

# **TWO PERSPECTIVES ON DECENTRALIZATION**

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## ABSTRACT

There are two quite distinct perspectives on decentralization; one sees decentralization primarily as a rearrangement of functions, powers and resources within the different tiers of the State while the other sees it as a means of “rolling back” the State, as part of a process of submergence of the State within the people. This second perspective views “dissolution” or a “withering away” of the State as a condition for human freedom. The first perspective sees decentralization as a means of making the existing State more “efficient”; it believes in short in an affirmation of the existing State. The second believes in a negation of the existing State. The prefix “democratic” is suited only to that “decentralization” which is informed by the second perspective. Democracy essentially means that the people control their own destinies collectively; it entails the disappearance of all opacity in the social arrangements within which they live. A genuine democracy therefore has two requisites: first, the economic arrangement within which people currently live, the capitalist system, which is a “spontaneous” self-driven system, characterized by a set of immanent tendencies that operate independently of human will and consciousness, must give way to an alternative arrangement that does not have this “spontaneity” and that is malleable enough to be governed by the people’s collective political intervention. Therefore, social ownership of the means of production becomes an essential pre-requisite for democracy. The second pre-requisite arises from the fact that even in a society that has instituted social ownership of the means of production, a new form of alienation can well arise if State actions are not based on collective intervention on the part of the people. Authentic democracy, where the people assume the role of collective subjects, requires not just a transcendence of capitalism but also a transcendence of the State in any form, its dissolution in society instead of being an entity standing above it. Democratic advance consists in a movement in the direction of this dual transcendence. And in so far as panchayats potentially represent a dissolution, however partial, of the State, its submergence, at least in an embryonic form, in society, decentralization can constitute a democratic advance if that facilitates the formation of class organizations working towards the transcendence of the “spontaneity” of the capitalist system.

**Key words:** Democratic decentralization, local self-governing institutions, withering away of state, spontaneity of capitalism, alienation, neo-liberal state.

## Introduction

There are two quite distinct perspectives on decentralization, and not distinguishing between them has been a source of much confusion. One perspective sees decentralization primarily as a rearrangement of functions, powers and resources *within the different tiers of the State*: it sees Local Self-Governing Institutions (LSGIs) as one part of the State which happens to be physically closer to the people and hence more aware of their needs, problems and aspirations; it sees devolution of power and resources to them therefore as a generally desirable measure. The other perspective sees decentralization as a means of “rolling back” the State, as part of a process of *submergence of the State within the people*.

The difference between these two perspectives may not appear all that striking at first sight, but it is fundamental. The first perspective does not see any need for a “dissolution” or a “withering away” of the State as a condition for human freedom; the second perspective does. The first perspective sees the State in its present form existing as a more or less permanent entity, but wishes to “improve” its functioning through a re-arrangement of power and resources between its different tiers, in favour of the LSGIs and away from the central and state governments. The second perspective sees the need for overcoming the State, for transcending the State as an institution altogether, and sees LSGIs as a provisional instrument for doing so. The first perspective sees decentralization as a means of making the existing State more “efficient”; it believes in short in an *affirmation* of the existing State. The second believes in a *negation* of the existing State. While both perspectives prefix the term “democratic” to the “decentralization” they advocate, I shall reserve the term only to that “decentralization” which is informed by the second perspective. And my reason for doing so is as follows.

## I

Democracy essentially means that the people control their own destinies collectively; it entails the disappearance of all opacity in the social arrangements within which they live. Authentic democracy therefore has two requisites: first, the economic arrangement within which people currently live, the capitalist system, which is a “spontaneous” self-driven system<sup>1</sup>, characterized by a set of immanent

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1. For an elaboration of this view that capitalism is a “spontaneous” self-driven system see Lange (1963).

tendencies that operate independently of human will and consciousness, must give way to an alternative arrangement that does not have this “spontaneity” and that is malleable enough to be governed by the people’s collective political intervention<sup>2</sup>. Since the “spontaneity” of capitalism arises because it is a system of commodity production where the market mediates between dispersed and competing private owners of commodities (some are owners of the means of production, while others are owners only of their labour-power), *social* ownership of the means of production becomes an essential pre-requisite for democracy.

