

ISSN 0024-5623



Local Government Quarterly

October - December 2016

*A Journal of the
All India Institute of Local Self-Government*

*Brought out by its
International Academy of Urban Dynamics*



- ★ Dynamics of Local Governments: A Comparative Study of India, U.K. and the U.S.A.
- ★ Significance of Local Government in India: Debates and Continuity
- ★ Rural Local Government Finances: An Analysis at the All India Level
- ★ Political Empowerment of Women in Panchayati Raj Institutions; An overview
- ★ Smart Cities: Urban Governance or Urban Management?
- ★ Review of Decentralised Planning Initiatives and Urban Local Government Functions in India

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All India Institute of Local Self-Government (AIIILSG), established in 1926 has been actively working in the field of urban development management and is a diligent partner in promoting the cause of local governance in India and overseas.

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International Academy of Urban Dynamics (IAUD) has been conceptualized and set up at the AIIILSG with a view to support countries and cities and their stakeholders in their decisions towards a bright urban future.

The Academy offers strategic contribution to urban vision, policy and planning across countries and cities through multi-level research, documentation, debate, advocacy and capacity-building. It aids the crafting of innovative solutions to urban challenges through sharing, networking, dissemination and advisory services.

The Organization has embraced certain values including a pervading quest for excellence, perpetual learning, and the sharing and interpretation of knowledge that is grounded in ethics and truth. IAUD would undertake non-partisan analysis and evaluation of situations, facts and figures and render advice that is non-adversarial in intent and positive in content with a view towards better alternatives.

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Local Government Quarterly

Published by the

All India Institute of Local Self-Government



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Printed by Capt. Anant Modi, The Director General, All India Institute of Local Self-Government, at Copytronics, Bandra (E), Mumbai - 400 051 and published by him at the All India Institute of Local Self-Government, 11, Horniman Circle, Mumbai - 400 023.

Editorial

**Feeding the world, today and tomorrow;
productively and sustainably**

Thomas Robert Malthus in his late eighteenth century writing forewarned of a catastrophe arising out of famine and starvation. He argued that population increase tends to happen in geometric progression, i.e., multiplying by a fixed number at every stage as in 1, 2, 4, 8, 16, 32.....On the other hand food production increase tends to be arithmetic i.e., adding a fixed number at each stage as in 1, 2, 3, 4, 5, 6....Based on this principle he forecast that population growth would race ahead of food production growth and thus lead to starvation deaths until the population came down to more sustainable levels.

Thankfully none of this happened for a variety of reasons. Nonetheless this narration brings the spotlight on the crucial issue of food security and the need to secure food production to rid the world of hunger and to feed the growing population of the future.

Food and Agriculture Organisation (FAO) of the United Nations observes World Food Day on 16th October each year in order to bring focus on the subject of food security and the enormous implications it has for the well-being of the world population. It was on this day in the year 1945 that FAO was founded with the initial 42 members at Quebec, Canada. The goal was to free humans from hunger and malnutrition and to effectively manage the world food system. The theme for this year's World Food Day was 'Climate is changing. Food and agriculture must too'. On 14th October this year, during the events at the FAO headquarters in Rome, Director-General of FAO Jose Graziano da Silva was joined by a host of dignitaries and UN officials. A special message from Pope Francis was read out on the occasion.

Sustainable Development Goal 2 commits to 'End hunger, achieve food security and improved nutrition and promote sustainable agriculture'. The target is to achieve this by 2030. Among other targets, agricultural productivity is to be doubled by 2030.

Availability and access

Food security has many dimensions. Availability is one. Agricultural production and yields have moved up quickly in many parts of the world due to a variety of factors. In India, for example, agricultural yield more than tripled between 1966-67 and 2013-14 from about 644 Kgs per hectare to 2101 Kgs per hectare. During this period, acreage increased only marginally from 115.30 million hectares to 126.04 million hectares whereas production jumped from 74.23 million tonnes to 264.23 million tonnes (Agricultural Statistics at a Glance 2014-Ministry of Agriculture, Government of India). More importantly Per Capita Net availability of foodgrains increased from 144.1 Kgs per year in 1951 to 186.4 Kgs in 2013. Other items in the food basket including milk, eggs, meat and fish have also made noteworthy progress during the last few decades. So, we have made good progress so far.

But what about access, another dimension of food security? We have often seen situations when there is enough stock of foodgrains but many have no access to it. Abject poverty is often the reason. In India, the national government and several states have passed legislation giving citizens the right to food. These along with rural employment guarantee programmes can ensure a minimum income to every citizen which will enable him/her to buy food. What is sometimes appalling is that stocks of foodgrains, especially in years of bountiful harvest are stored in inappropriate conditions and suffer losses while many poor go hungry. The Global Hunger Index by the International Food Policy Research Institute in its 2016 ranking has placed India at 97 out of 118 countries. However, the Hunger level in the country has now improved to 'Serious' as against 'Alarming' in its 2013 ranking. Our inability to secure the food needs of people is manifestation of the deepest form of poverty and a stark reminder that despite all the scientific and technological progress mankind has made, it has failed to address the most basic of human needs.

Food Loss and Waste

Any discussion about food security is incomplete without talking about Food Loss and Waste (FLW). This dimension has a striking impact on food security. The FAO's High Level Panel of Experts on Food Security and Nutrition (HLPE) conducted a detailed study and prepared a report in 2014 which is as striking as it is seminal. Defining the phenomenon as “a decrease, at all stages of the food chain from harvest to consumption, in mass, of food that was originally intended for human consumption, regardless of the cause”, it differentiates between losses (which happens before consumption stage) and waste (which happens during consumption stage). It also addresses the issue of food quality loss or waste (FQLW) which refers to the decrease of a quality attribute of food (nutrition), linked to the degradation of the product, at all stages of the food chain. In terms of extent of FLW,

shockingly, the report estimates that global food loss and waste accounts for one-third of all food produced for human consumption, which is about 1.3 billion tonnes annually. Equally striking is its finding that on a per capita basis, FLW in the developed regions-Europe and North America is 280-300 kgs per year while it is 120-170 kgs per year in less developed regions-South Asia, Southeast Asia and Sub-Saharan Africa. In arriving at these estimates the Panel concedes that there are limitations in terms of lack of standards or appropriate data collection methods and protocols across regions and countries.

The report analyses the gamut of factors which lead to FLW at the macro, intermediate and micro levels including harvest and post-harvest practices, transportation, storage, labelling, shelf life definitions and consumption patterns. It makes a set of recommendations to address deficiencies along the entire food chain and calls for appropriate actions by all actors participating in the chain to strengthen our efforts for establishing a sustainable food system. Needless to say, reduction or elimination of FLW is central to the theme of global food security and nutrition. This issue also finds mention under SDG12, i.e., 'Ensure sustainable consumption and production patterns'. Among the targets under this goal, one says 'By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses'.

Sustainable agriculture

The theme of this year's World Food Day celebration "Climate is changing. Food and agriculture must too" calls for special focus on sustainable practices in agriculture. Critical inputs for agriculture, land, water and air, are all under severe threat due to climate change. Rapid urbanisation creating mountains of waste, forest degradation and coastal land erosion are all threats to land. However in urbanisation there may be a silver lining. Currently urban areas occupy 3 percent of all land, yet accommodate about 54 percent of the population. The urban population is expected to grow to 67 percent by 2050 and may occupy under 5 percent of land. This releases huge amount of land -95 percent- for the rural population for agriculture, livestock rearing and so on.

And Water? Agriculture uses almost 75 percent of all freshwater. Growing more food will require more water, something we can ill afford given the rapidly depleting ground water and other pressures on fresh water. We will have to look for major reforms in policy and agri practices in order to address this issue. For example, free water and free electricity (to extract underground water) for agriculture in many countries leads to unsustainable water usage practices. This may have to change. Drip and micro irrigation are known to work very well in water deficient regions without harming prospects for farm output.

Ambient air quality, now severely under pressure in our cities, has the potential to harm farm prospects, by impacting agriculture and livestock health especially at the fringes of our cities. Urgent measures, some just getting underway, to reduce greenhouse gas emissions in our cities will be needed not only to protect life in cities but also farm prospects at the fringes. Among other aspects, FAO lists livestock diversity as a measure to cope with climate change while expressing concern at the threat of extinction of many species. It states that between 2000 and 2014, nearly 100 livestock breeds have gone extinct. Their ability to thrive on poor quality feed, tolerate extreme weather conditions and produce eggs, milk and meat in sub-optimal conditions makes them valuable partners in our fight against climate change in the context of food security.

As we look ahead, we can see the challenges. One is to grow more food. To feed a growing world population we need to produce about 60% more food by 2050, as per FAO estimates. Second is to improve farm incomes substantially in order to reduce stress in the agricultural sector and enable larger proportion of the population to take up agriculture, animal husbandry, fishery and aquaculture. While this will ensure that there are more hands to produce the food we require in the future, there would also be improved outcomes on rural poverty. Improved farm incomes are seen to have greater impact on poverty reduction than any other measure. And thirdly, we need to do all this in productive and sustainable ways by protecting the soil, water, reducing greenhouse gas emissions and above all without compromising the ability of future generations to grow more food. Climate change is a challenge to all this and the way to address this is to adopt Climate-smart agriculture.

In order to achieve the Sustainable Development Goals with respect to food security, the issues of climate change, urbanisation and poverty will have to be addressed together. Farmers need more access to information, markets and infrastructure such as transportation and warehousing if they are to produce more and do so productively. They need to be made aware of climate friendly practices including soil protection (promote forestry), water conservation (drip and micro-irrigation) and improved animal husbandry in order to ensure sustainable food production. There is need for broad based policy intervention and stepped up investment in the rural economy to address poverty thereby increasing incomes and access to food. Focussed measures including investments to reduce FLW across the food chain from harvest to consumption are urgently needed.

We need to do all this and more in order to ensure the achievement of the Sustainable Development Goals and indeed to keep Malthusian economics at bay.

Dynamics of Local Governments: A Comparative Study of India, U.K. and the U.S.A.

**Ruchita Chakraborty
Manas Chakrabarty**

Introduction

Local governments are administrative bodies that carry out the functions in a specific geographical location, be it a village or a city. They do not have the powers to make laws, but they aid the national functions at the ground level. The local governments aim towards establishing smaller units, so that the needs and development of the people can be better taken care of. The core idea behind the formation of such local bodies mainly revolves around the concept of welfare of the people. Since these bodies operate at the micro level, they can sketch a much realistic picture of people and in turn administer the functions according to the needs of the people depending upon the specific requirements which can be more area specific. Usually, when a law or regulation is made at the union level, the government can only look into the holistic picture of the country. It is not possible to consider the region specific needs or issues. As such, if the

administrative system knits into it, the functioning of local bodies, this varied need and the dynamism of the society can be incorporated into the working of the system. This is a very good concept, especially for countries with huge geographic boundaries. Larger territory automatically implies varied socio-economic, political, geographic, demographic and even cultural dimensions among people in different parts of the same country. As such, it is obvious, that the needs of the people will also vary owing to their geographic location. Human activity being highly dynamic, it becomes essential to incorporate these dynamics while discharging the administrative functions as well. Having said so, since the national rules and laws are definitely to be applicable uniformly throughout the country, flexibility in the implementation of the administrative function considering the divergent need of the people is a welcome system. Therefore, setting up local governments, would reflect more

efficiency, care and responsibility on the part of the government towards the people at large.

The idea of local self government was greatly propagated in India by the Father of the Nation, Mahatma Gandhi. In his words, "India lives in Villages". Therefore, it is very important to bring reformation in the country starting from the grass root level. He believed the best and most efficient way to bring in development is by building up the foundation of the nation. Gandhiji believed that every village should become a self-sufficient republic, so that it can be self-sustaining and is capable of managing its own affairs. Mahatma Gandhi advocated Panchayati Raj, a decentralized form of Government where each village is responsible for its own affairs, as the foundation of India's political system. He firmly believed that developing village panchayats would give more space for public opinion to grow. It would further allow the complete development of peoples ideologies and would enable people live a much more meaningful life with independence and overall development.

This article aims at studying the conceptual framework and the working of the local governing bodies in India in comparison with the political functioning of a few other countries. It brings forth a comparative study of the functioning and powers of the local self

governing bodies in India, the U.S.A. and the U.K.

Concept and theory of local self government

In this section it has been attempted to venture into the concept and theory of local governments in the three countries. Before discussing any issue it is important to understand the nature of processes and the specific set of provisions governing it. Local governing bodies are essentially a part of the government structure. Although they are the lowest unit in the strata of government functioning, with little or no policy making autonomy, yet, their role and contribution in the day to day operation is phenomenal. Understanding the concept and theory of local governments as they operate in each country is also important to develop the basis of understanding as far as their role is concerned in effecting the most basic and daily activities of a common citizen.

India

Municipal bodies date back a long time in the history of India. The first Municipal Corporation was set-up in the former Presidency Town of Madras in 1688; and was followed by similar corporations in the then Bombay and Calcutta in 1726. Coming to modern day definitions, it may be said that they are public organizations, authorized to decide and administer a limited range of

public policies within relatively small territory which is a sub division of a regional or national government¹. As per the General Clauses Act, 1897 “Local Government shall mean the person authorized by law to administer executive Government in the part of British India in which the Act or Regulation containing the expression operates and shall include a Chief Commissioner.”² The word Local Government also finds mention in the Government of India Act, 1935.³

The term “Local Government” or “Local-self government” means the government by freely elected local bodies which are endowed with the power, discretion and responsibility to be exercised and discharged by them, subject to the supremacy of the national government. It can be said that they are local governmental bodies that exercise their jurisdiction locally, over a particular city/town/village. Local inhabitants representing local body possessing autonomy within its limited spheres, raising revenue through local taxation and spending its income on local services constitute the local self-government.⁴ A Local Government's operations are essentially limited to a specific area and its functions relate to the provision of civic amenities for the people inhabiting within that particular jurisdiction. It is subordinate to the state government which exercises control and supervision over it.

U.S.A.

The American government system began after their independence in 1776, based on the principles of liberty and democracy, but United States is more accurately defined as a constitutional federal republic. The government in the United States is based on a Constitution which is the supreme law of the country. The USA is the federal country with 50 states having their own governments which are again run by the elective representatives, being a republic nation. The Constitution defines the structure and powers of the federal government, and also contains the provisions regarding state government. Each state, in turn, has its own constitution which contains provisions for local governments within the state. Local governments may include cities, counties, towns, school districts, and special-purpose districts, which govern such matters as local natural resources or transportation networks. A local government is chartered based on the individual state constitutions and are subject to the legal environment created by the state's constitution and statutes.⁵ Since the matter of local government is defined in the state constitution, the structure varies in each state. Local government officials include city council members, school board members, mayors, sheriffs, and an array of other individuals who serve in various capacities.⁶

U.K.

Local government in England has evolved since the middle ages, and as England does not have a written constitution, the principles have evolved based on precedents and administration processes prevalent over centuries. As such, the local governing bodies have undergone constant restructuring over several centuries and continue to be so. Although a number of local governments existed in Saxon and Medieval times, the structure that is in existence today began to evolve during the 19th century. The structure of local government in England is influenced a lot from the Kingdom of England, which became part of the Kingdom of Great Britain in 1707 and then part of present United Kingdom. This is reflected from the fact that many aspects of the modern systems do not exist in other constituent parts of the UK, namely Scotland, Wales and Northern Ireland.

The Local Government Act 1888 established 66 county councils and a London County Council. Thereafter there were a number of amendments over the century in respect of the structure of local governments. In Scotland, the local government is organised through 32 unitary authorities referred to as Councils. In Wales, since 1 April 1996, for the purpose of local government, it is divided into 22 single-tier principal

areas which are differently styled as county, county borough, city or city and county. Northern Ireland, on the other hand, is divided into 11 districts for local government purposes. The functions of these bodies differ to some extent from the rest of the United Kingdom.

Structure of Local Government

This section attempts to understand the structure of the local governmental bodies which operate in different levels in the governing systems of the three countries viz. India, UK and USA. An understanding of the structure would also help to develop an idea about the functions and the range of activities that a particular local body is to perform

India

The structure of the local self governments has been defined in Part IX and IX A titled 'The Panchayats' and 'The Municipalities' respectively. These were inserted in the Indian Constitution with the 73rd and 74th Amendment Acts, 1992. The difference in the nomenclature of the local bodies is based on the urban-rural divide. The local governing bodies in rural areas are referred to as Panchyats, and the local governing bodies in urban areas are called Municipalities.

With the 73rd Amendment Act, the constitution of 'Gram Sabha' and three-tier system of Panchayati Raj at district,

block and village level was introduced in every state, excluding states having less than two million population. With this, the PRIs (Panchayati Raj Institutions) no longer had to operate at the whim of state governments and their laws. The amendment envisaged Gram Sabha as the foundation of the Panchayati Raj system. A village having population not less than 1500 forms Gram Sabha and every adult of the village is member of Gram Sabha. And Gram Panchayat is the organization of elected panchas by the members of Gram Sabha of the village. It is a self-government organization. The number of members in a Gram Panchayat depends upon the population of the village. The amendment also entailed provisions regarding direct elections to all seats in Panchayats at the village and intermediate level, if any, and to the offices of Chairpersons of Panchayats at such levels; reservation of seats for the Scheduled Castes and Tribes in proportion to their population for membership of Panchayats and office of Chairpersons in Panchayats at each level; reservation of not less than one-third of the seats for women; fixing tenure of five years for Panchayats and holding elections within a period of six months in the event of supersession of any Panchayat.

The 74th Amendment Act provides for three types of Municipalities, i.e., Nagar Panchayats for areas in transition from a rural area to urban area,

Municipal Councils for smaller urban areas and Municipal Corporations for large urban areas.⁷ Further the provisions also provide for fixed duration of municipalities, appointment of state election commission, appointment of state finance commission and constitution of metropolitan and district planning committees. State/UTs have set-up their election commissions. This provided a common framework for urban local bodies.

U.S.A.

Local governments in the USA generally include two tiers: counties, also known as boroughs. In some states, counties are divided into townships. Municipalities can be structured in many ways, as defined by state constitutions, and are called, variously, townships, villages, boroughs, cities, or towns. While discussing the structure of the local government, the classifications developed by the U.S. Census Bureau can be referred. The Census Bureau designates two categories of local government, General Purpose and Special Purpose.⁸

General Purpose Governments

Counties: Being the largest political subdivisions, their primary function is to administer state laws within their borders. They maintain peace, maintain jails, collect taxes, build and repair roads and bridges, and

record deeds, marriages, and deaths. A number of counties even have their own charter.

Municipalities: The number of municipalities may vary widely across the 50 states in the USA. They may be called cities, towns, boroughs, districts, plantations, or villages. They generally have similar powers and perform similar functions.⁹ They derive their authority as granted by the states. Geographically, municipalities lie within counties, although they may cross county boundaries.

Townships: These are established to govern areas without a minimum population concentration. They do not exist in all states, and have different responsibilities in those that have them. A township is a town or city, or a subdivision of a county. In some areas townships, enjoy broad authority and perform functions similar to municipalities.

Special Purpose Governments

Special Districts: These are independent governments existing separately with substantial administrative and fiscal independence from. They may levy taxes and issue bonds. Unlike general-purpose governments that exercise multiple functions, most special districts are dedicated to a single purpose.¹⁰

School Districts: School districts are public school systems that provide regular, special, and/or vocational education services for children in pre-kindergarten through 12th grade. Public school systems in the United States are locally administrated, and their geographic structure varies by state and region.¹¹

U.K.

The structure of local government in the United Kingdom may be of a single layer, or a double layer. In the areas where there are two layers, some services are managed jointly over a large area by the higher level of local authority, whereas, others are managed locally at the lower level. The two tier system consists of County Council at the higher level and Borough or District Council in the lower level. The area where only one layer of local government operates, they are called Unitary Authorities or Metropolitan Authorities or London Boroughs.

County councils: County councils cover the whole county providing major public services in the area. They are responsible for education, highways, transport planning, passenger transport, social care, libraries, waste disposal and strategic planning.

District councils: Counties are divided into several districts which have a district council or borough

councils or city councils that cover a much smaller area and provide more local services. They carry out functions like housing, leisure and recreation, environmental health, waste collection, planning applications and local taxation collections.

Unitary authorities: Unitary authorities are areas where a single council is responsible for the provision of services that elsewhere are divided between district and county councils. They may be city councils, borough councils, county councils, or district councils depending on the area.

London & Metropolitan boroughs: In London, the administration of public services is provided by the GLA and borough councils. The Greater London Authority (GLA) is a London-wide government and shares responsibility for certain services like highways, transport planning, passenger transport and strategic planning.

Town and parish councils: In some areas, a third tier of local government called Town and Parish councils operate and they are responsible for smaller local services such as parks, community centres, and war memorials.

The structure in Wales and Scotland constitutes a single tier system of local government responsible for all local government services. In Northern

Ireland there are elected local borough, city and district councils which provide services such as waste disposal, street cleaning and recreation but the majority of services are provided by other organisations.¹²

Statutory provisions relating to local governments

This section discusses the statutory provisions which establish and monitor the functioning of the local governing bodies in these nations. Understanding the legal base also helps to determine the position, the establishment, and the source of power of these governmental organs.

India

The Directive Principles of State Policy refer to village panchayats, but there is no specific reference to municipalities except implicitly in entry 5 of the State List, which places the subject of local self-governments as a responsibility of the states. But realising the importance of strengthening local governance in the country, Parliament enacted the Constitution (74th Amendment) Act, 1992 relating to municipalities in 1992. Through these, a constitutional status was attached to the city and village councils in India. With regard to village panchayats, Article 40 of the Indian Constitution enshrines the Directive Principles of State Policy, which lay down that the State shall take steps to organise village

panchayats and endow them with such powers and, authority as may be necessary to enable them to function as units of self-government. In the light of the above, a new Part IX relating to the panchayats was inserted in the Constitution. A new Part IX-A was incorporated in the Constitution which provides the functioning and structure of local bodies in urban areas.

The local governments are public bodies and are “State” within the definition of Art.12 for the purpose of fundamental rights contained in Part-III of the constitution. It says that local authority includes a state. The said constitutional provision has been upheld by the Hon'ble Supreme Court in the cases *Rashid Ahmed v. Municipality Board, Khairana*¹³ and *Ajit Singh v. State of Punjab*¹⁴ whereby it has been said that Municipality and Gram Panchayats are local authorities against whom fundamental rights can be enforced.

U.S.A.

The US Constitution is silent on the matter of local governments. But, tracing the mandate of reversed powers as provided by the Tenth Amendment in 1791 which stated “The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people”, it can be said that the organisation and establishment of local governments

have been left to the state governments. This is the reason that there is a great diversity in state-local relations between and within different states. Thus, the local governments in the United States reflect different legal and political situations.

Since created under the state constitution, they are public bodies which are institutionalized in thousands of compacts, charters, special acts, statutes, constitutional provisions, resolutions, ordinances, administrative rulings, and court decisions. But mainly, they are created by the State Constitutions, and they derive their powers from the State General Assemblies. But they are public bodies which functions for the benefit of the people. As such, the powers of the local bodies can be changed, modified or altered by the state legislatures. This point has been confirmed by the Supreme Court of North Carolina in 1929 in the case *Holmes v. City of Fayetteville* where the court held that “[Municipal corporations] are creatures of the Legislature, public in their nature, subject to its control, and have only such powers as it may confer. These powers may be changed, modified, diminished, or enlarged, and, subject to constitutional limitations, conferred at the legislative will. There is no contract between the state and the public that a municipal charter shall not at all time be subject to the direction and control of the body by which it is granted.”

U.K.

In the UK, the statutory provisions relating to Local Governments had been enacted as early as 1845. Since then a great number of amendments have been made in this regard over more than a century of operation of the legislation. This legislation defined the local governing bodies in England and Wales. The Local Government (Ireland) Act 1871 and the Local Government (Scotland) Act 1889 created independent structure of local governing bodies in Ireland and in Scotland respectively. However, after the partition of Ireland, the Local Government Act (Northern Ireland) 1922 established the local governing bodies in the newly formed Northern Ireland. The present functioning of the local governments are however based on the Local Government Act 2010 enacted by the Parliament of the United Kingdom.

Power sharing

This section focuses on the mode and scheme of power sharing of the local bodies. Since they operate at the lowest strata of government functions, the extent and definition of their powers and responsibilities are important, in order to develop an idea about both their effectiveness and constraints. Additionally, this also draws a picture of the power equations in government functioning.

India

The powers of the local governing bodies in India are determined by the state governments. The 11th and 12th Schedules inserted in the Constitution enlist the matters on which the Panchayats and the Municipalities may be devolved with powers and responsibility by the State Legislatures, by law. The 11th Schedule lists 29 subjects that may be entrusted to the Panchayats by the State Legislature at its absolute discretion. Similarly, the 12th schedule lists 18 subjects for urban local governments based on the subjects enlisted as List II in the Seventh Schedule. However, the extent of powers of local governments even in respect of subjects listed in the 11th and 12th Schedules is entirely dependent on the State Legislature, and they have no independent powers.

Elaborating this point, the Supreme Court in *The Quarry Owners Association v. The State of Bihar & Ors*¹⁶ observed “...minor minerals are mostly used locally and are of local importance and hence their treatment is left to the State Government at the provincial level. This is in recognition of State's original power to determine such royalty under Entry 54 of List II of the Seventh Schedule. This is also in tune with the principle of federalism which requires local matters to be left for it being dealt with by the State Government.”

