned to the specific challenges and aspirations of their constituents, they emerge as active agents in the pursuit of equitable resource allocation, targeted social programs, and sustainable development initiatives. It is within these decentralized structures that the seeds of social welfare germinate, sprouting into initiatives that uplift marginalized communities and fortify the foundations of a just society. However, our study also underscores the need for a nuanced approach, recognizing that the effectiveness of decentralization and local governance is contingent on factors such as institutional capacity, transparency, and civic engagement. Moreover, the delicate balance between autonomy and accountability must be carefully calibrated to ensure that power dispersion does not inadvertently compromise the principles of democracy or social welfare. As nations grapple with the imperative to democratize decision-making processes and prioritize the well-being of their citizens, this study serves as a guidepost, shedding light on the symbiotic relationship between decentralization, effective local governance, democracy, and social welfare. By heeding the lessons gleaned from our in-depth analysis, societies can pave the way for a future where governance is not only a responsibility vested in the hands of a few but a collaborative endeavor that empowers every individual and nurtures the collective welfare of the entire community.

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