The Keynesian Revolution in the realm of economic theory had believed that the “spontaneity” of capitalism could be overcome, even without effecting the social ownership of the means of production, through the intervention of a State that is responsive to the needs and aspirations of the people; that full employment, for instance, which the capitalist system itself could never achieve on its own, could be ensured through “demand management” on the part of the State. And it did appear for a while in the post-war period when “demand management” measures kept down the unemployment rates under capitalism to levels that were unprecedentedly low, and when “welfare State” measures under social democratic governments in Europe brought significant material gains to the working class, as if this was indeed feasible.

But the tendency towards “centralization of capital” noted by Marx, or the formation of larger and larger blocs of capital, which is an immanent tendency of capitalism, asserted itself even during the years of Keynesian “demand management”. The process led eventually to the emergence of a “globalized” or international capital. This undermined the possibility of Keynesian “demand management”, indeed of any State intervention that is not to the liking of the now-globalized capital.

The reason for such undermining was quite simple. Since capital was *international* by virtue of being globalized, while the State remained a *nation-State*, if the latter did not bow to the demands of capital, then there could be a capital flight from the economy in question precipitating an acute crisis; the State willy-nilly therefore had to pursue policies in the new situation that capital demanded. And since capital, especially finance capital, generally favours “sound finance”<sup>3</sup>, and dislikes all State intervention except that which is in its own exclusive interests, the scope for both Keynesian demand management and welfare State measures was snuffed out. The “spontaneity” of the system was reasserted.

This “spontaneity” of the system that, for instance, has plunged the world into an economic crisis at present, which nobody wants but which nobody can do anything about because State intervention for overcoming it is no longer on the agenda, is fundamentally alienating, and hence anti-democratic.

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2 I have argued this point at length in Patnaik (2011).

3 Indeed the advocacy of “sound finance”, i.e. that the government must balance its budget (or its modern equivalent, namely that the fiscal deficit must not exceed a certain percentage of the GDP), is so closely associated with finance capital that Joan Robinson (1966) calls it the “humbug of finance”.

Instead of shaping their own destinies through collective action, people, caught within a “spontaneous” system, become playthings of tendencies over which they have no control. Even the capitalist, the supposed hero of the system, is alienated under capitalism, so much so that Marx had called the capitalist “capital personified”. The capitalist is forced to accumulate, being caught up in a Darwinian struggle for survival, whether she wishes to or not. Hence, overcoming this alienation, overcoming this “spontaneity” that is a basic characteristic of the capitalist system, through its replacement by an alternative arrangement, of *social* ownership of the means of production, is one pre-requisite of authentic democracy.

The second pre-requisite arises from the fact that even in a society that has overthrown capitalism to institute social ownership of the means of production, a new form of alienation can well arise if State actions are not based on collective intervention on the part of the people; and this can arise not just because of authoritarianism on the part of the State, i.e. because formally democratic political structures do not exist, but even in a polity marked by formal democratic structures, such as periodic elections, universal adult franchise and the presence of multiple political parties. It is in other words not a question of whether the State subsists upon a formally democratic polity; *it is a question of the State itself*. Authentic democracy therefore requires not only social ownership of the means of production but also a disappearance of the State *qua* a State, i.e. as an “alien” entity super-imposed upon society.

On this issue of course there has always been a basic difference between the anarchists and the Marxists. While the anarchists want the elimination of the State as an immediate item on the practical agenda, the Marxist argument has always been that a period of transition during which a revolutionary State, one that has overthrown the capitalist system, continues to exist, is necessary; but this revolutionary State must have the peculiar character of *being both a State and its negation at the same time*. As a State it overcomes the resistance of the ruling class of the old order, i.e. of the capitalists, to the institution of social ownership of the means of production; but it is at the same time not a hardened, ossified entity that would persist into the future, but something that tends to get dissolved over time, whence the Marxist expression “withering away of the State”. Both traditions however are agreed that the State, in its present existence, is, and, even in a post-revolutionary epoch, can be, a source of alienation and un-freedom. Authentic democracy, where the people assume the role of collective subjects, requires not just a transcendence of capitalism but also a transcendence of the State in any form, its dissolution in society instead of being an entity standing above it.

Democratic advance consists in a movement in the direction of this dual transcendence. And in so far as *panchayats* potentially represent a *dissolution*, however partial, of the State, its submergence, at least in an embryonic form, in society, decentralization can constitute a democratic advance.

