

DEVELOPMENT AND FUNCTIONING OF URBAN LOCAL SELF-GOVERNMENT AND RURAL LOCAL SELF GOVERNMENT IN INDIA

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Introduction

The local government institutions in India have existed in one form or the other since the ancient days. The rural local government as an informal social institution has been thriving in India ever since the advent of civilization in this part of the world with, of course, occasional set-backs. However, as an organized formal institution, the local government was introduced first in the urban areas during the British rule. The need for local government in the rural areas was felt later. Both these two types of governing institutions have developed after a series of vicissitudes and modifications brought about over the centuries. Although called upon to perform the same task and provide the infrastructure and services at the local level catalytic for promoting the development and growth of local areas, the rural and urban local self-government institutions vary a great deal in their organisation, functional domain, executive, personnel and financial matters.

A separate account of these local government institutions in India would, therefore, be apt for a perceptible analysis of their evolution, role, functions and the specific features in their structures, responsibilities and resources. The first part of this paper therefore gives an account of the urban local bodies. The rural local government institutions are dealt with in the second part.

The Urban Local Self-Government

Evolution

The urban local government institutions in India, as it exists today, is a British innovation. In ancient India, the urban government structure

was designed according to the type of settlements. State capitals and larger towns had separate organizations for local governance of the area. The city administration vested in an official called the 'City Superintendent' appointed by the state.⁽¹⁾ Kautilya the propounder of the tenets of statecraft and the political economy in ancient India, in his famous Arthashastra written in 300 B.C. mentions various functions of the City Superintendent. But there is no mention of any machinery representing even the rudiments of a municipal council. The functions and responsibilities of the City Superintendent as enumerated in the Arthashastra does not include any municipal function, at most these were regulatory in nature.⁽²⁾ Megasthenes, the ambassador sent by the Greek Emperor Seleucus to the court of the Mauryan Emperor Chandragupta, about the year 300 B.C., however, gives an account of the municipal council operating in the state capital of Pataliputra. This was divided into six bodies of five each. These five bodies were concerned with industrial arts, entertainment of foreigners, birth and deaths, trade and commerce and manufacture of articles and its sale by government notice.⁽³⁾ The local government administration again came to be vested in an official appointed by the state during the Mughal rule. All the powers and functions of city administration was concentrated in the hands of a bureaucratic functionary known as the Kotwal. The office of Kotwal enjoyed a high status overseeing almost every aspect of the city life including the law and order. He appointed the 'mir muhalla' or the headman for every ward and maintained the inventory of houses and roads, directed the location of cemeteries, slaughter houses and sweeper colonies. His jurisdiction also included the regulation of markets, weights and measures, local prices and imposition of local taxes, tolls and transit duties. Even though it was a "centralised autocratic regime", it nevertheless was "responsive if not responsible to local opinion".⁽⁴⁾

Local Government and the East India Company

The Mughal rule gave way to the advent of the East India Company which later on transplanted the rule of the Crown from England on to the Indian soil. After crumbling down of the Mughal rule, the country witnessed one of the most chaotic conditions in the social, economic and cultural life of the land. The indigenous local government system then prevailing in India could no longer be immune to these socio-economic upheavals; it receded and submerged into a state of oblivion. It was one of the most important reasons that led the Britishers to start the local government institutions in Indian towns and cities out of scratch and on a clean slate. To quote from an authentic study of foundations of local government in India,

"The first British apprenticeship in administration was served in provinces where the most typical indigenous institutions had already

been submerged by a super-imposed system, whose sole purpose was the collection of revenue. Continuity between the new forms of government and the local institutions of old was therefore almost an impossible.”⁽⁵⁾

After the East Indian Company (hitherto called the Company) made firm in-road into the Indian soil the urban scenario was a bit different in the country. Towards the end of the seventeenth century, the Company had the Presidencies consisting of a town centre and its extended suburbs and were governed directly by the President and Council. The rudiments of modern municipal government took its shape and was heralded for the first time in the presidency town of Madras. Earlier in 1639, a local Chieftain had granted a small site to the Company. It grew under the impact of Company's trade and the city of Madras gradually came into being on it and around it creating problems of administration in the realms of justice, sanitation, public health, education and other matters. In order to solve these diverse problems, the Directors of the Company wanted to constitute a municipal corporation for the city of Madras.⁽⁶⁾

It was thought that the natives of Madras would happily accept to pay the local tax for financing of services as under the proposed local self-government, they would be taxing themselves rather than be taxed by a despotic power. Sir Josiah Child, the then Governor of the Company, became instrumental in coming into being of the Madras Municipal Corporation in September, 1688. The representation in this corporation was based on racial considerations; the key positions of the Town Clerk and the Recorder (Judicial) went to the Englishmen.⁽⁷⁾

Although it was supposed to provide a number of public services, ultimately, following the contemporary tradition of English Boroughs, it turned out to be a mere judicial body having a Board of Record (Judicial) in Civil and Criminal Causes. The rosy hopes of its promoters regarding the payment of taxes by the local residents also could not materialise; there was a vehement opposition to the imposition of new taxes. The next more than three decades after the setting up of Madras Municipal Corporation did not see any reform or policy step either for resurrecting the municipal body or for the creation of new ones.

The year 1726 saw the second Municipal Charter meant for setting up of Municipal Corporations in presidency towns of Bombay and Calcutta and also for reconstitution of the Madras Corporation. The new charter provided for a Mayor and nine Aldermen, seven of whom were essentially to be Englishmen.

These steps, however, did not enable the Corporations to take care of municipal problems cropping up in the growing presidency towns. In 1793, the Charter of the Company was renewed and sporadic attempts were made to enable the corporations to take care of at least conservancy. The Justices of Peace were required to appoint scavengers, to repair

the streets and also assess the households for the payment of rates. The judicial bias in the seemingly municipal bodies did not allow them to perform the real municipal functions. It was only in the forties of the 19th Century that the Justices of Peace in Bombay were compelled to handover direct responsibility for municipal services to a Board of Conservancy consisting of seven members. The step to introduce municipal government also to the small and far flung towns in the provinces was taken up in 1842 by enacting the Bengal Act of 1842. This was applicable to Bengal only and under this Act the people of any town, if they so desired, could volunteer to establish a local government by submitting an application to be signed by two-thirds of the households.⁽⁸⁾ Although municipal authority was set up only in one town, it soon became defunct as the inhabitants of the town not only refused to pay the tax but also prosecuted the collector for trespass when the latter attempted to levy it. Another attempt was made again in 1850, this time on the all-India basis by enacting a new Act.⁽⁹⁾ This act was also based on voluntary principle.

Thus till the first half of the 19th century, the attempts for setting up of municipal authorities were, by and large, limited to the three presidency towns of Madras, Bombay and Calcutta. Here also the municipal authorities were more or less quasi-judicial bodies and hence could not show any substantial concern for the burgeoning municipal problems. The problems of sewage disposal, water supply, sanitation continued to be unattended to.

Local Government Under the British Rule

In 1858, the Company rule came to an end and the power was transferred to the Crown. The advent of British rule had been preceded by the Mutiny of 1857 which is said to be the first war of independence. It had severe repercussions on the finances of the imperial rule. Soon afterwards came the Report of the Royal Army Sanitation Commission in 1863 which called upon the government to show a sense of urgency for supplying the services like sanitation and public health. The government was not at all fiscally capable of shouldering this new responsibility. It was due to this financial exigency that the local taxation came to the fore in India much before the coming up of local authorities.⁽¹⁰⁾ The Finance Minister passionately argued that services like public health and education were purely local in character and therefore, resources, if raised locally, was the most equitable and rational way of financing these services. Financial stringency thus became the mainspring of pushing through the ideals of local government.

Lord Lawrence's Government issued a Resolution in August 1864 urging the provinces for setting up of local administration alongwith the introduction of local taxation. To quote from the Resolution.

“The Governor General in Council is of opinion that in this question is involved a matter of higher import than mere financial convenience. Local taxation should as far as possible be accompanied by local administration and local responsibility. His Excellency is most sincerely desirous that every opportunity should be given to the people to participate in the management of their local affairs.”⁽¹¹⁾

But behind this ostensible emotion for local administration was again the financial problem then besetting the Imperial Government. The income tax had been introduced temporarily and this was to be abolished in 1863. In order to provide financial cushion to the imperial finance, the expenditures incurred on the town police was suggested to be met by locally mobilising the funds.

This Resolution was well received by the provinces which enacted legislations in this direction. This, in the sixties resulted in setting up of municipal authorities in almost all the important towns of India.⁽¹²⁾ However, they were still not conforming to the spirit of ‘local self-government’ as the District Magistrate enjoyed overwhelming powers of control over municipal authorities.⁽¹³⁾

After the Resolution of 1864, the development of local self-government received some degree of encouragement by the Resolution of Lord Mayo in 1870. This Resolution was pushed through again to relieve the Imperial finances from its fiscal strains. With this end in view it proposed to decentralise the administration of certain departments like education, medical services and roads to the provinces. It also stressed the need to develop local self-government institutions “for strengthening Municipal Institutions and for the association of Natives and Europeans to a greater extent heretofore in the administration of affairs.”⁽¹⁴⁾ In the wake of Lord Mayo’s Resolution, the municipal Acts were enacted in almost all the provinces. But, by and large, the principle of election was not encouraged as the District Magistrates abhorred the idea of extending the elective principle to local government. However, the North-western Provinces and the Central Province adopted elective principle and promoted the institutions of local self-government. Among the Corporations in the presidency towns, Calcutta, Bombay and Madras, got the system of partial election chiefly owing to the pressing demand of the Indian middle class liberals.

Lord Ripon’s Resolution

By this time, the educated Indians cherishing the ideals of democracy and liberty started seriously striving for attaining freedom from the colonial rule. Lord Ripon, the then Viceroy and a liberal, wanted to provide for an outlet to this upsurge. He thought that handling of the national and provincial administration requires an apprenticeship in local

administration. He therefore issued a Resolution on May 18, 1882 on local government chiefly for serving as a forum for imparting political education to the Indians. This Resolution is said to be the forerunner of local government institutions and Lord Ripon as the father of local self-government in India. The Resolution also shifted the objective for setting up of local government. Till the seventies of the 19th century the objective had been promotion of efficiency in public administration. This in the eighties shifted to providing political education. To quote from the Resolution, "It is not primarily with a view to improvement in administration that this measure is put forward and supported. It is chiefly designed as an instrument of political and popular education."⁽¹⁵⁾

The main features of this Resolution were that (a) Political education was to be the primary objective rather than administrative efficiency; (b) municipal boards were to contain a two-third majority of non-officials and these to be elected wherever possible; (c) elections were to be held for constituting the local-government; and (d) the chairman of all the local boards to be the non-officials wherever possible.⁽¹⁶⁾ The Resolution also solicited the cooperation of officers for promoting the growth of responsible local government. It also envisaged the transfer of sufficient resources for meeting expenditures on the transfer of new functions. External control was envisaged to be limited to approval of raising of loans, levy of new taxes, to interfere in the event of neglect in discharge of its duties and to temporarily suspend the board.⁽¹⁷⁾ The power of absolute supersession required an approval of the Supreme Government.