In order to strengthen rural areas,

the Ministry of Panchayati Raj was set up primarily to oversee the implementation of Part IX of the Constitution. The Constitution also states the provisions relating to District Planning Commission in Article 243D of Part IX-A. Further, Article 234G read with the Eleventh Schedule of the Constitution stipulates that States may, by law, endow the Panchayats with such powers and authority as may be required to enable the latter to function as institutions of self-government. Parliament also passed a separate legislation in 1996 as an annexure to the 73rd Amendment specifying special provisions for Panchayats in Schedule V areas. Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA) extends Part IX of the Constitution to the areas listed under the Fifth Schedule subject to certain exceptions and modifications. A major function of the Ministry of Panchayati Raj is to oversee the implementation of the provisions of PESA by the nine States, namely, Andhra Pradesh, Jharkhand, Chhattisgarh, Himachal Pradesh, Madhya Pradesh, Gujarat, Maharashtra, Orissa, Rajasthan that have the areas listed in the Fifth Schedule. The PESA Act enjoins the State governments to endow Gram Sabhas and Panchayats at the appropriate level with the power to enforce prohibition, ownership of minor forest produce, power to prevent alienation of land and restore unlawfully alienated land, power to

manage village markets, power to exercise control over money lending, power to exercise control over institutions and functionaries in all social sectors and power to control local plans and resources for such plans including tribal sub-plans. These changes in the Constitutional structure in the recent past, to a great extent, define the power sharing schemes of the Local Self Governments.

U.S.A.

Though the structure of the local governments is varied across the different states in the USA, they have greater impact on people's lives than the federal government. Important matters relating to marriage, birth and death certificates, school policies, driving age and qualifications for licensure, laws regarding theft, rape, and murder, as well as the primary responsibility of protecting citizens from criminals, etc, are all taken care by the local governments.¹⁷

The concept that the local governments can function only with the express authority derived from the state governments has been followed in the USA for a long time. The judiciary has also favoured this position. In this context it is worth mentioning the Dillon's Rule which is the cornerstone of American municipal law. In *Clinton v. Cedar Rapids and Missouri River Railroad*,¹⁸ Judge John F. Dillon, opined

that a local government may engage in an activity only if it is specifically sanctioned by the state government. Dillon's Rule was then challenged by Judge Thomas Cooley of the Michigan Supreme Court in 1871,¹⁹ with the ruling that municipalities possess some inherent rights of local self-government. Cooley's Rule was followed for a short time by courts in Indiana, Iowa, Kentucky and Texas until the U.S. Supreme Court upheld Dillon's Rule in two consequent cases. One was *Merrill v. Monticello*²⁰ in which the Court ruled that states could alter or abolish at will the charters of municipal corporations without infringing upon contract rights. And again in *Hunter v. Pittsburgh*²¹ the US Supreme Court reaffirmed the Dillon's rule. Since then, the American municipal law has applied these rules to municipal powers in most states. These rules state that a municipal government has authority to act only when:

- (1) the power is granted in the express words of the statute, private act or charter creating the municipal corporation;
 - (2) the power is necessarily or fairly implied in, or incident to the powers expressly granted;
 - (3) the power is one that is neither expressly granted nor fairly implied from the express grants of power, but is otherwise implied as essential to the declared objects and purposes of the corporation.
- Therefore, the Dillon's Rule allows

a state legislature to control local government structure, methods of financing its activities, its procedures and the authority to undertake functions.

U.K.

The local government powers and responsibilities have been pushed both upwards to central government, and sideways and downwards to the regional arms of central government and to other local bodies. There has been less emphasis on local government having a unique local role. The Local Government Act 2000 has granted local authorities discretionary powers to take actions for promoting or improving the “social, economic or environmental well-being” of their areas. They are also given the freedom to trade and charge for certain services for a long time. The Local Government Act 2003 further extended these powers. It said that Councils that are rated as excellent, good and fair will be able to trade commercially through a company. Further, The Sustainable Communities Act 2007 provides that local authorities can request greater powers to promote the sustainability of their area, a provision which is now being put into effect through an invitation to local authorities, issued by the Secretary of State in October last year, to bring forward proposals for further freedom.²²

Each local authority has adopted a

constitution that shows how the authority operates, the process in which decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.²³

Allocation of funds

This section tries to develop an understanding about the system of fund allocation to the local bodies. For any organ or institute to discharge its functions effectively, finance is a vital factor. However strong and effective the plans are, and howsoever efficient the manpower is, unless there is a proper channel of fund allocation, it is extremely difficult to get the desired results.

India

Article 243H of the Indian Constitution lays down the powers of the Panchayats to impose taxes whereby, it is said that the state legislatures may authorise a Panchayat to levy, collect and appropriate taxes, duties, tolls and fees. It also stated that the Panchayats may be assigned taxes, duties, tolls and fees levied and collected by the State Government or provide grants-in-aid from the Consolidated Fund of the State, or it could constitute funds for crediting or withdrawal of moneys. It should be noted here, that all these provisions are subject to the will of the state governments and the language used is 'may' and not 'shall'. Further

Article 243I provides for the constitution of Finance Commission to review financial position of the Panchayat in every 5 years. Again, this Commission will be will constituted by the Governor of the State and will make necessary recommendations.

The provisions regarding financial assistance to Municipalities are also similar. Articles 243X and 243Y entrusts the state governments with the duty to provide financial assistance or enact such laws which may allow the Municipal bodies to collect taxes for financial purposes.

Thus, as far as the financial assistance and allocation of funds to the local governing bodies are concerned, be it Panchayats or Municipalities, the power is vested with the respective state governments. They can control and regulate the functioning of the local bodies. But, some amount of fiscal autonomy of the local self governments is based on the preparation of plan for economic development, by keeping the available resources in mind. Article 243 (I) & 243(Y) spells out the tasks of State Finance Commissions.

U.S.A.

A major source of revenue for the general purpose units like the counties and municipalities are property taxes and other charges. These taxes in most cases fund the common services in the

locality such as police and fire departments, maintenance of public places like parks and grounds. As these taxes are levied by the local governments, they also vary considerably across the different states. Apart from this they also get some intergovernmental transfers of which school and special districts are the primary recipients. Townships rely more on property taxes and charges for services that they provide. Other revenue sources, such as income and sales taxes, are not evenly available because states generally prefer to keep this revenue stream for themselves.

As regards to the federal government fund allocations, they are either based on formulas established by law or through competitive processes for project grants. Some formulas are based on historical distributions of grant funds, while others are based on a more complicated set of demographic or other factors relevant to the purpose of the grants. Therefore, apart from property taxes, the local governing bodies in the USA are dependent on the intergovernmental sources.²⁴

U.K.

In the UK, the central government holds a strong say regarding the finances of the local governments. They depend upon on central government grants for about 75% of

total expenditure. However, with the adoption of “area- based grants”, the Government has tried to shift towards the principle of increasing local authorities' ability to spend their money where they think necessary. But in areas of ring-fenced funding, it has proved unable fully to let go.²⁵

Local authorities are funded by a combination of grants from central government, Council Tax and business rates. They also receive income from investments, council rents, sales and charges for services. The division of funds is decided based on a system of the number and value of properties in each area and the approximate cost required to provide services there. Council Tax provides almost a quarter of local funding. Local councils set the total Council Tax they need to raise, based on their overall budget for the year. Each household pays an amount depending on the value of their home. The government monitors that increases in local authority budgets and Council Tax are not excessive. The national rates are set by central government.²⁶ The government grant includes general revenue support grant and specific (ring-fenced) grant, as well as revenue from the non-domestic rate (business tax), which is levied by central government and redistributed to local government on a per capita basis.

In Northern Ireland, district

councils normally raise money through a domestic rate and a business rate. Domestic rates are the payments made by each house as tax depending on the value of their home. And business rates are a property tax on businesses and other properties that aren't homes.²⁷

Conclusion

By way of conclusion it can be put forward that local governments being the public bodies which operate closest to the people, they have greater responsibility towards the people at large. Moreover, their functions are discharged by the people who are the residents of the locality itself. As such, the accountability is much higher. According to eminent scholar and political scientist Clarke, "Local Government is that part of the Government of a nation or state which deals mainly with such matters as concern the inhabitants of the particular district or place, together with those matters which parliament has deemed it desirable should be administered by local bodies, subordinate to the Central Government."²⁸

In this context, it is relevant to refer to the discussion in the preceding paragraphs, where the working of local bodies in India, UK and USA has been viewed in a comparative format. In the study it can be noticed that functions of local governments, even though are limited to a smaller area, their impact is

much greater and wide spread. Since the idea of local government is to specifically focus on the need and requirements of the local people, the role they play in the day to day life of the people in general is much far reaching and deep in nature. For example, basic household needs such as recycling of the kitchen wastes, or community halls and public places for social gatherings, are taken care of by the local governments. Unlike in India, the local bodies in the USA and the UK to some extent, also manage protective activities such as police and fire services. In India, these services are taken care of by the state governments. But, the point to be enumerated here is that, basic functions which are the requirements of daily life are the responsibility of the local governments. And to this extent, the theory and concept of the local governing bodies are similar in all the three countries that have been discussed in this article.

In discussing the structure of the local government in the three countries, it was found that both in the USA and UK, there is no parity in the structure of the local bodies. In the USA, the structure depends upon the individual state constitutions and in the UK, there are separate statutes in the different states, although, the statute for England and Wales are the same. But there is a great difference as far as the structures of the local bodies is concerned in these countries across

their individual geographical extent. Not only in the structure, but the functioning too is quite different in different parts of these countries. However, the scenario in India is more structured and comprehensive where the functions and establishments of the local bodies are concerned. Although each local government functions separately even in India, but in terms of their powers and structure, there is greater similarity and parity as compared to the other two countries.

While searching for the statutory provisions of local governments in these countries, it was found that the provisions in India are much more structured and comprehensive. In the Indian Constitution, Part IX and IX-A have laid down the basic provisions which are further put into action by the state legislatures. On the other hand, in the USA, the Constitution has entirely left the matter of local governments to the States. And since in the USA, each state has its own constitution and provisions for local governments in each state are different. Therefore, they have 50 different sets of provisions pertaining to the existence and functioning of local governments. Coming to the scenario in the UK, it is more complex and varied. Not only do they have different statutes for the four different states, there are umpteen numbers of statutes which have been enacted by the UK Parliament

specifying different functions of the local governments and defining and redefining their structures. As such, it is difficult to point out one single statute or system that forms the base of the statutory provisions in this respect.

Some interesting points that have been revealed in the study includes the functioning and power sharing of the local governments, which are quite similar in the all three countries. Although the systems are quite different in the three countries, there is a great similarity seen when it comes to the point of mode and scheme of power sharing by the local governing bodies in all these countries. In all the three countries, the powers and functions, and also the autonomy to a great extent of the local bodies, are defined by the state legislatures. In all the three countries, it is the individual state legislatures that define the powers of a local body operating under its jurisdiction. The Constitution of India lays down the foundation of local bodies, but it is for the states to decide their powers and functions ultimately. Similarly, even in the USA, it is the individual state constitutions that determine the extent and limit of powers of local bodies. In the UK as well, it is the individual state legislatures who have enacted their own provisions regarding the range of activities and the powers of the local bodies operating in their jurisdiction.

Although India is a developing

nation and both the UK and USA are developed countries, limitations faced by them are similar. One such example is the matter of fund allocation. In all the three countries, the local governments have been awarded very limited financial autonomy. They are dependent upon the respective governments for funds and economic grants. Another similarity noticed between the system of the USA and of India is that, local governments operate under the state governments. The government structure in the USA being strictly federal, the federal government does not interfere with the functioning and provisions of the local bodies. However, the federal government does make certain financial grants but through the state governments. As far as the Indian scenario is concerned, the provision of local government falls in the State List thereby the state legislatures regulate and monitor their powers, functions, autonomy and the financial aspects. In the UK too, it is the central government which accounts for around 3/4th financial support to these bodies.

After careful scrutiny of the working of the local bodies in all the three countries we can come to the conclusion that they are more or less similar. But the functions carried out by them in these countries vary to some extent. This could also be due to the varied cultural aspects in and the varied local needs of the people in the

respective countries.

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Significance of Local Government in India: Debates and Continuity

V. S. Sholounii Pou

Modern civilization may call the forms of government by different names according to the principles on which they are founded. However when it comes to democratic form, the sustenance and continuity of a stable government have been witnessed to be more successful only with the proper establishment of local self government. The importance of local government has become a pre-requisite quintessence in any system of government as people become aware of their rights in search of liberty and equality and seek to find a place in political decision making. The significance of local government is paramount and valued because it is just, safeguards and also enhances the citizens' rights and it serves as an important setting for political education. Moreover local government is also part of the state through which services are brought to the people in their home communities subject to local public opinion and with the benefit of local knowledge.

Notwithstanding the fact that local government handles grassroots affairs of the people living in cities, town and villages, it occupies a place of cardinal importance in the overall government set up in modern nation-states. There are, and have always been certain subjects as for instance, the distribution of the mail, imparting of instructions, maintenance of law and order, management of lands, etc., which in the interests of both efficiency and economy must be administered by either the centrally-commissioned local officials or by the locally organised institutions and authorities. In the Vedic Age, as we study, states were small and this further enhanced the importance of the village. In later times, even when kingdoms territories spread, there was no change in the situation, because the village was the natural pivot of administration in a rural society.² In olden days, when the mechanism of administration was comparatively underdeveloped and the means of communication were far

limited, local government played an extra-ordinary role in maintaining the normalcy of law and order. Village panchayats of India are some leading examples of the local government institution of those days.

Today when the tools and techniques of administration have become quite sophisticated and the means of communication have also undergone revolutionary changes, the importance of local government is such as one inalienable organ.

Local Government in Indian History

India is a nation of village states since ancient period and the significance of village in the governing administration as a subordinate unit continues as an inalienable institution at every stage of governmental. Self governing institutions or what is commonly called local government have been in practice in well organised structure in India since over a thousand years.³ In the organisation and functioning of this self government, the village played the most vital role in catering to the day to day needs of the people.

Until the arrival of the British in the early 1600s, Indian political administrations were under different monarchies in different regions. For instance, in the north-eastern part of India, the impact of the mighty Mughal

Empire was hardly known but each tribal village had their kingship rule which flourished among their social communities. As Alteker points out, the village community in the north or the west had not developed a council of two, three or five members. They, however, exercised their rights and discharged their duties through an informal and non-elective council of village elders'.⁴ It is, therefore, very much obvious that during the monarchy period, every region had its own loyalties towards their territorial King. Thus the uniform pattern of institutions in the operation of local government organisations is not found.⁵ However, the principal homogeneity of local government prevails in a much similar manner all over India with the village as the pivotal institution in the running of local administrations. The village thus occupies a very important place in the successful operation of local government from time immemorial.

On the other side of India as recorded in the Valmiki Ramayana and Mahabharata, there existed two types of villages known as 'Ghosh' and 'Gram'. The former were larger in size and the latter smaller. They used to be administered by an official called Gramini or the village headman. He was generally appointed by the King and enjoyed a very high status not only in public life of the village but also at the court of the King. Although he was

a nominee of the King, he had to work strictly on the advice of the village elders who were variously called 'Gram Vridhas, the 'Samiti', the 'Sabh', or the 'Panchayat'.⁶ In the southern part of India, the Uttaramerur inscriptions also reveal that these elders were elected by all adult residents of the village by means of an electoral device which somehow resembled the modern secret ballot system.⁷

Normally, there was only one headman in each village with his post usually being hereditary. The headman was the most important officer of the village administration. He appears almost a village King in Jatakas. Gahadawala rulers are often seen consulting the village headman when making land grants.⁸ Much unlike mainland India, the North-Easterner Indian had different local practices. In all the tribal inhabitant areas, each village had its village King as ruler. His post was hereditary and he was assisted by the village elder council nominated by the people of the village. Being isolated from the domination of the greater monarch rulers, these tribal villages administered their daily needs in complete compliance with the age old traditional customs of their communities. Though the head of the village was called the King, he carried out all the village administration in strict consultation with the village elders' council. Apart from the political functions, the village king also

performed many ritual activities as the Chief Priest of the village.⁹

The composition of the village elders in local administration varies all over India since ancient days. Nonetheless, the Graminis with the help of the village elders, the Sabha or the Council ran the entire administration of the local village government ranging from the maintenance of local works to defence against the enemies. Besides this, it also played a very important role in the judicial and the legislation functions. All the disputes of the village were referred to it for settlement and adjudication. Since the village used to be a self-contained unit, very seldom appeals were made against its verdict. They also framed, from time to time all the required rules and regulations to suit their administrative needs. The village thus functioned through the proper constituted sub committees, each looking after one aspect of the village or the other.¹⁰

Local Government during the British period

Local government in India is ancient and its existence as an institution to regulate the village lives with more traditional affiliation of rules and laws was vividly traced to the writings of the Vedic period. The long cherished institutions were however distorted with the foreign intervention

in India particularly with the British intervention since the 17th century.

Throughout the British period, though the local village institution continued, its significance to meet the needs of the locality was substantially suppressed. The British establishment of local government in urban cities of India is recorded to have started as early as 1687 with the institution of Municipal Corporation for the city of Madras. As the colonization of the British Empire grew in powers, they also expanded the local municipal administration to other Presidency towns of Calcutta and Bombay in 1793. Since 1814, ward committees were also set up in all the major cities.¹¹ By the early 19th century, different Acts were passed to impose taxes in a number of cities and towns.

Lord Mayo's Resolution of 1870 was another landmark in the transition of local government in British India period. The resolution sought to bring the indigenous Indian in administration by decentralizing certain responsibilities from the central provinces to the municipal government. Local government prevalence in this period however was designed by the British government to suit its goals as Maheswari summarised; a) local government in India was established to serve the British need rather than promoting self-government in India; b) the local

government institutions were dominated by the British and Indian participation was deprived; c) local government was instituted by the British to support their financial needs; d) election system was overruled with nominated members in all municipalities.¹²

Local government in British ruled India was most exalted through Lord Ripon resolution of 1882. He had rightly considered local government as an instrument of political and popular education. His ideas and principles were hailed as the Magna Carta and Lord Ripon was credited as the father of local self government in India. The resolution was considered a landmark in the history of Indian local government as it strived to constitute the local boards throughout the country. The areas of each local board were proposed to be comparatively compact so as to inculcate the truest local knowledge and interests. The local bodies were expounded to elect their members from the non-governmental officials, the boards were entrusted to manage their own local source of revenues, control of the boards were indirect from the higher authorities, local government personnel functioned under the administrative control of the local boards and the implementation of the 1882 resolutions recommendations would be in accordance with the conditions of the provinces. Lord

Ripon thus made a sincere effort to Indianise the local government institutions and he was rightly considered as the father of local government in India. Unfortunately, his proposals were lightly whittled down by the provincial officials who enjoyed the freedom to interpret the resolution according to local conditions.¹³

One major shortcoming of Lord Ripon's resolution was failure to recognise the significance of village as the unit of local self government in India. Significantly, the omission by Ripon in the strengthening of village Panchayat was rectified in Royal Commission on decentralisation in 1909. The Commission found the 'foundation of stable edifice which shall associate the people with administration of the village' and urged the government to 'constitute and develop village Panchayats for the administration of certain local affairs within the village'.¹⁴

The outbreak of the First World War in 1914 brought much concern to the government of Britain. On the other hand, the Indian nationalist movement for independence was gaining momentum by playing its cards to gain advantage at the hour when the British felt the need for support and cooperation from the people of India. On 20th August 1917, a historic declaration was made by the

government seeking to increase association of Indians in every branch of administration with the aim to develop self governing institutions with a view to the progressive realisation of responsible government in India¹⁵. The 1917 declaration was soon followed by the government of India Act 1919. Through this Act, local government was transferred to Indian ministers. Our prominent national figures like Jawaharlal Nehru, Sardar Vallabhbhai Patel and Purushottam Das Tandon entered the municipal council and gained insights into the functioning of democratic institutions. The British government constituted a commission under the chairmanship of Simon in 1927 to evaluate the 1919 Act as agreed upon. Though the commission was welcomed with black flags as the tempers of the national movement for complete independence were at their peak, the commission report pointed out some grievous issues in Indian local administration. The commission reported that the British system of local government was yet to be fully comprehended. The vast administrative jurisdiction of local government in India was found to be inappropriate. For instance, Madras had 6000 sq miles, Bombay 5000 sq miles, Bengal 2700 sq miles while England is just about 970 sq miles. Financial difficulties were among the major hurdles in the failures of local government in India. Diarchy system was recommended to be done away

with; power abuse by the higher authorities against the local government personnel were recommended for reconsideration.

The development of local government in India during British rule underwent many changes with successive viceroys and Government Acts passed from time to time. Subsequently, the government of India Act of 1935 brought yet another significant change in the transformation of local administration. With the passing of the Act, diarchy system was abolished and was replaced with provincial autonomy; the nomination practice was done away with and the financial position of the local bodies was strengthened.

The 1935 Act no doubt improved the functioning of local bodies. But as the Indian nationalists' goal had by this year shifted and they confined and devoted themselves for complete independence, whatever efforts were being made towards strengthening of local government came to a halt. As World War II broke out in 1945, India further strengthened its movement. With the end of the war, India too emerged as an independent sovereign nation in 1947.

Constitutional Debates till 1950

As India readied to give herself a constitution, Nehru wanted the Constituent Assembly members to

bear in mind that the first task of the Assembly was to free India through a new constitution to feed the starving people of the nation, to clothe the naked, and to give every Indian the fullest opportunity to develop himself according to his capacity through the rule of law.¹⁶ What political institutions then, would help to accomplish the subsidiary aims and establish the conditions in which social change could easily be accommodated into Indian society? Or what political tradition, of the European or the Indian, should the Assembly look for in the framing of the Constitution? These were some of the challenging questions that the Indian nation makers were most concerned with.

K. Santhanam described the situation in three revolutions that India had to undergo. The political revolution would end with independence. The social revolution is for the Indian to get rid of the social stratification based on birth, religion, custom and community and reconstruct the social structure on modern foundation of law, individual merits and secular education. And the economic revolution based on the transition of primitive rural economy to scientific and planned agriculture and industry. Unfortunately with regard to the first revolution, India is still battling to contend with the political negation between various ethnic and nationalist contenders that

emerged in the post independence period. As regards the second and third, India today has achieved tremendous progress with the participation of the people from the grassroots level. Radhakrishnan believed that India must have a socio-economic revolution designed not only to bring about the real satisfaction of the fundamental needs of the common man, but also go much deeper and bring about a fundamental change in the structure of Indian society. The Constituent Assembly's task was therefore to draft a Constitution that would serve that ultimate goal of social revolution and foster economic growth through imbuing political opportunities for all citizens for the renascent nation.

The Gandhians advocate that the state that govern best, govern the least, keep the government to the minimum and what you must have, decentralise. A beneficial by product of this minimal government, asserts Agarwal, would be to increase the individual's responsibility for his own welfare.¹⁷

The enthusiasm of local government in the form of Panchayat system however, was not welcome very keenly by the Constituent Assembly. Therefore when the Assembly was in its 4th and 5th session in July and August 1947, only a few of the members voiced the need for Panchayat as the base for local

government to be incorporated in the Constitution. Among the few proponents was Ramnarayan Singh who strongly felt the desire that the primary unit of government be established in villages and argued that the greatest measures of power should be vested in village republic. Unfortunately when the draft of the Constitution was published in February 1948 by the drafting committee, the word Panchayat was nowhere to be found.

The absence of Panchayat provision however resulted in a sharp reaction from among the Assembly members. President Rajendra Prasad even wrote a letter to B. N. Rau who was then the constitutional advisor, clearly marking his disappointment and asking that the making of the Indian Constitution begin with the village and go up to the centre, as the village has been and will ever continue to be our unit of this country.¹⁸ The suggestion was however rejected stating that to write into the Constitution all the details of local government would make it impossibly long and unduly delay its completion, and that the details of any such plan should be left to auxiliary legislation. Yet the appeal for Panchayat in the constitutional provision was never given up by many of the Assembly members. Seeing the undeniable needs, in yet another amendment submitted to the drafting committee in

autumn 1948, deferring much from the Gandhian constitutional principles to make Panchayat a base for an indirect system of government, the amendment draft favoured the Panchayat in India as a form of local self government, as school of democracy, as institutions of village uplift men, and favoured giving the village some financial resources and a measure of autonomy. Village panchayats were needed to train the people in governments; M. A. Ayyangar stated and also believed that democracy is not worth anything if once in a blue moon individuals are brought together for one common purpose.

The leaders of the Constituent Assembly were still not convinced and they intended to omit all mention of Panchayat from the Constitution of free India. It was only under the strong pressure of some farsighted leaders that the drafting committee agreed that an article concerning Panchayat be included in the nature of non-justifiable item under the Directive Principles of State Policy (DPSP). On 22 Nov. 1949 K. Santhanam moved the party's official amendment.¹⁹ The Assembly adopted it and the article 40 came into the Constitution of India.

The Years in Remaking the Institution 1950-1993

During the early years of independence, no sincere efforts were

made to improve the local government incorporated under the directive principles of the Constitution despite periodical exhortations, mostly couched in general terms, from the central government and the Planning Commission. Functioning of some panchayats continued and a few new ones were instituted in different parts of India, the state governments were however more interested in protecting their own powers from encroachment by the Union government. Local government as one of the most admired children in Indian political history was abandoned by the early years of free India.