But *it is not submergence of the State in any kind of society that is a democratic advance; only that submergence constitutes such an advance which accompanies and facilitates the formation of class organizations working towards the transcendence of the “spontaneity” of the capitalist system*. A

move in the direction of dual transcendence therefore does not mean just *any* move that can be even remotely interpreted as advancing either of these objectives in isolation from the other. It must mean a move *that strengthens the interlinked movement towards this dual transcendence*. Let me elaborate what I mean by this.

## II

No matter what perspective towards decentralization we consider, all of them presume a more active role for the “people”. But what is the conception of the “people”? We have three very different approaches here. The first invokes the concept of the “village community”. Decentralization is advocated on the grounds that it brings the State closer to the “village community”.

Much has been written on the “village community”. Historians have shown that the “village community” was not a “community” in the sense of being an egalitarian fraternity<sup>4</sup>. It was marked by significant class differences within the “community”, even leaving aside the class exploitation by the *central administration*, such as the Mughal emperor and his bureaucracy who extracted the bulk of the surplus, or the successor overlords that inherited the broken fragments of the Mughal empire. Even leaving these aside, there was on the one hand a class of *zamindars* within the village or in the neighbourhood of the village, which acted as an intermediary between the peasantry and the central administration in the Mughal era, and continued to do so, with changes no doubt in its internal composition, in the colonial period.

It was an intermediary class between the British colonial rulers and the peasant population, not just in the areas of *zamindari* settlement, but even in *ryotwari* areas<sup>5</sup>. At the same time there was always a class of agricultural labourers, who, even in Mughal times when there was still virgin land accessible for cultivation, were tied to the status being labourers by virtue of *caste restrictions* on their owning land or by virtue of restrictions on their flight from their existing locations. The “village community” in short was a site for intense oppression where economic exploitation was sustained by caste oppression.

Any strengthening of the “village community”, any attempt to buttress or resurrect the “village community” is therefore fundamentally *anti-democratic*. The “village community” is intrinsically anti-egalitarian, based on a system of caste-cum-class oppression which is antithetical to the modern liberal notion of “citizenship” that visualizes a body of individuals enjoying equal political rights. If decentralization were to strengthen the “village community”, then this prospect, far from being an argument *for* decentralization, would indeed be an argument *against* it. Not surprisingly, Dr. Ambedkar

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4 The following paragraph is based on the work of Habib (1995).

5 Harold Mann (1917) in his village studies had found that there was a convergence of conditions in villages irrespective of the tenurial arrangements that governed them.

was extremely unsympathetic to the idea of decentralization because he felt that it would strengthen caste oppression within the village.

Putting the matter differently, the idea of equality has to be brought to the caste-based “village community” from the “outside” (I use the term in the same sense as Lenin who visualized “class consciousness” being brought to the proletariat from “outside”); the break-up of the caste-based “village community” which is so essential for democratic advance has to be initiated and imposed from the “outside”; and for this it is essential that the power of the “village community” vis-a-vis the “outside” world, should be *reduced* rather than *increased*. *Any decentralization that increases the power of the “village community”, that makes the State more responsive to the demands of the “village community”, constitutes a retrograde step, since it reduces ipso facto the scope for “outside” intervention to break the caste oppression and caste hierarchies that characterize the “village community”.*

There is a second, alternative, conception of the “people” that is also often invoked in the context of decentralization. This sees the “people” not as those inhabiting the old “village community” but as those belonging to a reformed “village community”. It sees, quite rightly in my view, the encroachment of modern capitalist production into the rural economy characterized by vast numbers of petty producers, as causing unemployment, and hence destitution and poverty, a foretaste of which was provided by the “de-industrialization” inflicted upon the Indian economy in the colonial period. The encroachment of the products of modern capitalist industry into the countryside at the expense of those produced by the petty producers, whether such products coming in originate abroad or are manufactured under domestic capitalism, entails an accentuation of poverty (which of course would be greater if the products are imported into the economy from abroad). The way forward must consist therefore in reviving the village as the unit of self-sufficient production, and hence of sustaining the petty producers who provide the basis for such production, a village that neither inflicts de-industrialization and poverty upon others, nor allows others to inflict these upon itself.