After this Resolution, new legislations were enacted for incorporating the spirit of this Resolution. In large number of municipal authorities, the chairmen were non-officials and the boards had a two-third majority of non-officials. However, even though the Chairmen were non-officials in certain provinces, the dominating position of the District Magistrate resulted in installation of the official chairman through open invitation. Attempts were also made to increase municipal resources and financial responsibilities. Maintenance of the town police at the expence of municipal revenues was also discontinued in most of the provinces; the funds so released were supposed to be spent for augmenting services for education, medical relief and local public works.

In the presidency towns, new legislations were enacted in 1884 in Madras and in 1888 in Bombay and Calcutta. The 1888 Bombay Act was the most important and progressive Act. This formed the model for municipal governments in big cities and it continues to be the model even today. Bombay is being governed by this Act even now. The feature of this Act is that it bifurcates the deliberative and executive functions. The Council of the Corporation happens to be the supreme body which is assisted in its day to day functioning by the Standing Committee. The Commissioner enjoys all the executive powers and is responsible for

carrying out the wishes of the council and the Standing Committee.

Between 1882 and 1907 no significant developments occurred in the sphere of local government except that the situation was got reviewed in 1896 and 1897. Neither there were fresh proposals nor any extension of the local government authority. Much against the wishes of Lord Ripon, the post-Ripon period witnessed a returning back to the trends towards centralisation and extensive system of controls on the local governments by the higher levels of governments.

Local government was again examined in greater detail by the Royal Commission on Decentralisation appointed in 1907 to enquire into the financial and administrative relations of the Government of India and the provincial governments and the authorities subordinate to them. The Commission in its report submitted in 1909 again laid emphasis on administrative efficiency rather than on "political aspirations."⁽¹⁸⁾ It suggested to minimize official controls over local authorities. It again emphasized to have a non-official elected chairman and a majority of non-official elected members. As by that time no system of local management had evolved in India, the Commission suggested to emulate the English practice of involving the elected representatives in the day-to-day functioning of local administration by innovating the committee system. Financial control on budget and taxation was also suggested to be minimized. The local authority was suggested to be given autonomy in increasing any tax within the limits as set out in the statute. One of the very important suggestions was to take away non-local functions like famine relief, town police, maintenance of district hospitals, etc. In order to improve the management capabilities at the local level, it recommended to appoint an Executive Officer similar to the Commissioner in the Bombay Municipal Corporation in all the towns with a population of one lakh and more. A medical officer, an engineer were also suggested to be appointed in the towns of more than 20,000 population.

These suggestions were accepted by the Government of India. However, working out of details were left to the provincial governments who did not do anything substantial to operationalise the useful suggestions. There was the outbreak of World War I and the attempts to strengthen the local government weakened considerably.

Reforms of 1919 and After

After the war was over, a policy statement was announced on August 20, 1917 by the Secretary of State for India Edwin Montagu in the British House of Commons for setting up of a responsible government in India. Reacting to this, the then Viceroy of India, Lord Chelmsford addressing the imperial legislature declared;

"The domain of urban and rural self-government is the great training

ground from which political progress and a sense of responsibility have taken their start...it is time...to accelerate the rate of progress and thus to stimulate the sense of responsibility in the average citizen and to enlarge his experience.”(19)

Thus the political ideal again came to the fore taking precedence over considerations of administrative efficiency. The Secretary of State and the Viceroy jointly submitted a report in July 1918 which is popularly known as the ‘Montagu-Chelmsford Report’. Concurrently with this the Government of India applied its own mind on the subject of local government in the light of the August Declaration and announced a package of policies on local government in the form of a Resolution in May, 1918. The Montagu-Chelmsford Report (MCR) and the May Resolution almost reiterated the views expressed by the Decentralisation Commission. One of the most important recommendations of the MCR was that the provincial legislatures have to be given more autonomy with respect to nation-building subjects including local self-government. It meant to make the local government a provincial subject to be dealt with more autonomously by the provinces for implementing the various policy recommendations on the subject. Among other things, it also recommended to provide for “complete popular control in the local bodies and the largest possible independence for them of outside control. The resolution of May also expressed the same opinion. It was maintained that in order to give effect to the new policy, local bodies should be as representative as possible of the people whose affairs they were called upon to administer. Their authority in the local functional domain should be real and not nominal and they should not be subject to unnecessary controls rather they should be allowed to learn by making mistakes.”(20)

Consequent upon the MCR, a major constitutional reform was introduced by enacting the Government of India Act of 1919. Provincial legislatures were given a large measure of autonomy and local government was made a transferred subject. All the policy statements and resolutions issued in the past were now to be implemented by the provincial governments. For the first time, the autocratic facade of the seemingly democratic institution of local self-government was done away with by removing the District Officers from the helm of local affairs and putting the control mechanism under the popular minister in charge of local self-government. The franchise for election was widened substantially and the local authorities were really given the powers to vary the tax rates within the statutory limits. The reforms of 1919 thus democratized the local government institution and also widened their powers and functions. One of the most important reforms under the Act of 1919 was the demarcation and reservation of taxes to be tapped by the local authorities.

Thus the decentralized type of government of the continental variety obtaining before the Reforms was replaced by a decentralized type of government of the British detached system.

The democratic spirit created by the Reforms soon started waning away. The Indian leaders under the leadership of Mahatma Gandhi soon realized that the limited autonomy emanating from the 1919 reforms was merely an attempt to divert the attention of the freedom fighters. The Indian National Congress soon started agitation for attaining complete independence from foreign rule. This culminated in the appointment of yet another commission called the Indian Statutory Commission in 1920 to enquire into the steps to be taken for bringing about further advance in the system of responsible government introduced since 1919. The Commission presided over by Simon also made an intensive study of developments in the realm of local self-government and reviewed it. Reviewing the functioning of local self-government it did not feel happy with it. Diagnosing the causes, the Commission observed that the new elected executive system, though went a long way in democratizing the local government institution, it also created an important administrative void. The elected executive system was seen to have "a tendency to misapprehend what are the duties and functions of elected members."⁽²¹⁾ There was found to be a tendency on part of the elected executive to meddle and interfere in the spheres of local administration legitimately to be left entirely to the paid official. The Commission wanted to have the counter-part of the town clerk in England.

It also found unnecessary laxity in the system of control by the provincial governments. In order to enhance the efficiency of local government, it thought desirable to have a large measure of control by the higher level of government. Even though a separate list of taxes was reserved for local government, the Simon Commission found their resources inadequate to meet needs. This, to a large extent, was due to the reluctance of elected members to impose local taxes. It also favoured the English system of grants conditional upon the imposition of adequate taxation and the acceptance of a considerable measure of central government control.

The Simon Commission was thus distressed to find the decline in the management and functioning of the local self-government. This decline continued unabated and was at times exacerbated by the mounting arrears in tax collection, embezzlement of municipal funds and the communal and caste dissensions among the elected councillors. Such a state of affairs continued till 1947 when India attained independence from the colonial rule. Before this, in 1935, the enactment of the Government of India Act provided autonomy for the provinces. The provincial legislatures enacted several fresh legislations on local self-government with a view to widen the powers and functions of the local authorities. However,

it did a great damage to the development and functioning of the local self-governments in the years to come. The local list of taxes earmarked by the 1919 Act was abolished by the 1935 Act. This Act provided for three lists, viz, the Federal List, the Provincial List and the Concurrent List. This retrograde step is even now being suggested to be retraced by reintroducing the local list.

Thus, all through the British regime there was a conflicting objective of administrative efficiency and political education behind the setting up of local government in India. Ripon laid the foundation stone of modern government with a view to provide "political education." After Ripon, for another thirty five years, i.e., till 1917, the guiding principle was administrative efficiency. With the Viceroy's declaration of August, 1917, the democratic ideal again came to the fore which soon gave way to the objective of political education in the 1918 Montagu-Chelmsford Report. Emphasis of democracy was motivated firstly, by the British desire of securing increased assistance of Indians in the administration of the country and secondly, it was thought that local self-government would impart education in the principles and practice of self-government which would ultimately help the Indians in handling the national affairs independently after the transfer of power. However, the Indian leaders made it a platform to agitate for political freedom. It is worth mentioning that the objective of political education paid dividends as a galaxy of India's great political leaders like Gopal Krishna Gokhle, Bal Gangadhar Tilak, C.R. Das, Subhash Chandra Bose, Rajendra Prasad, Jawaharlal Nehru and others emerged from the municipal arena only.

After Independence

India attained independence from the prolonged British rule on 15 August, 1947, and was proclaimed a republic under its new constitution on 26 January, 1950. It ushered-in an era of self-rule. However, the constitution of India did not give a recognition to the urban local self-government as an independent entity. Primary emphasis was laid on the organization of Village Panchayats as a unique local self-government in the rural areas.⁽²²⁾ Among the three lists, viz, the Union, the State, and the Concurrent list, local government appears in the Indian constitution in the State List and hence the local self-government institutions are the creatures of the state governments and they therefore enjoy only those powers and functions which are delegated to them under the legislations enacted by the state legislatures. Because of this reason, though the structure of urban local self-government institutions are invariably the same, the provisions relating to the details of functions, executive system, sources of revenue, etc. in the various state enactments are different. The role of the central government in regard to local government is limited to giving guidelines and suggestions and indicating standards

for their functioning and performance. Since independence, the central government has constituted committees, a Commission and expert bodies for undertaking indepth study of the problems confronting the urban local governments.⁽²³⁾

Another significant step after independence was taken in September 1954 when by a Presidential order, the Central Government constituted a Central Council of Local Self-Government consisting of the union Minister of Health (now the Minister of Works and Housing) and the state Ministers of local self-government. Named as the Central Council for Local Government and Urban Development since 1980, it is an advisory body for considering and recommending broad-lines of policy for local self-government, making recommendations to the central government for the allocation of funds to the local authorities and for periodically reviewing the utilization of allocated funds. The council holds annual meeting for deliberating on the various aspects of local government. In 1962, the Mayors of the municipal corporations formed an association which mainly tries to focus on the problems of municipal corporation and advises the government on the related matters.

