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EDITORIAL ANALYSIS

The Erosion of India's Grassroots Democracy

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The Erosion of India's Grassroots Democracy

 **The Hindu** 2 July 2026 **GS2**

Source: ujyari.com — researched, fact-checked & UPSC-mapped



INTERVIEW ANGLE

"If the 73rd and 74th Amendments made local self-government a constitutional mandate, why do states still treat devolution as optional?"

Source: [Original editorial](#)  **The Hindu**

 **Every fact web-verified against primary sources** (<https://ujyari.com/how-we-verify/>)

WHY THIS MATTERS NOW

India celebrates itself as the world's largest democracy, yet the tier of that democracy closest to the citizen remains the weakest. A gram panchayat president can be elected by the whole village and still be unable to fix a broken hand-pump without waiting on a district officer's sanction. Three decades after the 73rd and 74th Amendments gave local bodies a place in the Constitution, the promise of self-rule has not been kept. As India pursues the Sustainable Development (<https://ujyari.com/terms/sustainable-development/>) Goals and Viksit Bharat 2047, the failure to empower its grassroots institutions is no longer a technicality; it is a structural brake on delivery.

THE CRUX IN 60 WORDS

The 73rd and 74th Amendments made panchayats and municipalities constitutional bodies, but states have withheld the three Fs, funds, functions and functionaries, that make self-government real. Overall devolution (<https://ujyari.com/terms/devolution/>) has crept from 39.9% to just 43.9% in eight years, with funds the most neglected. Elected local representatives remain powerless, weakening the federal base and slowing every welfare outcome.

THE ISSUE, DECODED

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CONCEPT	WHAT IT MEANS	WHY IT MATTERS
The three Fs	Funds, functions and functionaries, the building blocks of devolution	Constitutional status without the three Fs leaves local bodies as empty shells
Eleventh and Twelfth Schedules	Lists of 29 panchayat and 18 municipal subjects for devolution	States choose which functions to actually transfer, so devolution is uneven
State Finance Commission (http://ujjyari.com/terms/finance-commission/)	Constitutional body under Articles 243-I and 243-Y to recommend resource-sharing	Delayed or ignored SFCs starve local bodies of predictable finances
Panchayat Devolution Index	Evidence-based ranking of states on six devolution dimensions	Converts a vague debate into measurable, comparable state performance

THE ANALYSIS

- 1 Recognition is not empowerment.** The Amendments gave local bodies constitutional standing, mandatory elections and reservation for women and marginalised groups. But they left the actual transfer of powers to state discretion, and discretion has meant delay.
- 2 Funds are the missing keystone.** Of the three Fs, finance is the least devolved. Local bodies depend on tied grants and cannot raise adequate own revenue, so they cannot plan, prioritise or respond to local needs. Powerlessness over money is powerlessness over everything.
- 3 Functions on paper, not in practice.** The Eleventh and Twelfth Schedules list dozens of subjects, but states activate only a fraction. Where functions are devolved without matching funds and staff, the transfer is symbolic.
- 4 Functionaries answer upwards, not downwards.** Staff seconded from state cadres remain accountable to their parent departments, not to the elected council. Genuine local government needs personnel who report to the panchayat or municipality.
- 5 The cost is delivery.** Local bodies are the natural front line for water, sanitation, health sub-centres and SDG targets. When they are weak, the last mile of every national scheme frays.

DATA AND INSTITUTIONS VAULT

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CARRY THESE INTO THE EXAM HALL.

73rd Amendment Act, 1992: panchayats; Part IX; Eleventh Schedule (29 subjects); Article 243.

74th Amendment Act, 1992: municipalities; Part IX-A; Twelfth Schedule (18 subjects); Article 243-P onwards.

State Finance Commission: Articles 243-I (panchayats) and 243-Y (municipalities), constituted every five years.

Devolution data: overall devolution rose from 39.9% (2013-14) to 43.9% (2021-22); top states Karnataka, Kerala, Tamil Nadu, Maharashtra, Uttar Pradesh; functionaries assigned rose from 39.6% to 50.9%.

Six index dimensions: Framework, Functions, Finances, Functionaries, Capacity Enhancement, Accountability.

Mandatory features: regular five-year elections, one-third (raised to half in many states) reservation for women, reservation for SC/ST.

THE DEBATE

Argument for full devolution: Democracy is meaningless if the government nearest the citizen has no power. Untied funds, activated functions and answerable staff would make local bodies responsive, improve last-mile delivery and deepen participatory democracy, especially for women and marginalised groups now present on councils.

Argument for caution: States contend that many local bodies lack technical capacity, audit discipline and revenue systems, and that handing over funds and functions prematurely could worsen corruption and inefficiency at a tier with weak oversight.

Balanced verdict: The capacity argument is real but is used as a permanent excuse. The answer is not to withhold devolution indefinitely but to devolve (<https://ujjiyari.com/vocab/devolve/>) alongside capacity-building, audit and the Panchayat Advancement Index, so that empowerment and accountability grow together rather than one waiting endlessly on the other.

