



# Decentralized Governance And Panchayati Raj Politics In Odisha

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## Abstract

Decentralized governance in India, institutionalized through the 73rd Constitutional Amendment Act of 1992, has significantly reshaped the political and developmental landscape of rural Odisha. The Panchayati Raj Institutions (PRIs) serve as the cornerstone of participatory democracy, empowering local communities to plan, implement and monitor development initiatives. In Odisha, PRIs have become vital instruments for social inclusion, grassroots democracy and rural transformation, particularly in addressing the needs of marginalized groups such as Scheduled Tribes, Scheduled Castes and women. The dynamics of Panchayati Raj politics in Odisha, however, reveal a complex interplay between state control, party politics and local autonomy. While Gram Sabhas and Palli Sabhas are constitutionally mandated to strengthen participatory decision-making, their effectiveness often depends on the political will, capacity of elected representatives and community engagement. Moreover, the rise of women and marginalized communities as elected leaders has introduced new dimensions to local governance, though challenges like elite capture, bureaucratic dominance and resource constraints persist. This paper examines the trajectory of decentralized governance and Panchayati Raj politics in Odisha, analysing their role in promoting democratic deepening, socio-economic development and inclusive growth. It also highlights the structural limitations and emerging trends that shape the future of grassroots democracy in the state.

**Keywords:** Decentralized, Governance, Panchayati Raj, Odisha Politics

## Introduction

Decentralized governance in India acquired constitutional status through the 73rd Constitutional Amendment Act of 1992, which provided a legal framework for the establishment of a three-tier Panchayati Raj system across rural India. This landmark reform aimed to institutionalize grassroots democracy, promote people's participation in governance and enhance the effectiveness of rural development programs (Mathew, *From Legislation to Movement*, 1994). By devolving administrative, financial and planning powers to elected local bodies, the amendment sought to transform local self-governance into a vehicle for inclusive development (Jha, 2002). Odisha, with its vast rural population and significant proportion of Scheduled Tribes (22.85% of its population as per Census 2011), has been a crucial site for the implementation and experimentation of decentralized governance. The state has historically faced challenges of poverty, underdevelopment and regional disparities, particularly in tribal-dominated districts. In this context, Panchayati Raj Institutions (PRIs) have emerged as important mechanisms for promoting participatory democracy and ensuring the representation of marginalized groups such as Scheduled Castes, Scheduled Tribes and women (Behera, 2015). Odisha was one of the first states to conduct elections to PRIs under the new constitutional framework, thereby demonstrating its commitment to grassroots democracy (Rout, 2026). The Panchayati Raj system in Odisha follows the national three-tier model Gram Panchayat at the village level, Panchayat Samiti at the block level and Zilla Parishad at the district level. These bodies are entrusted with implementing major developmental programs such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Mission Shakti, Odisha flagship women self-help group initiative (Pattnaik J. , 2019). PRIs thus function not only as administrative units but also as platforms for political participation, social inclusion and local empowerment. The political dynamics of PRIs in Odisha are deeply intertwined with the rise of regional parties, particularly the Biju Janata Dal (BJD), which has strategically used grassroots institutions to consolidate its rural support base (Mishra, 2020). Moreover, the reservation of seats for women, Scheduled Castes and Scheduled Tribes has significantly altered rural power relations, fostering greater political visibility and leadership among marginalized communities (Singh, 2018). Therefore, the study of decentralized governance and Panchayati Raj politics in Odisha is vital for understanding how democratic decentralization reshapes state-society relations, strengthens participatory democracy and redefines the trajectory of rural development in a socially diverse state like Odisha.

## Objective

- To study the political dynamics of Panchayati Raj in Odisha
- To explore the challenges faced by PRIs in Odisha
- To analyse the evolution of decentralized governance in Odisha

## Methodology

This study adopts a qualitative and analytical approach to examine decentralized governance and Panchayati Raj politics in Odisha. Both primary and secondary data sources are used, primary data includes government reports, official documents and field-based observations, while secondary data comes from books, scholarly articles and research studies.