A number of new legislations were enacted by the different state legislatures for the rationalization of municipal laws as also for setting up of local government units of various types. Provisions were made in several Acts for installing the executive officer in those local bodies which did not have it and for strengthening of the chief executive. Attempts were also made to streamline the municipal personnel system. Several state governments separately constituted study teams and committees for suggesting ways and means of improving the functioning of local government. Consequent upon the recommendation of a central government committee.⁽²⁴⁾ In 1966 for setting up of municipal finance commission by the state governments well before the setting up of the Finance Commission by the Government of India every five years, and the suggestion given jointly again by the Central Council of Local Self-Government and the All India Council of Mayors in 1972, several state governments have so far appointed state municipal finance commission.⁽²⁵⁾ The state governments also set up the State Directorates of Municipal Administration for providing the necessary direction to the municipal authorities.

Administrative Experiences

The local government has evolved after a series of developments meant for enabling it to play its legitimate role and perform the functions assigned to it. The attempts at institution building and the actual performance of the local self-government institutions have provided a lot of

administrative experience for managing the local affairs. However, the municipal authorities have not substantially benefitted by these experiences as a number of leading issues for resolving the problems confronting the municipal authorities are still looking for proper solution. The reasons for this are many. The experiences gained from the development of urban local self-government and the problems relating to its proper functioning can be better comprehended and appreciated if we briefly examine the organization, functions, finances of the urban local bodies and the state control over them.

Organization

Presently, five types of municipal authorities exist in different types of cities and towns: These are (1) Municipal Corporations, (2) Municipalities, (3) Notified Area Committees, (4) Town Area Committees, and (5) Cantonment Boards. The Cantonment Boards are set up only in the cantonment areas and they are partially elected and partially nominated. It is only the civil areas annexed with the military cantt. which send elected representatives to the Cantonment Board. The other four types of local authorities are constituted in the urban areas only. The establishment of these government units are guided by the size, population, occupational composition and financial viability of the towns and cities in sustaining the particular type of local authority. In 1980, in all, there were 2,129 urban local bodies of different types in India. Of these, 40 were Municipal Corporations, 1274 were Municipalities and 815 were Notified Area and Town Area Committees.⁽²⁶⁾

Municipal Corporation

It is set up only in the Metropolitan Cities and other larger cities and towns purely at the discretion of the state governments. However, in a few states the criteria for constituting it are laid down in the Act itself. In the state of Karnataka, the urban settlement should have a population of not less than two hundred thousand and the local body of that town or city should have an income of not less than Rs. 10 millions. In Himachal Pradesh, there should be a minimum population of over 50,000 and an income of over Rs. 10 million. In Madhya Pradesh, the town should have a population of over one hundred thousand.

Municipal Corporations (MC) are distinguished from the other types of civic authorities because of their enjoying a larger degree of autonomy and tax powers than other types of urban local bodies. They have comparatively larger population area and income and they deal with the state government directly. These specific features enable the MC to have a wider scope in the matters of personnel, finance and functional domain. The elected Council, the Standing Committee and the Municipal Commissioner who is an administrator appointed by the state government

constitute the basic organs of the MC. The deliberative and executive functions are statutorily bifurcated. The Council and the Standing Committee constitute the deliberative wing; the Commissioner represents the executive wing. The council has an indirectly elected chairman called the Mayor who is merely a figurative head concerned only with conducting the business of the Council over which he presides also; all the executives functions vest with the Commissioner.

The MCs being more competent functionally, should have enough resource base to perform those functions. An Official committee, therefore, recommended that while constituting the MC in a city or town a minimum population of half-a-million and an annual income of not less than Rs. 10 million must be ensured.⁽²⁷⁾

Municipalities have lesser autonomy, smaller jurisdiction and have to deal with the state government through the State Directorate of Local Self-Government or through the Divisional Commissioner. They are subject to comparatively detailed supervisory control and guidance by the state government. Their organizational form varies a great deal from state to state. However, in all the states the municipality consists of an elected council, executive/finance committee, the chairman (also called President in some states) and the Chief Executive Officer. Except in the southern states where organizational structure follows the corporation pattern the chairman happens to be the head of both the council and the executive wing in other states. The population and income criteria for constituting a municipality varies from state to state. In large number of state the municipal inactments do not suggest any criteria for municipalization. However, a minimum of 10,000 population in Karnataka, 25,000 in Andhra Pradesh and 15,000 in Maharashtra has been prescribed by the states. In West Bengal the criteria are based on the Census test. In the state of Tamil Nadu, a minimum income of Rs. 300,000 must be assured while constituting a municipality. Some states have adopted the practice of having the categories/grades of municipalities depending upon the size of population, financial viability, urban character, state of development as service centres and the specific requirements and needs. While the state of Andhra Pradesh has five grades, Karnataka has only two.

Way back in 1966, an official committee suggested that in order to provide minimum standard of civic facilities, a town must have a population of 20,000.⁽²⁸⁾ Places having a population of less than this should be merged in to the Panchayati Raj System of Local Government prevailing in rural areas. If applied rigorously, a large number of towns would be disenfranchised on this basis.

Notified Area Committees (NAC) are set up in growing towns not yet fit to have a municipality. NACs are governed by a special provision in the state Municipal Acts. The Town Area Committee is constituted

in a small town having pronounced rural attributes. The powers and functions of these two types of urban civic authorities are limited and the extent of state control on them are more pervasive than in the case of municipalities.

Function

The municipal bodies are vested with a long list of functions delegated to them by the state governments under the statute. These functions broadly relate to public health, welfare, regulatory functions, public safety, etc. Under public health, the functions include water supply, sewerage and drainage, conservancy and sanitation, eradication of communicable diseases prevention of food adulteration and ensuring hygienic slaughter of animals. The welfare functions include community facilities like primary education, parks and garden, swimming pools, markets, public conveniences, street lighting, etc. Regulatory functions relate to prescribing and enforcing of building bye-laws, building and alignment of roads, checking weight and measures, regulating advertisements and hoardings, preventing encroachments in streets and public land, etc. Public safety measures include fire fighting demolition of delapidated houses, etc. Some bigger municipal corporations are required to even operate the public utilities like electric supply and transport.

Several Acts classify these functions into obligatory and discretionary. All the functions which are in the nature of bare minimum for the local community are described as obligatory and have to be performed first. Discretionary functions come later on in the priority provided the municipal funds permit the provision of such functions.

As appears from the list of functions enumerated above, the scale of municipal functions are formidable. However, in actual practice there has been considerable erosion in the municipal functional domain primarily because of taking over of some of the municipal functions by the state governments directly or by creation of special purpose authorities at the state level for water, electricity supply and transport and urban development authorities at the city level for planning and development of urban areas. These development at the cost of erosion of municipal functions have taken roots primarily due to paucity of resource which has not permitted the civic authorities to adequately perform the functions. Because of this the statutory distinction of function into obligatory and discretionary functions does not make any sense in its operationalisation. Even some of the obligatory functions like water, primary education have been taken away ways from the municipal area.

Finance

Like function, tax powers of the urban local governments are also delegated to them by the state legislatures. The taxes to be imposed by

them are generally enumerated in the statute enacted for constituting a local government. Some enactments, however, empower the local authorities to use any tax which can be imposed by a state government. The local authorities have broadly two types of revenues: (i) Tax revenues, and (ii) Non-tax revenues.

Tax revenues are derived from the taxes on lands and buildings (popularly known as property tax); trades, callings and professions; taxes on goods entering a municipal limit for sale or use (known as the terminal tax and octroi) taxes on animals and vehicles and other minor taxes like the one on advertisement (other than the newspaper advertisement). Besides, some service taxes like the scavenging tax, lighting tax, etc. are also tagged to the property tax. Non-tax revenues include grants, rents from municipal properties, return from municipal public utilities and other enterprises, licence and other fees, etc. In addition to these, there is yet another type of revenues accruing to the local bodies called the assigned taxes and shared taxes. Proceeds of entertainment tax in Tamil Nadu and Andhra Pradesh, land revenue in Gujarat and entry tax in Madhya Pradesh are assigned to the local bodies.⁽²⁹⁾ In some states, entertainment tax, motor vehicles tax, land revenues and property registration fee are generally shared with the municipal authorities.

The taxes to be imposed by a municipal corporation are compulsory in nature. However, they can vary the rates of the tax only within the prescribed minima and maxima in the statutes. For other types of local authorities, taxes to be imposed are not so. Though they have been given a wide range of taxes to be utilized, generally a procedure for obtaining the approval of the state government is also mentioned for actually imposing a particular tax and for modifying the existing tax. Property tax and Octroi constitute the backbone of municipal finance in India.

The local governments have not been able to effectively perform their functions primarily due to their weak financial strength. The sources of revenues available to them are not sufficient to provide even the basic services and amenities. Inadequate resource base is due to a combination of several factors. Firstly, the tax sources at the discretion of local authorities are not sufficient in view of the range and the nature of functions given to them. Secondly, even within the existing tax sources, there has been encroachments by the state governments. Some state governments, for example, have also been imposing taxes on urban land. In the state of Karnataka, the tax on professions have been taken over by the state government. Even though this tax is utilized by the local authority, a ceiling of Rs. 250 is imposed by the Indian Constitution. In several states, Cesses are also attached to the Property Tax for the state use. Thirdly, restraining effect of the rent control legislations do not allow the civic bodies to fully exploit this tax as the tax has to be assessed on the basis of standard rent. Fourthly, Octroi has presently

become a much maligned tax and hence a large number of states have either abolished it or it is to be abolished in other states following a policy decision by the ruling party at the centre. Though it has been replaced by alternative sources of revenue, the local authorities have not been fully compensated for the loss as the receipt from the substitutes of Octroi is not as elastic a source of revenue as the Octroi.⁽³⁰⁾ Fifthly, the local authorities have not performed well in administering the taxes imposed by them. The collections from property tax, for example, average between 40 to 50 percent only.

