

UPSC
NCERT Summary
Local Governments

INTRODUCTION

In a democracy, it is not sufficient to have an elected government at the centre and at the State level. It is also necessary that even at the local level, there should be an elected government to look after local affairs.

(i) Why local Governments?

- Both these stories are not isolated incidents. They are representative of a larger transformation that is taking place across India especially after constitutional status was accorded to local government institutions in 1993.
- Local government is government at the village and district level. Local government is about government closest to the common people. Local government is about government that involves the day-to-day life and problems of ordinary citizens. Local government believes that local knowledge and local interest are essential ingredients for democratic decision making. They are also necessary for efficient and people-friendly administration. The advantage of local government is that it is so near the people. It is convenient for the people to approach the local government for solving their problems both quickly and with minimum cost.
- Democracy is about meaningful participation. It is also about accountability.
- Strong and vibrant local governments ensure both active participation and purposeful accountability. It is at the level of local government that common citizens can be involved in decision making concerning their lives, their needs and above all their development.
- It is necessary that in a democracy, tasks, which can be performed locally, should be left in the hands of the local people and their representatives. Common people are more familiar with their local government than with the government at the State or national level. They are also more concerned with what local government does or has failed to do as it has

a direct bearing and impact on their day-to-day life. Thus, strengthening local government is like strengthening democratic processes.

(ii) Growth of Local Government in India

- Let us now discuss how local government has grown in India and what our Constitution says about it. It is believed that self-governing village communities existed in India from the earliest times in the form of 'sabhas' (village assemblies). In the course of time, these village bodies took the shape of Panchayats (an assembly of five persons) and these Panchayats resolved issues at the village level. Their role and functions kept on changing at different points of time.
- In modern times, elected local government bodies were created after 1882. Lord Rippon, who was the Viceroy of India at that time, took the initiative in creating these bodies. They were called the local boards. However, due to slow progress in this regard, the Indian National Congress urged the government to take necessary steps to make all local bodies more effective. Following the Government of India Act 1919, village panchayats were established in a number of provinces. This trend continued after the Government of India Act of 1935.
- The independence of India should mean the independence of the whole of India... Independence must begin at the bottom. Thus every village will be a republic... It follows therefore that every village has to be self sustained and capable of managing its affairs. In this structure composed of innumerable villages, there will be ever widening, ever ascending circles. Life will be a pyramid with the apex sustained by the bottom- Mahatma Gandhi.
- During India's freedom movement, Mahatma Gandhi had strongly pleaded for decentralization of economic and political power. He believed that strengthening village panchayats was a means of effective decentralization. All development initiatives must have local involvement in order to be successful. Panchayats therefore were looked upon as instruments of decentralization and participatory democracy. Our national movement was concerned about the enormous concentration of powers in the hands of the Governor General sitting at Delhi.
- Therefore, for our leaders, independence meant an assurance that there will be decentralization of decision making, executive and administrative powers.
- When the Constitution was prepared, the subject of local government was assigned to the States. It was also mentioned in the Directive Principles as one of the policy directives to all governments in the country. Being a

part of the Directive Principles of State Policy, this provision of the Constitution was non-justifiable and primarily advisory in its nature.

- It is felt that the subject of local government including panchayats did not receive adequate importance in the Constitution. A few reasons can be advanced here. Firstly, the turmoil due to the Partition resulted in a strong unitary inclination in the Constitution. Nehru himself looked upon extreme localism as a threat to unity and integration of the nation. Secondly, there was a powerful voice in the Constituent Assembly led by Dr. B. R. Ambedkar which felt that the faction and caste-ridden nature of rural society would defeat the noble purpose of local government at the rural level.
- However, nobody denied the importance of people's participation in development planning. Many members of the Constituent Assembly wanted Village Panchayats to be the basis of democracy in India but they were concerned about factionalism and many other ills present in the villages.

(iii) Local Governments in Independent India

- Local governments got a fillip after the 73rd and 74th Constitution Amendment Acts. But even before that, some efforts in the direction of developing local government bodies had already taken place. First in the line was the Community Development Programme in 1952, which sought to promote people's participation in local development in a range of activities. In this background, a three-tier Panchayat Raj system of local government was recommended for the rural areas. Some States (like Gujarat, Maharashtra) adopted the system of elected local bodies around 1960. But in many States those local bodies did not have enough powers and functions to look after the local development. They were very much dependent on the State and central governments for financial assistance. Many States did not think it necessary to establish elected local bodies. In many instances, local bodies were dissolved and the local government was handed over to government officers. Many States had indirect elections to most local bodies. In many States, elections to the local bodies were postponed from time to time.
- The Constitution of Brazil has created States, Federal Districts and Municipal Councils. Each of these is assigned independent powers and jurisdiction. Just as the Republic cannot interfere in the affairs of the States (except on grounds provided by the constitution), states are prohibited from interfering in the affairs of the municipal councils. This provision protects the powers of the local government.