By the mid-1950s, the situation was compelling the central government to reconsider more seriously the potential of the Panchayat as a development agency and in general purpose as the local authority. India was a newly emerging nation of the post World War II scenario and the immediate requirement of the nation was to meet the economy requirements of the nation in all possible ways. India launched the Community Development Programme (CDP) in 1952 and National Extension Service (NES) in 1953 to reach out to the grassroot rural areas with the aim and objective of transforming the social and economic life of villagers. The basic idea of the CDP and NES was to take a village or group of villages as a part of the programme for the set goals.

In order to achieve the objectives of the programme in the best way, the CDP was assigned to be the guide by organising groups of social workers and technical experts who were to proceed by way of eliciting expression of villagers' own felt needs. These experts were expected to show the locals how to achieve it by appropriate forms, organisations and mutual aids in accordance with the local efforts. Suitable guidance and assistance personnel were brought in. However the CDP failed to work out as intended. In order to make an assessment on the overall working of this ambitious programme, Balwantrai Mehta committee was constituted in early 1957. One of the primary objectives of the committee was to examine the successful utilisation of the local initiatives in the process of improving economic and social conditions of rural areas. In the report published in the end of the year 1957, the committee found that the local initiative has not, in any significant way contributed in the working of CDP or NES.²⁰

The failure of CDP, in spite of it being substantiated by NES in the effort to strengthen rural India became very obvious. India had in the first place failed to invoke the importance of local government affiliation in the rural people of India since ages. As per any understanding, local government is management of local affairs by the local people with local ideas for local

needs. When officials are been brought in from outside with the outside ideas, a sense of neo-colonialism in the immediate post independence period was inevitably perceived. Changes don't happen overnight but it evolved with the local sentiments. CDP and NES had, in short, failed to mobilise the sentiments of the targeted groups. Balwantrai Mehta report thus strongly emphasised on the establishment of Panchayat system in India. It was felt that the Directives of Article 40 in dealing with the local government was not sufficient.

The Mehta report recommended decentralisation of powers by instituting three tier Panchayat at grass root village, the intermediary level and at the district level. The committee were convinced that these three tiers should be given real powers with functions to execute the rural local affairs. The recommendations which were accepted by national development council in 1958 were also endorsed by various states as the ideal model to bring social reforms through the local government. The significance of local government that failed to appeal to the enthusiasm of the Constitution makers was revived once more through Balwantrai Mehta report.

Ashok Mehta report of 1977 stated that though these institutions faced many ups and downs, they have

never failed.²¹ The importance and need to strengthen them in the best possible manner was thus perceived in the successive period and in 1993, panchayats of India found a place in the Constitution in Part-XI through 73rd and 74th Constitutional Amendment Act (CAA).

Local Government and its Implication in Different States:

Article 40 of the Constitution reads “The state shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of selfgovernment”. Local government in independent India was in fact welcomed with the least enthusiasm. In the first draft of the Constitution, provision on Panchayat did not even figure as the chairman of the Constitution drafting committee was of the view that village is a caste ridden ground whereby incorporating such provision of self-government through Panchayat would be counter-productive. Thus it curtailed the strong will of Mahatma Gandhi's vision of democracy “greater the power of the Panchayat, the better for the people as true democracy”. Yet Indian Constitution makers chose democratic form of government as the best form to govern India in accommodating the vast and diverse needs of the nation.

It was only in 1993 through the

73rd CAA that the genuine needs of democracy were realised by giving a place to Panchayat through Part IX in the Indian Constitution. By inserting the Eleventh Schedule, Panchayat as a self-governing body was empowered with 29 subjects under its administrative zone. Through this amendment, India also became the fifth nation in the world to incorporate local government in its Constitution²² (The other countries being Germany, Japan, Brazil and Nigeria).

By virtue of Article 243M of the Constitution however, the provision of Panchayat as per 73rd CAA does not extend to all the territory of India. States like Nagaland, Meghalaya and Mizoram are totally exempted from the scope of Panchayati Raj Institutions. Partially exempted states are the hill areas in the state of Manipur and hill areas of the district of Darjeeling in the state of West Bengal, tribal populated districts of Assam and part of Tripura. According to the Article 243M4(b), the Parliament is empowered to make laws to extend the provisions of the Act subject to certain conditions. With reference to the clause, the Panchayat Act was further extended to the Scheduled Areas under the fifth Schedule in nine states of Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Maharashtra, Madhya Pradesh, Orissa and Rajasthan in 1996 as the Panchayat (Extension to Scheduled Areas) Act,

(PESA) 1996. Through the extension of the Act, the village Gram Sabha was made more democratic as a responsible government at the grass root level. The Gram Sabha was also made more competent to safeguard and preserve the traditions and customs of the people, their cultural identity, community resources and customary laws. By strengthening local government, it also empowered them with development programmes and projects to be implemented under their guidance.

Panchayats as People's Government in India

The institutions of local government have been very much in existence throughout India in various shapes and forms since time immemorial. The earliest written documents and manuscripts prove it. Though many regions of India especially the tribal regions, where written documents are not well preserved, the oral narrations that have been passed on for generations reveal the existence of well-established self-governing institutions ever since men have settled in villages.

The ancient institutions of local government which were popularly known as Panchayat or village elders' council consisted of most knowledgeable men of the local citizenry and were entrusted with all the local administrative work.²³ These

bodies also served, at the village or local level as judiciary to interpret all the customary laws of the land. During those ancient years, when the complexity of government structures and functions were not as much as the modern governing systems, local needs were efficiently met through Panchayats local government. The system of functioning was simple; their judgements were quick and affordable to all. As the Panchayats members were mostly the men who command the respect of the villagers, their judgements were accepted with satisfaction. The village community lived under the guidance of Panchayats and it continued until the colonial rulers took over.

Notwithstanding the colonial rulers' imposition upon India, the significance of village panchayat continued to flourish at the village level. According to Sir Charles Metcalfe, 'they seem to last when nothing else lasts', as he wrote about the village community in 1830, it was compared to the 'little republic', 'having nearly everything they can want within themselves, and almost independent of any foreign relations. Dynasty after dynasty tumbles down, revolution succeeds revolutions...but the village communities remain the same'. The views expressed in these few lines may not be agreeable in the present context. However, Sir Charles made a very true observation and

pointed out the affiliation that people of India had with the local institutions since ages. The inheritance of the local institution survives within independent India though the country is seen to be inheriting so much of British administrative system and very little in terms of effectively functioning local government.²⁴

The systems and structures of local government in India have taken a new dimension in the post-independence period and particularly after 1993. The local government is run with more modernised institutional structure with the functional aims and objectives confined to local needs in the first place and then national level interest. After the nation emerged as a free nation, India chose democratic parliamentary form of government with participatory representatives system. Under all these changing phases that India has experienced, local government has played a vital part by closely partnering in the building the cohesion of the people and the government.

India is also known to the world today as the largest practicing democracy. Yet India's democracy must be sustained by a system of vibrant local self-government institutions. Local government institutions provide an opportunity to the people to participate freely and actively in the government decisions

and implementation process in their respective areas. This continuity is necessary to be strengthened and encouraged in fostering initiative, and to implement programmes for the welfare of the local people.

Contemporary politics in India is characterized by issues and movements that seek to challenge and re-define the meaning of both democracy and development. The quest for development through democracy in India is best addressed through local government with local participation and mobilisation.²⁵

Since the years following independence, there was joyous hope and pride in the establishment of democracy yet without much importance on local government. This gave way to cynicism and disappointment with the functioning of democracy. On the other hand, there has been a renewal of democratic spirit among the citizens of India in the form of numerous people's movements that question the various aspects of the Indian state and its functioning.

The issue of social disparities is a crucial social problem of India. Social stratification of the society based either on caste or on class has done much damage. This concept of superiority and inferiority combined with gender bias against women in Indian society hampered the achievement of social

justice on which the Constitution of India is based. By strengthening local government with the 73rd and 74th Constitutional Amendment, all sections of Indian citizens are empowered in political decision making. Women are no longer mere participants but their representation, especially at the local governance has been impressive in most of the states in India.

Conclusion

The significance of local self government lies in the numerous benefits that it bestows upon the inhabitants of the areas it operates in. It functions as a school of democracy wherein citizens are imparted political and popular education regarding issues of local and national importance. Decentralising the powers to various state built institutions relieves congestion at the centre and serves as the balancer in the increasing power of democracy. With distribution and diffusion of powers, it leads to administrative de-concentration and further decentralization. Being closer to the base, it finds solutions for local problems more efficiently. It provides facilities for minimum basic needs. It also serves as a reservoir of talents for local and national leadership. Symbolizing democracy by local government, GDH Cole rightly point out that “democracy is nothing unless it means, in the last resort, letting the

people have their own way, not only in the mass, by means of an aggregate vote in a nation-wide scale, but also in their lesser groups and societies of which the greater societies are made up, and through which it is made articulate in such a way that the less clamorous voices can be heard”.

The importance of local self government has increased further with the advent of liberalisation. These institutions are expected not only to provide the basic civic amenities for the safety and convenience of the citizens but also mobilize local support and public cooperation for the implementation of various welfare programmes.

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Rural Local Government Finances: An Analysis at the All India Level

Basavarajeshwari K

Introduction

The issue of fiscal decentralisation has gained importance across the globe. Most of the developing countries are now moving towards fiscal decentralisation. This is on account of several reasons. Particularly, the existence of diverse preferences amongst the citizens makes the local governments the most efficient body to provide services which are local in nature. If the provision of goods were centralised, it would be costly and would lead to provision of a bundle of public goods much different from the tastes and preferences of the citizens of a particular local jurisdiction (Oates, 1972; Tanzi, 1996). In other words, national government would choose one uniform package whereas local governments would choose according to citizen preferences. Economic rationale for fiscal decentralisation is that, it will lead to efficiency and effectiveness in public services.

Decentralisation can lead to success if Constitutional and legal frameworks are clearly defined and enforced. If properly implemented and if necessary requirements are devolved, it will also result in economic and political benefits as local jurisdictions improve the efficiency and accountability of public spending. As to this, Tiebout (1956) specifies that in a setting of mobile household, individuals can seek out jurisdictions that provide outputs well suited to their tastes, thereby increasing the potential gain from the decentralised provision of public services. Similarly, Tanzi (1996) says that fiscal decentralisation can improve the allocation of public spending by making it more consistent with the wishes of citizens and thus it can provide political glue for countries with regional ethnic diversity.

Fiscal decentralisation has two important components namely revenue

and expenditure assignments. Revenue and expenditure assignments have been entrusted through Constitutional Amendment to PRIs. So this study has been done in the perspective of the 73rd Constitutional Amendment Act, through which the Panchayat Raj Institutions have got Constitutional status in India and it focuses specifically on revenue assignments. Revenues are important to carry out the services that are entrusted to the panchayats. Further it enhances the fiscal autonomy of the panchayats and gives more freedom in spending. Revenue assignments are classified as own revenues (tax and non-tax) and transfers from higher governments. Mobilising revenue from their own revenue give more freedom to panchayats, while more transfers from centre curtails the autonomy of the panchayats as these transfers are tied in nature.

The data for this study has been collected from Finance Commission reports, CSO and other documents. The period of study is from 1990-91 to 2002-03. Mainly descriptive analysis has been used in the paper. The rest of the paper is organised as follows. In section two we provide an overview of revenue assignments to the Panchayats in India. Section three deals

specifically with the financial position of these local governments in the major states of India. Section four discusses the Union Finance Commission (UFC) and PRIs finances and the final section provides concluding observations.

Overview of revenue assignments of panchayats

The 73rd Constitutional Amendment Act has devolved the fiscal powers to panchayats to carry out the entrusted responsibilities. The Eleventh Finance Commission of India states that the local bodies should be able to mobilise their own revenue resources to meet their current level expenditure as far as possible. However, the extent to which they can do so depends on the powers delegated to them under the state legislation and the rules, notifications and orders issued by the respective State Government, besides their own will to do so (GOI, 2000).

In this backdrop it would be relevant here to bring out the tax and non-tax sources bestowed on to PRI's in major states of India as stated in Table 1.

Table -1 Major Tax and Non-Tax Sources Assigned to PRIs by the States in India

Major States	Village/Grama Panchayats	Intermediate Panchayats	District/Zilla Panchayats
Andhra Pradesh 1) Tax and Non-taxes Entrusted	Property Tax, Land Tax (non-agri), Vehicle Tax, Advertisement Tax, Factory Tax, Water Rate, Drainage Rate, Lighting Fee, Conservancy Rate, Street cleaning Fee, Fee on markets, weekly bazaars, Fee for use of common resources.	NIL	NIL
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Land Revenue (by formula); Additional Stamp Duty (5 per cent)	Fee for markets or fairs; Additional stamp duty (5 per cent); Seigniorage royalties on mineral minerals + materials (100 per cent)	2 Additional stamp duty (5 per cent)
Assam 1) Tax and Non-taxes Entrusted	Property Tax; Tax on Cultivable Land lying fallow; Tax on Professions, Trades, Calling, etc; Entertainment Tax; Tax on Shops and Services; Tax on sale of firewood and thatch, conservancy and slaughter houses; Tax on Private Hat and Private Fisheries; Conservancy Rate; Lighting Rate.	Tax on Profession, Trades, Calling, etc; Tolls on Persons, Vehicles, Animals and Ferries; Minor Irrigation Cess.	Water Rate; Lighting Rate; Tolls on Persons, Vehicles, Animals and Ferries.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Surcharge/Cess on Land;	NIL	NIL
Bihar 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Vehicle Tax; Tax on Professions, trade, calling, etc; Conservancy Tax; Water rate; Pilgrim tax/fee; Lighting fee; User charges on Hospitals, Schools; Fee for use of Panchayat shelters.	Vehicle registration fee; Water rate; Lighting rate; Pilgrim tax/fee; Fee on markets or fairs; User charges on hospitals, schools.	Vehicle registration (includes boats); Water rate; Lighting rate; Pilgrim tax/fee; Fee on markets or fairs; Tolls on vehicles and ferries.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	NIL	Land revenue (by formula)	Land revenue (by formula)
Gujarat 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Vehicle Tax; Factory Tax; Tax on fairs and other entertainment; Water rate; Pilgrim tax/fee; Lighting fee; Conservancy fee; Octroi on animals or goods or both brought for sale; Fee on markets, weekly bazaars; Fee for use of common resources; Fee for use of panchayat shelters; Drainage fee; Sanitary cess for public latrines.	Education cess; Cess on Land.	Tax on Professions
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Land revenue (50 per cent), Forest revenue (5 per cent).	Land revenue (25 per cent).	Land revenue; Forest revenue (5 per cent).
Haryana 1) Tax and Non-taxes Entrusted	Property Tax; Special Tax for construction of public works; Water rate; Lighting fee; Street cleaning fee; Fee on markets, weekly bazaars; Fee on animal sold; Sanitary cess for public latrines; Fee for use of common resources.	Water rate; Drainage fee; Fee on markets or fairs; Fee for use of panchayat shelters; User charges on hospitals, schools.	Water rate; Drainage fee; Fee on markets or fairs; Fee for use of ZP shelters; User charges on hospitals, schools.

2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Additional stamp duty (2 per cent)	NIL	NIL
Karnataka 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Vehicle Tax; Factory Tax; Advertisement Tax; Tax on fairs and other entertainments; Water rate; Pilgrim fee; Fee on markets, weekly bazaars; Fee for use of panchayat shelters; Fee on buses and taxis and auto-stands; Fee on the registration of cattle brought for sale in any market; Fee on grazing cattle in the grazing land.	NIL	NIL
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Cess on land revenue (100 per cent),	Additional stamp duty (3 per cent).	NIL
Kerala 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Tax on professions, trade, calling, etc.; Advertisement Tax; Tax on fairs and other entertainments; Special tax for construction of public works; Water rate; Lighting fee; Conservancy fee; Drainage fee; Fee for use of panchayat shelters; Sanitary cess for public latrines; Fee for use of panchayat shelters.	NIL	NIL
2) Assigned Taxes	Land revenue (75 per cent); Additional stamp duty (5 per cent).	NIL	NIL
3) Shared Taxes	NIL	NIL	NIL
Madhya Pradesh 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Vehicle Tax; Tax on professions, trade, calling, etc.; Special tax for construction of public works; Water rate, Lighting fee; Sanitary cess for public latrines; Fee for use of panchayat shelters; Fee for use of common resources; Fee on market, weekly bazaars; Fee on animal sold.	Fee for use of PS shelters (obligatory); Tax on entertainment.	NIL
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Land revenue (100 per cent GP; JP; ZP), 50 per cent cess to GP, JP.	NIL	NIL
Maharashtra 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Vehicle Tax; Factory Tax; Tax on Professions, trade, calling, etc; Tax on fairs and other entertainments; Water rate; Octroi on animal or goods or both brought for sale; Lighting fee; Conservancy fee; Sanitary cess for public latrines; Fee on markets, weekly bazaars; Betterment levies; Fee for use of panchayat shelters; Fee on animal sold; Fee for use of common resources.	NIL	Land Tax (non-agri); Water rate; Pilgrim tax/fee; Fee for markets or fairs; Special tax on property (special tax on land or building); Tax on professions; Fee for registration of animals.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Cess on land revenue (100 per cent); Additional stamp duty (1 per cent); Seigniorage royalties on miner minerals.	NIL	Cess on land revenue (200 per cent); Additional stamp duty (5 per cent); Forest revenue (7 per cent).

Orissa 1) Tax and Non-taxes Entrusted	Vehicle Tax; Lighting Rate; Conservancy Rate; Water Rate; Drainage Rate.	NIL	NIL
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	NIL	NIL	NIL
Rajasthan 1) Tax and Non-taxes Assigned	Property Tax; Vehicle Tax; Tax on Commercial Crops; Special tax for construction of public works; Water rate; Pilgrim tax; User charges on Hospitals, Schools; Fee on market weekly, bazaars; Octroi on animals or goods or both brought for sale; Fee for use of panchayat shelters.	Fee for use of PS shelters; Education cess; Profession tax.	Water rate; Fee for markets or fairs.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Land revenue	Land revenue	Land revenue (by formula); Surcharge on Stamp duty (50 per cent); Surcharge/cess on market fees (½ per cent).
Tamil Nadu 1) Tax and Non-taxes Entrusted	Property Tax; Vehicle Tax; Tax on Professions, trade, calling, etc; Special tax on construction of public works; Fee on market, weekly bazaars; Fee for use of common resources.	Fee on markets or fairs; Fee for use of PS shelters.	NIL
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Additional stamp duty (5 per cent)	Entertainment tax	
Uttar Pradesh 1) Tax and Non-taxes Entrusted	Vehicle Tax; Tax on fairs and other entertainments; Tax on sale of firewood and thatch; Water rate; Lighting fee; Conservancy fee; Street cleaning fee; Sanitary Cess for public latrines; Fee for use of panchayat shelters; Fee on market, weekly bazaars; Fee on animal sold.	Water rate; Lighting rate; User charges on hospitals, schools; Fee on animals sold.	Fee for markets or fairs; Fee for use of ZP shelters; User charges on hospitals, schools; Tax on professions; Fee for registration of animals; Tolls on vehicles and ferries.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Tax on professions, trades, calling, etc; Surcharge on land revenue (25-50 per cent).	NIL	NIL
West Bengal 1) Tax and Non-taxes Entrusted	Land Tax (non-agri); Property Tax; Vehicle Tax; Tax on professions, trade, calling, etc; Tax on fairs and other entertainment; Water rate; Pilgrim tax/fee; Lighting fee; Conservancy fee; User charges on Hospitals, Schools; Fee for use of panchayat shelters; Fee on animal sold.	Vehicle registration fee; Water rate; Lighting rate; User charges on hospitals, schools; Pilgrim tax/fee; Fee for use of PS shelters; Tolls on vehicles.	Vehicle registration fee (includes boats); Water rate; Lighting rate; Pilgrim tax/fee; Fee on markets or fairs; Fee for use of ZP shelters; User charges on hospitals, schools; Tolls on vehicles and ferries.
2) Assigned Taxes	NIL	NIL	NIL
3) Shared Taxes	Additional stamp duty (+2 per cent); Entertainment tax (+ 10 per cent).	NIL	Road Cess
Common Tax and Non-taxes Entrusted to PRIs by major states	Land Tax (non-agri); Property tax; Vehicle Tax; Factory Tax; Profession Tax; Pilgrim Tax/fee; Water rate; Lighting fee; Conservancy fee; Fee on markets and weekly bazaars.	Water rate; Fee for use of TP shelters; User charges on Hospitals, Schools.	Pilgrim tax/fee; Water rate; Fee for use of ZP shelters; Fee on markets or fairs; User charges on Hospitals, Schools.
Assigned Taxes	Land revenue; Cess on Land; Additional stamp duty	NIL	NIL
Shared Taxes	Land Revenue; Stamp Duty.	Stamp duty; Land Revenue, etc.	Stamp duty; Land Revenue, etc.

Source: (1) Mathew et al, 2013; (2) Rajaraman et al, 1996; (3) Puliani and Puliani, KPR Act, 1993; (4) Subrahmanyam and Choudary (no date).

It can be seen from the above table that almost all states devolved most of the local based taxes such as land (non-agri) tax, property tax, vehicle tax, factory tax, pilgrim tax/fee and water rate to panchayats. The assigned taxes are few and in that they largely share land revenue and stamp duty. Thus from above table it is clear that respective state legislatures have bestowed revenue raising powers to panchayats. Only some of the states such as Haryana, Kerala, West Bengal, Andhra Pradesh and Maharashtra have entrusted more taxation powers to panchayats. Further it seems that these states have given importance in collecting revenue from some of the productive tax sources such as property tax, water rate and tax on profession. States which are performing well have given equal importance to all of the three-tier panchayats except Kerala which has assigned only to grama

panchayats. Now we look at the efforts that these panchayats have made in mobilising own revenue resources.

Fiscal position of panchayats in major states

The devolution of fiscal powers and transfers to PRIs differs from state to state. Similarly varying results can be seen between the states in mobilising the resources. Again, the notable feature is that most of the tax powers within panchayats are entrusted to Grama Panchayats (GPs).

It is important here to look at the panchayats resource position i.e., own revenues, transfers and total income. The state-wise information on this for two periods is presented in Table-2. This Table is presented in three blocks i.e., high performing states, medium performing states and poor performing states.

Table – 2: State-wise Resource Position of PRIs (All Tiers) in Major States of India

(In Rs Crores)

State	1990-91					2002-03				
	IR tax	IR non-tax	Own Revenue	Grants	Revenue	IR tax	IR non-tax	Own Revenue	Grants	Revenue
High Performing States										
Haryana	2.12	61.37	63.49	36.51	100.00	2.28	18.53	20.82	79.18	100.00
Kerala	29.34	3.07	32.41	67.59	100.00	12.82	10.70	23.53	76.47	100.00
West Bengal	7.57	12.14	19.71	80.29	100.00	5.57	12.07	17.64	82.36	100.00
Madhya Pradesh						32.44	4.09	36.53	63.47	100.00

Medium Performing States										
Andhra Pradesh	45.74 (4.57)	16.95 (1.69)	62.70 (6.27)	937.90 (93.73)	1000.60 (100.00)					
Tamil Nadu	14.80 (5.29)	0.92 (0.33)	15.72 (5.62)	263.78 (94.38)	279.50 (100.00)	48.65 (5.46)	16.79 (1.89)	65.44 (7.35)	825.14 (92.65)	890.58 (100.00)
Uttar Pradesh	6.22 (1.45)	16.53 (3.85)	22.75 (5.30)	406.55 (94.70)	429.31 (100.00)	11.02 (1.77)	52.15 (8.37)	63.17 (10.14)	560.04 (89.86)	623.21 (100.00)
Madhya Pradesh	2.94 (1.26)	9.00 (3.85)	11.94 (5.11)	221.73 (94.89)	233.68 (100.00)					
Maharashtra						346.69 (6.50)	123.38 (2.31)	470.07 (8.81)	4867.14 (91.19)	5337.2 (100.00)
Poor Performing States										
Andhra Pradesh						77.6 (1.69)	93.24 (2.04)	170.85 (3.73)	4408.3 (96.27)	4579.15 (100.00)
Assam	2.98 (99.10)	0.03 (0.90)	3.01 (100.00)	NA	3.01 (100.00)	7.54 (99.08)	0.08 (1.05)	7.61 (100.00)	NA	7.61 (100.00)
Bihar	NA	NA	NA	3.59 (100.00)	3.59 (100.00)	NA	6.67 (2.25)	6.67 (2.25)	289.26 (97.75)	295.93 (100.00)
Gujarat	17.51 (1.72)	9.94 (0.98)	27.45 (2.70)	990.71 (97.30)	1018.16 (100.00)	61.18 (1.85)	8.68 (0.26)	69.86 (2.12)	3232.51 (97.88)	3302.37 (100.00)
Karnataka	14.74 (1.12)	2.59 (0.20)	17.33 (1.32)	1297.10 (98.68)	1314.43 (100.00)	59.46 (1.38)	0.00 (0.00)	59.46 (1.38)	4243.57 (98.62)	4303.03 (100.00)
Maharashtra	24.26 (2.32)	9.95 (0.95)	34.21 (3.27)	1010.99 (96.73)	1045.20 (100.00)					
Orissa	3.55 (2.00)	2.35 (1.32)	5.90 (3.31)	172.23 (96.69)	178.13 (100.00)	0.21 (0.11)	5.3 (2.82)	5.51 (2.93)	182.33 (97.07)	187.84 (100.00)
Rajasthan	NA	NA	24.28 (3.22)	730.22 (96.78)	754.50 (100.00)	4.84 (0.27)	32.84 (1.81)	37.68 (2.08)	1773.94 (97.92)	1811.63 (100.00)
Total (All Major States)	167.55 (2.59)	108.39 (1.67)	300.22 (4.64)	6174.99 (95.36)	6475.21 (100.00)	914.07 (3.92)	552.69 (2.37)	1466.77 (6.29)	21864.58 (93.71)	23331.36 (100.00)

Note: Figures in parenthesis are percentages to row totals

NA – Not Available

Source: Report of 11th and 12th FC

It is important to note that the PRIs in some states have performed better in mobilising own revenue. For instance we see that states such as Haryana, Kerala and West Bengal have performed exceedingly well in mobilising own revenue and their shares in their total revenue were 63.49, 32.41 and 19.71 percent respectively in the year 1990-91. The trend has changed in the year 2002-03. During this period these states which have done well in 1990-91 actually declined in the share of own revenues from 63.49, 32.41 and 19.71 percent respectively to 20.82, 23.53 and 17.64 percent.