Because of these factors, the local authorities have been feeling tremendous fiscal strain. Way back in 1960–61, an official committee had estimated a gap of about Rs. 910 million between the needs and resources of all the local authorities in the country.⁽³¹⁾ Due to the gradual decline in their resource base, the share of municipal governments in the total tax revenue of the country came from around 8 percent in 1960–61 to about 4.5 percent in 1977–78.⁽³²⁾ On the basis of the backlog of existing unserved population, expected increment to urban population and the depreciation of existing and new infrastructure, it has been estimated that the total investment of Rs. 8000 million would be needed during the period 1986–91.⁽³³⁾

State Control

Local authorities being the creatures of state governments, the extent of control over the former is considerable. Barring the municipal corporation form of local self-government which enjoys autonomy to a great extent, the municipalities, notified Area Committees and Town Area Committees are subject to elaborate control system by the state government. The District Collector and also the Divisional Commissioner have the supervisory powers over them which is frequently applied by way of inspection, calling of records and issuing of instructions for performing the municipal functions. Above them the state government possesses overwhelming powers of control and supervision in the matters of appointment and also approval of appointment of higher posts, creation of new posts, approval of contracts and estimates of higher values, sanctioning of budget, framing of bye-laws and rules and their approval, etc. The financial controls include control over imposition of new taxes, approval of tax rates, and control over expenditure. Even the municipal corporations require to obtain state approval of expenditure beyond certain limit. In Kerala it is Rs. 100 thousand, in Andhra Pradesh, it is Rs. 50,000 and in Himachal Pradesh, it is Rs. 20,000. In case of municipalities, the limit is much less. In the state of Tamil Nadu, for example, the expenditures exceeding Rs. 8000 has to be approved by the State government. In other states it varies from Rs. 10 to 60,000.

The powers of control also include inspection, calling for information

and reports and giving directions and conditional grants. The state governments possess the powers of even rescission of resolutions passed by the municipal authority removal of its members and even supersession and dissolution. But as dissolution requires an early election, generally the state governments have been extensively using the powers to supersede the local authorities. In the middle of 1981, as many as 1700 municipalities out of a total of 2000 had no elected boards.⁽³⁴⁾ Among the 62 municipal corporations as many as 41 were superseded in 1983.⁽³⁵⁾

State control over local self-government is thus so pervasive that it becomes doubtful if the civic bodies are really the embodiment of self-government. The abounding regulatory and punitive provisions in the municipal enactments have helped the state governments "to evolve a system of overlordship much like the French tutelage."⁽³⁶⁾

Rapid Urbanization and Local Government

The foregoing analysis of organizational structure, functions, finance and state control over local government suggests that the urban local self-governments have not been able to play the role properly because of their weak position. Although the system of local self-government in the urban areas is basically a British legacy, there has been considerable erosion in the status of local government ever since the Britishers left it. Constant reforming, restructuring and innovation for strengthening of local government in England has unfortunately not been emulated in India. The organizational structure, financial resources and the inter-government relations have made them static institutions which are overwhelmed by the dynamic forces of urbanization and urban growth.

The urban population has increased from 62.44 million in 1951 (when the era of planned economic growth was initiated) to 156 million in 1981. The level of urbanization, though has increased only from 17.6 percent then to 23.7 percent now, in absolute terms, the total urban population is a sizeable population. The increase of about 50 million people during 1971-81 itself is larger than the total urban population of all the countries in the world except China, the USSR, the United States, Japan and Brazil.

It is worth noting that urbanization in India is different from the Western context. Here it has not been preceded by industrialisation on a massive scale. The urban population has been increasing primarily due to a push factor of rural poverty. This makes the problems of urban local governments more complicated as a major proportion of rural migrants in the towns and cities is poor and hence not capable of paying for the services and amenities provided by the local authorities.

In the wake of urbanization the supply of even basic services is lagging far behind the growth of population. In most of the towns and cities, civic services are only rudimentary. Conditions of public sanitation,

drainage system, street lighting, refuse collection and its disposal and sewerage system are deplorable. Most of the urban areas have only surface drainage system which is dilapidated and blocked at places. Prevalence of open latrines, lack of filtered water supply and electricity turn the major part of towns into slums. The municipal services in terms of per capita availability is declining over the years.⁽³⁷⁾ The static urban local governments are not in a position to cater for the needs created by the dynamism of urbanization.

Urban Local Government: Issues and Future Prospects

The administrative experience of urbanization and the role performance of urban local government in India gives rise to several important and relevant issues which are looking for proper solutions if the local self-government has really to live up to its functional capability and role performance. Some of the leading issues in the realm of urban local government are mentioned below.

(1) The Undefined Role

In spite of serious attempts going into its development as a sound system of self-government ever since the days of Lords Mayo and Ripon, its role is still hazed in the official thinking. During the British regime at least there used to be a constant debate regarding the role of local government. In post-independence India there does not appear to be a clear stipulation of role to be played by the local bodies.⁽³⁸⁾ Though there is mention of local bodies in the five year plans and their problems have been examined by a Commission and a few committees, the primary emphasis has been laid down on promoting a viable system of government in rural areas (Panchayati Raj institutions) with specific idea of 'development from below' and 'a peoples' programme with government participation', the urban local self-government has not been assigned any specific role nor have they been recognized as a separate tier of self-government in the Indian Constitution. The post independence enactments have simply assigned them some obligatory and discretionary functions. "But these enactments do not define the role of local government. This is a serious locuana because functions emerge from the Role."⁽³⁹⁾

The existing subsidiary position of local government could be elevated by giving a constitutional recognition to them. Along with the Central and State List in the Seventh Schedule of the Indian Constitution, a separate local list could be inserted so that the urban local bodies would have unfettered functional domain free from functional encroachments.

(2) Outmoded Organizational Structure

The organization and structure of local government do not correspond to the pattern of living and distribution of population. It is not adequate for planning, development and regulation of coherent areas. Whereas urbanization is resulting in urban growth of the cities and towns, the physical jurisdiction of the civic government is hardly adjusted accordingly. It results in unregulated and haphazard growth all around the municipal limits. Moreover, most of the local bodies are too small in area, population and resources to effectively provide for the basic services.

Even within their jurisdiction the local authorities are not well organized so as to provide for town planning and urban development. The advent of urban development authorities have further led to the erosion of municipal government. It is therefore felt that (i) the organizational structure of local self-government should be based on interdependence of town and country; (ii) it should be able to provide rising standard of services; and (iii) it must be a democratically viable unit in the sense that there is a closer contact between the citizens and the local self-government.

(3) Erosion of Municipal Functional Domain

Gradually, since the late fifties, there have been developments which have resulted in considerable erosion of municipal functions. The encroachment by the state government departments into the municipal functional domain and creation of urban development authorities and special purpose authorities in the major cities and towns have taken over some of the legitimate municipal functions like planning and development of urban areas, water supply, sewerage and drainage, etc. This has been done on the ground of organizational incapacity of the civic authorities in terms of expertise, financial resources and organizational culture. But when the new special purpose authorities are created they are sufficiently strengthened with funds and personnel. It is then forgotten that the same input if provided to the civic authorities, would substantially strengthen them to undertake any task with equal efficiency. The municipal corporation of Bombay provides an example in this regard as by virtue of its organizational strength, it has been so far able to keep the Bombay Metropolitan Regional Development Authority at a distance in the realm of town planning and urban development. New Delhi Municipal Committee in the national Capital has again demonstrated that with the requisite organizational strength, even a small civic authority could do wonders. This is, however, not appreciated and the coming up of special purpose authorities have reduced the municipalities to "a position of irrelevance."⁽⁴⁰⁾

In addition to weakening the municipal government, the special purpose agencies have created a new problem for the civic government for

the operation and maintenance of capital projects undertaken in a big way and completed by them. Firstly, the involved planning process is apolitical. Secondly, after the completion of projects they are thrust upon the local authorities for their onward operation and maintenance. The civic authorities, not being involved in the planning of these projects, deem it as something imposed on them. Thirdly, it creates the problem of financing of the operation and maintenance expenditure. The bigger municipal corporations like Calcutta found itself incapable of maintaining the projects handed over to it by the Calcutta Metropolitan Development Authority. The problem is resolved for the time being by a maintenance grant of about Rs. 50 millions per annum. The Municipal Corporation of Delhi has declined to take over about 45 relocation colonies of squatters developed by the Delhi Development Authority on the grounds of its weak fiscal capability in maintaining these colonies. It is because of these reasons that recently an official Task Force on Urban Management observed "in interest of responsiveness to public needs, efficiency in service distribution, accountability, financial responsibility, legal participation and benefit of local knowledge, the basic obligatory functions like provision of water supply, sewerage, drainage, street lighting, maintenance of roads and conservancy, the community services, etc. should be reverted to the Municipalities."⁽⁴¹⁾

(4) Weak Executive System

The executive system especially in the municipal Corporations, is highly fragmented as it is based on the notion of separation of executive, powers and functions. The executive powers vest in the corporation's council and its executive committees but the entire executive functions are performed by the Commissioner who is appointed by the state government from the administrative cadre. This is a major departure from the English system where the executive decisions are taken by the committees. The elected Mayor is concerned only with presiding over the deliberations of the council and the chief executive is not at all responsible to the council or the Mayor. The executive system is thus highly centralized and well within the control of state administration. In the case of Municipalities also the southern states of India have adopted the executive system of Corporations, thus inheriting the fragmented yet centralized executive system. Only in the eastern states (Bihar, West Bengal) and western states to some extent (Maharashtra, Gujarat), the executive powers and functions vest in the elected representative — the President or the Chairman of the Municipal Councils. Thus in the majority of municipal authorities the executive system does not conform to the notion of self-government. Besides, it is not free from the "tutelage" of the state executive. Only recently the state of West Bengal has enacted new legislation for constituting the Mayor-in-Council form of

local self-government for Calcutta and Howrah Municipal Corporations wherein the executive administration has been vested in the elected Mayor-in-Council; the Commissioner being subordinate to the former. The municipal authorities, in order to be really a local self-government, should have politically elected executive system as is the practice with the rural local self-government.

(5) Inadequate Resource Base

The formidable list of obligatory and discretionary functions assigned to the urban local bodies has not been supported by an adequate devolution of financial resources. Ever since the initiation of planned economic growth in the fifties, responsibilities of the local bodies have been increasing swiftly. Resources, on the other hand, have not kept pace with the requirements. The local authorities are experiencing almost a fiscal crisis. Their resource base has declined because of limited tax powers delegated to them by the state governments, encroachment by the state governments on the already limited resources base, depressing effects of the Rent Control legislations on the Property Tax yield and the contemporary zeal being exhibited by the states in abolishing yet another lucrative source of municipal revenue — the Octroi.