## Historical Context of Panchayati Raj in Odisha

The evolution of Panchayati Raj in Odisha reflects the state pioneering role in grassroots democracy and rural governance. The idea of decentralized institutions has deep historical roots in the region. Traditionally, Odisha villages had informal Panchayats that regulated social life, mediated disputes and managed community resources. These indigenous bodies were participatory in nature but largely caste-dominated and patriarchal. During British colonial rule, traditional Panchayats lost autonomy as the colonial administration introduced village headmen (mukhiya) for revenue collection. Lord Ripon Resolution of 1882 on Local Self-Government laid the groundwork for representative institutions in rural areas, including Odisha (Sivaramakrishnan, 2000). However, these institutions were administrative mechanisms rather than genuine platforms for self-rule. After independence, Odisha emerged as one of the earliest states to institutionalize Panchayati Raj. The Orissa Gram Panchayat Act of 1948 was among the first legislations in India to establish statutory Gram Panchayats. Following the recommendations of the Balwant Rai Mehta Committee (1957), Odisha adopted a three-tier structure in 1961, consisting of Gram Panchayat, Panchayat Samiti and Zilla Parishad, thereby operationalizing a system of democratic decentralization much earlier than many states (Mohanti P. K., 1990). Despite this early lead, Panchayati Raj institutions in Odisha stagnated during the 1970s and 1980s due to bureaucratic dominance, inadequate financial resources and political interference. A turning point came with the 73rd Constitutional Amendment (1992), which conferred constitutional status on PRIs across India. Odisha enacted the Odisha Panchayati Raj Act, 1994, ensuring regular elections, reservations for Scheduled Castes, Scheduled Tribes and women strengthening Gram Sabhas as instruments of participatory planning. Furthermore, the Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) added a special dimension in Odisha, given its significant tribal population. It granted Gram Sabhas in Scheduled Areas powers over natural resources, land rights and customary governance. Though implementation has faced challenges, PESA represents a critical attempt at empowering tribal communities through self-governance. In contemporary times, Panchayati Raj in Odisha has been central to the implementation of development schemes such as MGNREGA and rural housing programs, while also advancing women political participation through 50% reservation. Thus, the historical trajectory of Panchayati Raj in Odisha demonstrates a gradual but significant transition from traditional governance practices to constitutional decentralization aimed at inclusive and participatory rural development.

## Structure of Panchayati Raj Institutions (PRIs) in Odisha

The Panchayati Raj system in Odisha forms the backbone of decentralized governance, ensuring that democracy is not limited to urban centers or state capitals but extends to the remotest rural corners of the state. Institutionalized through the 73rd Constitutional Amendment Act of 1992, Panchayati Raj Institutions (PRIs) were introduced to empower local self-governance, enhance public participation in decision-making and promote socio-economic development at the grassroots level. Odisha, with its vast rural and tribal population, embraced this system to address the challenges of poverty, underdevelopment and social exclusion by devolving power and responsibilities directly to the people.

The structure of PRIs in Odisha follows a three-tier system comprising the Gram Panchayat at the village level, the Panchayat Samiti at the block level and the Zilla Parishad at the district level. Each tier has clearly defined functions, responsibilities and financial powers, enabling them to work in coordination for effective rural governance. At the village level, Gram Panchayats act as the primary institution where people interact directly with governance mechanisms, making decisions on local infrastructure, sanitation, water supply and community welfare. At the intermediate level, Panchayat Samitis function as coordinating bodies that integrate village plans, oversee development programs and ensure equitable resource distribution. At the apex, Zilla Parishads act as the planning and supervisory authority at the district level, focusing on large-scale development schemes, rural infrastructure and monitoring of state and centrally sponsored programs. Odisha Panchayati Raj system is also remarkable for its emphasis on inclusive representation. Reservations are provided for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and women, with women occupying 50% of seats across all tiers. This inclusive structure has been instrumental in empowering marginalized groups and enhancing women's participation in rural politics, thereby transforming local governance into a more democratic and participatory process. Over the years, PRIs in Odisha have played a pivotal role in implementing key welfare schemes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), the Public Distribution System (PDS), rural housing programs and initiatives for education, health and tribal welfare. Despite challenges such as limited financial autonomy, political interference and capacity gaps, the system continues to evolve as a strong mechanism for participatory democracy. Thus, the structure of PRIs in Odisha not only decentralizes power but also fosters accountability, transparency and inclusiveness in governance. It reflects the state commitment to empowering rural citizens and ensuring that development is shaped by the needs and aspirations of the people themselves.

### 1. Gram Panchayat (Village Level):

The Gram Panchayat is the lowest and most basic unit of the Panchayati Raj system in Odisha, functioning as the primary institution of local self-governance in villages. Headed by an elected Sarpanch, it consists of Ward Members (Panchs) representing different wards of the village, with a Naib-Sarpanch as the deputy. Its main responsibilities include providing basic civic amenities (roads, water, sanitation, lighting), promoting education, health and welfare programs and implementing state and central government schemes such as MGNREGS, PDS and PMAY. The Gram Sabha, comprising all adult

villagers, acts as the decision-making body that guides the Gram Panchayat's functioning, ensuring democratic participation. Revenue for Gram Panchayats comes from government grants, local taxes and community contributions. By addressing day-to-day needs and facilitating grassroots development, the Gram Panchayat serves as the foundation of participatory democracy in rural Odisha, directly connecting governance with the people.