Mainly in Haryana under the Panchayat Raj Act 1994 panchayats have been given powers to impose taxes and fees. GPs impose special tax for construction of public works which can be seen in Table 1. The other major sources of income of panchayats are the income from lease and sale of the common lands and other properties vested in them. The income is also generated from commercial utilisation of common properties like trees, ponds and shops (IRMA, 2008: 51). From our analysis we see that only seven states have given power to collect tax on professions and Kerala is one among them. In Kerala property tax and tax on

professions constitutes potential items of revenue source (i.e., 47.44 and 35.69 percent respectively) for the panchayats (Rajasekharan, 2008). In West Bengal property tax on building and homestead land is the main source of tax income at panchayat level. Also non-tax sources consist of various kinds of fees, rates, tolls and charges, income from public assets vested under the management of GP revenue from sale of assets, bank interest, etc (Majumdar et al, 2007: 4168).

Formedium performing states such as Andhra Pradesh, Tamil Nadu, Uttar Pradesh and Madhya Pradesh, their own tax revenue in the total revenue of all states are above average i.e., 4.64 percent. These states have increased their share of own revenues during 2002-03. The important tax powers of GPs in the state of Andhra Pradesh are house tax, vehicle tax other than run by a motor, land cess, surcharge on stamp duty, surcharge on seigniorage fees (fees on materials other than minerals and minor minerals quarried in the village) (Aziz et al, 2002).The position in 2002-03 shows that the average share of own revenue in the total revenue in all major states increased from 4.64 to 6.29 percent. The highest share of own revenue is observed in Madhya Pradesh about (36.53 percent) followed by Kerala (23.53 percent). Compared to the earlier period 1990-91, Kerala's share has declined.

Poor performing states such as Assam, Gujarat, Karnataka, Rajasthan, Orrissa and Maharashtra have mobilised own revenues lesser than the overall average. Andhra Pradesh which was placed under medium performing in 1990-91 has declined in the share of own revenue and fell under poor performing states category in 2002-03. The state such as Haryana which had performed exceedingly well in 1990-91 by securing 63.49 % in mobilising own revenue, saw the figure plummet to 20.82% in the year 2002-03.This is a major concern for the growth of own revenue resources which is correlated to their outlays. Whereas a state like Madhya Pradesh which was a medium performing one in 1990-91 improved its finances and was placed under high performing states category by securing the highest position in 2002-03. Based on secondary information one might say that they have utilised the best of their tax sources to mobilise own revenue. Productive tax sources like tax on professions and Special tax for construction of public works is seen under the high performing and medium states while poor performing states have not assigned these tax sources.

If we look at the share of transfers in major states, Karnataka gets larger share during 1990-91 followed by Gujarat, Rajasthan and Maharashtra with 98.68, 97.30, 96.78 and 96.73 percent respectively. The position in 2002-03 brings out the fact that Karnataka has the largest share in the transfers followed by Rajasthan,

Gujarat and Bihar (98.62, 97.92, 97.88 and 97.75 percent respectively). This shows the larger the own revenue, lower would be the transfers and vice versa. However, the major concern is that a large part of the rural local governments income constitute of mostly transfers from the centre.

In Table 2 we saw the performance of all the three tiers of panchayats in revenue mobilisation and now we look at Table 3 which highlights the information about where the tax power

lies among the three tiers of panchayats. Based on the own revenue figures one can conclude that in majority of the states, GPs have been entrusted more taxation powers whereas the other two tiers do not have these powers. This is because the share of own revenue to total revenue itself denotes a share of 81.77 percent for GPs, while only 6.32 percent for TPs and 11.91 percent for ZPs. Table 1 also corresponds with these figures and shows that most of the taxation powers are bestowed on the GPs.

Table 3: State-wise and Tier-wise Revenues of Panchayats in India during 1997-98

(In Rs Crores)

Major State	GPs			TPs			ZPs			Total of Three Tiers		
	Total own Revenue	Transfers (grants)	Total Revenue	Total own Revenue	Transfers (grants)	Total Revenue	Total own Revenue	Transfers (grants)	Total Revenue	Total own Revenue	Transfers (grants)	Total Revenue
Andhra Pradesh	116.50 (84.55)	184.51 (7.77)	301.01 (11.98)	5.32 (3.86)	813.04 (34.25)	818.36 (32.58)	15.97 (11.59)	1376.24 (57.98)	1392.21 (55.43)	137.80 (100)	2373.79 (100)	2511.59 (100)
Assam	2.35 (67.88)	11.57 (96.07)	13.92 (89.78)	1.11 (32.12)	NA	1.11 (7.17)	NA	0.47 (3.93)	0.47 (3.05)	3.46 (100)	12.04 (100)	15.50 (100)
Bihar	NA	295.30 (80.69)	295.30 (80.69)	NA	63.28 (17.29)	63.28 (17.29)	NA	7.38 (2.02)	7.38 (2.02)	NA	365.96 (100)	365.96 (100)
Gujarat	31.58 (78.25)	61.80 (2.82)	93.38 (4.18)	3.58 (8.87)	1025.24 (46.77)	1028.82 (46.08)	5.20 (12.88)	1105.13 (50.41)	1110.33 (49.73)	40.36 (100)	2192.18 (100)	2232.54 (100)
Haryana	52.95 (99.89)	24.49 (76.03)	77.44 (90.87)	NA	6.17 (19.16)	6.17 (7.24)	0.06 (0.11)	1.55 (4.81)	1.61 (1.89)	53.01 (100)	32.21 (100)	85.22 (100)
Karnataka	30.14 (100.00)	203.52 (5.44)	233.65 (6.20)	NA	53.13 (1.42)	53.13 (1.41)	NA	3481.28 (93.13)	3481.28 (92.39)	30.14 (100)	3737.93 (100)	3768.07 (100)
Kerala	99.09 (100.00)	645.18 (73.01)	744.27 (75.73)	NA	161.80 (18.31)	161.80 (16.46)	NA	76.69 (8.68)	76.69 (7.80)	99.09 (100)	883.67 (100)	982.77 (100)
Madhya Pradesh	27.18 (84.84)	655.24 (37.51)	682.43 (38.36)	4.29 (13.38)	336.41 (19.26)	340.70 (19.15)	0.57 (1.77)	755.32 (43.24)	755.89 (42.49)	32.04 (100)	1746.98 (100)	1779.01 (100)
Maharashtra	105.50 (94.06)	405.95 (12.70)	511.46 (15.46)	1.88 (1.68)	338.34 (10.59)	340.23 (10.29)	4.78 (4.26)	2451.00 (76.71)	2455.79 (74.25)	112.17 (100)	3195.30 (100)	3307.47 (100)
Orissa	6.99 (100.00)	138.74 (21.92)	145.73 (22.77)	NA	447.11 (70.63)	447.11 (69.86)	NA	47.18 (7.45)	47.18 (7.37)	6.99 (100)	633.03 (100)	640.02 (100)
Rajasthan	13.44 (43.71)	787.66 (52.88)	801.10 (53.13)	12.30 (40.02)	693.08 (46.53)	693.08 (45.96)	5.00 (16.27)	8.73 (0.59)	13.73 (0.91)	30.75 (100)	1489.46 (100)	1507.90 (100)
Tamil Nadu	25.75 (75.66)	253.54 (65.32)	279.29 (67.48)	8.28 (24.34)	120.59 (31.07)	120.59 (29.14)	NA	14.00 (3.61)	14.00 (3.38)	34.04 (100)	388.13 (100)	413.88 (100)
Uttar Pradesh	3.82 (8.19)	728.99 (87.14)	732.81 (82.97)	NA	NA	NA	42.83 (91.81)	107.60 (12.86)	150.43 (17.03)	46.65 (100)	836.59 (100)	883.24 (100)
West Bengal	12.97 (66.18)	242.11 (51.71)	255.07 (52.30)	4.08 (20.85)	151.79 (32.42)	155.87 (31.96)	2.54 (12.98)	74.27 (15.86)	76.81 (15.75)	19.59 (100)	468.16 (100)	487.75 (100)
Total (All Major State)	528.27 (81.76)	4638.60 (25.27)	5166.87 (27.22)	40.86 (6.32)	4209.98 (22.94)	4230.25 (22.29)	76.96 (11.91)	9506.85 (51.79)	9583.80 (50.49)	646.09 (100)	18355.43 (100)	18980.93 (100)

Note: Figures in parenthesis are percentages to row totals

NA – Not Available

No information on tier-wise revenues of panchayats after 1997-98

Source: Report of 11th FC

Table 3 provides the information on tier-wise panchayats revenue position in major states. It can be seen that the difference between GPs, TPs and ZPs are not only in rising own revenue but also in the amount available to these panchayats. As far as own revenue is concerned GPs have comparatively larger own revenue and this is because the GPs have more own tax raising powers as compared to the other two tiers. Again, of the total PRIs revenue, the share of district/Zilla Panchayats is more with 50 percent and this is followed by GPs with 27 percent and Intermediate/Taluk Panchayats having a share of 23 percent. However, between the states, the share of different tiers varies.

Generally the availability and growth of revenues are measured in relation to gross state domestic product (GSDP) and population. An exercise in

measuring PRIs revenues with respect to these variables is done and presented in the following paragraphs. Table 4 presents PRIs revenue vis-à-vis GSDP at the state level.

It can be seen from Table 4 that in 1990-91 the share of total revenue to GSDP was 0.56. The share of total revenue in GSDP in five states exceeded all 14 major states average. The highest share was observed in Karnataka followed by Gujarat, Rajasthan and Andhra Pradesh. The position in 2002-03 shows that the share of total revenue in the GSDP increased to 1.12 percent from 0.56 percent during 1990-91. Though the share of total revenue to the GSDP has increased over the period, there is one thing that is worrying, that is the percentage share of PRIs revenue of all major states to that of GSDP is less than 2 percent.

**Table 4: PRIs Share of Revenue in GSDP during 1990-91 and 2002-03
(In Rs Crores)**

Major State	1990-91			2002-03		
	Total Revenue	GSDP (1990-91)	Total Revenue as % of GSDP	Total Revenue	GSDP (2002-03)	Total Revenue as % of GSDP (2002-03)
Andhra Pradesh	1000.60	103262.81	0.97	4579.15	190013.14	2.41
Assam	3.01	34491.48	0.01	7.61	48551.18	0.02
Bihar	3.59	49195.47	0.01	295.93	73101.71	0.40
Gujarat	1018.16	78723.24	1.29	3302.37	162747.04	2.03
Haryana	46.29	42608.66	0.11	376.37	80424.38	0.47
Karnataka	1314.43	70087.99	1.88	4303.03	146717.07	2.93
Kerala	96.62	52541.95	0.18	960.69	102071.04	0.94
Madhya Pradesh	233.68	91183.33	0.26	478.52	137327.91	0.35
Maharashtra	1045.20	177859.08	0.59	5337.2	353885.25	1.51

Ì ÑÕŖĪ PÑĪ	ĈĒĈ-91			ĈĈĈ-03		
	Ì ŐPŦ Revenue	ĜĪ ĜĪ (1990-91)	Ì ŐPŦ Revenue as % of GSDP	Ì ŐPŦ Revenue	ĜĪ ĜĪ (2002-03)	Ì ŐPŦ Revenue as % of GSDP (2002-03)
Ī ŐŖĒPĪ	ĈĒĒĈĈ	ĈĒĒĒĒĈĈ	ĈĈĈ	ĈĒĒĒĈ	ĒĒĈĈĒĒĒ	ĈĈĈ
Ī ÑŦĒĈŦŦ	ĒĈĈĈĈ	ĈĈĈĈĈĈĈ	ĈĈĈ	ĈĒĈĈĈĈĈ	ĈĈĈĈĈĈĈ	ĈĒĒĒ
Ì ÑŦ ŐŖ Ī ÑŦP	ĈĒĒĈĈ	ĈĈĈĈĈĒĒĈ	ĈĈĈ	ĒĒĈĈĈĈ	ĈĒĈĈĈĈĈĈ	ĈĈĈ
Ī PŦPŦ Pradesh	ĈĈĒĈĈ	ĈĈĒĒĒĈĈĈĈ	ĈĈĈ	ĈĈĈĈĈĈ	ĈĈĈĈĈĈĈĈ	ĈĈĈ
Ī ÑĈĒĒĒŦŦŦ	ĒĈĈĈĈ	ĒĈĈĈĈĈĈĈ	ĈĈĈ	ĈĒĒĈĈĈ	ĈĈĈĈĈĈĈĈ	ĈĈĈ
Ì ŐPŦĒĒ Ő Major States)	ĈĈĈĈĈĈĈ	ĈĈĈĈĈĈĈĈĈ	ĈĈĈ	ĈĈĈĈĈĈĈ	ĈĈĈĈĈĈĈĈĈ	ĈĈĈ

Source: (1) CSO Various years (for GSDP), (2) Report of 11th & 12th FC

Table 5: Exponential Growth rate of Total Revenue and GSDP for 1990-91 to 2002-03

Ì ÑÕŖĪ PÑĪĈĒ	ĜŦŦŦ PŦĪ PÑĪ	Pvalue
Ē ŐŦŦŦĪ ŐŦŦŦĈĒ	ĈĒĒĒ	ĒĒĈ
Ē ĈĒĒŦ	ĈĒĈĈ	ĈĈĈĒ
Ē ŐŦPŦ	ĈĈĈĒ	ĈĈĈĈ
ĜŦŦŦPŦ	ĈĒĈĈ	ĒĒĈĈ
ĜŦŦŦŦŦŦ	ĈĒĈĈ	ĒĒĈĈ
ĦŦŦŦŦŦŦŦ	ĈĒĒĒ	ĈĈĈĈ
ĦŦŦŦŦŦŦ	ĈĈĈĈ	ĒĒĈĈ
Ì ÑŦŦŦŦĪ ŐŦŦŦĈĒ	ĈĈĈĒ	ĒĒĈĈ
Ì ÑŦŦŦŦĒPŦŦŦ	ĈĈĈĈ	ĈĈĈĈ
Ī ŐŖĒPĪ	ĈĈĈĈ	ĈĈĈĈ
Ī ÑŦĒĈŦŦ	ĈĈĈĈ	ĈĈĈĈ
Ì ÑŦ ŐŖ Ī ÑŦP	ĈĈĈĈ	ĈĈĈĈ
Ī PŦPŦĪ ŐŦŦŦĈĒ	ĈĈĈĈ	ĈĈĈĈ
Ī ÑĈĒĒĒŦŦŦ	ĈĈĈĈ	ĈĈĈĈ
Ì ŐPŦ	ĈĈĈĈ	ĈĈĈĈ

From Table 5 we can see that the exponential growth of PRIs revenue to that of GSDP in Karnataka is high

followed by Andhra Pradesh, Madhya Pradesh, Gujarat and Kerala for two time period 1990-91 to 2002-03.

Table 6: Per Capita availability of Revenues of Panchayats in major States of India

State	1997-98 (in Rs crores)	2002-03 (in Rs crores)	Revenue in 1997*	Total Revenue in 2002**
Andhra Pradesh	1131	1131	1131	1131
Assam	301	301	301	301
Bihar	301	301	301	301
Chhattisgarh	301	301	301	301
Goa	301	301	301	301
Gujarat	750	750	750	750
Haryana	301	301	301	301
India (Average)	301	301	301	301
Karnataka	1131	1131	1131	1131
Kerala	301	301	301	301
Madhya Pradesh	301	301	301	301
Madhara Pradesh	301	301	301	301
Rajasthan	301	301	301	301
Tamil Nadu	301	301	301	301
Uttar Pradesh	301	301	301	301
West Bengal	301	301	301	301
Other States	301	301	301	301

Note: *Based on projected rural population for the year 1997-98; **Based on 2001 rural population
 Source: (1) Census 1991, 2001 (for population), (2) Report of 11th FC and 12th FC

Table 6 brings out the per capita revenue available to PRI's in India in 1997-98 and 2002-03. At the overall state level the per capita total revenue during 1997-98 was Rs 301 and the same has gone up to Rs. 355 in 2002-03. Further, it reveals that in three states out of 14 namely Karnataka (Rs. 1131), Gujarat (Rs. 750) and Maharashtra (Rs. 628), the per capita revenue is more than Rs 500 per annum during 1997-98. However if we take cut-off point which

is Rs. 301.09 i.e., average of all major states, the per capita total revenue of seven states are above it namely Karnataka, Gujarat, Maharashtra, Andhra Pradesh, Kerala, Madhya Pradesh and Rajasthan. The situation in 2002 -03 with regard to per capita revenue availability is that in two states namely, Karnataka and Gujarat it is more than Rs 1000. The per capita revenue in six states is above the average of all states.

From the above analysis we have seen that very few elastic revenue resources are bestowed on PRIs and we also examined to what extent these resources are mobilised by the PRIs. Another aspect we have discussed here is the growth and availability of revenues of panchayats. In addition to this it would also be relevant to see the transfers from the higher level governments. Also it would be interesting to see to what extent these transfers contribute to the total revenue of the rural local bodies.

Union Finance Commission and Panchayat Raj Institutions Finances

Apart from own revenues of PRIs, transfers from higher level governments (centre and respective state) account for major share in their total revenues. Fiscal transfers are made mainly to bridge the fiscal imbalance. However, Article 280bb and c of the Constitution Mandate that the Central Finance Commission should look into the financial matters of PRIs and urban local bodies (ULBs) respectively. In addition to this it also recommends to provide financial assistance to panchayats.

The state government grants consist of plan and non-plan funds, whereas the central transfers comprise of conditional and matching plan grants, on the basis of Planning Commission's recommendations and non-plan grants

on the recommendations of UFC sharing method (Babu, 2010). Furthermore, Terms of Reference (ToR) guides FCs to make recommendations on the measures needed to augment the Consolidated Funds of the states to supplement the resources of the panchayats on the basis of the recommendations of the State Finance Commissions (SFCs). Also, paragraph 6 of the President's Order states that if the SFCs have not been constituted as yet or have not submitted their reports giving recommendations, then UFCs have to make their own assessment in the matter (GoI, 2000). Against this provision in the Constitution, it would be useful to review the recommendations by the Finance Commissions. The information on UFCs recommendations to PRIs is given in Table 7.

It can be observed from the Table 7, that the extent of grants allocated to PRIs by Tenth Finance Commission was Rs 4380.93 crores, Eleventh Finance Commission was Rs 8000 crores, Twelfth Finance Commission was Rs 20000 crores. Later the Thirteenth Finance Commission enhanced this to Rs 63050.5 crores and the Fourteenth Finance Commission to Rs 200292.2 crores. We can see that in more recent years the Finance Commissions recommended larger grants to PRIs. The recommended share of Eleventh Finance Commission was only marginally more than Tenth Finance

Commission, while the allocation by Twelfth Finance Commission was 2.5 times more than that of Eleventh Finance Commission allocation. Further, the allocation by Thirteenth Finance Commission was 3.15 times more than its predecessor's recommendation. Finally, the recommended share of Fourteenth Finance Commission is 3.18 times more than Thirteenth Finance Commission.

There was no reference in the ToR of Tenth FC about making recommendations to local bodies. However, since 73rd and 74th Constitutional Amendments had become effective before the commission had finalised its report, it felt obliged to recommend measures to augment the consolidated funds of the states for this purpose. It pointed out that it could recommend such measures only after ascertaining the need for them. So the primary basis for this would have to be the SFCs reports, which however were unavailable, and therefore it recommended ad hoc grants. Further Eleventh FC noted in its report that the respective states have delayed in submitting their SFCs report and thus there was a delay on the part of the state governments in finalising Action Taken Reports (ATRs) and

placing them in the state legislatures. Hence it underlined its inability to take into account the recommendations of the SFCs and the recommended ad hoc grants. Twelfth FC noted that both the data furnished by the states as well as the SFC reports failed to provide a sound basis for the estimation of the required augmentation of the consolidated funds of the states and recommended ad hoc grants.

The Thirteenth FC recommendations had provided enhanced support to local bodies. This is in spite of the fact that there is less availability of information on panchayats. Thus it deviated from ad hoc based recommendations. Also it took the stand that centre has to empower the panchayats and they have to be financially empowered. Similarly, the Fourteenth FC recommendations provide increased support to local bodies, particularly to grama panchayats that are directly responsible in delivering the services at grass root level. So according to it, whatever is earmarked should be given and importance should be given to efficiency in the delivery of basic services. Thus there should be autonomy to spend and predictability to enable timely flow of resources to rural local bodies.

**Table 7: Allocation Recommended to PRIs by Union Finance Commissions'
(In Rs Crores)**

Major States	10 th FC	11 th FC	12 th FC	13 th FC	14 th FC	Growth Rate
	Total of Five Years (1995-2000)	Total of Five Years (2000-05)	Total of Five Years (2005-10)	Total of Five Years (2010-15)	Total of Five Years (2015-20)	
Andhra Pradesh	351 (8.01)	760.24 (9.50)	1587 (7.94)	5226.2 (8.29)	8654.09 (4.32)	1.23
Assam	133.36 (3.04)	233.45 (2.92)	526 (2.63)	1577.4 (2.50)	5416.58 (2.70)	1.52
Bihar	507.19 (11.58)	785.04 (9.81)	1624 (8.12)	4954.5 (7.86)	21017.83 (10.49)	1.54
Gujarat	192.01 (4.38)	348.04 (4.35)	931 (4.66)	2332.8 (3.70)	8634.73 (4.31)	1.59
Haryana	82.64 (1.89)	147.09 (1.84)	388 (1.94)	1086.7 (1.72)	3883.52 (1.94)	1.62
Karnataka	221.77 (5.06)	394.12 (4.93)	888 (4.44)	4504.8 (7.14)	9288.66 (4.64)	1.54
Kerala	178.81 (4.08)	329.63 (4.12)	985 (4.93)	1950.2 (3.09)	4017.61 (2.01)	1.18
Madhya Pradesh	348.69 (7.96)	715.47 (8.94)	1663 (8.32)	4113.8 (6.52)	13556.36 (6.77)	1.50
Maharashtra	347.01 (7.92)	656.73 (8.21)	1983 (9.92)	5498.6 (8.72)	15035.68 (7.51)	1.57
Orissa	200.99 (4.59)	345.59 (4.32)	803.00 (4.02)	2591.20 (4.11)	8850.31 (4.42)	1.58
Punjab	103.35 (2.36)	154.64 (1.93)	13.00 (1.62)	1125.10 (1.78)	4091.13 (2.04)	1.51
Rajasthan	212.22 (4.84)	490.95 (6.14)	1230 (6.15)	3938.7 (6.25)	13633.63 (6.81)	1.83
Tamil Nadu	287.34 (6.56)	466.12 (5.83)	870 (4.35)	3083.9 (4.89)	8777.43 (4.38)	1.35
Uttar Pradesh	759.52 (17.34)	1319.13 (16.49)	2928 (14.64)	9787.7 (15.52)	35776.56 (17.86)	1.62
West Bengal	333.45 (7.61)	577.73 (7.22)	1271 (6.36)	4144.3 (6.57)	14191.78 (7.09)	1.55
Total (All 28 States)	4380.93 (100.00)	8000 (100.00)	20000.00 (100.00)	63050.5 (100.00)	200292.2 (100.00)	1.60

Source: Report of 10th, 11th, 12th, 13th FC and 14th FC

Note: Figures in Parenthesis are percentages to total (all Major states)

From all the above discussions, we now move forward to see the ranking of the states based on their values in the Devolution Index (DI). National Council of Applied Economic Research (NCAER) computed the

overall Devolution Index (DI) for the states and union territories based on the four identified dimensional sub-indices (i.e., Framework, Functions, Finances and Functionaries). According to the methodology of calculating the above

index, if information regarding 'Framework' dimension is received from the states and union territories, these states are considered for further analysis in the second stage of the index. Madhya Pradesh emerges as the State with the highest score of index of devolution among all the States considered in this study. Madhya Pradesh ranked first among the States in two of the three sub-indices. West Bengal comes up in second position followed by Tamil Nadu and Kerala. These four States have achieved a value of DI above 80. The bottom five of the rankings is brought up by Manipur, Punjab, Bihar, Orissa and Tripura. Information on this is presented in Table 8.