These trends therefore suggest that there is an urgency of reforming the local tax structure firstly by providing larger sources of revenues to the local bodies. The local tax list which was abolished earlier under the Government of India Act, 1935 needs to be restored. Secondly, the existing tax structure itself needs to be thoroughly reformed. Ever since 1951, various committees (and a commission) have evaluated the tax structure of local authorities and suggested areas of reforms. What is required is the action to implement them.

As regards the external funds being made available to the local authorities, the state governments have to rationalize the systems of grants-in-aid. The existing gap filling approach has to be replaced by formula based grants. The existing alienation of the urban local authorities from the planning framework does not enable them to benefit from the allocation of funds for development under the five year plans of the states. The solution lies in formulation of municipal five year plans and their integration with the state plans.

Future Prospects

The foregoing analysis of functions, finances and state control of local governments indicates that they have not yet been able to function as autonomous government units in the real sense of the term. Over the years there has been considerable erosion in the status of municipal governments. This is manifested in terms of encroachment by the state government agencies and special purpose authorities into the functional

domain of the local government, supersession of a large number of civic authorities for considerable period of time, reduction in their resource base by utilisation of some of the legitimately local sources of revenue, abolition of the most productive tax — the Octroi and lack of any will on part of the state governments to bring improvements in the status of urban local governments. If these trends continue, the urban local government is soon expected to be reduced to a government department concerned merely with the sweeping of roads and disposal of the garbage thus collected. The contemporary clamour among the state governments for getting more and more autonomy by way of decentralisation of powers, functions, and finances from the central government has recently culminated in setting up of a commission by the latter to examine the problem of centre-state relations and to suggest suitable measures in this regard. When it comes to state-municipal relations, by and large, most of the state governments have shown at most a lukewarm attitude and are not prepared to grant autonomy to the local governments down below.

These trends thus do not suggest a rosy prospect for the local government. However, of late, there seems to be a better appreciation of the role of local government in the state of West Bengal, Gujarat, Maharashtra and a few other states in south India where recently some modest efforts have been made to strengthen the municipal government. At the national level the Task Forces on Urban Management and Financing of Urban Development constituted recently by the Planning Commission have given valuable suggestions for strengthening the management capabilities of local government in meeting the challenges posed by urbanization. What is required is a political will on part of the state governments to effectuate the suggestions given by the Task Forces and other official Committees, Commissions and Study Groups from time to time. Future prospects of urban local self-government therefore depends upon the political will to act.

NOTES

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- (2) Kautilya's *Arthashastra*, 8th Edition, Translated by R. Sharma Sastry, Mysore Printing and Publishing House, Mysore, 1967, Ch. XXXVI.
- (3) M. Venkatarangaiya and M. Pattabhiram, *op.cit.*, pp. 70–71.
- (4) Hugh Tinker, *The Foundation of Local Self-Government in India, Pakistan and Burma*, Lalvani Publishing House, Bombay, 1967, p. 17.
- (5) Hugh Tinker, *op.cit.*, p. 24.
- (6) M. Venkatarangaiya and M. Pattabhiram, *op.cit.*, p. 79.
- (7) Hugh Tinker, *op.cit.*, p. 25.
- (8) Government of India (Ministry of Health), *Report of the Local Finance Enquiry Committee*, Manager of Publications, Delhi, 1951, p. 7.
- (9) *Ibid.*
- (10) M. Venkatarangaiya and M. Pattabhiram, *op.cit.*, p. 8.
- (11) *Ibid.*, p. 10.
- (12) Hugh Tinker, *op.cit.*, p. 36.
- (13) Government of India (Ministry of Health and Family Planning), *Report of the Rural-Urban Relationship Committee*, Vol. I, 1966, p. 7.
- (14) Lord Mayo's Resolution on Provincial Finance, 1870, quoted from M. Venkatarangaiya and M. Pattabhiram, *op.cit.*, pp. 96–104.
- (15) Hugh Tinker, *op.cit.*, p. 44.
- (16) *Ibid.*, p. 45.
- (17) Government of India (Ministry of Health), *op.cit.*, p. 9.
- (18) Hugh Tinker, *op.cit.*, p. 85.
- (19) *Ibid.*, p. 108.
- (20) Government of India, *Report of the Local Finance Enquiry Committee*, *op.cit.*, p. 30.
- (21) *Report of the Indian Statutory Commission*, (Simon Commission), Vol. I, Comnd. 3568, HMSO, London, 1930, Chapter 4.
- (22) *The Constitution of India*, Article 40; also see Articles 12, of Part III, 36 of Part IV and the List 2(5) in the Seventh Schedule for the place of local government in the Indian Constitution.
- (23) Government of India, *Report of the Local finance Enquiry Committee*, 1951; *Report of the Taxation Enquiry Commission*, 1953–54; *Report of the Committee of Ministers Constituted by the Central Council of Local Self-Government*, 1963; *Report of the Rural-Urban Relationship Committee*, 1966; *Report of the Committee on Budgetary Reform in Municipal Administration*, 1974; and *Report of the Study Group on Constitution, Powers and Laws of Urban Local Bodies and Municipal Corporations*, 1983.
- (24) Government of India, *Report of the Rural-Urban Relationship Committee*, Vol. I, June 1966, p. 88.
- (25) By now the reports are available for the states of Andhra Pradesh (1971), Orissa, (1974), Maharashtra (1974), Karnataka (1975), Kerala (1976), Tamil Nadu (1980) and West Bengal (1982).

- (26) Abhijit Datta, *Municipal Finance in India*, (Mimeographed), prepared for the Urban and Regional Economics Division, Development Economics Division, The World Bank, Washington, D.C., 1981, pp. 2–3.
- (27) Government of India (Ministry of Health and Family Planning), *Report of the Rural-Urban Relationship Committee*, Vol. I, Delhi, 1966, p. 28.
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- (33) *Ibid.*, Ch. II.
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- (41) *Ibid.*, p. 10.

RURAL LOCAL SELF-GOVERNMENT IN INDIA

The terms 'local self-government' and 'local government' are synonymous. The controversy regarding their use is dead now. What is important is to analyse the elements of a local self-government system.

In general, local self-government may be said to involve the conception of a territorial, non-sovereign community possessing the legal right and the necessary organisation to regulate its own affairs. This in turn presupposes the existence of a local authority with the power to act independently of external control as well as the participation of the local community in the administration of its own spheres.⁽¹⁾ That is, a local self-government has the following attributes:— (a) territory, (b) population bound together by a sense of community and (c) a governmental organisation which is responsible and responsive to the needs and wishes of the local community. But the government is not sovereign, it is subordinate to superior authorities of the country. The powers and jurisdiction of a local self-governing authority are limited and it functions within limits laid down by the law of the country. Within such limits it has autonomy in regard to the exercise of its powers and the discharge of its functions and duties.

The basic units of a local self-government system are generally based on a distinction between urban and rural population i.e., villages and towns. The distinction between them cannot only be explained in physical terms but also in terms of social psychology, social attitudes, and habits. Physical factors such as density of population per acre, organised provision of services and social amenities are important since they have a direct bearing on social psychology and attitudes. All these factors combined build up a sense of community. The sense of community is a very important factor since it is the basis of loyalty of an individual to the place of his residence. The individual develops a feeling of love and affection for his locality.

We may divide the history of local self-government in India into three fairly distinct periods. The first period which may be taken to have started with the setting up of a local authority in Madras ended in 1882. Lord Ripon's Resolution of 1882 is the beginning of the second period. The Reforms of 1919 mark the commencement of the third period. The year 1947 when India became independent does not start a new period since the system continues to be the same.

The history of local self-government during its first period is not only characterised by absence of local self-government in the accepted sense of the term but it also gives us an idea of the attitude of the people towards local self-governing institutions. The attitude was one of active hostility in 1862, it underwent some change as years rolled on. The people were also unwilling to pay direct taxes and so indirect taxation had to be introduced. Lack of adequate degree of interest on the part

of the people in civic affairs and unwillingness to pay taxes for municipal improvements are there still. These are thus chronic problems with which we have still to grapple.

The unwillingness of the people to pay taxes was due to the fact that they did not understand the purpose. In the North-Western provinces in the early years of the British rule the Magistrate found it usually easier to persuade the leading citizens to make arrangements for the construction of drains or other works themselves. They would co-operate if they could see their money laid out in bricks and mortar, whereas they would resist strongly a tax whose purpose they did not understand. In Bareilly the inhabitants rose in revolt against the tax proposals, and had to be put down by the military.⁽²⁾

The Second Period — This period starts with the announcement of the Government of India Resolution on local self-government in 1882. In 1881 the Resolution on Provincial Finance had invited "the Local (Provincial) Governments to undertake a careful scrutiny of provincial, local and municipal accounts with the view of ascertaining: (1) What items of receipt and charge can be transferred from 'Provincial' to 'Local' heads for administration by committee comprising non-official, and wherever possible, elected members; and what items already 'Local' but not so administered, might suitably be so; (2) What redistribution of items is desirable in order to lay on local and municipal bodies those which are best understood and appreciated by the people; (3) What measures, legislative or otherwise are necessary to ensure more local self-government. Incidentally to the scrutiny they will probably notice and might carefully consider; (4) Ways of equalising Local and Municipal Taxation throughout the Empire, checking severe or unsuitable imposts and favouring forms most in accordance with popular opinion or sentiment." Lord Ripon's government addressed circulars to provincial governments on the subject of local self-government also. It was on the basis of particulars collected in pursuance of the above mentioned circulars that the Government of India framed its famous Resolution of 1882.

Lord Ripon who was perhaps alone in his liberalism looked at the problem of local self-government in distinctly different light. He thought that political education and administrative efficiency should be put into perspective. He regarded local self-governing institutions as instruments of political and popular education.

The next landmark is the Report of the Decentralisation Commission which was set up in 1907 to enquire into the financial and administrative relations of the Government of India and the provincial governments and of 'authorities subordinate to them' and to report 'whether by measure of decentralisation or otherwise' the system of government could be 'simplified and improved.' It submitted its Report in 1909. Their recommendations were sound but cautious, conceived in terms of administrative

improvement, rather than of national political aspirations.

The Decentralisation Commission emphasised the importance of village organisation, insisted on universal establishment of taluka and tehsil boards as the 'principal agencies of local government', suggested measures to strengthen financial resources of rural boards, favoured continuance of District Magistrates as Chairmen of District Boards and various other measures.

These recommendations were whittled down in process of transmission into the Resolution of 1915. By the time this Resolution was issued the proposals became out of date in view of the state of national political aspirations. The Government of India set to work to evolve an advanced policy which came to be embodied in the Resolution of 1918.