But such a revival can occur only if there is a sense of fraternity among those belonging to this “unit”, only if individualism and individual self-interest are transcended, only if those belonging to this “unit” are willing to buy the apparently inferior products of their neighbouring artisan rather than the apparently more sophisticated goods from outside, in order to ensure that their “brother” the artisan does not suffer unemployment and poverty. The inculcation of this sense of fraternity necessarily requires an overcoming of caste prejudices, and hence a reform of the “village community” involving a change in the attitude of the people. And this reformed “village community” which can survive the onslaught of capitalism only if it can reform itself and rid itself of caste oppression, caste prejudice and caste discrimination, and whose chief characteristic would be its economic self-sufficiency, also needs to be politically self-governing.

The argument I have just outlined is my reconstruction of the Gandhian argument (though Gandhi never talked of “capitalism”, preferring instead, at least in his exchanges with Rabindranath

Tagore to use the term “the system the English have established” as a virtual synonym<sup>6</sup>). While his argument in defence of “petty production” (again a term he himself did not use) is to my mind extremely apposite, the presumption that individuals can rise above their differences, especially the differences rooted in the system of caste oppression and caste discrimination that is embedded in our society, and constitute themselves into a fraternity to oppose the encroachment of capitalism, is untenable.

This is not simply because the caste system needs to be struggled against for constituting such a new fraternity; there is an additional powerful reason for it. The “spontaneity” of capitalism, as long as capitalism exists in the rest of the country, would also not allow the continuance of petty production within such self-sufficient but reformed “village communities” (just as this “spontaneity” did not allow the continuance of Keynesian “demand management”). It would inevitably attempt to undermine such self-sufficient, self-governing, and reformed village communities, exactly as it had done in the colonial period to inflict deindustrialization, unemployment and poverty.

It follows therefore that the struggle against the “old community” characterized by caste distinctions and caste oppression, must be combined with the struggle against the “spontaneity” of capitalism, and hence for the transcendence of capitalism, even to realize this vision of a new fraternity.

The Left conception of democratic decentralization in Kerala took this as its starting point. It was altogether different from the above two conceptions in the sense that it neither apotheosized an oppressive and exploitative “village community”, nor visualized a reform of the “village community” merely through a change in consciousness without involving any change in overall property relations in the larger society. It saw that Kerala because of its long history of democratic struggles had a number of class-based mass organizations in the countryside; its demand for decentralization was based on the belief that the existence of such organizations would enable the people to use decentralization for advancing the interests of the “basic classes”, viz. the agricultural labourers, the workers, the peasants and other petty producers.

Decentralization in short was not being demanded *per se*, as something that is always a good thing. It was not being demanded as a means of achieving a better “balance” within the existing State. It was being demanded as an instrument for carrying forward the struggle for the dual transcendence mentioned earlier; and even as a means of such struggle it was not something that would always act in the right direction: it was being demanded in the specific context of Kerala where it was felt that it would act in the right direction. The existence of powerful mass organizations of the “basic classes” meant that *in such a context* decentralization would carry forward the struggle against caste and other forms of social oppression, and the struggle against the encroachment of capitalism that creates destitution

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6 This exchange has been put together in Bhattacharya (1997). See in particular page 91 where the reference is to the “system the English have established”. I have discussed Gandhi’s economic ideas as gleaned from these exchanges with Tagore in Patnaik (2013).



among petty producers and among the workers *they* employ, while at the same time dissolving at least the lower tiers of the bourgeois State, rather than ossifying and hardening the bourgeois State, as capitalism invariably attempts to do.

E.M.S. Namboodiripad’s “people’s plan campaign” that brought democratic decentralization into the political agenda was in my view informed by this belief that such decentralization, instead of strengthening the oppressive structure of the old “village community”, or replacing the structure of the State by that of an amorphous “village community” which in Kerala had collapsed anyway, would enable class-based mass organizations to carry the democratic revolution forward<sup>7</sup>.

Decentralization in short was to be a means not for improving the “efficiency” of the bourgeois State, but rather for “rolling it back”. It was also to be a means for subverting the prospects of such capitalist encroachment into a countryside dominated by petty production, as would generate destitution and poverty by displacing such production. And it was also to be a means of subverting the remnants of the old unequal social order. Decentralization was meant not to generate “order” in the sense of a new bureaucratic equilibrium, which necessarily entails people becoming mere “objects”, but rather for generating “disorder” in the sense of creating an ethos of people’s vibrant engagement, which is a condition for people’s empowerment, for carrying forward the democratic revolution. It was in this sense that the project of decentralization was seen as being linked to the dual transcendence referred to earlier.