Another indicator developed by the Indian Institute of Public

Administration (IIPA) is based on the weighted aggregation of six identified dimensional sub-indices (Alok, 2013). The state-wise information on DI is given in Table-7a. It can be seen that in the 'Function' dimension Karnataka tops the list with an index value of 57.90, closely followed by Maharashtra with 56.31 and thirdly Rajasthan with index value of 52.97. In the 'Finance' dimension Maharashtra ranks first for the year 2012-13 with an index value close to 55 followed by Karnataka (49.97), Kerala (48.52), and Tamil Nadu (46.26). In the 'Functionaries' dimension Maharashtra leads first with the value of 75.37. However, Kerala is ranked second with score of 68.55 followed by Karnataka (63.12). These scores highlight the significant gap between the top two performers and the rest.

Table 8: The Three Sub-Indices of Devolution and the Overall Devolution Index (2008)

State	Scores of functions	Score of finances	Score of functionaries	Overall Score	DI Value	Rank
Madhya Pradesh	4.52	4.08	4.71	4.44	88.73	1
West Bengal	5.00	3.68	4.43	4.37	87.38	2
Tamil Nadu	5.00	3.62	4.29	4.30	86.05	3
Kerala	5.00	2.82	4.29	4.04	80.72	4
Karnataka	5.00	3.29	3.64	3.98	79.54	5
Sikkim	5.00	3.20	3.29	3.83	76.57	6
Himachal Pradesh	3.83	2.97	4.14	3.65	72.91	7
Haryana	4.45	2.53	3.29	3.42	68.45	8
Chattisgarh	4.31	2.89	2.86	3.35	67.04	9
Assam	4.60	2.47	2.64	3.24	64.73	10
Andhra Pradesh	3.72	3.29	2.14	3.05	61.04	11
Uttar Pradesh	3.83	3.01	2.00	2.95	58.92	12
Maharashtra	2.52	2.69	3.57	2.93	58.52	13

State	Scores of functions	Score of finances	Score of functionaries	Overall Score	DI Value	Rank
Arunachal Pradesh	5.00	1.53	1.93	2.82	56.41	14
Rajasthan	3.30	2.80	2.00	2.70	54.02	15
Goa	3.42	3.34	1.29	2.68	53.67	16
Tripura	3.86	0.93	2.21	2.34	46.73	17
Orissa	2.69	1.92	2.29	2.30	45.98	18
Bihar	3.60	0.73	2.43	2.25	45.08	19
Punjab	1.10	1.51	2.21	1.61	32.19	20
Manipur	0.54	2.20	1.64	1.46	29.21	21
Average	3.82	2.64	2.92	3.13	62.57	

Note: The indicators used for computing Devolution Index are given as endnotes
Source: NCAER, 2008

Table 9: Devolution to PRIs - States Position Values and Ranks (2012-13)

Functions			Finances			Functionaries		
State	Devolution Index Value	Rank	State	Devolution Index Value	Rank	State	Devolution Index Value	Rank
Karnataka	57.96	1	Maharashtra	55.50	1	Maharashtra	75.37	1
Maharashtra	56.31	2	Karnataka	49.97	2	Kerala	68.55	2
Rajasthan	52.97	3	Kerala	48.52	3	Karnataka	63.12	3
Kerala	52.86	4	Tamil Nadu	46.26	4	Gujarat	53.18	4
Madhya Pradesh	52.61	5	Haryana	36.91	5	Haryana	50.19	5
Tamil Nadu	52.33	6	Rajasthan	35.61	6	Goa	48.23	6
Odisha	51.46	7	West Bengal	35.41	7	Rajasthan	40.90	7
West Bengal	50.57	8	Odisha	35.11	8	Madhya Pradesh	39.45	8
Uttarakhand	43.90	9	Himachal Pradesh	34.92	9	Tamil Nadu	39.23	9
Assam	42.76	10	Madhya Pradesh	34.44	10	West Bengal	37.67	10
Uttar Pradesh	41.04	11	Chhattisgarh	31.77	11	Himachal Pradesh	35.35	11
Bihar	39.44	12	J & K	28.01	12	Chhattisgarh	33.68	12
Gujarat	38.92	13	Uttarakhand	27.23	13	Uttarakhand	32.02	13
Chhattisgarh	37.53	14	Gujarat	26.55	14	Uttar Pradesh	28.57	14
Haryana	31.14	15	Uttar Pradesh	26.17	15	Odisha	28.55	15
Punjab	24.25	16	Assam	23.13	16	Bihar	24.29	16
Himachal Pradesh	22.43	17	Bihar	19.40	17	J & K	23.98	17
Jharkhand	18.97	18	Goa	18.69	18	Punjab	23.64	18
Goa	17.78	19	Punjab	17.40	19	Jharkhand	23.52	19
J & K	15.28	20	Jharkhand	13.95	20	Assam	21.66	20
Average	34.06		Average	29.45		Average	36.99	

Note: Indicators of Dimensions used given at endnotes
Source: Alok V N, 2013

Thus by comparing these reports, we can see that they have used relevant indicators to measure the Financial Devolution Index. The position of Karnataka under NCAER index in 2008 ranks in fifth place and in 2012-13 the IIPA index ranks Karnataka in the second position. Thus there is an improvement in the ranking in the IIPA index. The reason is that the resources of local government have been increasing and this increase is because of transfers from central government to local governments having gone up over the period of time. Also Table 11 shows transfers have increased 10 percent and

financial power is highly concentrated at the centre. As we have already seen in Table 7 that the FC recommendations have provided increased financial support to local bodies. As such if we look at Table 9 it shows the overall picture of the status of all the three levels of government. We can see that the local governments are demanding 10 percent and this indicates urgent attention should be given to rural local bodies. Table 10 illustrates the rankings of all major states of India for revenues and expenditure for two time periods 1990-91 and 2002-03.

Table 10: Ranking of All Major States of India: Revenue and Expenditure

1990-91				2002-03				Rank
Major States	Total Revenue	Major States	Expenditure	Major States	Total Revenue	Major States	Expenditure	
Karnataka	1314.43	Karnataka	1250.92	Maharashtra	5337.2	Andhra Pradesh	5107.78	1
Maharashtra	1045.2	Maharashtra	1045.20	Andhra Pradesh	4579.15	Maharashtra	4711.38	2
Gujarat	1018.16	Andhra Pradesh	1000.34	Karnataka	4303.03	Karnataka	4095.89	3
Andhra Pradesh	1000.6	Rajasthan	742.92	Gujarat	3302.37	Gujarat	2564.34	4
Rajasthan	754.5	Uttar Pradesh	433.76	Rajasthan	1811.63	Kerala	1784.11	5
Uttar Pradesh	429.31	Madhya Pradesh	226.43	Kerala	960.69	Rajasthan	1736.69	6
Tamil Nadu	279.5	Tamil Nadu	219.67	Tamil Nadu	890.58	Uttar Pradesh	594.8	7
Madhya Pradesh	233.68	Orissa	178.13	Uttar Pradesh	623.21	Tamil Nadu	528.05	8
Orissa	178.13	Gujarat	136.30	Madhya Pradesh	478.52	Madhya Pradesh	476.62	9
Kerala	96.62	Bihar	136.30	Haryana	376.37	Haryana	376.38	10
West Bengal	72.2	West Bengal	121.01	Bihar	295.93	Bihar	293.74	11
Haryana	46.29	Kerala	98.74	Orissa	187.84	Orissa	182.33	12
Bihar	3.59	Haryana	67.87	West Bengal	177.23	West Bengal	177.23	13
Assam	3.01	Assam	2.13	Assam	7.61	Assam	7.71	14
Average	462.52	Average	404.27	Average	1666.53	Average	1616.93	

Source: Basic data from 11th & 12th FC Reports

**Table 11: Financial Position of Three Level Governments in India – 2002-03
(In Crores)**

Government	Gross Revenue (Tax and Non- tax)	Percentage share in the Total Revenue	Revenue Accrual after Transfers (Net)	Percentage Share in the Total Revenue
1. Centre	231748.00	55.54	103509	39.91
2. States	176479.00	42.30	128239.00	49.45
3. Local Bodies (PRIs + ULBs)	9003.51	2.16	27603.23	10.64
Total of All Three Governments	417230.51	100.00	259351.23	100.00

*Data Source: (1) RBI (2003-04), GoI (2005), 12th FC Report
(2) Author's Computation*

The Table 11 provides overall picture of where power lies in India. Central Government has more revenue raising powers than the other two levels. Before transfers, own revenues of central government are high as compared to other two levels of Government. This constitutes 55 percent of the total revenue collected in the entire country and the share of states in the total revenue is 42.30 percent. After adjustments and transfers from higher level governments to lower level governments the position varies. In the case of central government it declines from 55.04 percent to 40 percent, whereas the share of states increases by 7 percent and similarly the share of local governments also increases after transfers. For the local governments transfers constitute larger share.

Concluding Remarks and Suggestions

From the above discussion, it can be concluded that in India PRIs share of own revenue to total revenue accounts

for very less and the PRIs largely depend on Central Finance Commission grants. Generally, based on secondary data/information one can say that there are political, administrative and economic factors which may cause low performance of PRIs in mobilising resources. To know the reasons for this one has to carry out an in-depth study. Further this will curtail the freedom of decision making power of PRIs in utilisation of resources according to their priorities. Besides, the extent of fiscal decentralisation in India shows the fiscal gap among the centre, state and local bodies.

It has been noted earlier that among the three tiers only the lowest tiers (GPs) have been entrusted with some taxation powers while the other two tiers (TPs and ZPs) entirely depend upon state and central grants. However, local bodies in India largely depend on grants from higher levels of government and further fiscal transfers

are made to bridge the fiscal imbalance. In our analysis it is seen that the succeeding Finance Commissions (FCs) enhanced the amount of grants to PRIs but only the Thirteenth Finance Commission gave a serious thought on local governments need and recommended grants liberally. Similarly, the Fourteenth Finance Commission enhanced the amount of grants to PRIs. The important thing about the Fourteenth Finance Commission is that, the priority has been given to direct flow of funds to GP (the lowest tier) for effectively carrying out basic services. Also priority has been given in Fourteenth FC for timely flow of resources to local bodies. This shows a positive attitude towards the panchayats.

The measurement in terms of GSDP and per capita income reveals that in most of the states the availability is less except in five to six states, while in other states the devolution is very low. With low per capita resources they cannot carry out any concrete work or in other words, they cannot provide services at a reasonable level. This paper looks at which government has more revenues and it also looks at the huge gap between centre, state and local bodies. So we can conclude that states are getting more revenues after transfers, whereas local bodies have fewer resources even after transfers from higher governments. So here one has to bridge the gap through transfers.

Only some of the states such as Haryana, Kerala, West Bengal, Andhra Pradesh and Maharashtra have entrusted more taxation powers to panchayats and thus their own revenue is much higher and hence these panchayats have more autonomy on their outlay. There fore this paper suggests that the other states should follow the same. Furthermore panchayats also require productive tax sources for effective revenue mobilisation.

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- Dimension of Framework (4 indicators)**
 Constitution of State Finance Commission
 Presence of District Planning Committees at present (DPC)
 Constitution of State Election Commission
 Holding Elections to PRIs Every Five Years
- Dimension of Function (7 indicators)**
 Number of Functions Transferred
 Number of Functions for which Activity Mapping is done
 De facto transfer of 29 functions to the Panchayats by way of Rules/ Notifications/ Orders of State governments
 Whether assignment of duties across PRIs based on detailed Activity Mapping
 DPC involved in the preparation of District Plan?
 Are GP implementing the major Flagship Programmes?
 Are GP fully empowered to sanction expenditure?

Dimension of Finances (15 indicators)

Authorisation to the Village Panchayats as per the Panchayati Raj Act to collect and appropriate taxes, duties, tolls and fees

Timely Actions on the latest SFC 's major recommendations

Release of Funds to PRIs: Compliance of the State Government in Sending the TFC grant without delay

Is the allocation of SFC funds to the PRIs based on an apportionment formula?

Are GP fully empowered to prepare plans for expenditure?

Separate budget line in the State budget for 2007-08

Devolution of finances corresponds to functions?

Percentage of PRIs whose accounts are audited (2007-08) GPs, TPs and ZPs respectively

Specify the registers in which the accounts of GP are updated

Do any funds directly go to the Gram Panchayats with respect to the functions?

Own revenue as a % of expenditure

Untied funds as a % of total grants (Plan)

Untied funds as a % of total grants (Non-Plan)

Dimension of Functionaries (14 indicators)

General support to Panchayats at present: Government has specified expert institutions and entities to support PRIs for preparation of Annual Plans

General support to Panchayats at present: Government has specified

institutions and entities to support PRIs for capacity building

Has the state 's department of Panchayati Raj brought out its Annual Report for the last fiscal year?

Functionary wise accountability to PRIs: GP, IP and DP respectively

Per capita training expenses on elected officials and appointed officials

Average days of training of Functionaries: Elected officials of GP, IP and DP

Average days of training of Functionaries: Appointed officials of GP, IP and DP

Functions - Functions Assigned to Panchayats including Activity Mapping and Actual Involvement of Panchayats

Finances

-13th Finance Commission Grants to the Panchayats – in time and amount

-State Finance Commission (SFC) – How effective?

-Formula based Fiscal Transfers to Panchayats

-Empowerment of Panchayats to Impose and Collect Revenue

-Funds Available with Panchayats

-Expenditure of Panchayats

-Initiatives related to Finances and

-Accounts recommended by the 13th FC

Functionaries

- Physical Infrastructure of Panchayats

- e-Connectivity of Panchayat

- Panchayat Officials : Sanctioned and actual staff position

- Power and Functions of Panchayats

Political Empowerment of Women in Panchayati Raj Institutions; An overview

M. Gopi

Women's empowerment as a phenomenon is not something absolutely new. It has been prevalent throughout history in almost all societies for a variety of reasons. What could be considered as new is its increasing presence in public domain, it's having been shifted and reshaped from women welfare to their development to now women's empowerment and it's being discussed, reported and critically evaluated. What is rather recent is the identification of the girl children and women as a special group and the acknowledgment internationally of the importance of specific focus on the critical and key issues related with the empowerment of women.

Empowerment has become a fashionable phrase and a buzz word. It essentially means decentralization of authority and power. It aims at ensuring participation of deprived sections of people in the decision making process, in other words giving voice to the

voiceless. Activists want the Government to empower poor people including women by legislative measures and welfare programmes, but unless capacity is built in these sections, in reality, the power is used by others rather than the section for which it is meant. Empowerment is a process that enables women to gain access and control of material, intellectual and human resources. Throughout much of the world, women's equality is undermined by historical imbalances in decision-making power and access to resource rights and entailments for women either by law or by custom. Empowerment is the redistribution of power that challenges patriarchal ideology and male dominance.

Political empowerment of women is part of the overall empowerment process. Political participation is a major path to women's empowerment and participation in the decision-making process or increased decision-making power will lead to women's

empowerment in the true sense of the term. In other words, increased decision-making power gives greater ability to influence matters that affect our lives in the community and the society at large. In a broad sense, participation in politics goes far beyond electoral politics: voting and election to public office. Indeed, their role in public life is limited to casting votes during elections. They are denied opportunities to participate in the decision-making process. Even when the decisions affect their own well-being, they are only passive observers. The primary challenge facing women today, therefore, is to increase their participation in a way that they get hold of the situation and become actively involved in the process of decision-making.

Much more work needs to be done at the grass-roots levels especially in the thousands of Indian villages. The village workers by living and working alongside the villagers act not merely as advisors and technical assistants but also work to promote a sense of self-reliance and communal responsibility amongst the villagers that transcends divisions of family, caste, class, religion and gender. In working to encourage the participation of villagers in collective decision making process, particular attention is paid to position of women whose domestic responsibilities, allied to the discouragement of men, have traditionally precluded them from

participation in decision making at the community level. In encouraging the women to meet together for such purposes a forum is created wherein they gain confidence in their own abilities and collective strength and thus being able to make their voice heard in community affairs and in Panchayati deliberations (usually dominated by men).

The ultimate goal of empowerment of women based on Gandhi's vision is "*Sarvodaya*", the welfare of all through cooperation and trusteeship in the economic sphere, equal participation in the political sphere and mutual respect in the social sphere without regard to caste, creed, class or gender. Thus, empowerment of village women cannot be imposed from above, it must grow from the bottom upwards.

A number of studies on political participation have shown that women in general are less participative in politics than men. To explain this, it is usually argued that women are less educated and hence less informed of political issues; less attentive to different points of view and hence are less interested in politics – all in relation to men. Such an explanation, however, would be oversimplification of the fact. The lack of participation by women in the political process cannot simply be attributed to their nature, which is said to be basically conservative. In fact, one

should also take into consideration the factors of political resources and political interest in order to understand the gender-bias in political participation and also the reasons for their consequent under representation. Women still possess fewer political resources than men. They have to be engaged in constant battles against a number of social, economic and political obstacles even today.

Under normal circumstances, women lack the political efficiency associated with political participation. Political efficacy is basically the extent to which an individual feels that his or her political participation will be meaningful. The fact that women are less likely to have such a status can have many reasons. One of the reasons may probably be the childhood socialization of girls to the view that both interest and activity in politics go more with males than females. Again, women's interest in formal politics is very often crushed by childbearing, raising the kids, home-making responsibilities and so on. Besides, women, who are not employed outside home, may be said to have less interest in politics, to participate less in politically relevant events, and to be less likely to develop the skills necessary for successful political activism. This may, more or less, be equally true for women employed outside home.

It is universally accepted that education, employment, healthcare and other facilities for women should follow one another in a meaningful way. But the social milieu is hardly conducive to moving towards an environment of substantive equality for women with men in all spheres of life. It is evident from the UNDP Human Development Reports that women are discriminated against males everywhere – home, workplace or in the community – and are consistently deprived of their share in decision-making in organizations. The picture is not much brighter even in the western countries. The fact remains that constitutional or legal equality may be conducive but does not necessarily lead to substantive equality of women regarding decision making.

Poor and inegalitarian work conditions, illiteracy and lack of job skills, low nutrition and high morbidity among women contribute to the overall poverty and poor health record of women all over the world, particularly in the third world countries like India. Besides, cuts in public and social sector spending on education, healthcare and child care after the global advent of liberalization policies particularly damage the conditions of women because of their dual responsibility as wage-earners and house-keepers, as in health conditions, a gender gap is clearly visible in education as well. In

India, the adult literacy rate for women stands at 65.46 percent, compared to 82.14 percent for men. The combined primary, secondary and tertiary gross enrolment ratio for girls stands at 64.64 percent, compared to 80.89 percent for boys.

It is true that this gender gap in health, education and political participation is gradually decreasing, but not at the desired pace. Though slowly, women in different parts of the world are tending to shed their traditional role and entering the diverse spheres of life, opening different windows in their minds. Movements for women empowerment in different parts of the world are playing prominent roles. But there is a lot yet to be achieved by women.

Indian Women and Panchayati Raj Politics: A pre-reservation picture

The state machinery of India, from the very beginning, has tried to establish gender equality in many ways. In Part-III (Fundamental Rights) of our Constitution, equality of citizens irrespective of sexes has been established in unequivocal terms. Yet, the Committee on the Status of Women in India (CSWI), after conducting an extensive review of the situation of women in India in 1974, found in its report entitled towards equality that the constitutional guarantee of equality had 'remained an unrealized dream' for the

vast majority of Indian women. It has been observed that neither the norms nor the institutions were in place that would enable women to fulfill the multiple roles that they were expected to play.

Subsequently, a National Policy on Education was announced which envisaged a positive interventionist role for education in the empowerment of women. The National Perspective Plan for Women was implemented in 1988. The National Commission for Women was set up in 1992. All such efforts were intended to improve the existing situation regarding the status of women. The local self government has been embodied as an 'aspiration' in the Constitution of India in 1950. The power to implement it was devolved to states. The first generation panchayats following the Balwantrai Mehta Committee Report had a chequered career. The second generation panchayats, which were created as a follow-up of the Ashok Mehta Committee, have not fared better, with the minor exception of those in West Bengal and Karnataka.

In West Bengal, elections to the local bodies were held at regular intervals. Considerable powers were devolved to these elected bodies. But the panchayat bodies in West Bengal, just like those in the rest of India, reflect the utterly poor representation of women. Professor Sonali Chakravarti

Banerjee explains it in the following way. "In modern India, women came to public life first through the freedom movement and then through the chances offered by universal franchise and other modernizing socio-political forces. In the process, India has produced a few nationally important women leaders, though the egalitarian spirit has hardly percolated down to the grassroots levels. In this sense, therefore, the study of the gender composition of Panchayati leadership is also a study of the interplay between tradition and modernity in a changing rural society". Her study confirms the singularly strong sexist bias prevalent in the three-tier Panchayati Raj in India during the preservation period. It is, indeed, remarkable that there has not been a single woman leader in the Hugli Zilla Parishad since its inception (1978) till 1988. All the Sabhadhipatis and Sahakari Sahadhipatis have only been males since 1978. Thus, the Zilla Parishad leadership has been a male monopoly in the absolute sense of the term. Even among the ordinary elected members, there have been very few women. In 1978, no woman was elected to the Zilla Parishad, while in 1983 and 1988 the number of elected female members was 3 and 1, respectively.

Chakravarti Banerjee's study (2002) reveals that this gross under representation of women is equally pronounced at the Panchayati Samiti

level. In 1983, there was no woman in a leadership position in any of the Panchayat Samitis. All the Sabhapatis and Sahakari Sabhapatis in the 18 Panchayat Samitis of the Hugli district were males. In 1988, out of 582 Panchayat Samiti seats, only 3 went to women. Thus, women claimed only 0.5 percent of the total number of Panchayat Samiti seats. No wonder that their share in the leadership positions came to naught.

The position of women had rather improved at the Gram Panchayati level in later years. In 1978, there were 8 elected women out of the 2887 elected Gram Panchayat members in the district. No woman was made either Pradhan or Upa-Pradhan in any of the Gram Panchayats in the first panchayat election (1978). In 1983 also, there was no woman Pradhan or Upa-Pradhan in the district of Hugli. In 1988, however, the total number of elected women members in Gram Panchayat tier came up to 24 (out of a total of 3437 seats). Out of these 24 elected women, one was elected as Pradhan and three as Upa-Pradhans.

Broadly speaking, the data presented above establish the absolute marginalization of women in the Panchayati Raj before the formula of reservation was imposed from above.

Such a finding regarding the gender bias of the Panchayati Raj organization in the pre-reservation

phase confirms similar findings obtained by other studies in this and allied fields. Studies of traditional rural societies have almost everywhere noted the inherent male biases of the social organizations. In the specific case of the Panchayati Raj in India, scholars have detected the same gender bias at every level. A case study conducted in the 1950s in Jaunpur district of Uttar Pradesh during the local body elections there found that it was a male-dominated election of the forty-nine candidates who ran for office and not a single one was a woman. In interview after interview, the women voiced surprise at the notion of voting in any other way than the way the husband or the male family head or in any way contrary to his wishes or directions. The women were aware of the rivalry of A and B and of the stand of their families in respect to these two office bearers. But they were usually uninformed about the contests for panchayat membership in the district and confused about the identities of the candidates. When they were asked for whom they would vote, a common answer was that they would be told what to do by the senior males of the family when the time came.

In a subsequent study conducted in Rajasthan in the 1970s, Bhargava also found the political arena to be a domain of the male sex. Bhargava did not find any elected woman at the village Panchayat level or at the Zilla

Parishad level, though he could find one elected member in one Panchayat Samiti. He rightly concluded that 'in the rural areas when a woman enters into politics, she is taken as an exception'.

In sharp contrast to most other regions of India, the Bengal society in the nineteenth century witnessed several social reform movements for the emancipation of women. But in spite of such an enlightened tradition, the male bias of the culture remained pronounced. While identifying the 'dominant elite' of the towns and villages of Bengal at the beginning of the twentieth century, Broomfield referred to them as 'the Bhadrakok, literally.....the gentlemen', as opposed to the ladies. The freedom movement gave birth to some remarkable women freedom fighters, but it was mostly the middle class urban women who came to the forefront during this period and the rural traditions were kept intact.

In an article by Sushil K. Dey, an architect of the Community Development Programme in West Bengal, one can find perhaps the first concrete reference to a female leader in the rural self-government of the province. Dey referred to one village called Sukna, where an aboriginal woman of middle age emerged as a leader when she kept the men on a job of restoring a derelict pond by threatening a strike of all housewives if

they left it for any other attraction. She was a wise and prominent presence in village councils since then.

After the panchayat election in 1978, the Government of West Bengal studied the working of the Gram Panchayats in 1980 and found that 'all the elected members of the Gram Panchayats excepting a few happen to be male.' G.K Lieten (1992) devoted considerable amount of attention to the gender issue in panchayats and noted the almost complete absence of women in the Panchayati Raj organizations in the State. Out of the 480 candidates for Gram Panchayat and Panchayat Samiti elections in the area under his study, as many as 478 were males. Lieten even observed that many political leaders and candidates did not seem to be aware of the necessity to induce women into all spheres of public life as one of the means of eliminating the gender discrimination. Neil Webster (1992) was equally emphatic in denouncing the gender discrimination in West Bengal Panchayats. He noted that women have largely failed to gain representation in Panchayats because of the social structure and cultural practices against any woman candidate. The semi-official Mukarji-Bandyopadhyay Report (1993) also observed that 'largely because of societal constraints, there are very few women in the Panchayats at present, and even fewer in key positions. Women's representation is less than one percent of the total elected Panchayat members'.