The Third Period — The years 1918—20 were a period of waiting. The Constitutional Reforms were announced. Preparations were started for implementing new reforms. Local self-government was a transferred subject under Dyarchy and to be placed under the charge of a Minister. The constitutions of local authorities were further democratised.

Local Self-Government as members by an Order of the President of India in order to review the problems of Local Self-Government of the entire country and to co-ordinate ideas relating to Local Self-Government. Again, the Government of India has been convening the conferences of Municipal Corporations since 1959. These conferences are attended by the Union Minister for Health, Mayors and Commissioners of all the Municipal Corporations in India. There is also an All-India Panchayat Parishad with branches in States. This is a non-official body created to promote the interests of the Panchayat Movement. These bodies, the Central Council of Local Self-Government and the Conference of Municipal Corporations, have been doing useful work.

The Government of India is alive to the question of the integrated approach and appointed a Rural-Urban Relationship Committee to suggest a new structure which will enable local authorities to cope with the problems arising from economic development, and consequent urbanization at a rather rapid pace. Such a periodical examination of the structure of Local Self-Government will be necessary in future. It is demand of the rapidly developing science and technology.

During this period serious attention has been paid to the problem of rural local self-government. Mahatma Gandhi and other top leaders of the Indian National Congress had always been emphasising the need of paying greater attention to the problem of the villages. Framers of the Constitution of India laid it down as a duty of the government to organise self-government institutions at the village level.⁽³⁾ The Congress which came to power in the states and in the Union Government took up the matter in right earnest. Necessary legislations were passed and Village Panchayats have come to be established all over the country.

The reorganisation of local self-government system in rural areas has been long overdue. The municipal authorities were first set up in urban areas. The Government of India Resolution of 1882 for the first time directed local governments to set up rural boards similar to municipal boards. It further directed that the unit of administration should be small — the sub-division, tehsil or taluka. Next came the Report of the Decentralisation Commission which had been appointed in 1907 to enquire into the financial and administrative relations of the Government of India and the provincial governments and of 'authorities subordinate to them' and to report 'whether by measure of decentralisation or otherwise' the system of government could be 'simplified and improved'. It submitted its Report in 1909. The Commission for the first time emphasised the importance of village organisation, and insisted on universal establishment of taluka and tehsil boards as the 'principal agencies of local government'. These suggestions and directions were modified by provincial governments. Villages continued to be neglected. Tehsil or Taluka boards were not strengthened. Instead, District Boards were retained as principal local self-governing institutions in the rural sector.

District Boards were hardly adequate for purposes of local self-government. The jurisdiction of a district board coincided with that of a revenue district—a unit created long ago for purpose of land revenue administration and police administration. The area and the population of a district made it impossible for it to acquire necessary cohesion and vitality for functioning as an effective institution. The States started taking over many of the functions of the district boards. On the other hand, Gram Panchayats were set up. These two powerful forces, (a) provincialisation of several functions of district boards and (b) growth and development of Gram Panchayats brought about a situation in which district boards could not be continued for long. The introduction of Community Development programme forced the issue of the reorganisation of rural local self-government system.

The review of the working of the C.D.⁽⁴⁾ and N.E.S.⁽⁵⁾ movement revealed that its attempt to evoke popular initiative was one of its least successful aspects. The proposal of the Planning Commission for the Second Five Year Plan stressed the need for creating within the district a well organised democratic structure of administration in which village panchayats would be organically linked with popular organisations at a higher level. This proposal was taken up by the Study Team appointed by the Committee on Plan Projects. The National Development Council constituted this Committee with a view to securing economy and efficiency in development administration. The Study Team which was presided over by Balwantrai Mehta submitted its Report in 1957.

The Balwantrai Mehta Team recommended a scheme entitled 'Democratic Decentralisation'. It suggested that 'Government should divest itself

completely of certain duties and responsibilities and devolve them to a body which will have the entire charge of all development work within its jurisdiction, reserving to itself only the functions of guidance, supervision and higher planning'. This body, constituted at the block level, should be known as Panchayat Samiti. At the district level there should be a co-ordinating council known as Zila Parishad with no executive functions. It further suggested that Panchayat Samiti should be constituted by indirect elections from the Village Panchayats and Zila Parishad should consist of the presidents of Panchayat Samitis M.L.As.⁽⁶⁾ and M.Ps.⁽⁷⁾ representing the area and the district level officers. The Collector should be its chairman and one of his officers will act as Secretary.

The Team further recommended that the budget of the village Panchayat will be subject to scrutiny and approval of the Panchayat Samiti, and the budget of the Panchayat Samiti will be subject to the approval of the Zila Parishad.

Panchayati Raj Schemes

Ever since the Balwantrai Mehta Team made their recommendations steps have been taken by States to reorganise the rural local self-government system. The States have accepted the scheme in principle but have introduced several modifications. Legislation for the purpose has been enacted in most of the States.⁽⁸⁾ As a result Panchayat Samitis and Zila Parishads are being set up. Generally Panchayat Samitis are established at the block level and Zila Parishad at the district level, but in Gujarat, Maharashtra and Mysore the taluka has been adopted instead of the block. There are, however, some differences in the nomenclature adopted in different States.

In Andhra Pradesh, out of 445 blocks 310 have been covered by Panchayat Samitis. All the 20 districts have been covered by Zila Parishads.

In Assam, 120 Anchalik Panchayats and 16 Mohkuma Parishads (at the sub-divisional level) have been established. In Orissa, all blocks and districts have been covered. There are 370 Panchayat Samitis and 13 Zila Parishads. In Madras, there are Panchayat Union Councils at the block level and District Development Councils at the district level. All the blocks and districts have been covered. There are 375 Panchayat Union Councils and 21 District Development Councils.

In Mysore, 179 Taluka Development Boards and 19 District Development Councils have been set up.

In Punjab, 226 Panchayat Samitis and 18 Zila Parishads have been established.

In Uttar Pradesh Kshetra Samitis at the block level and Zila Parishads at the district level have been set up. There are 899 blocks and 54 districts.

In Gujarat, Taluka Panchayats and District Panchayats at the Taluka

and District levels are being set up.

In Bihar 587 Panchayat Samitis and 31 Zila Parishads have been set up, with effect from April 1981.

New Strategy

The Panchayati Raj institutions were introduced in the early sixties amidst high hopes and expectations. But after initial enthusiasm and promising performance these institutions began to rapidly deteriorate. The Asoka Mehta Committee, appointed by the Janta Government in 1977, was specially entrusted with inquiring into this sorry situation and suggest measures to revivify the Panchayati Raj institutions. In the following pages a critical appraisal of the principal findings and recommendations of the Committee are made.

The short-lived Janata Government, while appointing the Asoka Mehta Committee, stated its express purpose: "The Government accords the highest priority to rural development so as to increase agricultural production, create employment, eradicate poverty, and bring about an all-round improvement in the rural economy. The Government considers that the maximum degree of decentralisation, both in planning and implementation, is necessary for the attainment of these objectives. It has accordingly been decided, in consultation with the State Governments and Union Territories, to set up a committee to enquire into the working of the Panchayati Raj institutions, and to suggest measures to strengthen them, so as to enable a decentralised system of planning and development to be effective."

The specific purpose was to provide to the rural areas the infra-structure for development, which is something essential for all developing countries of the Third World. A natural corollary to this is the concept of Democratic Decentralization. This found its due place first in the well-intentioned Balwantrai Mehta Committee Report. Even as early as 1952, with the coming of the First Five Year Plan, the underlying philosophy of Community Development was visualized in Government Schemes and Programmes. The final goal as enunciated was to initiate "people's programme with people's participation."

This laudable ambition has, as history has shown, remained unfulfilled. The three-tier system envisaged by the Balwantrai Mehta Committee has not been implemented in any of the Union Territories, and where it has been, it has been done in a haphazard manner, Maharashtra and Gujerat being the exceptions. The Governments at the Centre have not shown the political will to upset the status quo at Panchayati Raj level. A case in point is the indefinite period that some Panchayati Raj bodies were allowed to continue in office, setting aside all accepted democratic norms.

The Balwantrai Mehta Committee Report has been the precursor of

reforms at the Panchayati Raj level. The Asoka Mehta Committee Report itself is indebted to it. But the guilt for the subversion of its ideals should be apportioned between the Central and State Governments.

Crux of the Asoka Mehta Report

The terms of reference of the Asoka Mehta Committee encompassed all important aspects of the Panchayati Raj, as is evident from its 132 recommendations. The first-three chapters of the Report are devoted to a survey of the antecedents and development of Panchayati Raj. It has broadly categorized the history of the Panchayati Raj into three phases: 1959 to 1964 — the striking of roots; 1964 to 1969 — the phase of corrosion; 1969 to 1977 — the stage of non-performance. The Committee outlined the reasons for the decline of Panchayati Raj institutions: haphazard programmes, non-performance, rise of vested interests (sugar lobby being an example in Maharashtra), lack of political will on the part of the Central and State Governments, lack of adequate financial resources, etc. The concept of Panchayati Raj itself got lost in a haze of conflicting interpretations.

But the Committee hastens to add that this failing is not peculiar only to Panchayati Raj; it was only symptomatic of the disease afflicting the entire body politic of the nation. It would be wrong to take the extreme view that the Panchayati Raj experiment is a "God that failed". It had the immediate effect of galvanizing the average citizen in rural India and in places where the system struck roots, it helped in narrowing the gap between bureaucracy and the people. A development goal was drawn for the people.

The chapter, "Dynamics of Development," traces the evolution and radical changes that have taken place in rural India since Independence, the green revolution being an example. While doing so, it has suggested necessary organizational changes that should be made.

As a document, the Asoka Mehta Report has thoroughly dissected the existing situation in the rural areas and has also attempted to chart a future plan of action. Without going into the details of the report it can safely be asserted that the major thrust of the Report is on decentralization. "The formulation of structural functions and the utilization of financial, administrative and human resources in Panchayati Raj institutions should, in our opinion, be determined on the emerging functional necessity of management of rural development."

NEW APPROACH

It is worthwhile to mention that the Report not only takes stock of the existing situation in the rural areas, but tries to visualize the future scenario.

The Committee's principal thesis is the functional necessity for de-

centralization of administration. It is called "new approach" towards Panchayati Raj. One may feel that such a philosophy or "approach" conceives of Panchayati Raj in somewhat narrow terms. "It gives one a feeling that Panchayati Raj is a mere administrative contrivance whose justification lies only in terms of rural development." It may have been more secular if Panchayati Raj, or rural local government, were regarded like its counter-parts at the State and Central levels as a system of government having a measure of autonomy in the matter of its functioning and existing in its own right.⁽⁹⁾ "The Committee's is a too closely focused definition of rural local government and it needs to be liberalized and made more open ended."⁽¹⁰⁾

It is neither intended nor is it possible to cover all the recommendations of the Committee. Here therefore, efforts have been made to discuss the major recommendations with a view to high-lighting issues and problems of great significance in reforming Panchayati Raj which demand serious and careful consideration.