## **2. Panchayat Samiti (Block Level):**

The Panchayat Samiti represents the intermediate or block-level tier of the Panchayati Raj system in Odisha. It serves as a link between the Gram Panchayat at the village level and the Zilla Parishad at the district level. Members of the Panchayat Samiti are elected representatives from Gram Panchayats within the block, along with local MLAs, MPs and government officials. The body is headed by a chairperson, elected from among its members. The main functions of the Panchayat Samiti include coordination and supervision of development activities across Gram Panchayats, preparation of block-level plans and implementation of government welfare schemes related to agriculture, irrigation, health, education, poverty alleviation and rural employment. It ensures equitable distribution of resources and monitors progress of developmental works within the block. Funding sources for the Panchayat Samiti include state and central government grants, loans and local revenues. By acting as a coordinating authority, the Panchayat Samiti strengthens rural governance, integrates village-level needs into broader development strategies and ensures effective service delivery at the block level.

## **3. Zilla Parishad (District Level):**

The Zilla Parishad is the apex tier of the Panchayati Raj system in Odisha, functioning at the district level. It acts as the highest rural local self-government body, coordinating and supervising the activities of Panchayat Samitis across the district. Members include elected representatives from each block, MPs, MLAs and representatives of Scheduled Castes, Scheduled Tribes, women and other reserved categories. The body is headed by a President, elected from among its members and assisted by a Vice-President.

The Zilla Parishad primary responsibilities are formulating district-level development plans, approving and monitoring projects and ensuring proper execution of state and centrally sponsored schemes related to health, education, rural housing, infrastructure, agriculture and social welfare. It also plays a crucial role in integrating block-level plans, avoiding duplication of efforts and ensuring balanced growth across the district. Its finances are sourced from government grants, local taxes, loans and other revenue-generating activities. By providing leadership in rural governance, the Zilla Parishad strengthens democratic decentralization, enhances accountability and ensures that district-wide development aligns with the needs of the rural population.

**Table: Odisha at a Glance**

SL NO.	Items	Figures
1	Total Population, 2011 Census	4,19,74,218
	(a) Total Male	2,12,12,136
	(b) Total Female	2,07,62,082
2	Total Scheduled Castes Population (2011)	71,88,463
3	Total Scheduled Tribes Population (2011)	95,90,756
4	Number of Districts	30
5	Number of Blocks	314
6	Number of Gram Panchayats	6,227
7	Total Number of Village, 2011	51,313

**Sources:** Census of India-2011, Odisha Reference Annual 2014, p. 43.

### **Political Dynamics of Panchayati Raj in Odisha.**

- **Electoral Politics:**

Electoral politics plays a decisive role in shaping the functioning and dynamics of Panchayati Raj Institutions (PRIs) in Odisha. Since the introduction of the 73rd Constitutional Amendment and the Odisha Panchayati Raj Act, regular elections have become the foundation of local self-governance, giving rural citizens the power to directly choose their representatives at the Gram Panchayat, Panchayat Samiti and Zilla Parishad levels. The electoral process has deepened grassroots democracy by ensuring broad participation, particularly through constitutional provisions of reservation for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and women (50% of seats). This has led to greater political empowerment of marginalized groups and women, transforming the social fabric of rural Odisha. At the same time, electoral politics in PRIs reflects the larger party system of Odisha, where major political parties such as the Biju Janata Dal (BJD), Indian National Congress (INC) and Bharatiya Janata Party (BJP) actively contest local elections to expand their rural base. As a result, Panchayat elections often mirror state-level political trends and serve as indicators of public opinion. However, electoral politics at the grassroots also faces challenges such as politicization of development schemes, caste and community-based mobilization, use of money and muscle power and party interference in non-partisan local governance. Despite these challenges, Panchayat elections in Odisha remain a vibrant expression of democracy, strengthening citizen participation, accountability and political awareness at the village level.