Constitutional Provisions for the Uplift of Women

The Indian Constitution specifically provides for the protection of the rights of women. The Constitution-makers knew that within the given socio-cultural order, it might not be possible for women to get gender justice. They suggested special provisions for women on the lines of other weaker sections of society, especially in the Fundamental Rights and the Directive Principles of State Policy of the Indian Constitution. Various important Articles have accordingly been introduced to provide protective discrimination and to promote and protect the interests of the new protagonist – the woman.

Article 10 of our Constitution ensures equality of women and their equal protection before the law. Articles 14 and 15 guarantee a life of dignity without discriminating against women on the basis of religion, race, sex, belief, faith or worship, Article 15(1) prohibits discrimination on grounds of religion, sex, caste, birth and a number of other factors. Article 15(3) categorically states: 'Nothing in this Article shall prevent the State from making any special provision for women and children'. Article 16 focuses on the specific subject of equality in public employment. Article 16(1) seeks to guarantee equality of opportunity in such employment. Article 16(2)

prohibits discrimination in public employment on grounds of religion, race or sex.

In this context, it will be relevant to see what Article 40 (Directive Principles of State Policy) of our Constitution states:

“The State shall take steps to organize village panchayats and endow them with such powers and authority as maybe necessary to enable them to function as units of self-government.”

To achieve this aim, the 73rd Amendment has been introduced to the Constitution of India to ensure the representation of women in the various statutory bodies of local self government. All the states adopted the new panchayat legislation by 23rd April, 1994.

The Provisions of the 73rd Constitutional Amendment Act are as under:

- * Not less than one-third of the seats have been reserved for women (including that of SCs and STs) and these may be allotted by rotation to different constituencies of a panchayat.
- * In proportion to the population of SCs and STs in an area, seats have been reserved for SCs and STs. There is reservation for women in

these seats allotted to SCs and STs. Not less than one-third of the total number of seats may be reserved for women.

- * Not less than one-third of the total number of seats for the offices of the chairpersons of each level has been reserved for women. This will be rotated among different panchayats at each tier – Gram Panchayat, Panchayat Samiti and Zilla Parishad.
- * There are certain general features, which could be taken advantage of by women, such as direct elections for membership and Sarpanch (President) posts at the grass roots (Gram Panchayats) as well as the intermediate (Panchayat Samiti) levels.
- * It has been left to the different states to provide for reservation for membership as chairperson to those hailing from backward classes, if they choose so.

81st Amendment Bill

Another important endeavour in the direction of women's upliftment is the 81st Amendment Bill for 33 percent women's reservation in Parliament and State Legislatures. It was introduced for the first time in 1996 in the Lok Sabha. After much debates, the Bill was referred to a Select Committee. The passage of this Constitutional

Amendment Bill [Article 330(A)], however, has been deferred again and again. The main objection is the exclusion of reservation for women in minority and the backward groups, specially the OBCs. Some important features of the 81st Constitution Amendment Bill are as under:

- * 33 percent seats to be reserved for women in Lok Sabha and State Assemblies.
- * One-third of these seats to be reserved for SC/ST women.
- * Bill not to be applied to States/Union Territories, where seats reserved for SC/STs is less than three.

India's search for the goal towards gender equality and gender justice began with the establishment of the Central Social Welfare Board in 1953. The concept of national machinery for women's uplift has been evolving over since. A Department of Women and Child Development was set up in 1985 under the Ministry of Human Resource Development. Besides several constitutional and legal measures, the State has also initiated several schemes and programmes at the micro-level such as the Development of Women and Children in Rural Areas (DWACRA), Integrated Child Development Services (ICDS), Mid-day Meals, Education for the Girl Child and Micro-credit, specially targeted at the marginalized women.

The advocates of women's movements all over the world are moving towards the understanding that the demands for women's rights, namely equality of participation, opportunity and agency in all spheres of life should be directed primarily to institutions that constitute the structure of society and set the agenda of women's lives.

The National Perspective Plan for Women's Development 1988-2000 had been formulated in 1988. "The Shramshakti Report" also appeared in the same year. By an Act of Parliament, the National Commission for Women came into effect in 1990 to investigate and examine all matters relating to the safeguards provided to women under the Constitution and other laws.

In view of her commitment to various international conventions, India designed a National Policy for Empowerment of Women in 1996.

The Policy categorically stipulated that:

- * Human rights and fundamental freedom for women on equal basis with men need to be ensured.
- * All forms of violence against women-physical, mental, domestic or social-need to be eliminated.

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- * No discrimination would be allowed in law or practice against women.
 - * All forms of discrimination against and violation of the rights of girl child would be eliminated by undertaking strong steps including punitive ones.
 - * Synergy of development measures would be designed for holistic empowerment of women.
 - * Women's active participation in the decision-making is to be ensured.
 - * Policies, programmes and systems would be established in order to ensure mainstreaming of women's perspective.
 - * Gender sensitization programmes would be conducted on regular basis for all sections of the society.
 - * Media should be used to portray a positive image of women.
 - * For eradication of poverty and provision for women's basic needs, several programmes should be initiated in order to (a) alleviate poverty, (b) provide food security, (c) arrange housing and shelter, (d) provide equal education, (e) formulate a holistic approach to women's health, (f) formulate macro-economic and social policies by institutionalizing women's participation in economic development and (g) arrange support services like child care facility to enable women to participate effectively in developmental processes and to provide special attention to the needs of women in providing safe drinking water, sewage disposal and sanitation.
 - * Women's perspective would be reflected in the policies and programmes for eco-system management.
 - * Diversity of women's situation is to be acknowledged and special programmes need to be made available for women in the disadvantaged group.
 - * Budgetary provision is to be enhanced in the programmes related to women.
 - * Non-Governmental Organizations are to be involved in the formulation and implementation of all policies and programmes affecting women.
 - * Gender development indices would be developed by the government.
 - * Desegregated gender studies would be collected, compiled and published regularly.

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- * International, regional and sub-regional cooperation for the empowerment of women will be strongly encouraged.

The National Policy for Empowerment of Women (1996) has suggested elaborate strategies and action plans to actualize the prescribed goals. It has an action plan to be initiated at the grass roots, district/sub-district, state and national levels. For the state and national levels, the policy suggests that there would be Councils for giving broad policy advice, guidance and directions. It also suggests that all the central and state ministries would have the gender component in their action plans. It suggests elaborate action for the Executive and Legislature in all the areas related to physical, social, cultural, and economic and livelihood security of women.

The National Policy states that at 'the grass roots, women will be organized into self-help groups at the Anganwadi level. These women's groups will be helped to institutionalize themselves into registered societies and to federate at the block/town level. Such societies will bring about synergistic implementation of all the social and economic development programmes by drawing resources made available through government

and non-government channels, including banks and financial institutions; and by establishing a close interface with the panchayats/municipalities'.

The National Commission for Women (NCW), which was basically a statutory body, was constituted by the government in January 1991. It was constituted with a specific mandate to study and monitor all matters relating to the constitutional and legal safeguards provided for women; to review the existing legislation to suggest amendments wherever necessary; and to look into complaints involving deprivation of the rights of women. Similar Commissions have also been set up in nine States. The NCW has taken up a number of activities, some of which are as under:

- * Setting up of 11 expert committees to tender advice on various women's issues.
- * Conducting pariwarik lok adalats.
- * Making complaints and pre-litigation cells.
- * Creating legal awareness.
- * Welfare of women prisoners and under trails.
- * Action on issues of women and children.

In order to coordinate and integrate components of all sectoral programmes and to facilitate their convergence to empower women, Indira Mahila Yojana (IMY) was launched as a strategy on 20th August, 1995. It proposed to bring out a mechanism by which there could be a systematic coordination and a meaningful integration of various programmes of different sectors to meet women's needs and to ensure that women's interests were taken care of and provided for under each scheme. It was proposed that the mechanism would be operated at the district level as a sub-plan for women to percolate down to the village level appropriately through the Indira Mahila Kendras (IMKs) at village level and Indira Mahila Block Kendras (IMBKs) at block level. The ultimate objective of Indira Mahila Yojana is to empower women by ensuring their direct access to resources through a sustained process of mobilization and convergence of all the ongoing sectoral programmes. The IMY is sought to be operated as a central sponsored scheme. The three basic constituents of IMY are as follows:

- * Convergence of inter-sectoral services
- * Income generation activities
- * Sustained process of education/ awareness generation

Under the proposed convergence of inter-sectoral services, IMY will provide the umbrella cover and all sectoral programmes aimed at women's welfare, including non-formal education, training, formal primary education, skill development, health, family welfare programmes and other minimum needs programmes like drinking water, sanitation, housing, roads and electrification would converge at the village level as per the needs, demands and requirements articulated by the IMY. Income generation activities include creation of employment opportunities through group-dynamics and participation in a broad range of economic activities suited to the local requirements. Under a sustained process of education/ awareness generation, the IMY seeks to create a general awareness among women through ensuring information specific to the equality of social status, legal rights, like those of property and inheritance, constitutional safeguards and on different development programmes or issues concerning women.

The Constitution (one hundred and tenth amendment) Bill, 2009 enhanced reservation for women in Panchayats at all tiers from 1/3 to at least 50 per cent. The provision of reserving half the seats for women in Panchayats will apply to the total number of seats filled by direct election, offices of chairpersons and

seats and offices of chairpersons reserved for SCs and STs. Information and Broadcasting Minister Ambika Soni called it “a path breaking decision”. Neeraja Chandroke of the organization Stree Sakthi said: “This is a good move, provided male relatives of these women representatives don't indulge in backseat driving.”

Empowerment of Women: Some Problems and Constraints

The rosy picture regarding women's participation in the Panchayati Raj Institutions is not without problems and inherent constraints.

* In the first place, over the last fifty years or so, the governmental structure of our State has remained more or less the same with a considerable continuity with the colonial past. Though a number of policies have been formulated and reformulated for the empowerment of women, the agencies for the implementation of the policies have remained unchanged. Hence, there have not been much qualitative changes in the status of women belonging to the marginalized groups of society. Immediately after independence, the women of the marginalized groups have faced the forces of modernity. They have been victimized both because of being women and because of

being members of the oppressed sections of the society. The various social ills like poverty, unemployment, non-recognition of work, low wages, illiteracy, ignorance, ill-health and the absence of basic amenities of life have been cruelly heaped on them.

* Secondly, many steps in the empowerment of women have been taken in India and many more are still required. The constitutional and non-constitutional initiatives have been many, but these have been stricken with various loopholes. The National Policy for Empowerment of Women says very little on grass roots mobilization and resources for the betterment of women. The panchayat bodies are not free from the clutches of the traditional bureaucratic control. The local power lobby also uses its manipulative tactics to retain its influence. It provides ready base for the integration of local labour and some other productive resources with the national and global forces to maximize its own class interests. It still maintains its domination in society. Only through sustained grass roots mobilization, the rising gender consciousness at the grass roots can counter these forces like local power lobby.

* Thirdly, instances of caste and gender-based atrocities can be cited from many states of India. In Madhya Pradesh, for instance, the aftermath of elections to the panchayats, held in the beginning of the twenty-first century in four of its districts i.e., Raigarh, Chhatarpur, Raisen and East Nimar saw ugly abuses of authority. The incidents of a lady Sarpanch being paraded naked, another lady Sarpanch being gang-raped, an Upa-Sarpanch being tortured and a dalit panchayat member being beaten up, have come into limelight.

* Fourthly, the implementation of several Acts of Parliament pertaining to the protection of women has been thoroughly ineffective. The Suppression of Immoral Traffic in Women and Girls, 1956 has not been able to arrest the problem of trafficking and prevent the exploitation of women. The Indecent Representation of Women (Prohibition) Act, 1986 has not been systematically enforced. The National Commission of Women Act (1990), which empowers the National Commission of Women to investigate, examine and review all matters relating to safeguards provided for women under the Constitution and other relevant laws, is not satisfactory

according to the National Commission of Women. The commission feels that it should have the power to prosecute and summarily decide on cases of violation of gender justice. Again, there should be commission for women at State and District levels as well.

* Fifthly, studies conducted in various parts of the country bring forth the gender insensitivity of the grass roots workers, illiteracy, lack of training of the marginalized women at the grass roots and the prevailing ideology of patriarchy and gender segregation. These factors have contributed towards the process of marginalization of women who belong to the more deprived sections of the society. Again, there are several financial and infrastructural constraints in women's empowerment in panchayat bodies. Attitudes of administrators towards the gender question, which have been stated to be traditional and stereotyped, are also considered to be an inherent problem in women's empowerment.

There are a number of myths about women and their participation in governance in India, particularly when the question relates to rural women who have low literacy rates and numerous social restrictions and other socio-

economic handicaps. We identified at least four such myths about women's participation in the PanchayatiRaj Institutions:

- * Women's passivity and disinterest in political institutions.
- * Only the well-to-do, upper strata women will come through reservations.
- * Only privileged kin-women of powerful politicians will enter these political institutions to keep the seats for them.
- * Women who have entered the panchayats are only proxy and namesake numbers. They do not participate in panchayat activities.

Suggestions to improve the participation of women in Panchayati Raj Institutions:

- * The rate of literacy among women should be increased.
- * Women should come out of the traditional attitudes, custom and practices.
- * Political awareness should be increased among the women.
- * Women should come on their own accord and compete by developing willpower and confidence.

- * Women should organize and establish network at different levels to influence the political participation process. There is a great need to increase solidarity among women's groups for the cause of women.

- * Expansion of educational opportunities for women, greater recognition of their unpaid work, wider representation in electoral politics, legislative and legal mechanism to safeguard their rights and equal opportunities for participation in politics are some other things which would strengthen the process of political empowerment of Women.

Conclusion

Though the representation of women in Panchayati Raj Institutions is slowly increasing, their involvement in political participation and decision making process is not up to the expectation. They are not able to do things themselves. The male members should extend their co-operation to their women counterparts. Not simply political participation, but the female members in the Panchayati Raj Institutions having active involvement and participation is also essential. There is general impression among the public that women politicians are not independently acting by themselves, they are not enjoying power. The actual

power is in the hands of the male members like their husbands, brothers and fathers. This practice should not be continued and women must come forward to participate and take decisions independently.

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Articles could normally be between 3000 and 4000 words, though we do not wish to limit the size. As we print in black and white, tables, charts, graphs, images, etc. need to be compatible. We reserve the right to edit for sense, style and space.

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Smart Cities: Urban Governance or Urban Management?

Sanhita Rahul Joshi

Recently the Ministry of Urban Development announced smart cities mission which intends to promote adoption of smart solutions for efficient use of available assets, resources and infrastructure. Smart cities mission of the government focuses on improving existing hundred cities instead of building new cities, thus avoiding the pitfalls of transforming them into ghost towns. This entire design focuses on developing basic infrastructure, i.e. assured water and electricity supply, sanitation and solid waste management, efficient urban mobility and public transport, robust IT connectivity, e-governance and citizen participation, safety and security of citizens. Smart cities aim to offer Smart Solutions through providing public information, grievance redressal, electronic service delivery, citizens' engagement, waste to energy & fuel, waste to compost, 100% treatment of waste water, smart meters & management, monitoring water quality, renewable sources of energy, efficient energy and green building, smart parking, intelligent traffic management system.

There are two diametrically opposing views through which the smart cities programme can be looked at. One point of view sees this programme as facilitator of the process of economic growth and development. In a globalised world, smart cities with smart infrastructure can definitely attract investment as well as talent. Cities are considered today as engines of economic growth. For the first time since Independence, the absolute increase in population in India according to 2011 census is more in urban areas than in rural areas. Level of urbanization has increased from 27.81% in 2001 to 31.16% in 2011. On the other hand, the proportion of rural population has declined from 72.19% to 68.84%. A report prepared by Nasscom, in partnership with Accenture, states that India's population in towns and cities will rise to 600 million by 2031 and therefore infrastructure in these zones will need to keep pace with the growing requirements. The report also points out that technology would play an important role in making cities and their governance smart.

Cities have emerged as powerful actors in today's global economy. Therefore, massive attention directed towards cities is understandable. Countries all over the world are trying to harness the energies unleashed by the forces of urbanization and globalization. To many, decentralisation has been the fallout of these twin trends. As a result, urban spaces and their governance have become all the more important. However, to govern a city space is a convoluted task. City life is a strange mix of plural identities living together (or let us say sometimes forced to live together) which are competing for equitable resource allocation. At the same time citizens and migrants to the city are fighting with endemic issues of urban poverty, congested housing spaces, inadequate livelihood opportunities, sub-standard provision of basic amenities and a growing concern for livable healthy environment. Therefore, urban governance is increasingly becoming a complex challenge for urban planners as well as urban dwellers and hence needs a multi-pronged approach to deal with it.

Urban governance in India has been significantly shaped by interplay of three major forces especially since early 1990's.

- 1) Liberalisation & globalisation of the economy brought pressures on urban centers to be internationally attractive as well competitive. What naturally followed was

welcoming with open arms phased privatization of public services, public private partnership, community based or led development projects, etc.

- 2) The discourse on good governance is being increasingly advocated by multiple international financial and funding agencies. And decentralization of powers, functions and personnel has been considered as a strategy to achieve the goals of good governance. In 1992 Indian parliament passed historic 74th Constitutional Amendment Act which gave urban local bodies a constitutional status. The 12th schedule was inserted to the Constitution which devolves 18 important functions to democratically elected legitimate urban local bodies. At the same time, there has been visible expansion and intrusion of non-state actors like civil society organisations and non-governmental organisations in the way urban governance functions.
- 3) The third force driving changes in urban governance in contemporary India is a set of reforms initiated by government of India and specifically institutionalized by Jawaharlal National Urban Renewal Mission (JNNURM) launched in 2005. The objective of JNNURM was to

improve the quality of life and infrastructure in the Indian cities. The Mission Statement of JNNRUM was to encourage reforms and fast track planned development of identified cities. The focus was on achieving efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of urban local bodies (ULBs)/parastatal agencies towards citizens. Smart cities mission programme of the present government is just an incremental version or a modified programme of the previous one. A few things that make the current programme different are issues of power, telecom, health, education and creation of fresh employment opportunities which were not eligible for JNNURM assistance. The element of competition between cities to get central government's funding assistance is an interesting addition to the programme. Each aspiring city competes for selection as a smart city in what is called a 'City Challenge'.

Smart city project thus appears to be quite ambitious and it definitely leverages aspiration of the middle and upper middle class population residing within cities which still has not been able to unleash their full potential. However, one most important and

disturbing question which we must ask is whether, democratic decentralization is going to be a casualty of this programme? A fact that each smart city will have a Special Purpose Vehicle (SPV) that will plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the Smart City development projects, raises a number of questions pertaining to the issues of democratic, transparent and equitable governance that may emerge. Is smart city a project of urban management by centrally appointed bureaucrats? Or it really believes in the credentials of the people at the grassroots and their elected representatives to govern themselves as well as their urban spaces? The process of strengthening the democratic base of our polity began in India in early 1990's. The 73rd and 74th Constitutional Amendment Act of 1992 were passed during the period of opening up of our closed and regulated economy, not to forget under the dictates of International Monetary Fund and World Bank. The 74th Constitutional Amendment Act devolves 18 important functions to Urban Local Bodies. Many of the smart solutions to be offered under the smart city projects are already mentioned as important functions to be performed by urban local bodies in the 12th schedule of Constitution of India. Most of the state governments have passed conformity legislation in their respective states thus giving an

elaborate role for urban local bodies to play. The special purpose vehicle which is going to be a nodal agency to implement the smart city programme may intrude into the functional jurisdiction of the elected urban local bodies and might as well perform overlapping functions. This may further complicate the process of urban governance. The urban local bodies today are already facing challenges because of an array of issues pertaining to their poor financial status, weak taxation powers, parastatal agencies with whom they have clash of interests and functions. The creation of special purpose vehicle is going to further complicate the urban governance scenario, since the officers in charge of its implementation, are going to be appointed by the central government. This completely mars the spirit of democratic decentralization. It also to an extent will harm the foundations of our three tier federal polity which is an extraordinary and unique experiment in the world. The experiences of the previous programs like JNNURM that proposed a number of reforms that changed ways in which cities were democratically governed, provides enough testimony to the dangers associated with the coveted smart cities project.

Smart cities project will also probably pave a way for greater private sector investment and for these investments, more rigorous reforms.

The process of development then is not inclusive of people and more often than not uses jargons that are not understood by masses. It raises two questions; firstly, who are going to be the prime or privileged beneficiaries? And secondly, is it sensitive to issues of equity and accountability? In this connection let us look at three important areas which may have far reaching impact. First is the issue of housing space for urban poor, second is use of technology and digital divide and third is the fate of common property resources like water.

Callous neglect of urban poor+urban in justice

Urban poverty is a phenomenon on the rise especially in the post-globalisation period and also in the aftermath of ambitious neo-liberal policies of governments at all the levels. Although budgetary allocations for urban development have risen substantially, these do not compare with the allocations for schemes and interventions for rural India. Progress in terms of reducing the incidence of urban poverty has been highly uneven in the country, with a little over 40 per cent of the urban poor concentrated in the states of Bihar, Madhya Pradesh, Orissa, Rajasthan, and Uttar Pradesh. Moreover, the NSSO data shows that concentration of poverty has intensified in these states, with the proportion of the urban poor registering an increase

from 31.1 per cent in 1973-74 to 42.0 per cent in 2004-05. On the other hand, urban poverty has declined much more impressively in states such as Gujarat and Punjab; in Kerala and Tamil Nadu. Slum settlements – often referred to as informal settlements without any formal title - represent the most visible manifestation of poverty in urban India. Today, 38 % of the slum households are in 46 Million Plus Cities (census 2011) which includes cities like Greater Vishakhapatnam, Agra, Raipur, Nagpur, Meerut, Kota. These cities are in the race to become future smart cities. There are apprehensions as to how cities like Kanpur, Allahabad, Agra and Varanasi that are already densely populated and have crumbling infrastructure will be turned into smart cities. The smart cities projects pose a danger of converting existing livable cities for poor and marginalized sections into celebrated gated communities. It may also create a small group of “privileged poor” who can get access to these gated communities, but who cannot become part of the “elite” and who will remain outside these gated communities in small slums or slum settlements at the fringes of such cities. Hence what may follow is creating a privileged city space which we may call itself a smart city and it simply does not have any place for un-smart people (poor and marginalized).

Information & Communication Technology (ICT) & Digital Divide

ICT is at the core of making cities smart. However digital divide is the biggest challenge for a technologically crawling country like India. Today wealthy nations comprise some 16 percent of the world's population, but command 90 percent of internet host computers. Of all the internet users worldwide, 60 percent reside in North America, where merely 5 percent of the world's population resides. At national level, there is no single divide, but multiple divides: for instance; within countries, between men and women, young and elderly, rich and poor and most importantly rural and urban. Today almost 70% of the total Internet users in India are found in the top 7 cities such as Mumbai, Delhi, Bangalore, Hyderabad, Chennai, Kolkata and Pune. Only 30% access is happening in all other cities put together. Electricity is the most basic condition for using ICT and many studies validate the thesis that there is linear relationship between the level of electrification and digital divide. Utopian urban visions help drive the “smart city” rhetoric but fail to understand the fact that smart cities would also need smart citizens who are well versed with the use of technology to their advantage.

Common property resources:

We are living in a rapidly globalizing world where international funding agencies are pushing for privatization of an array of common property resources including water resources. It is timely and imminent to enquire into the questions of right to city and right to water and contextualize it within the realm of urban governance especially for a developing nation like ours. A United Nations (UN) study says that by the year 2025 two-thirds of the world may be water-poor. An estimate shows 1/5 of the world's population lives in areas which have acute scarcity in terms of potable water. There are further limits on utilizable quantities of water owing to uneven distribution over time and space. Large parts of India have already become water stressed. Rapid growth in demand for water due to population growth, urbanization and changing lifestyle pose serious challenges to water security. Low consciousness about the scarcity of water and its life sustaining and economic value results in its mismanagement, wastage, and inefficient use. Water scarcity includes not only the physical scarcity of water but also the lack of access to safe drinking water and sanitation. Therefore, one may easily conclude that water has come to be known as "the oil of the 21st century." And if at all a third world war takes place, it will be surely to gain control over this vital and fundamental common property resource.

According to UNESCO, the current water crisis is caused not by lack of water supply or technology but rather by failure in water governance. It is in this backdrop that urban governance has a vital role to play in respecting as well as recognizing the right to water of the people. Under the smart city programme what may happen is privatization of water resources and further private management of water resources. This kind of urban management instead of urban governance approach will be justified by providing reasons such as it will attract investments for cash-strapped urban governments, cheaper tariffs, better services, improved reliability, latest technology, and increased efficiency & reduced corruption. However, The Water War of Cochabamba in Bolivia, a watershed event and a legend in the struggles against water privatisation has inspired, catalysed and symbolised the challenges to the assertion of privatisation as a solution for all water woes. Interestingly most of the privatization attempts have been initiated in urban areas in India such as Bangalore, Delhi, Dharwad, Mumbai and Nagpur. What has been observed all over the world is that privatisation projects, often labeled as model projects have collapsed and have met with stiff resistance from the local people. This is mainly due to sharply rising tariffs, disconnections and failure to extend services to the poor. It has led to depriving people of their basic, fundamental human right to water.