HOW TO THINK ABOUT THIS (TRANSFERABLE SKILL)

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Whenever a reform grants a body constitutional or legal status, ask what powers, money and people actually accompany that status. A right without resources is decorative. In federalism (<https://ujivari.com/terms/federalism/>) and governance answers, always trace the three Fs, funds, functions, functionaries, or their equivalent, to judge whether devolution is real or nominal. This lens exposes the gap between de jure and de facto empowerment across many institutions.

DIAGRAM-IN-WORDS

73rd/74th Amendments give constitutional status -> but states withhold funds + functions + functionaries -> local bodies elected but powerless -> weak SFCs + tied grants -> poor last-mile SDG delivery -> real devolution + empowered SFCs + accountability -> genuine grassroots democracy

THE WAY FORWARD

- 1 **Empower** (<https://ujivari.com/vocab/empower/>) **State Finance Commissions:** constitute them on time, act on their recommendations and give local bodies predictable, untied finances.
- 2 **Activate the Schedules fully:** devolve the Eleventh and Twelfth Schedule functions with matching funds and staff, not on paper alone.
- 3 **Make functionaries accountable to councils:** create dedicated local cadres or ensure seconded staff report to elected bodies.
- 4 **Build capacity in parallel:** training, digital accounting and audit so that devolution and accountability advance together.
- 5 **Use evidence to drive reform:** deploy the Panchayat Advancement Index and devolution rankings to reward progress and expose laggard states.

THE TAKEAWAY BOX

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Local self-government is a test of cooperative federalism (<https://ujijari.com/terms/cooperative-federalism/>) and the completion of India's three-tier democratic structure, mapping directly to GS2 governance.

“A gram panchayat president can be elected by the whole village and still be unable to fix a broken hand-pump without waiting on a district officer's sanction.”

Part IX and IX-A; Eleventh Schedule (29 subjects), Twelfth Schedule (18); Articles 243-I and 243-Y for SFCs; devolution 39.9% to 43.9%.

Balance the democratic value of subsidiarity (<https://ujijari.com/vocab/subsidiarity/>) against genuine concerns about capacity and accountability at the local tier.

Connects to GS2 questions on the working of the 73rd and 74th Amendments and fiscal federalism (<https://ujijari.com/terms/fiscal-federalism/>).

Finance Commission transfers; Sustainable Development Goals localisation; participatory budgeting and Gram Sabha.

Sources: *The Hindu* (<https://www.thehindu.com/opinion>), *PIB* (<https://www.pib.gov.in>), *PRS Legislative Research* (<https://prsindia.org>)

Source: The Erosion of India's Grassroots Democracy — Ujijari.com | Free UPSC & State PCS Editorial Analysis

KEY ARGUMENTS AT A GLANCE

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Despite three decades of constitutional backing, India's panchayats and municipalities remain hollow shells because states have withheld the three Fs, funds, functions and functionaries, that alone make self-government real.

 **SUPPORTING**

- The Panchayat Devolution Index shows overall devolution rose only from 39.9% in 2013-14 to 43.9% in 2021-22, and funds remain the least devolved of the three Fs.
- Without untied finances and delegated staff, elected local representatives become powerless intermediaries dependent on higher tiers of government.
- Local bodies are the closest tier to citizens and the natural delivery vehicle for the Sustainable Development Goals, so their weakness cascades into every welfare outcome.

 **COUNTER**

Devolution is a state subject and many state governments argue that local bodies lack the technical capacity and fiscal discipline to handle greater powers, and that premature devolution invites corruption and inefficiency.

 **WAY FORWARD**

Strengthen State Finance Commissions, transfer untied funds, activate the Eleventh and Twelfth Schedule functions, staff local bodies adequately, and use the Panchayat Advancement Index to drive accountable, evidence-based devolution.


MAINS ANSWER FRAMEWORK

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QUESTION

Genuine local self-government requires devolution of funds, functions and functionaries, not merely the constitutional recognition of panchayats and municipalities. Critically examine in the light of the 73rd and 74th Constitutional Amendments. (250 words)

INTRODUCTION

The 73rd and 74th Constitutional Amendments of 1992 sought to make panchayats and municipalities the third tier of India's federal democracy. Three decades on, they enjoy constitutional recognition but rarely the substance of self-government, revealing a gap between constitutional intent and political practice.

BODY

The core failure is the incomplete transfer of the three Fs. Functions listed in the Eleventh and Twelfth Schedules are often not activated; finances, the least devolved F, leave local bodies dependent on discretionary grants; and functionaries remain seconded from state cadres rather than answerable to elected councils.

The Status of Devolution to Panchayats ranking shows overall devolution rising only marginally, from 39.9% in 2013-14 to 43.9% in 2021-22, with Karnataka, Kerala and Tamil Nadu leading and many states lagging far behind. State Finance Commissions, the constitutional mechanism to devolve resources, are frequently delayed or their recommendations ignored.

The result is a democratic paradox: citizens elect local representatives who lack the money, mandate or manpower to deliver. Since local bodies are the natural vehicle for SDG delivery and grassroots accountability, their weakness undermines the entire federal welfare architecture.

CONCLUSION

Reviving grassroots democracy requires states to treat devolution as a constitutional obligation, not a political concession. Untied funds, activated functions, delegated staff and empowered Finance Commissions must convert elected councils from symbolic bodies into genuine governments closest to the people.


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