- **Women's Political Participation:**

Women's political participation in Odisha has evolved significantly, particularly after the institutionalization of Panchayati Raj Institutions (PRIs) through the 73rd Constitutional Amendment Act, 1992. This reform mandated one-third reservation for women in local self-governance, later extended to 50% in Odisha through the Odisha Panchayati Raj (Amendment) Act, 2011. This legal framework created space for women's large-scale entry into grassroots politics, altering the state political and social dynamics (Mohanty, 2012)

At the Gram Panchayat, Panchayat Samiti and Zilla Parishad levels, women now occupy thousands of seats across Odisha. Data from the State Election Commission of Odisha (2017) shows that women's representation has crossed 50% in many local bodies, making Odisha one of the leading states in implementing gender quotas effectively. This surge has contributed to increasing women's visibility in public decision-making and development planning (Pattnaik S. , 2015). Odisha has witnessed growing confidence among women leaders. Many have emerged as independent decision-makers, especially in younger generations with education and exposure to self-help movements. The active participation of women in state-level politics has also grown, with leaders like Pramila Mallik (first woman Speaker of Odisha Legislative Assembly, 2023) symbolizing women's increasing presence beyond local bodies.

- **Caste and Tribe Representation:**

Caste and tribe representation in Odisha plays a central role in shaping the state democratic and developmental landscape. With Scheduled Tribes (STs) constituting about 23% of the population and Scheduled Castes (SCs) around 17%, Odisha has one of the highest proportions of marginalized groups in India. To ensure their participation, the Panchayati Raj system, following the 73rd Constitutional Amendment, provides reservation of seats and leadership positions in Gram Panchayats, Panchayat Samitis and Zilla Parishads for SCs, STs and women. This framework has enabled historically excluded communities to engage directly in grassroots governance. For tribal communities, representation in local institutions has been particularly significant in voicing concerns related to land, forest rights, displacement and livelihood. Similarly, Scheduled Caste members have gained opportunities to challenge entrenched social hierarchies and secure access to welfare schemes. Despite these gains, challenges remain. Many SC/ST representatives face obstacles such as lack of awareness, limited administrative experience and pressure from dominant caste groups, which can reduce their autonomy in decision-making. In tribal-dominated areas, structural issues like poverty, illiteracy and underdevelopment further hinder effective participation.

## Challenges in Panchayati Raj Politics in Odisha

The Panchayati Raj system in Odisha, institutionalized through the 73rd Constitutional Amendment Act, has emerged as a key mechanism for decentralized governance and rural development. It has provided space for grassroots democracy, representation of marginalized groups and implementation of welfare programs. However, despite these achievements, several challenges continue to constrain the effective functioning of Panchayati Raj Institutions (PRIs) in the state.

One of the most pressing issues is the limited financial autonomy of Panchayats. Although they are entrusted with implementing multiple development schemes, PRIs remain heavily dependent on grants from the state and central governments. They lack adequate independent revenue sources, making their functioning vulnerable to delays and political interference in fund allocation. Another challenge is the bureaucratic dominance in the decision-making process. Often, administrative officials exercise greater control over funds, planning and implementation, thereby reducing the autonomy of elected representatives. This undermines the spirit of decentralized governance and discourages active participation of Panchayat members.

Politicization of Panchayat elections is also a growing concern in Odisha. Although elections are officially conducted on a non-party basis, political parties indirectly dominate the process through candidate selection, campaigning and influencing outcomes. This often diverts attention from local development priorities towards partisan interests, weakening the democratic essence of the system. Social factors pose additional hurdles. Caste, tribal identity and gender-based challenges remain visible in Panchayat politics. While reservation policies have increased the numerical representation of women, Scheduled Castes and Scheduled Tribes, many of them face social pressure, lack of empowerment and in some cases, proxy leadership by male family members. Such constraints limit their effective participation in decision-making. Corruption, mismanagement of funds and weak accountability mechanisms further erode the credibility of PRIs. Gram Sabhas, which are meant to serve as the foundation of participatory democracy, often remain inactive or dominated by local elites, sidelining the voices of poorer and marginalized villagers. Additionally, Odisha rural and tribal regions face challenges of digital illiteracy and poor infrastructure, which slow down e-Panchayat initiatives aimed at enhancing transparency.

Corruption and lack of transparency significantly undermine the effectiveness of Panchayati Raj institutions in Odisha. Misappropriation of funds meant for welfare schemes like MGNREGA, housing and pensions is common. Weak financial oversight, poor implementation of social audits and limited use of digital tools contribute to unaccountable governance. In many cases, beneficiaries are selected based on favouritism or bribes rather than merit. The absence of strong grievance redressal mechanisms further discourages citizens from reporting irregularities. Overall, these issues erode public trust and reduce the impact of decentralized governance at the grassroots level.