Governments are abdicating their social responsibility and millions of people have been affected in the process. Water has been among the last of the sectors to be opened up for privatisation in India after new economic policy was introduced in the country in 1991. National water policy of 2002 and 2012 overtly confirms and invites private participation in water sector. The most striking consequence of privatisation in the water sector and its failed promises has been the sacrifice of the social responsibility of providing water at the altar of profits. Urban local bodies in India are vigorously pursuing the agenda of privatization of water and water service and its allied services. It means they are in a way disregarding & probably denying to play a constitutional role and therefore I believe it is violative of the Constitution.

Smart city programme fails to recognize the language of rights and entitlements of city dwellers. It speaks the language of services or service provision which gives no guarantee that each and every urban dweller or rather urban citizen will be its beneficiary especially in the context of more and more private sector participation. Many people may simply be kept out by their

inability to pay the cost of the provided services. Smart cities should not end up creating many more dual cities which may smartly abdicate their social responsibility and completely overlook equity issues.

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Review of Decentralised Planning Initiatives and Urban Local Government Functions in India

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Introduction

Democracy flourishes when “Government” originates at the grass root level and the citizens feel its presence in the form of decisions and actions, resulting in their welfare. The village Panchayats (rural local government) have a long history in India, while municipal governments came into existence with the villages growing in to towns and cities. Municipalities in India received a statutory status in the year 1992 and the scope of municipal works expanded beyond the provision of core municipal services. Urban planning carried out earlier under town planning acts of state governments was introduced as a local government function by the 74th Constitutional Amendment Act 1992. Sectoral planning hitherto a state level responsibility was also recognised as a local government function. (Kurian, 2000; Bagchi, 2004; Heller et al., 2007) Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

launched in 2005 also necessitated involvement of urban local government in projects and reforms. (JNNURM Brochure, 2005; Mukhopadhyay, 2006) The role of urban local government has become indispensable over these years and the latest reform initiative of government of India Smart Cities Mission of 2015, also aims at improving urban areas with the participation of urban local governments and has reinforced the importance of decentralized planning. Decentralised planning covers many aspects out of which two are illustrated through this paper - 1) scope of work under 12th Schedule functions of the Constitutional Amendment Act of 1992 and efforts required at each level of local government from mohalla (identifiable residential community smaller in scale than neighbourhood) neighbourhood, ward (sub units within municipal area), city and district based on the said act. 2) Initiatives towards decentralized planning in the context of responsibilities added through the

Constitutional Amendment Act of 1992, in three states of India namely West Bengal, Kerala and Madhya Pradesh. These two aspects are interrelated in the sense that most of the planning functions emanate from the 12th Schedule. Decentralised planning will take roots when started from the neighbourhood and ward level of municipalities and initiatives are reviewed in this context.

Background

After the failure of centralised planning to tackle emerging urban challenges, there was a worldwide paradigm shift towards decentralisation, which gathered momentum in the 1990s. This was an era of reforms (Work, 2002; Shah 2006; Global Report, 2007) which covered various sectors of development and governance. (Zanetta, 2001; Tommy, 2002) Except a few countries in conflict in the Middle East, Asia and Africa, local democracy is gaining momentum all over the world (Simon, 2006) from the African savannah villages, the highlands of Latin America, the “barangay” in the Philippines to the towns of Eurasia. Practically all stable countries have carried out substantial public sector and state reforms, including the implementation of decentralization reform policies (Global Report, 2007). These statements give a broad idea about

decentralisation but also indicate that countries are thinking in the direction of empowering themselves through reforms.

India has also seen major reform initiatives in the form of Consumer Protection Act 1986; the Environment Protection Act 1986; (Singh, 1993) the electoral reforms 1990; (Rob, 1999) the 73rd and 74th Constitutional Amendment Acts 1992; the implementation of citizen charter in the government and semi government organisations 1997; (Mishra et al. (eds.); 2003) the Right to Information Act 2005. All these indicate a change in approach towards governance and The 74th Constitutional Amendment Act 1992 meant to empower urban local government can be considered as a major vehicle to bring total change in the local governance model in India. As per the requirement of the 74th Constitutional Amendment Act and 12th Schedule functions included via this amendment act the state governments had to amend their municipalities' acts to empower the urban local bodies. The state municipalities' acts were amended in 1994. Local governments were made responsible for their cities and towns, their problems and solutions.

12th Schedule has 18 functions which were added in the list of functions of the urban local government e.g. Urban planning

including town planning; Regulation of land-use and construction of buildings; Planning for Economic and Social Development; Roads and bridges; Water supply for domestic, industrial and commercial purposes; Public health, sanitation conservancy and solid waste management; Urban forestry, Protection of the environment and promotion of ecological aspects to name a few.(Constitution of India, 1994) Some functions related to provision of core municipal services were being carried out by municipalities earlier as per provisions of the state municipal acts but as mentioned earlier planning was introduced as a new function (M.P. Municipal Corporation Act, 1994, The West Bengal Municipal Corporation Act 2006).

Urban planning in India was carried out under State 'Town and Country Planning Acts' which provided the legal framework for physical planning. However almost all of these laws pre-date the 74th Constitutional Amendment Act e.g. MP 1973; West Bengal 1979; and did not provide a framework for planning at district, ward or smaller levels (Kulshreshtha, 2012). The planning area as delineated under the town and country planning acts is always smaller than the district areas, the consideration there is only spatial and the bottom up approach is not followed; whereas the district plans as per the 74th

Constitutional Amendment Act have to take into account both sectoral and spatial development proposals of all the municipalities and parastatals (Ahluwalia et al., (eds.) 2014). The 12th Schedule functions which encompass all the aspects of urban planning at the level of local government have provided an opportunity to the local government to make plans according to local needs.

Importance of urban local government was further reinforced through a major reform programme of Government of India, JNNURM started in the year 2005 for rejuvenation of select cities of the country. Many schemes were launched either addressing the issues of urban development or urban poverty alleviation prior to this mission e.g. Integrated Development of Small and Medium Towns in 1979 (IDSMT), Swarna Jayanti Shahari Rojgar Yojana 1997 (SJSRY) (A scheme for urban poor giving financial assistance and consultancy for establishing small scale enterprises in urban areas), etc., but the uniqueness of the mission was that it kept the local governments at the centre stage i.e. all the proposals under the mission were to be sent by the urban local body of the city. Urban reforms of 2005 introduced a new concept of City Development Plan (CDP) targeting development projects in the selected cities but needed an interface with traditional city master plans (Meshram,

2006) which could have been provided by implementation of 74th Constitutional Amendment Act. Four components of 74th Amendment Act were to be implemented as mandatory state level reform. These components were Municipal Elections; Constitution of District Planning Committee and Metropolitan Planning Committee; Constitution of State Finance Commission and Convergence of Urban Management Functions (JNNURM Primer, 2005). The new institution named NITI (National Institution for Transforming India) AAYOG (Commission) formed in January 2015 which replaces Planning Commission of India also endorses bottom up approach towards planning thus recognising the framework for urban spatial sectoral planning given by the 74th Constitutional Amendment Act 1992 as a valid instrument for planning.

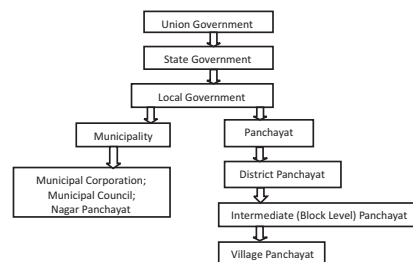
Constitutional Provisions

Panchayats in rural areas and the municipalities in urban areas are the local government institutions of India (Figure 1). The urban local bodies, though they existed prior to the 74th Amendment had a very little role to play except provision of core municipal services. As the urban local government was not a constitutional obligation the performance of urban local bodies deteriorated over the years. Other reasons given for such performance were lack of funds, lack of transparency

in the planning and implementation of projects, ineffective participation by the weaker section of the population in local government, etc. which necessitated a change in the system of local governance. (Rao, 1985; Ramakrishna, 2009; Jha & Jha 2010)

With the enactment of the 74th Constitutional Amendment Act in the country, urban local bodies have acquired a statutory status. All the state governments passed the conformity legislation and brought it into force within the constitutionally stipulated deadline of 1st June 1994.

Figure 1: Hierarchy in Government System in India



Source: Council of Local Authorities for International Relations (2007) "Local Government in India"

Provisions of the 74th Constitutional Amendment Act

The 74th Constitutional Amendment Act has established three tier system (Article 243 Q) with nagar panchayats (Urban local government

for areas having population ranging between 5000 and 0.1 million); Municipal Councils for 0.1 million to 1 million population; and Municipal Corporations for areas with more than 1 million population in urban Areas (Figure 1). Article 243 W of the Constitution read with the 12th Schedule provides the basis for the state legislature in India to assign the functions to the municipalities in the respective states. Provisions of Article 243W are not mandatory; it is for the legislature of state to decide as to which powers and authority it may devolve on a municipality. Compulsory elections; one third reservation of seats for women; reservation for scheduled castes and tribes in proportion to their population (Article 243 T) and state election commission to look into the election matters of the municipalities given in the Act have been implemented generally in all the states of India (Constitution of India, 1994; Vaidya, 2009). Provision of a separate finance commission in each state (Article 243 Y) was intended to distribute the finances to improve the financial status of municipalities. Setting up of ward committees (Article 243 S) is another feature providing space for meaningful interaction and dialogue between citizens, civil society and elected members and also ward level planning

in cities with population of 0.3 million or more. Participation of elected representatives both from urban and rural areas in planning for development of the district by the formation of district planning committee (Article 243 ZD) and metropolitan planning committees (Article 243 ZE) for areas with population more than a million makes a complete model of decentralisation.

Traditional Municipal Functions

Within this decentralisation model 12th Schedule functions (Article 243 W) are of special significance, which if taken up by local government can transform and reform the urban areas of India. As mentioned earlier, some functions listed in the twelfth schedule (Table 1) were being performed under the municipality's acts of various states, while urban planning and related functions were completely new additions to the list of functions (Table 2). 12th Schedule functions offer wider scope of work and require efforts at each level of urban local government. A study of various government documents which include municipal acts, development plans, existing rules of urban administration and development departments of state governments helped to present current practices related to each function, which are highlighted in Tables 1 and 2.

Table 1: Functions being carried out by municipalities and also under 12th Schedule

	12 th Schedule Functions to be read with article 243 W	Present Status
1	Regulation of land-use and construction of buildings.	Municipalities exercise control over the construction of buildings in terms of the built-up area and marginal open spaces and removal of unauthorised construction and land use. Presently it is monitored through building permissions granted by municipalities. Building permissions are given according to bye laws framed either by state governments under land development rules or master plan rules in case of cities which have master plans.
2	Roads and bridges	Construction and maintenance of roads and bridges is carried out by the state public works departments for the urban areas; while land use allocation for roads and bridges is done by the state town and country planning department. Sometimes roads within mohallas are repaired and maintained through municipal grants.
3	Water supply for domestic, industrial and commercial purposes.	Operation and maintenance of Water supply is carried out by the municipalities. Many residential areas within a city which are newly developed and are on the outskirts of the city and not taken over by municipality for maintenance rely many a times on underground water source managed and maintained by the residents of the area.
4	Public health, sanitation conservancy and solid waste management.	Looked after by the municipality as the core municipal function. Disposal of solid waste, street sweeping, sewage treatment functions are carried out by municipalities in general. It is managed by residents in areas not taken over by municipality.
5	Promotion of cultural, educational and aesthetic aspects.	A whole lot of Institutions and government departments are working in cities big and small for promotion of cultural and educational aspects. Presence of municipalities for educational aspect is almost nonexistent in most cities. Aesthetics is taken up by municipalities in the form of small scale city beautification projects.
6	Vital statistics including registration of births and deaths.	Municipality issues birth and death certificates. These certificates being important documents majority of population applies for birth and death certificates and local government thus has this important data with it.
7	Public amenities including street lighting, parking lots, bus stops and public conveniences.	A traditional municipal function. Parking lots, bus stops and public conveniences are managed through public private partnership by the municipalities.

Functions enlisted in Table 1 and the present mode of operation of these functions indicate that there is need to detail out the work processes for different levels of urban local government and mapping of these functions against mohalla, ward and city level committees. The single function of Regulation of land use and construction of buildings offers much scope for municipalities to regulate and guide the built form of cities.

Neighbourhood level awareness building programme about the need and importance of regulation of land use and construction of buildings can help minimise encroachments. Revenue generation in the form of taxes specifically municipal property taxes can be well assessed in advance at ward level, by regulating land uses and construction of buildings. Water supply and sanitation affect and decide the quality of life of an area within a city in a

major way. Municipalities being the local government need to ensure a minimum acceptable level of these services. Collection and disposal of waste needs co ordination at mohalla, ward, and city and district level (Eleventh Five Year Plan Document, 2006). Data regarding births and deaths being collected at municipal level can be used for planning purposes and dissemination of this data at ward and

mohalla level can also help to prioritize schemes related to health and educational facilities.

New Functions

Together with the functions which were already listed in the state municipal acts the new functions (Table 2) nearly cover all aspects of urban planning.

Table 2: New Functions under 12th Schedule

	12 th Schedule Functions to be read with article 243 W	Present Status
1	Urban planning including town planning.	A new scale of work was introduced by adding this function; which was carried out earlier by town and country planning department of various states. The city development plans and the construction projects introduced under JNNURM 2005 in select cities can be viewed as the first step on the part of the local governments in this direction.
2	Planning for economic and social development	The economic and social development schemes are being formulated and implemented by central and state government departments. Decadal Economic and social data is being collected at ward level by census of India. Traditionally Planning has been the responsibility of central and state planning commissions. It is a new function for the local government.
3	Urban forestry, protection of the environment and promotion of ecological aspects.	This function encompasses three interrelated areas hitherto untouched by the urban local governments except for some amount of tree plantations and its maintenance. There are central and state government acts about solid waste management; hospital waste management; Pollution control etc. And the local governments have to follow these rules while handling these wastes.
4	Safeguarding the interests of weaker sections of society including the handicapped and mentally retarded.	Ministry of social justice and empowerment Government of India and similar department at state level are looking after this function.
5	Slum improvement and up gradation.	Slum Improvement and up gradation was carried out by state governments under various central and state schemes. The recent ones being the <i>Rajiv Awas Yojna</i> (a housing scheme for urban poor under JNNURM)
6	Urban poverty alleviation.	Central Government schemes such as SJSRY, which had provision for training and employment through formation of self help groups was a milestone in this direction. The work was entrusted to district level authorities. Addressing urban poverty through slum improvement as well as skill up gradation and job opportunities is a new approach to be taken up by local government.
7	Provision of urban amenities and facilities such as parks, gardens, playgrounds.	Spaces assigned under master plans prepared by town and country planning departments. There are many small towns and cities where formal open spaces under different categories are nonexistent.

Prior to the 74th Constitutional Amendment Act these functions (Table 2) were carried out by several central and state government level agencies. Transfer of these functions not only meant involvement of urban local government, but its role as a coordinator and leader for the agencies and departments working at each level of government be it central, state or municipal. The role of local government so far can be termed as that of one of the participants. Another issue was the generation of planning process and allotment and detailing of each function and identification of functionaries. Roy (2009) has concluded that bottom up approach can address people's need in a true way (Sivaramakrishnan, K. (Ed); 2006) and top down approach is desirable for proactive planning strategy at plan formulation stage. As explained earlier, urban planning was never attempted at ward level and ward level physical planning can address many issues specially related to urban poor, slum improvement, provision of open spaces, etc. A comprehensive slum improvement plan can take up components of poverty alleviation, economic and social development. Verification and identification of genuine beneficiaries can be done at ward and lower levels.

Provision of urban amenities and facilities such as parks, gardens and playgrounds and urban forestry, protection of the environment and promotion of ecological aspects are additional functions added to municipal responsibilities and call for planning of open spaces which until now are not given their due importance in towns and cities of India. Residential development schemes on small chunks of land on the outskirts of cities generally have open spaces which are insufficient. These provisions can be integrated at the time of planning permission if land use for urban amenities is reserved in advance by integrating ward level development plans. Reserving spaces for these essential amenities and their maintenance as well as protection from encroachments can be well taken care of at mohalla and neighbourhood levels. Urban forest cover percentage, species and integration with the land use plans common in many developed countries (City Policy Associates, Washington, D.C. 2008) is not yet carried out in Indian cities. Mapping of the forest cover in municipal areas is yet to start so that wards which are deficient in tree cover can integrate this important aspect in ward development plans.

The new functions expand the horizon of works at various levels of urban local government and if taken over by municipalities can transform the

cities and towns of India (Singh, 1997). Working towards the larger goal of decentralisation, the states of India have put forward some sincere efforts, and pioneers are the states of Kerala and West Bengal (Centre for Development Studies, 2000) (Heller et al., 2007; Bagchi, 2010). Another state taken up in this paper for comparison of decentralisation initiatives is Madhya Pradesh which represents comparatively less urbanised states of India with 27.6% urban population as compared to Kerala 47.22% and West Bengal 31.87% (Census 2011). Literature review helped to compare decentralisation measures in these three states which have different demographic characteristics and to comprehend the progress with reference to planning functions discussed earlier.

Decentralisation initiatives in Kerala, West Bengal and Madhya Pradesh

These three states which have noticeable demographical variations (Tables 3 and 4) are also at different levels of decentralisation process and therefore it is difficult to weigh their achievements, although a comparison of achievements towards decentralised planning is attempted in this paper. These states were constituted in the year 1956 (Madhya Pradesh was reconstituted in the year 2000 when a new state Chhattisgarh was formed out

from the erstwhile Madhya Pradesh). Madhya Pradesh, India's second largest state with 308000 sq km, occupies 9.38% of the country's area, is also the second richest state in terms of its mineral resources. Over 30% of its total area is enveloped by forest. Kerala has the advantage of highest literacy rates 91.98%, highest life expectancy which is 74 years and lowest child mortality rate 10 per 0.1 million live births. West Bengal is primarily an agrarian state with 63% land area of state under cultivation, on the other hand high population density of 1029 persons per sq km creates tremendous pressure on land (Census 2011). West Bengal contributed 5-10 lakh crore to the GDP of India while the contribution by the other two states was 3-5 lakh crore during the year 2013-14. (Kurian, 2000)

Cities with population more than 0.1million are 29 in West Bengal and 14 in MP whereas in Kerala this number is only 5 (Census 2011). In spite of there being variance in urban scenario in these states and different scale of towns and cities it becomes possible to compare the achievements based on the best practices of these three states only because implementation mechanism of the 74th Constitutional Amendment Act is based on a common administrative hierarchy and is workable for all Indian states.

Table 3: Basic Demographic Data of Kerala; West Bengal and MP

Distribution of Population, Sex Ratio, Density and Decadal Growth Rate of Population : 2011												
State and Land Area	Total Population											
	Persons	Males	Females	Females per thousand males		Density (Per sq km)		Decadal Growth Rate		Literacy Rate (%)		
				2001	2011	2001	2011	1991-2001	2001-2011	Persons	Males	Females
1 West Bengal 88,752 km ²	9,13,47,736	4,69,27,389	4,44,20,347	934	947	903	1029	17.77	13.93	77.08	82.67	71.16
2 MP 308,245 km ²	7,25,97,565	3,76,92,120	3,49,84,645	919	930	196	236	24.26	20.30	70.63	80.53	60.02
3 Kerala 38,863 km ²	3,33,87,677	1,60,21,290	1,73,66,387	1058	1,084	819	859	9.43	4.86	93.91	96.02	91.98

Source: Census 2011

Table 4: Comparative chart showing administrative set up of the three states

	Number of Administrative Units	Names of states		
		Madhya Pradesh	West Bengal	Kerala
1	Districts	50	19	14
2	Villages	54903	40782	1018
3	Municipal Corporations	14	6	5
4	Municipalities	96	117	53

Source: Census 2011

Decentralisation Initiatives in West Bengal

District Level Planning

In West Bengal, the District Planning Committee (DPC) Act and West Bengal Metropolitan Planning Committee Act were legislated in 1994. DPCs have been formed in all the districts of the state, but any district development plan is yet to come out. The exercise of planning at municipal

level was started and municipal level first generation draft development plans were prepared addressing Slum Infrastructure; Intra-municipal Infrastructure; Trans-municipal Infrastructure, Livelihood and Poverty, Local Economic Development, Environment Development, Land Use Development, Healthcare, Education, Citizen Interface, etc. (Roy & Ganguly, 2009, Chattopadhyay, 2012). State government has constituted Kolkata

Metropolitan Planning Committee (KMPC) the first of its kind in India. Subsequently, an Executive Committee & five Sectoral Committees in the fields of Drainage, Sewerage and Sanitation; Traffic, Transportation, Railways, Waterways; Education, Health, Employment & Industry; Environment, Wetlands, Urban Amenities & Heritage; and Water Supply were formed to facilitate the working of KMPC. The Perspective Plan for Kolkata Metropolitan Area (2001-2025), titled 'Vision-2025' and the Draft Master Plans in the aforesaid fields, prepared by Kolkata Metropolitan Development Authority were examined and fine tuned by KMPC and its Sectoral Committees which helped in preparing the City Development Plan of Kolkata. Through these initiatives, association of elected urban local bodies with the planning and development process has started.

Planning at Ward and Lower Level

In West Bengal, ward committees are working since 1994. Ward committees are assigned some functions but these are related to maintenance of common area facilities, monitoring of core municipal services, public participation in tree plantation, watch on safety and security of urban property (West Bengal Ward Committee Rules, 2001). Planning functions are not assigned to ward committees.

Decentralisation Initiatives in Kerala

District Level Planning

In 1996, a new planning process was introduced in Kerala through the launching of people's campaign for decentralized planning popularly known in Malayalam (a regional language of Kerala) as Janakeeyasoothranam (a collective decision by the people) by structuring the Ninth Five Year Plan 1997-2002 of the State (Charvak, 2000). This unique experiment in democratic decentralization which attracted attention all over the world was Kollam district plan. 35-40% of the State's plan fund was devolved to the local government; the plan preparation process was started by convening the Grama (Village)/Ward Sabha (Meeting) of each local government of Kollam district for identifying the local needs. In order to make an objective assessment of the natural and human resources, a series of participatory studies including secondary data collection, study of local geography and natural resources through transect walks and consolidation of Grama/Ward Sabha reports were conducted. Based on that, a Development Report was prepared for each local body of Kollam district with an overall development perspective. These were presented before a development seminar and from there onwards annual plans were prepared for

each local government. Project formulation and consolidation were done by Working Groups in Tenth Five Year Plan of the State for various development sectors and technical input was given to the projects by Expert Committees at various levels. Thus a new system of planning process was implemented beginning with annual plan preparation of the Grama/Ward Sabha, which were approved by the District Planning Committee and finally implemented and monitored at the local government level (Sivaramakrishnan 2006, Kerala District Planning Rules 1995; (Government of Kerala, 2008).

Planning at Ward and Lower Level

The functions assigned to ward committees in Kerala are more comprehensive with respect to planning (Pria Foundation New Delhi, 2008). Major functions which differentiate Kerala ward committees from ward committee functions of other states are collection and consolidation of details for the formulation of schemes, preparing final list of beneficiaries; preparing order of priority for development works; discussion on budget and plan outlays and formulation of development schemes. Assigning planning responsibilities to ward level has contributed to bottom up planning in the true sense.

Decentralisation Initiatives in Madhya Pradesh

District Level Planning

In Madhya Pradesh rules for district planning; ward committees and mohalla committees have been framed which have paved the way for spatial sectoral planning. The Madhya Pradesh District Planning Committee Act was passed in the year 1995 (Madhya Pradesh State Planning Commission 2012). The District Planning Committee composed of 10 to 20 members elected from amongst the corresponding three tier municipalities of the district was assigned functions to prepare district plan in Madhya Pradesh. Work of collection, compilation and updating of information relating to natural and human resources of the district was amongst the topmost of functions. The district and block level mapping of resources was required. The listing and mapping of amenities at village, block and district levels was also a function assigned to the district planning committee. The plans to be prepared by the district committee were to include employment plan; estimation of financial resources plan; sectoral and sub-sectoral outlays within the overall framework of the district development plan. Finally the incorporation of socio-economic, temporal and spatial dimensions in the five year and annual development plans to be merged in the State plan is the ideal picture presented

in the Act. Planning Commission of Madhya Pradesh has rolled out the process of decentralised planning and facilitated by launching planning manuals. State Government has also started allocating funds to districts known as “district plan” which was 36 % of the total state plan in the year 2012-13 (Government of Madhya Pradesh 1995); (M.P. District Planning Manual, 2012).

Planning at Ward and Lower Level

Functions are assigned to Ward Committees in Madhya Pradesh but a mechanism for implementation is yet to be developed. In addition to Ward Committees there is provision for mohalla committee under the Madhya Pradesh Nagar Palika (Municipality) Mohalla Committee Rules 2009 framed by the Urban Administration and Development Department of Government of Madhya Pradesh which provide a list of functions which these

committees can perform and the sources of income of the committee. Recognition of mohalla as the smallest unit in urban local government is the best practice not adopted by the other two states described earlier.