### III

All this no doubt constitutes a reading in hindsight; and the different positions were neither as sharply differentiated nor as clearly articulated when the big experiment in decentralization occurred in Kerala, as I have made them out to be. Indeed during the *dirigiste* period in the Indian economy when the “spontaneity” of capitalism had in any case been restrained by State intervention, the difference between the two perspectives *could not even come out as clearly* as it later did when neo-liberalism came into its own.

To be sure, the process of “liberalization” of the Indian economy had begun even before the launch of large-scale decentralization in Kerala, but not much before. The orientation that a neo-liberal economy seeks to give to decentralization and the relationship of neo-liberalism with the two different perspectives we have been outlining, became clear later. But before we discuss the paradigm shift introduced by neo-liberalism with regard, *specifically*, to decentralization, we must note certain salient features of the paradigm shift, *generally*, that it entails.

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<sup>7</sup> This point was made by Thomas Isaac who was closely associated with the “People’s Plan Campaign” in a speech at the 10th Anniversary Conference of the Foundation of Agrarian Studies, held at Kochi between January 9 and 12, 2014.

The first point to note, which has already been mentioned above, is the restoration, with neo-liberalism, of the “spontaneity” of the system. To be sure even when there is State intervention, the immanent tendencies of the system do not disappear; for, if they did, then State intervention to make capitalism “humane” could be a permanent feature of capitalism as Keynes had visualized. But the operation of these immanent tendencies *within* a *dirigiste regime* subverts such a *regime* by giving rise, via the process of centralization of capital, to “globalization” (and hence bending the nation-State to the will of globalized capital), and this in turn gives much freer reign to “spontaneity”.

The second point to note is a change in the nature of the State<sup>8</sup>. The State that presides over a *dirigiste* economic regime, the State that imposes restrictions on capitalists (restrictions whose rationale is sought to be debunked, by the capitalists and the capitalist-controlled media, by widely using the term “quota-license-permit raj” in a pejorative sense to describe them) is replaced by a “neo-liberal State”.

The difference between the two with regard to their class orientation, even though both promote in different ways the pursuit of a capitalist trajectory of development, consists in the following. The *dirigiste* State appears to stand above classes, to look after the interests of *all classes* by imposing restrictions on capitalists, restrictions which defend to an extent the interests of the other classes against the “spontaneity” of capitalism. The neo-liberal State, on the other hand, for reasons already mentioned, is more exclusively devoted to promoting the interests of big capital, the corporate-financial oligarchy, that is integrated into “globalized capital”. It justifies that exclusive promotion of the interests of the corporate-financial oligarchy on the argument that what is good for such oligarchy is *ipso facto* good for the “nation”.

The “nation” is supposed to gain from “development” which can only be ushered in by big capital, for which the latter has to be given every possible concession and “incentive”. A stock market boom beneficial for big capital is, for this reason, supposed to be good for the “nation” and hence deserves to be cheered by all. The acquisition of land from the peasants for “development” projects (which often consist of real estate projects masquerading as, or camouflaged under, “infrastructure” projects), is supposed to be good for the “nation”; and so on. A neo-liberal State in short is a *sui generis* form of a bourgeois State. And one of its features, as we shall see later, is to attempt to ensure, with even greater vigour than before, that its lowest tier, consisting of LSGIs, is free of genuine popular control.

The third point to note about neo-liberalism is that it unleashes a process of primitive accumulation of capital, which I have elsewhere (Patnaik 2011b) covered under the wider term “accumulation through encroachment”. This has a “flow” aspect and a “stock” aspect. The “flow” aspect consists in a shift of *income*, which is a flow, from the petty producers to the big capitalists, either through the

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8. I have argued this at length in Patnaik (2011a).

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direct use of the State, or through the complicity of the State. The squeeze on peasant agriculture which (notwithstanding a certain relaxation in the recent period) has produced a spate of peasant suicides is an example of it. Another obvious example pertinent in the Kerala context is the raising of diesel prices at the behest of big capital which squeezes the fishermen of the state: this is an instance of a direct transfer of resources from the petty producers to the big capitalists.

The “stock” aspect is the acquisition at throwaway prices of petty property, either directly by big capital itself, or by the State on behalf of big capital, for so-called “development” projects. Even when the immediate sellers of the property are given a compensation that appears “adequate”, the large number of persons (such as tenants and labourers) dependent upon that property are left high and dry. Likewise the acquisition of common property or State property by big capital, either *gratis* or at throwaway prices, is an example of primitive accumulation of capital in its stock aspect.