Panchayati Raj institutions in Odisha's tribal and remote areas face unique and complex challenges. Difficult terrain, poor infrastructure and communication barriers hinder effective governance and service

delivery. Many tribal communities experience cultural and linguistic disconnect with administrative systems, limiting their participation in local governance. Despite legal provisions like the PESA Act, implementation remains weak, leaving traditional tribal self-governance structures underutilized. Additionally, awareness about rights, government schemes and democratic processes is low resulting in poor Gram Sabha participation and elite capture of resources. These issues collectively weaken decentralization and inclusive development in tribal-dominated regions.

### **Democratic Decentralization and People's Participation**

Democratic decentralization refers to the process of transferring power, authority and decision-making from central and state governments to elected local bodies, thereby creating opportunities for direct citizen involvement in governance. It is grounded in the principle that democracy is most meaningful when people at the grassroots are actively engaged in shaping decisions that affect their lives. In India, this vision was institutionalized through the 73rd and 74th Constitutional Amendment Acts (1992), which provided constitutional status to Panchayati Raj Institutions (PRIs) in rural areas and Urban Local Bodies (ULBs) in towns and cities. These reforms created a three-tier structure of local self-government, ensured regular elections, reserved seats for marginalized groups such as Scheduled Castes, Scheduled Tribes and women and mandated the devolution of functions related to local development.

People's participation is central to democratic decentralization. The Gram Sabha in villages and Ward Committees in urban areas provide platforms where citizens can directly take part in planning, decision-making and monitoring of developmental programs. Participation strengthens accountability, enhances transparency and ensures that governance reflects local needs and priorities. However, the effectiveness of people's participation is shaped by several factors. In many cases, illiteracy, poverty, social hierarchies and lack of awareness limit active involvement of ordinary citizens. Women and marginalized communities often face additional barriers, such as social discrimination and proxy representation, which reduce their ability to influence decision-making. Bureaucratic dominance and political interference also undermine the spirit of participatory governance. Despite these challenges, democratic decentralization has made significant progress in empowering communities. The active involvement of local citizens in the implementation of schemes like MGNREGA, rural health programs and education initiatives shows how participation can improve service delivery and accountability. Many states, including Odisha, have taken initiatives to strengthen Gram Sabhas, capacity building and digital governance tools to encourage broader participation.

## Conclusion

The evolution of decentralized governance in India, institutionalized through the 73rd Constitutional Amendment, has been a landmark in strengthening grassroots democracy and people's participation. Odisha, with its vast rural and tribal population, has emerged as an important laboratory for the functioning of Panchayati Raj Institutions (PRIs). Over the decades, PRIs in Odisha have evolved from traditional, informal village assemblies to constitutionally mandated local self-government bodies entrusted with development planning, social inclusion and service delivery. The three-tier structure of Gram Panchayats, Panchayat Samitis and Zilla Parishads has not only provided an institutional framework for decentralized decision-making but also created new spaces for political participation among marginalized groups, particularly Scheduled Castes, Scheduled Tribes and women. Reservations have transformed rural leadership dynamics, while welfare initiatives such as MGNREGA and Mission Shakti have showcased the role of PRIs in fostering socio-economic empowerment. At the same time, grassroots institutions have become integral to Odisha larger political landscape, especially in strengthening the rural base of regional parties like the Biju Janata Dal (BJD). Yet, the Panchayati Raj system in Odisha continues to face serious challenges. Financial dependency, bureaucratic dominance, corruption, politicization of local elections and social inequalities constrain its democratic potential. The underutilization of Gram Sabhas and inadequate capacity-building for elected representatives further limit effective people's participation. These challenges highlight the gap between the constitutional vision of democratic decentralization and its practical realization on the ground. Despite these limitations, the experience of Odisha demonstrates that democratic decentralization remains a powerful tool for advancing inclusive governance and participatory development. Strengthening fiscal autonomy, enhancing transparency through digital governance, empowering women and marginalized communities and revitalizing Gram Sabhas are crucial steps toward making PRIs more effective and accountable. In conclusion, Panchayati Raj politics in Odisha reflects both the promise and the paradox of democratic decentralization. While it has expanded the frontiers of democracy by empowering rural citizens and marginalized groups, its success ultimately depends on overcoming institutional, social and political barriers. A more vibrant, transparent and participatory Panchayati Raj system can play a decisive role in shaping Odisha path toward equitable rural development and deeper democratic consolidation.

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