



## Partners in Development: Local Government in India

RAKESH HOOJA / GEORGE MATHEW

Since the pre-independence days of British rule, federalism in India has had two legally and administratively well-established, well-defined governmental tiers: the Union and the states. India's 28 states and seven Union territories are geographically large; many are the size of European countries. The physical, administrative and social distance between the grassroots and the Union capital is vast.

Thus, state governments have made use of districts as units of administration. Presently India has 607 districts. The District Collector, also referred to as the Deputy Commissioner or the District Magistrate, is the administrative head, assisted by a number of District Level Officers (DLOs) from various state government departments. DLOs provide administration and implement development schemes.

Prior to Indian independence in 1947, some areas passed Village Panchayat Acts which created councils for rural areas, as well as Municipality Acts which created municipal bodies in urban areas. Upon independence, the Indian Constitution made no provision for village panchayats due to the fears that the upper castes and dominant socio-economic groups or elites would continue to dominate villages by capturing power in village panchayats if these were made

important bodies. They were mentioned only in the Directive Principles of State Policy, which are merely guiding state principles and not legally enforceable.

It was not until the 1958 Balwantrai Mehta Committee Report that rural community development schemes saw a substantial role for panchayats, primarily as agencies for development. The Mehta report suggested three hierarchical tiers – beginning with village panchayats through intermediate panchayats to district panchayats – with links to the district administration and to the state government. Many states gave statutory recognition to their own models of elected Panchayati Raj Institutions (PRIs) as part of a process of democratic decentralization.

Some state government programs and plans were transferred to panchayat councils for implementation, though the states could and sometimes did withdraw them later. The head of each level of panchayat council was in practice more powerful than the councils themselves. Additionally, state governments and District Collectors had supervisory powers over the PRIs and could reject panchayat decisions and even dismiss panchayats. Through the various Panchayat Acts adopted by state legislatures, the PRIs were assigned certain powers to raise resources and impose taxation.

Urban India has not had such a hierarchical system of elected bodies. Each urban area has its own elected council based on size, population and other provisions made under various states' Municipal Acts. The municipalities are not linked in any way to the PRIs. State governments and District Collectors retain supervisory powers over them. Urban areas also have city development agencies or urban improvement trusts set up by state governments, with nominated chairpersons or boards that undertake development projects. Municipal bodies perform certain "municipal functions," providing sewage disposal, street cleaning and lighting, construction bylaws regulating private building, regulation of parking, registration of births and deaths, etc. A plethora of state government and quasi-government agencies coordinate responsibilities with the municipalities. The number of agencies increases in metropolitan areas, where one or more municipal bodies may be operating.

The District Collector coordinates rural and urban issues wherever state officials or local urban and rural bodies are involved. The state government maintains separate departments of rural development, panchayati raj, urban local self-government and urban development. The Union Government has corresponding ministries, and the Union Territories also have local self-government institutions. Some states have also set up regional development councils, which by and large are creatures of the state governments and do not have links with urban or rural local bodies.

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments of 1993 gave constitutional status to PRIs and municipal bodies. Elections must be held every five years. States may not postpone elections of local governments by appointing administrators instead. State level Election Commissions must be set up to independently conduct local government elections. Other mandatory provi-

sions include proportional reservation of seats for members of Scheduled Castes and Scheduled Tribes, with no less than one-third of seats reserved for women at all levels. One-third of municipalities and panchayats at all levels are to be headed by women though reserved and unreserved seats change with each election. State governments must also set up financial commissions to suggest methods for devolution of funds.

The character of India's federal polity remains unaltered, however, since local government remains an exclusive state subject. Nor have constitutional amendments done much to change the mindset of the population regarding local bodies. The constitutional amendments identified functions that could be transferred from state legislatures to PRIs or municipal bodies. In reality, these transfers have been slow and partial and sometimes not made at all, especially since politicians and officials at federal and state levels often perceive themselves as competing with elected representatives of panchayats and municipalities.

The 74<sup>th</sup> amendment provided for three types of urban bodies: nagar panchayats for transitional areas being transformed from rural to urban; municipal councils for small urban areas; and municipal corporations for large urban areas. Unlike PRIs, there is no hierarchy for these bodies and no formal relationship between them.

Local governments are entirely executive in nature, dependent upon state governments for funds, functionaries and functions. All local self-government institutions are fiscally weak, though some municipalities have a healthier bottom line than rural panchayats. Rural governments depend solely upon Union and state governments for resources. Furthermore, most of the resources provided to local bodies are tied to government programs and guidelines. A major issue today is coordination between levels of government.

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Constitutional amendments have significantly increased the number of representatives now elected to local bodies. Reservation of electoral seats for underprivileged peoples and women has led to a deepening of democracy and greater empowerment of the people. The position of women in rural areas improved significantly following three rounds of elections with reservations earning them increased representation in local bodies. The Union and state governments

also arrange for regular training and capacity-building for elected representatives, many of whom may be illiterate or not well educated.

India's panchayats and municipalities have long functioned as instruments of developmental and related programs of the Union and state governments. They are moving gradually toward fulfilling their Constitutionally-envisioned roles as genuine institutions of local governance.