To realize these features of the neo-liberal paradigm, i.e. to overcome possible resistance to them, a strategy often used is to *promote* decentralization while insulating the LSGIs from popular control by increasing the weight of the bureaucracy and the technocracy in the decision-making process.

When such a strategy is employed by a neo-liberal regime, the two different perspectives I have been discussing would have diametrically opposite responses to it. The first, which essentially sees decentralization as re-arranging responsibilities *within* the tiers of the State in favour of the lower tier that is closer to the people, and hence generally welcomes decentralization *per se*, would welcome even this strategy as it implies greater decentralization. But the second perspective which is concerned less with decentralization *per se* and more with popular control over the State tiers, would oppose it on the grounds that it empowers the technocracy at the expense of the people.

This is not just a scholastic point. A number of practical questions relating to decentralization come up in the neo-liberal era. Should LSGIs be allowed to borrow directly from financial institutions, including those to be set up specifically for this purpose (and hence appoint “experts” to manage their expenditures and debt), by-passing state governments? Should LSGIs have control over the natural resources located within their geographical boundaries, and be free to negotiate, including with “foreign investors”, for “developing” them, by-passing State governments? Should LSGIs, for improving their “efficiency”, enter into “capacity-building” exercises, including with the World Bank and other funding agencies, who can then even have special advisers on the management bodies of the LSGIs?

All these suggestions which have actually come up at different times, envisage greater “decentralization” (by removing state government control over and overseeing of the affairs of the LSGIs); but they also envisage a greater input of “expertise” which implicitly reduces popular control (especially when such “expertise” is supplied by, or is subject to the approval of foreign funding agencies). Neo-liberalism’s oft-encountered support for greater decentralization may appear intriguing at first sight; but it can be readily explained by the fact that it is easier for big capital, or for MNCs, to

negotiate with particular LSGIs, than with larger entities like the state government. This is because the asymmetry in bargaining strengths and skills between the two sides is much larger in the former case than in the latter.

This is not to suggest that state governments are not under the influence of neo-liberalism and are always more likely to stand up against the MNCs and big capital. The POSCO case in Odisha where the state government and the central government have been pushing for the project against the wishes of the affected villagers and hence of their representative bodies, is a clear and obvious counterexample. But it must be remembered that the LSGIs in POSCO-affected villages have not had the benefit of “capacity building” under the aegis of foreign funding agencies!

The point in short is that there is a particular package which the neo-liberal regime promotes: greater decentralization, combined with steps that would bring LSGIs under neo-liberal hegemony. Against this the demand must be that *both* the state government and the LSGIs (apart from the Centre) should clear a project and that the scope for popular control *at all levels*, especially over the LSGIs, must not be attenuated.

#### IV

Underlying these specific packages and debates over them, however, is a deeper issue. A neo-liberal State, given its class orientation (which I discussed earlier) seeks to insulate *all tiers* of the State structure from popular control and influence. Its apparent support for decentralization, expressed for instance even by a Planning Commission that was actively engaged in effecting a neo-liberal economic regime, invariably invokes and uses the first perspective; the decentralization thus visualized cannot constitute “democratic decentralization”.

In the period when E.M.S.Namboodiripad was writing, when neo-liberalism had not become the dominant phenomenon it later became, when the structures of *dirigisme* still existed, and when the power of class-based mass organizations at the lower level had not been undermined through the pursuit of neo-liberal economic policies that curtail employment growth and squeeze petty production; in such a period, taking “decentralization” and “democratic decentralization” as synonymous terms did not matter much. Likewise, not drawing a distinction between the two perspectives outlined above did not necessarily cause serious practical misjudgement.

But matters are different today. And the distinction between the two perspectives becomes urgent; blanket support for *all measures of decentralization* may well mean supporting decentralization promoted by the neo-liberal regime, decentralization that is in the interests of the corporate-financial oligarchy and the MNCs. It may well mean supporting a neo-liberal strategy at the expense of the interests of the people.

It follows that those who want genuine decentralization, which is “democratic decentralization”, and not decentralization as a ploy for increasing the stranglehold of big business and the MNCs over the economy, cannot remain content with just demanding decentralization. They must fight for democracy as well, which means for an alternative development strategy to neo-liberalism, which strengthens the power of the corporate-financial oligarchy at the expense of the people. And that fight is not confined only to the village level.

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