THE MODEL

The issue of tiers in the Panchayati Raj system, has been discussed in one form or the other since 1959. At present there is no uniformity in this regard. In Kerala, only Panchayats; Rajasthan, Andhra Pradesh, Bihar, etc., have three tiers; in Orissa and Hariyana only lowest and middle tiers operate. Conscious of operational realities in this regard the Committee has adopted a flexible approach. However it favours a "two-tier model" of Panchayati Raj. This is the most significant recommendation of the Committee. The developments necessitate that the first point of decentralization below the State level should be the District. The revenue district assures the administrative competence and technical expertise of high order required for rural development. The tier at the district level will be known as the unit of planning in most of the States and is not to be the basic unit of devolution but merely an executive committee of the Zila Parishad as in Maharashtra; the Block will continue as a transitional measure. "The present dynamics of development, the methods for transfer of technology, and the group action required for many projects, give rise to misgivings about the ability of the existing Panchayats to function effectively in the present context." "Non-viability, economically or otherwise, of the existing Panchayats, trends towards a larger size in some States and considering a village no longer the basic unit for development suggest the bigger area than present Panchayat as the level for second tier of Panchayati Raj. The suggestion for the creation of Mandal Panchayats (which are to be the implementing bodies) as second tier in the model, covering a population of 15,000 to 20,000 is a new and novel one. A Mandal Panchayat (a unit of cluster of villages), as argued, would alone be able to ensure a balance between technological requirements and possi-

bilities of popular participation in decision making.”

The radical recommendation is likely to raise many eyebrows. A reaction⁽¹¹⁾ may be noted thus, “In Asoka Mehta two-tier structure of Zila Parishads and Mandal panchayats, the Gram Panchayats and village as a unit are the casualties. Villagers come in contact with the Gram Panchayat directly therefore making it more effective and useful, should have been attempted Efforts all through have been to strengthen the grass-root level but the present committee has thought it wise to shift the power and focus of activities to cluster of villages or Mandals, to talk of decentralization from the State to Zila Parishad level but to recommend the shift of power and activity from a village to a cluster of villages appears to be contradictory in spirit.”⁽¹²⁾

Legislators' Association with Panchayati Raj

There has been a good deal of debate regarding the composition of Panchayati Raj bodies. Controversies still continue about the nature of elections and the association of legislators and the role of political parties.⁽¹³⁾ The Committee recommends direct election to these tiers, reservation of seats for scheduled castes and scheduled tribes in proportion to their population and women (two seats) who get the highest number of votes in Panchayati Raj elections.⁽¹⁴⁾ Preference to the election of women with relaxation in the usual election system is an innovation of the Committee and needs consideration. Functioning through committee in Panchayati Raj system should be encouraged. MPs and MLAs will not be “insiders”. For planning purpose, however, a committee of the whole Zila Parishad may be constituted. Here, the MPs and MLAs should also be ex-officio members as this would ensure better consideration of a technical plan before the Zila Parishad and also give the advantage of the knowledge of the MLAs of both field level and State level problems. In brief, in the proposed system of elections the directly elected component would be larger than the ex officio and co-opted element.

Political Parties and Their Role

During the last 20 years, much heat has been generated with regard to the role of political parties in Panchayati Raj institutions. Emergence of two schools of thought in this connection is too well known, and needs no elaboration here. This committee categorically opines in favour of allowing the political parties to take part in Panchayati Raj. The relevant extract from the report reads, “The Committee would, therefore, like to emphasize with all the strength at their command that the success of this entire scheme would depend on continued interest, goodwill and cooperation of all political parties”. Again, “we have reached a stage of political evolution when it would be unrealistic to expect that

political parties would keep themselves away from these elections, often they do participate though not openly. This situation needs to be avoided. Their participation would make for a clearer orientation towards programmes and would facilitate healthier linkages with the higher level political processes. It is also necessary to provide constructive outlets to opposition parties; parties out of power at the State level may be able to chalk out achievement at the District level. Direct elections coupled with programme-based contest would offer greater scope to weaker sections for availing the opportunities offered by the political system."

Rule for Chief Election Officer

In the discussion on the structure and elections, an important point invariably made is that the State Government should not supersede Panchayati Raj institutions on partisan grounds and if supersession becomes necessary, the bodies disbanded be replaced by elected ones within six months. Further the State Government should not postpone elections as had happened. For assuring independent and timely elections to Panchayati Raj institutions, the Committee recommended that the Panchayati Raj elections should be conducted by the Chief Election Officer of the State in consultation with the Chief Election Commissioner. Such a procedure would considerably strengthen the confidence in the Panchayati Raj election system. "These aspects of supersession, postponement of elections, and the election system require special provisions in the Statute. The State legislations should contain provisions for this purpose."

The Village Judges

As far as Nyaya Panchayats are concerned it feels that while there is a great deal of consensus in favour of decentralization of justice there is a lack of enthusiasm for Nyaya Panchayats as they are functioning now in different parts of the country. The Committee, therefore, is in favour of a qualified judge to preside and elected Nyaya Panchas being associated with him. The elected Nyaya Panchas will not be entitled to seek re-election; they should serve in an area other than that from which they have been elected. Since this suggested system may involve practical difficulties, it demands careful consideration of all its implications.

As said earlier, the Zila Parishad would be the first point of decentralization, and the basic unit of Panchayati Raj, endowed with a comprehensive range of developmental responsibilities. At the grass-root level, the Mandal Panchayat will be the hub of development activities.

Special Programme

One of the knotty problems that defied satisfactory solution in Pancha-

yati Raj has been its functions. Very few State Governments have given careful thought to this subject. The Committee adopts a rational approach. It feels that an exhaustive list of functions to be performed by Panchayati Raj institutions in all the States cannot be prepared, for it feels that these institutions have to tackle "location specific programmes". It adopts one basic criterion and that is, "That development being a dynamic process, functions cannot remain static; periodic adjustments would be necessary to suit the changing requirements." Centralization should be genuine and adequate. "It should be regarded as a functional necessity and not as an act of political charity". All development functions relating to a district which are now being performed by the State Government should be placed under the Zila Parishads. It will be the responsibility of Zila Parishads to plan the development programmes and implementation will be left to Mandal Panchayats. The State Government, however, will handle such functions as agricultural research, medium irrigation project, college and university education etc. The regulatory function will continue to remain with the collector but in the long run, the goal to be pursued is that all regulatory functions should be transferred to local bodies and that the collector should be under the Zila Parishad. One may apprehend serious consequences of this arrangement (administrative dyarchy), for a collector has to please two masters, the elected non-official Chairman of the Zila Parishad and the Government (high-ups in the hierarchy).

Local Level Planning or Planning from Below

The Committee reviews the progress already made regarding planning from below.⁽¹⁵⁾ Since planning requires a lot of expertise the committee suggests that there should be a professionally qualified team at the district level for the preparation of district plans, a thing which has been woefully lacking all these years. It conceives the idea of a "planning cell" at district level, which should consist of an economist/statistician, cartographer/geographer, agronomist, engineer (irrigation/civil), industries officer (small and cottage industries) and a credit planning officer. This cell will have to work in collaboration with all the other district level officers who will be under the Zila Parishad and who are closely associated with the problems of development. To begin with, the role of Mandal Panchayats would essentially be one of promotion and implementation of plan projects and schemes. The committee also covers other aspects of decentralized planning such as formulation appraisal, implementation and monitoring of projects.⁽¹⁶⁾

For protecting the interests of the weaker sections such as the Scheduled Castes and the Scheduled Tribes, the Committee puts forth a number of suggestions for removing the present structural inadequacies.

Social Justice

In the context of social justice following are worth considering

(a) Representation of Scheduled Castes and Scheduled Tribes should be on the basis of their population, meaning thereby that their representation should be commensurate with their number; (b) Formation of Social Justice Committees with chairman from the Scheduled Castes and Scheduled Tribes is another suggestion. With a view to providing political support to the objective of protection of the interests of the weaker sections, a committee of the legislature with, as far as possible, majority representation of MLAs/MLCs belonging to the Scheduled Castes and Scheduled Tribes should be set up to review the working of the programme meant for these communities. This committee would also be responsible for "Social Audit" of funds earmarked for the Scheduled Castes and Scheduled Tribes; (c) In order to ensure that the weaker sections of society derive maximum benefits from the various plans, it is suggested that there should be an independent authority to carry out "Social Audit" of the funds earmarked for the projects designed for them so that they are implemented in a way that the desired impact is not diluted. To begin with, a separate wing may be created in the existing audit set-up and the Collector may be made responsible for supplying to the Government all the data required for Social Audit.

In any system of Panchayati Raj, administration plays an important part; this is obvious and needs no emphasis. The Committee's approach to it is that the pattern of administration should suit the decentralization of development functions. "A delectable comparison of the administration is made with a woman's dress. It has to drape well the body politic and has to fit with the contours".

Pattern of Staffing

An important related recommendation is that all the staff concerned with decentralized functions should be under the Zila Parishad. Broadly, there will be four types of staff, similar to the arrangement that exists in Maharashtra and Gujarat. Class I and Class II staff will continue to be employees of the State Government but will work under the Zila Parishad and Class III and IV are to be made employees of the Zila Parishad.

Unity of command is essential in administration. Therefore, all the staff of the Zila Parishad will work under the administrative control of the Chief Executive Officer who will coordinate and supervise the work of the development staff. It is the function of the Zila Parishad to formulate policies and the Chief Executive Officer (CEO) will be in charge of implementing these decisions. The CEO must be a man of sufficient seniority.

Development Administration

At the Mandal Panchayati level, the Committee proposes a full-time Panchayat Executive Officer (PEO). Officers of different development departments working in the field (AEOs, etc.) can be moved to the Mandal level.

The Committee thus visualizes a separate development administration on a decentralized functioning along with a composite Zila Parishad Secretariat. However, the Collector would continue to exercise regulatory and other functions in the proposed system.

One of the main factors responsible for weakening Panchayati Raj institutions is the inadequate financial resources.