Comparison of decentralisation initiatives in Madhya Pradesh, Kerala and West Bengal

Comparison of decentralized planning initiatives shows that decentralized planning is recognised by all states as a local government function but there is difference in achievement levels (Table 5). Ward committees have been assigned maintenance works except in Kerala. Only Kerala and West Bengal provide a considerable reservation for women providing opportunity for representation and voice of women in the planning of ward. The bottom up planning which starts at neighbourhood and ward level is not taken up so far in other two states.

Table 5: Comparison of Achievements towards decentralized planning in three states of India

	Decentralization initiative	Madhya Pradesh	Kerala	West Bengal
1	Ward committees	1 ward committee per 0.1 million population Ward Committees are not functioning	1 ward committee per 0.1 million population Ward committees are functioning	1 ward committee per 0.1 million population Ward committees are functioning
2	Members of ward committees	One elected councillor and two nominated members by the Mayor.	Educational institutions, professionals like doctors, industrialists, engineers, voluntary organisations, cultural organisations in the committee.	Max 17 members including women members of the families below poverty line , engineers, doctors, cultural activists, social workers, educationists, etc.,

	Decentralization initiative	Madhya Pradesh	Kerala	West Bengal
3	Reservation for women	No Reservation	22% Representation of Women	Representation of women of BPL families, in each ward of every municipal area.
4	Functions assigned to ward committees	Maintenance Functions	Planning Function	Maintenance Function
5	Mohalla Committee	A small number has started functioning in a few cities ; only maintenance issues are being taken up	Not yet Constituted	Not yet Constituted
6	District Planning Committee	No district planning project taken up so far	Pilot district planning project of Kollam district	Formed In all the districts of the state but no district plan promoted so far
7	Metropolitan Planning Committee	Not yet Constituted	Not yet Constituted	Kolkata Metropolitan Planning Committee
8	Planning Approach	Sector wise planning ; integration of spatial- sectoral planning not yet taken up at ward and lower levels; devolution of power and finances also not done completely	Functions and funds devolved to local governments ; spatial sectoral planning started	Sector wise planning ; Integration of Spatial-Sectoral Planning not yet taken up at ward and lower levels; devolution of power and finances also not done completely

This comparison shows little similarities in planning approach, constitution of metropolitan planning committee, district planning committee, and ward and mohalla committee in the three states. The composition of neighbourhood/ward/district level committees is that of an advisory body while for development planning a dedicated office of the city government is required for the purpose. The present status in all the three states of one ward committee for each 0.1 million population needs to be connected to population density of a city. Collection of data and transferring into a spatial plan for ward development has not been taken up so far in West Bengal and Madhya Pradesh while decentralisation

has reached to ward level in Kerala as ward committees are assigned maintenance, supervision as well as planning functions.

It appears that Kerala is the fastest in implementation of decentralisation measures and many factors have worked in its favour. There has been a trend and culture of self sufficiency in each level of the settlements in Kerala. A high level of social consciousness, general social mobilisation, a natural liking for hard work and cleanliness are other intangible characteristics which make this state adopt the reforms more quickly (Salim et al.; 1967; Thamaramanglam, 1998). Other Indian states including West Bengal and

Madhya Pradesh are working simultaneously on various reform agendas and that can also be the reason for difference in achievements of the states. Commenting on poverty in Indian States (De Wit, 1997) (Sachs et al., (2002) have pointed out that much of the reason for poverty in Indian states is a human failure rather than it being a result of natural factors. Human failure should not become a reason for non implementation of decentralisation initiatives in India.

Conclusion

The 74th Constitutional Amendment Act 1992 together with the twelfth schedule functions has provided a backdrop for total decentralisation to emerge. It can be summarised that decentralisation process in India has taken first few steps towards spatial-sectoral planning. The District Planning Act 1995, Ward Committee Rules 1995, Mohalla Committee Rules 2003 all in Madhya Pradesh and West Bengal Ward Committee Rules 2001, indicate the efforts in the form of rules and regulations for bottom up planning in these two states but actual ground work is yet to start in these states except Kerala. The 12th Schedule functions have expanded the municipal functions. West Bengal and Madhya Pradesh have marked these functions as discretionary while Kerala has added these functions in the mandatory list of functions in the

respective state municipal acts. Adding these functions in the mandatory list imparts a pressure on local governments to work while keeping these functions in the discretionary list the local governments had the privilege of selecting a suitable pace depending upon the priorities for planning of ward and city. Both ways only Kerala has emerged as a leader. Decentralisation initiatives if seen against the 12th Schedule functions point to the need of more efforts on the part of urban local governments. There appears a mismatch between the expected outcome and present performance level of the municipalities.

There are many unresolved issues in the path of decentralised planning: 1) Dissemination of ward and lower level data collected by census surveys not being a practice makes ward level planning difficult. 2) Ward level planning set up is non-existent. 3) Municipal functions have expanded but municipal financial powers are restrained. 4) The present municipal budgets cannot cater to the ambitious list of functions to be carried out at municipal level. 5) Municipal Own Source Revenues are limited. These issues are the reason behind stagnation of decentralisation process and require further enquiry. Complete realisation of the objectives of decentralisation is possible only by addressing these issues.

Urban sector reforms introduced or envisioned by one government being pursued over by other governments is an indicator of matured democratic governance model in India; but success of any reform depends a lot on works carried out at micro levels. As explained earlier, efforts are there at all levels involving multifarious activities such as formation of rules and regulations or vision for smart cities at National and state level. Municipal governments are now involved and working towards E-governance and citizen services, waste management, energy management, water management, urban mobility, etc. An urban population of 371.1 million housed in 7935 towns and cities of India, (census 2011) achieving total decentralisation is certainly a huge task.

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Book Review**TRANSPARENCY, DISCLOSURE
AND GOVERNANCE**

*Edited by Ajit Kumar Singh,
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Publishing Company Pvt. Ltd.
New Delhi.
ISBN: 13:978-93-5125-191-0
Pages xii plus 274.*

Transparency, disclosure and governance. These are the good sounding words with deep connotations and have made big difference since they have been incorporated in governance through legislation. In today's society they have become hallmark of a good democratic system the world over, where the people have established their rights to know how those in occupying the seats in government or are ensconced in authority, are acting, how rightly powers are exercised and decisions are taken. Each of these words has become a concept of high value in governance and public administration as a result of political and social evolutionary process and as a fruition of long movements for fairness, transparency, accountability and probity in governance.

Transparency and disclosure are needed features of governance. Governance is now the central concept wherever any group of people come together to accomplish an end. It can be a club, a company, a local authority, a regional government or the government of the nation. UNDP defines governance in these words: "*Governance is the exercise of political, economic and administrative authority in the management of the country's affairs at all levels. It thus comprises mechanisms, processes and institutions. Governance thus encompasses government, private sector and the civil society organizations.*" Good governance is achieved when all the processes and mechanisms are exercised by the concerned institutions following certain principles. These include transparency, disclosure, fairness, accountability, peoples' participation, responsiveness of the authorities, effective implementation of declared policies, efficient administration, equitability and prevalence of the rule of law.

There are researchers and academicians who keep on recording the change that takes place, analyze and document. Huge corpus of literature has come out in public administration on each of these concepts and their interplay. One such publication brought out by the **D.D.U. State Institute of Rural Development, Lucknow and the Concept Publishing Co.** New Delhi is a valuable addition to this

corpus. The book is a collection of 16 well-researched and clearly presented articles centered around the themes of *transparency* and *disclosure* and their impact on democracy, development and good governance, edited by Prof. Ajit Kumar Singh, an economist of high standing, Mr. N.S. Ravi, a senior civil servant and Mr. O.P. Pandey, a researcher and academician. The articles are grouped under four broad themes, namely-

- Part 1- Transparency, Disclosure, Governance
- Part 2- Role of Technology in Transparency and Disclosure
- Part 3- Transparency, Disclosure and Social Justice, and
- Part 4- Transparency, Disclosure and Human Rights and Justice Delivery System.

In the first article of the book which is on *Transparency, Right to Information and Development- Concept and Experiences*, Ajit Kumar Singh has examined the concept of good governance and its inter-relationship with transparency and right to information. He has mentioned particular reports, institutions and civil society movements that have brought the concepts of integrity, transparency and accountability to the focus. The biggest menace facing the administration in developing countries is corruption. He points out that the United Nations Convention Against

Corruption is the first legally binding global instrument related to this menace. He has profusely cited from the government documents to show how the objective of good governance is the avowed intents of the nations the world over, and emphasizes that greater access to public information as a result of the Right to Information Act, together with public engagement can help reduce corruption and enhance socio-economic development. He makes a strong case for transparency in administration, participatory form of decision-making in formulation of policies, budgetary processes, system of tracking public expenditure, effective role of the civil society and the media. His concluding remarks present the fundamentals of good governance through openness, accessibility of information to the public and participatory form of governance.

In the next paper on *Transparency, Disclosure and Democracy*, R.C. Tripathi presents what have been the avowed objectives of democracy as a form of government the world over and of the founding fathers of the Constitution in India. He says that India has all the features of a vibrant democracy with an elaborate Constitution, democratic institutions, regular elections, political parties, strong judiciary, an alert civil society and vibrant print and electronic media. Yet Indian democracy seems to suffer because money, muscle and mafia seem to have permeated public life. He

laments the serious trust deficit on the peoples' representatives and emphasizes that commitment by those in government to public should be deeply ingrained in the leaders.

Amita Prasad in her paper on *Transparency and Good Governance* focuses on the essential features of good governance, which she mentions as: participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive that follows the rule of law. She refers to the World Development Report (2003) of the World Bank which pointed out a dismal picture of the development goals being reached due to the failure of service delivery mechanisms on account of the lack of accountability mechanisms. She says that the Right to Information Act, 2005 marks a *'transition from an opaque system of governance to one of transparent system, from one of confidentiality to openness in a progressive way, making all governmental activities transparent, fair and open.'* She makes a strong case for the institutions of Lokpal and Lokayukta in the war against corruption.

The paper by Joshyula Lakshmi on *Proactive Disclosure and the Right to Information* dwells on the contents and impact of the Right to Information Act, 2005. She says that the earlier scenario of secrecy in administration is *'changing now with democratization of society, growth of literacy, proliferation of print*

and visual media which have made it difficult for governments to keep any information secret.' In her article, she has enlisted the 17 sub-sections of section 4(1)(b) of the RTI Act, on which a public authority is mandated to disclose information *suomotu*. According to her, this sub-section is the *'soul and spirit of the RTI Act.'* She analyzes that the nature of the information is dynamic and needs to be updated periodically, which is not happening in most of the cases. She attributes attitudinal deficiencies, fears and apprehensions, lack of financial resources (for computerization and maintenance of records), insufficient manpower, lack of clarity in defining the levels of public authority and institutional deterrents coming in the way of the effective implementation of the sub-section. She has cited the main recommendations of the report of the National Sub-Committee of the Central Information Commission (2008) to overcome the issues in pro-active disclosures. In conclusion she is emphatic that *'strict adherence to article 4(1) of the RTI Act to be ensured.'*

Cynicism has its own place in democracy or in any meaningful discussion on a public issue. In this collection, R. Srinivasan and T.R. Gopalkrishnan in their paper *Potentials and Pitfalls of Computerization of Land Records in Tamil Nadu- A Case Study of Tamil NILAM* assert that transparency by itself does not amount to much as

democratic reform agenda, without an effective legal and institutional framework which guarantees oversight and is capable and willing of imposing sanctions ICT enabled transparency might increase the risk of “revenge effect”. The duo have studied the impact of the Tamil NILAM (Tamil Nadu Info-system on Land Administration and Management) project and found that under the Centrally Sponsored Scheme on Computerization of Land Records (CLR) there have been rampant cases of land grabbing and document forgery so much so that the State Government had to form “anti-land grabbing cells” in the wake of more than 34,000 thousand cases in five years. Thus, they have come to the conclusion that transparency has its own limits, and that in certain areas, confidentiality, privacy and secrecy are also necessary.

A redeeming feature of the researchers in social sciences is that when they analyze an issue, they do come up with their own conclusion and solution. S.M. Haider Rizvi in his paper *Exploring Model for Ensuring Transparency and Disclosure in Government Structures Using ICT* comes up with a Socio-Technological Publicness Model of Development (SPMD), for Panchayats. According to him, the suggested model is a citizen driven model of e-governance where citizens play a significant role in designing of programmes and have scope to check and monitor their

execution and outcomes in relation to their contexts and needs that would bring a culture of transparency in the Panchayat functioning and in fixing accountability at various levels.

In their paper *Role of Technology in Transparency and Disclosure* M.S. Mishra and V.K. Mishra take a brief review of peoples' participation initiatives and suggest government to develop learning networks to bridge the gaps in the infrastructure deficit. They conclude their short but pithy paper by stating that in order that online tools are effective, engagement of the relevant stakeholders and structures of governance is necessary and stress that transparency reduces opportunity for misuse of public money.

D.N.S. Yadav in his paper on *Transparency, Disclosure and Social Justice*, takes up the fundamental issues of social justice and equality and proceeds how the Constitution of India is aimed at guaranteeing social, political and economic justice, liberty of thought and equality of status and opportunity. He finds that so far these noble ideals are far from any meaningful achievement. He makes a strong case of inculcating the sensibility for the cause of social justice at local body level. He equally places emphasis on the administration of justice by following the due process of law for ensuring economic development of the Indian society and the deprived masses.

The Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) is the main plank in addressing the issue of rural poverty among the millions of farm workers. At any time, there are more than 30 lakh workers engaged on about 3 lakh work sites. Implementation of such a huge scheme requires a highly efficient control and supervision over the proper maintenance of accounts and audit. Yogesh Kumar and D.C. Shah, in their paper on *Transparency, Disclosures and Governance- MNREGA and Social Audits in Madhya Pradesh* make a strong case for social audit, awareness, capacity-building, media advocacy on grievances of labourers and a block level support group to strengthen the implementation process by interacting and appraising the local implementing agencies.

Transparency, accountability, disclosure are necessary ingredients to give the result of good governance. This is explained by Rohan Joshi in his paper *Transparency, Disclosure and Governance- A Case of Transformation of Caste Scrutiny and Validation Process in Maharashtra*. Caste scrutiny and validation is a very minute process requiring in each case many proofs and checking. Dr. Babasaheb Ambedkar Research & Training Institute, Pune, (BARTI), brought transparency in the process of caste scrutiny and validation, provided information support to the applicants and transformed the whole process to make it a success story in Maharashtra.

Food is the most basic of all human needs and it is an irony that with so much advancement of civilization and technology, still it is a concern for millions of people in poor and developing countries to get this basic need satisfied. Gurulingappa G. Koppa takes a look at transparency and governance from the perspective of food security and presents a framework and a set of strategies for establishing open, democratic and transparent governance processes for achieving a sustainable and just food system. He has right prescriptions for the government in the form of enhanced access to food through transfers, safety nets and other social programmes on the one hand, and investment in development in particular in support of agriculture and rural development on the other.

Man has always faced natural disasters and survived. With the progress in management of human affairs and technology, early warning system and the response in the form of relief and rehabilitation are brought in place. Nirmita Mehrotra in her paper *Disaster Management- Role of Transparency and Disclosure arrives at the conclusion that transparency and disclosure can play a significant role in inducing flexible institutional structures, where decision-making can be actually decentralized at different levels with an outcome oriented planning*. She makes a case for use of Twitter and Facebook to generate collective actions in the direction of enhancing institutional resilience.

Every person is a consumer. The Consumer Protection Act, 1986 is landmark legislation in protecting the rights of consumers against defect and deficiency in product and service, overpricing, misguiding advertisements and various other forms of unfair trade practices. Sheetal Kapoor in her paper *Transparency and Disclosure in Consumer Issues*, has taken a comprehensive review of the consumer protection legislations, and enforcement of the Act and concludes that alertness on the part of the consumers is vital to protect themselves and the society at large.

The fundamental avowed goal of the Constitutions of countries and of the United Nations is to protect human rights, which have evolved over centuries and found first official declaration in the form of the Universal Declaration of Human Rights by the UN in 1948. Shri Ram Arun in his paper *Transparency, Disclosure and Human Rights* points out that the list the human rights is long and their violation in some form or other keep on taking place. The author strongly suggests that safeguards of human rights can be ensured if all the departments/agencies of the government are unflinching in disclosure of all relevant information, and those failing to do so must be taken to task, i.e. there should be deterrent measures for not disclosing the information required to be put up for disclosure.

Mridul Srivastava in his paper *Ensuring Transparency and Disclosure in Justice Delivery System- Lessons from Formal and Informal Justice Systems* on the basis of comparative studies of the formal justice delivery system in our regular courts and the informal justice administration in tribal areas of Madhya Pradesh, finds that the tribals have many positive features of resolving disputes. His emphasis is on the accountability to the public for performance as per agreed service standards.

Suchismita Goswami, in her paper *Transparency, Disclosure and Human Rights*, stresses the key role of the Right to Information Act, 2005, whose genesis goes back to the law under the name and style as *Principle of Public Access*, passed in Sweden in 1766. She says that most of the rights including all human rights depend upon the Right to Information Act. She asserts that in order that this Act plays the key role expected of it, various challenges facing its effective implementation need to be overcome. These include delay, language (not to be a barrier), cost, difficult process, attitude of the authorities, pendency rate, weak compliance mechanism and the most serious challenge that of the personal security of the RTI activists. She concludes her paper with very useful suggestions for overcoming the challenges.

The contributors to the book have covered a wide range of sectors - maintenance of revenue records, social justice schemes, poverty alleviation programmes, development and welfare schemes of government, expenditure of public funds, working of public authorities, grass root administration at *panchayats*, caste scrutiny process, food security measures, disaster management, consumer issues, law and order, civil and criminal justice administration and human rights, and have convincingly established that the *key mantras* for achieving the good governance are transparency and disclosure. Each of the articles is well researched, nicely written and comes to a definite conclusion and makes a case for the suggested measures to the issue dealt with. This collection is also a paean to the Right to Information Act, 2005 with the rider that many issues coming in the way of its effective implementation need to be resolved to make it more effective. After reading the book, the reader comes away with the conviction that transparency and disclosure are the fundamentalsof good governance.

To conclude this review, the reviewer wishes to make a mention of the information about the Open Government Data (OGD) Platform

India –(data.gov.in) which is a platform for supporting Open Data initiative of Government of India. The portal is intended to be used by Government of India Ministries/ Departments their organizations to publish datasets, documents, services, tools and applications collected by them for public use. It intends to increase transparency in the functioning of Government and also open avenues for many more innovative uses of Government Data to give different perspective. Mr. Ajit Kumar Singh in his paper has mentioned about this measure of openness on the part of the Government of India by giving the following quote from the OGD* (Wright, et al,2010):

“This shift from a default of secrecy to transparency is a very important one. It not only indicates a concrete duty on the state to provide information as per the law, but can also be seen as an indication of a shift in the very conceptualization of the body politic. Formerly passive subjects of a state are re-imagined as active citizens with a legitimate interest in such information, and thus having an inherent right to it.”

*Open Government Data Study: India. The Center for Internet and Society, Open Society Foundation, London.

F.B. Khan



Book Review**Management Perspectives on
Intellectual Property Rights**

Dr. Bharati Dole and
Dr. Dilip Sarwate
Vishwakarma Publications
Pune 411002
Pages-330
Price Rs. 425

Since ages, property has a special significance in the life of an individual. Property is the essential base of prosperity. Property can be seen as land, house, jewelry and bank balance. These are visible forms of property but there are also invisible forms of property which result from the intellect and creativity of human beings like inventions, literature, paintings, drawings, new plant varieties, IC Layout Designs.

The book under review written by two academicians and management consultants is a timely publication for the use and benefit of authors, artists, inventors and managers. Certain observations mentioned in the preface prompted the authors to write the book. "A majority of Indian organizations spend very little effort, as well as budgets, on innovation. Most indulge in piracy of software and others give it an acceptable terminology of reverse engineering. This is more so in small

and medium (SME) sector. Many do not realize that they could be infringing on Intellectual Property Rights (IPR) which may lead to litigation, costly legal fees and substantial losses to the organization." They further observe 'It is not that Indians, individually or organizationally, cannot come out with original innovation. However, a majority do not know that it could be their intellectual property provided it is registered with the appropriate authority.' The observations reveal the sad state of affairs existing in the current industrial, manufacturing and corporate scenario.

The authors treat and discuss the subject through 13 chapters and two case studies. Management is an important aspect of the industrial sector. No amount of capital and advanced technology will help the owners of a business to grow and prosper in the absence of a proper management. The book begins with the brief introduction to management. The book mentions that American Management Association (AMA) gives close to 52 definitions of management. The authors give seven definitions of the word 'Management'. According to the authors there are four main factors of management from the process perspective- planning, organizing, implementing and controlling. The book gives brief but important information about the process of strategic management. SWOT (strengths, weaknesses, opportunities

and threats) analysis and other essential chapters are discussed in brief in the first chapter. It would have been better if a little more emphasis on SWOT analysis had been given. If adequate and timely attention is not given to SWOT analysis, the company gets into trouble. The second chapter discusses the Intellectual Property landscape. This is the core chapter of the book. Authors have clarified the 10 misconceptions about IPR like IPR means Patents, IPR is a lawyer's domain, and relevance is only to big organizations and multinational companies. The chapter explains the concept of IPRs and their importance to various stakeholders.

Subsequent chapters are devoted to various IPRs-Patents, Industrial Designs, Trademarks, Copyrights, Geographical Indications, New Plant Varieties, Integrated Circuits Layout Design, Trade Secrets and IP Management in Practice. Two chapters are devoted to Patents. Part 1 explains the concept, international legal perspective and importance of Patents to business, inventors, society, etc. Abraham Lincoln the first American President to be a patent holder aptly says "The patent system added the fuel of interest to the fire of genius in the discovery and production of new and useful things". Authors have given many such quotations emphasizing the value of Patents in the chapter on Patents. Authors have rightly quoted a significant slogan and a meaningful message to all Indians from the National IPR Policy. It

says "Creativity and Innovation are the forces which drive growth, development and progress in the knowledge economy. "Creative India; Innovative India: सृजनभारत is the motto which will inspire India to take a lead in various fields of human accomplishments" (p.60). The Government of India has taken a good lead in following the slogan and message into action.

Chapter Patent II gives in detail the procedure to obtain Patents in India and managerial perspective of Patents. The book gives a few cases from India like Dr. Sancheti's Indus Knee and Center for Scientific and Industrial Research which is a public funded research organization. Industrial Designs play an important role in the manufacture of any product. It is the Design i.e. the appearance and look of the product that plays a major part in attracting the attention of the customer towards the finished product. Authors devote quite a lot of attention in dealing with this important topic of Industrial Design. At the end of the chapter they present Apple Incorporation's Design Strategy which underlines importance of Designs in Apple Incorporation's product development strategy.

Two chapters on Trademark discuss the origin of Trademarks, their meaning and national and international legal perspective and their importance to stakeholders. The chapters on Trademarks are quite interesting and informative. Trademarks are the face of

a company. They represent the oldest of all the IPRs. Well known marks and trademarks in other countries like USA are described in detail.

Copyright Act has an important place in the field of publication, art, drama, films, etc. Copying from well-known scripts is an age-old practice. The first case of copyright infringement was reported in 567 AD. A brief history of copyright, meaning and characteristics and other aspects of copyright are discussed in detail. The two chapters on copyright are important from the point of view of publishing companies and the entertainment industry.

The chapter on Geographical Indications gives important information on traditional knowledge. Indigenous knowledge systems need to be preserved, protected and encouraged.

The chapters on IPR and New Plant Varieties, Integrated Circuits Layout Design and Trade Secrets discuss these topics in detail. The last but an important topic, IP Management In Practice deals with the ground realities in the IP management field. The two case studies—The Story of Nano Ganesh and IP in Academics are worth reading in detail.

The book under review is highly informative and instructive. It gives a thorough treatment to the important subject. Authors' narration style and substance of the book are admirable and the two authors deserve congratulations. It is part of essential reading for the students of law and management and those in industry.

J. S. Apte

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OBJECTIVES

The main emphasis of the Institute's work is to see that the local bodies can contribute more effectively to the development process and provide the citizens with better living conditions by meeting their aspirations in terms of required amenities, infrastructure and better environmental conditions, thus contributing to social and economic development of the society as a whole by better management of the human settlements. While these are the long-term objectives, the immediate ones are:

- ❖ To advance knowledge of the principles and practices of Local Government by conducting research and by organising training courses and programmes at various centres in India for officials and elected representatives in the local bodies.
- ❖ To strengthen and improve Local Government Institutions by improving their performance through education, orientation and bringing them together for common endeavor by organising specialised conferences, conventions and seminars.
- ❖ To make available a platform for members of local bodies and officials for exchange of views and ideas related to urban development and administration.
- ❖ To represent the views of local authorities supported by research work to the concerned higher authorities from time to time.
- ❖ To publish bibliographies, articles, books and other literature on matters of interest to local bodies.
- ❖ To publish journals, bulletins and other literature on different aspects of Local Government and on the working of Local bodies in different states.
- ❖ To undertake research studies in public administration, problems of local bodies and also in related topics of urban and environmental factors and arrange for their publication etc.
- ❖ To establish and maintain an information-cum-documentation service for local bodies.
- ❖ To undertake consultancy assignments in various areas of urban development and problems of local bodies with a view to improve and develop organisational, managerial and operational efficiency.

In view of the above, the Institute has been collaborating with the relevant government departments, Central and State, Universities, Organisations and Research Institutions. The work of the Institute covers several aspects involving a multi-disciplinary teamwork.

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