After analysing the situation in various States, it feels that the financial approach should keep in view the logical imperative of the dynamics of development. This means that greater developmental responsibilities will be shouldered at the district and Mandal levels. There should not only be devolution from the State Government but Panchayati Raj institutions should mobilize enough resources of their own. They should, therefore, have compulsory powers of taxation in matters like house tax, profession tax, entertainment tax, etc.

More Funds Required

The Committee feels that since all functions relating to implementation at the district level are transferred to Zila Parishads, the funds also should be transferred automatically. Grants from the State Government constitute the bulk of the receipts of Panchayati Raj bodies. Administrative expenditure on the salaries and allowances of staff transferred to Zila Parishads should be borne by the Government. This is one of the several important aspects of Panchayati Raj which deserve careful attention.

In Chapters X and XI, the recommendations of the Committee deal with human resources development and relationship with other institutions such as voluntary agencies, cooperatives and urban local government institutions.

“The human factor is not only a component of growth but also shapes the texture of the society. In many ways, therefore, the human resources are more vital than the financial. Development of human resources should, therefore, be a primary feature of Panchayati Raj institutions”. The Committee stresses the importance of training for officials, elected representatives and also combined courses for both the categories recognizing that some voluntary agencies have done good work and have demonstrated their expertise. It feels that their cooperation should be enlisted by the Panchayati Raj institutions.

Should Panchayati Raj be given a constitutional sanction for imparting both sanctity and status to it. It is certainly a vexed question. Sometimes it is stressed that the Constitution of India must be suitably amended to

enable the Panchayati Raj to be enshrined in the supreme document of the land itself. The Asoka Mehta Committee is not categorical on this issue. However, it felt it desirable to request the Central Government to give careful consideration to this proposal. Annexure No. 2 in the Report contains a document of specific suggestions for giving Panchayati Raj a constitutional mandate; the document was prepared by 21 eminent citizens.⁽¹⁷⁾ The Committee wants the Government of India to give careful consideration to the document.

Observations

It is difficult to disagree with the major conclusions arrived at by the Asoka Mehta Committee. But the point is whether the Centre and the State Governments are serious about implementing them. The stand of the present Government at the Centre on genuine decentralization is well known and this also should be viewed in the light of the drive for complete monopoly of power in the States as well. The Committee has taken note of it and has explicitly stated that "the existing scheme of distribution of powers between the Union and the States would require a detailed out separate consideration". This question has been debated for many years and has remained inconclusive. It is obvious that the remedy lies only in the amendment of the Constitution. The Constitution had not foreseen integrated administrative development and percolation of genuine democracy to the grass-roots. In the Government's view of things, bureaucracy would always reign supreme at the lower level, unlike at the Centre and State levels.

The litany of praise for the so-called "technological revolution" contained in the report may be good for the Government time capsules, but actual experience has shown that capitalist development has only worsened the situation in the rural areas. A cursory glance at the screaming newspaper headlines today about the recent atrocities in rural India highlights their plight. Today we have the Scheduled Castes, Scheduled Tribes and backward castes, together with other landless, bearing the brunt of exploitation. For their emancipation, genuine democracy has to be extended to the grass-roots level, and only decentralization is the tool for this.

This brings us to the question of regular elections at the local levels. Cooption, as indicated in the Report, will not be conducive to the smooth functioning of elected organs of administration. In fact, there is a case for proportional representation for organized groups, though the Committee has specially come out against this. But only by resorting to some sort of a proportional representation can justice be done to political parties, religious minorities, Scheduled Castes, Scheduled Tribes, women, etc. Representation to the Scheduled Castes and Scheduled Tribes and backward classes is absolutely justified, both in terms of social advance and in the light of the past exploitation and present subjugation. But this cannot

be an indefinite feature at the Panchayati Raj level. It would help in the formation of an elite group amongst them. Recent experiments in "Reservation" carried out in the State of Bihar have shown that it leads to unnecessary exacerbation of caste conflicts. In India today, there are millions of upper caste people who have been dispossessed and pauperized. Therefore, it is essential that economic status should also be an important criterion for reservation. All the same the 20 per cent reservation for the important posts of chairman envisaged by the Committee for the Scheduled Castes and Scheduled Tribes is a good thing. Panchayati Raj has long been the domain of the land-holding upper castes and it is essential to break their stronghold. But this cannot be done simply by reservation. What is preferable is a broad alliance between them and the poor belonging to the other castes.

Chapters VIII and IX of the Report dealing with the problem of administrative and financial resources have no radical measures to offer. The glaring disparity in service conditions between Central and all-India services, between State services and the services of the local bodies are not exactly conducive to the morale, especially of local level government employees.

In the matter of allocating resources the Committee lays great stress by the altruism of the Central and State Governments. It would have been better if the Panchayati Raj institutions were allowed to mobilize their own resources. The Central and State Governments should start tapping financial resources that fall within the purview of the local bodies. There could be an understanding on the part of the Centre, State and Panchayati Raj institutions on providing an equitable basis for allocation of financial resources. This would be the right attitude. Otherwise it would lead to merely burdening the rural people with more taxes.

The Emerging Theme

It is not possible at the national, sub-national or regional levels to take into account the diversity in the levels of development and living, and make realistic plans taking into consideration potentialities for development and the resources available, specially in a country like ours, due to its vast size and natural resources distributed unevenly among the States. The remoteness of the Planning agencies from the areas of implementation has hampered the matching of sectoral financial allocations with location-specific needs. The nature of planning, which has been attempted so far at the national and State levels, has contributed to regional and social imbalances. No doubt certain area-based plans and beneficiary oriented programmes were introduced to correct these imbalances, this can be called only a small beginning. It is imperative to take such developments to their logical condition during the Sixth Plan. In order to achieve this objective local-level planning or area planning has to be more effectively introduced.

On the democratic front it is also imperative that the process should not be terminated at State level. It is every man's experience and common feeling that people's own representatives at the grass-roots level are best suited to guide the process in rural India and bring about social change. It is, therefore, but natural that democratic institutions at all levels should play an important role in the planning and implementation of rural development programmes.

As regards decentralization, the district should be the first point below the State level. The Zila Parishad will have to play an important role in the planning and implementation of all development programmes of the district in those States which decide to set up such democratic institutions at district level. In the past no serious attempt has been made to induce technical skills into the planning unit at district level under a chief planning unit at district level under a chief planning officer assisted by competent experts.

It will be a step in the right direction that block level plans should be prepared. However, block level planning should not be viewed as an isolated exercise. It should be treated as a link in a hierarchy of levels from a cluster of villages below the block level to the regional, district and State levels. District and block level planning should be visualized as a part of the same exercise. The main thrust of block level planning is to speed up the process of decentralization in the hope that a more systematic planning effort with smaller coverage will not only help to accelerate the development process but also make planning more responsive to the needs of the weaker sections of the community. As regards district planning, it will be a resource development as well as an infrastructure required for supporting the production-cum-employment thrust of the block level planning. The infrastructure required for the various block level plans and the location of institutional centres will have to be worked out for optimum support to the block level plans. The factors like institutional supports available, input services and the marketing facilities that have to be developed should be kept in mind while formulating the district-level planning. The local resources, manpower, institutional strength and public participation for evolving a suitable programme relevant under local conditions, meant to cover target groups, should be taken note of while formulating block-level plans. Again, while preparing block plans, programmes suited to local environment and local capacity will have to be identified. This exercise can be done more effectively at levels below the Block.

From the above discussions, a picture emerges that the planning process cannot stop at the block level. The Mandal Panchayats representing a group of villages will be able to collect and supply necessary information about various schemes, relevant under local conditions, and suggest potential areas of development and the type of requirements that have to be met. In the planning process, there should be a continuous dialogue bet-

ween the Mandal Panchayats and the block level planning organization. While it may not be necessary at this stage of development to establish a unit of planning in each Block, the administrative machinery will have to be suitably overhauled and strengthened to meet the requirements of block-level planning. With regard to the planned development at local level, it is generally assumed that the Block Development Officer will play the coordinator's role. But there is no functionary in a Block who can at present shoulder the responsibility of getting a block level plan prepared even with the assistance of an expert team. However, it is widely felt that the Block administration can be of immense assistance in the preparation of an over all development plan for the Block.

It should always be kept in mind that what is contemplated is micro-level and multi-level planning. While the process of planning is meant to be decentralised, each local-level plan will have to be fitted into the plan at the higher level and ultimately into the State and national plans. Keeping in view the objectives as accepted in the national and State plans. There should be some uniformity in the process as well as in the format, in order to do this effectively.

NOTES

- (1) Encyclopaedia of Social Sciences, 1933, Vol. IX, p. 574.
- (2) H. Tinker — Foundations of Local Self-Government in India, Pakistan and Burma, p. 28.
- (3) Art. 40.
- (4) Community Development.
- (5) National Extension Services.
- (6) Member of State Legislative Assembly.
- (7) Member of Parliament.
- (8) Kerala and Jammu and Kashmir have yet to pass necessary legislation.

- (9) This is the part of the thinking that Panchayati Raj should be 'government' in its own right at its level, which virtually means 3-tier structure of federation instead of two as at present.
- (10) S.R. Maheshwari, 'Panchayati Raj Between the two Mehtas and Beyond', Panchayati Sandesh, Delhi, Vol. 10, No. 10-11, January-February, 1979, p. 12.
- (11) "The committee does not recognize a need for an elective participative organism at the level of the village; it is content with village committees. Such a view makes the village too conspicuous by its absence in the Mehta Scheme of organization. Political institutions do not operate in a vacuum, and by over-looking village, which is an organic entity, the Asoka Mehta Committee runs the risk of suggesting precisely such a kind of remedy. It may perhaps do us good to recognize the full organic personality of the village and build the decentralized structure upon it." ("Panchayati Raj Between the two Mehtas and Beyond", op.cit., p. 13).
- (12) S.K. Sharma, 'Review of Asoka Mehta Committee Report on Panchayat Raj Institutions', Kurukshetra, New Delhi, Vol. XXVII, No. 3, Nov. 1, 1978, p. 10.
- (13) See G. Ram Reddy, 'Panchayati Raj Proposals', Seminar, New Delhi, No. 234, February 1979, pp. 31-37.
- (14) For details see Report of the Committee on Panchayati Raj Institutions, Government of India, New Delhi, August, 1978 (specially Ch. IV).
- (15) Op. cit. VI (Planning), pp. 68-78.
- (16) Ibid.
- (17) See details in 'Towards Roots of Democracy' and 'The Constitution (Forty-third Amendment) Bill 1977, Report of the Committee on Panchayati Raj Institutions, op.cit., pp. 207-212.