- After 1987, a thorough review of the functioning of local government institutions was initiated. In 1989 the P.K. Thungon Committee recommended constitutional recognition for the local government bodies. A constitutional amendment to provide for periodic elections to local government institutions, and enlistment of appropriate functions to them, along with funds, was recommended.

(iv) 73rd and 74th Amendments

- In 1989, the central government introduced amendments aimed at strengthening local governments and ensuring an element of uniformity in their structure and functioning across the country.
- Article 243G. Powers, authority and responsibilities of Panchayats-, the Legislature of a State may, law, endow the Panchayats with such powers and authority..... with respect to - The matters listed in the Eleventh Schedule. Later in 1992, the 73rd and 74th constitutional amendments were passed by the Parliament. The 73rd amendment is about rural local governments (which are also known as Panchayati Raj Institutions or PRIs) and the 74th amendment made the provisions relating to urban local government (Nagarpalikas). The 73rd and 74th Amendments came into force in 1993. We have noticed earlier that local government is a 'State subject'. States are free to make their own laws on this subject. But once the Constitution was amended, the States had to change their laws about local bodies in order to bring these in conformity with the amended Constitution. They were given one year's time for making necessary changes in their respective State laws in the light of these amendments.

(v) 73rd Amendment

Changes brought about by the 73rd amendment in Panchayat Raj institutions.

(vi) Three Tier Structure

- All States now have a uniform three tier Panchayat Raj structure. At the base is the 'Gram Panchayat'. A Gram Panchayat covers a village or group of villages. The intermediary level is the Mandal (also referred to as Block or Taluka). These bodies are called Mandal or Taluka Panchayats. The intermediary level body need not be constituted in smaller States. At the apex is the Zilla Panchayat covering the entire rural area of the District.
- The amendment also made a provision for the mandatory creation of the Gram Sabha. The Gram Sabha would comprise of all the adult members

registered as voters in the Panchayat area. Its role and functions are decided by State registration.

(vii) Elections

All the three levels of Panchayat Raj institutions are elected directly by the people. The term of each Panchayat body is live years. If the State government dissolves the Panchayat before the end of its five year term, fresh elections must be held within six months of such dissolution. This is an important provision that ensures the existence of elected local bodies. Before the 73rd amendment, in many States, there used to be indirect elections to the district bodies and there was no provision for immediate elections after dissolution.

(viii) Reservations

- One third of the position in all panchayat institutions are reserved for women. Reservations for Scheduled Castes and Scheduled Tribes are also provided for at all the three levels, in proportion to their population. If the States find it necessary, they can also provide for reservations for the backward castes (OBCs).
- It is important to note that these reservations apply not merely to ordinary members in Panchayat but also to the positions of Chairpersons or 'Adhyakshas' at all the three levels. Further, reservation of one-third of the seats for womens not merely in the general category of seats but also within the seats reserved for Scheduled Castes, Scheduled Tribes and backward castes. This means that a seat may be reserved simultaneously for a women candidate and one belonging to the Scheduled Castes or Scheduled Tribes. Thus, a Sarpanch would have to be a Dalit woman or an Adivasi woman.

(ix) Subjects listed in the eleventh schedule

1. Agriculture, ...
3. Minor irrigation, water management and watershed development.
8. Small scale industries, including food processing industries.
10. Rural housing.
11. Rural housing.
11. Drinking water.
13. Roads, culverts,...
14. Rural electrification,...
16. Poverty alleviation programme.
17. Education, including primary and secondary schools.

18. Technical training and vocational education.
19. Adult and non-formal education.
20. Libraries.
21. Cultural activities.
22. Markets and fairs.
23. Health and sanitation, including hospitals, primary health centres and dispensaries.
24. Family welfare.
25. Women and child development
26. Social welfare,...
27. Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.
28. Public distribution system.

(x) Transfer of Subjects

- Twenty-nine subjects, which were earlier in the State list of subjects, are identified and listed in the Eleventh Schedule of the Constitution. These subjects are to be transferred to the Panchayat Raj institutions. These subjects were mostly linked to development and welfare functions at the local level. The actual transfer of these functions depends upon the State legislation. Each State decides how many of these twenty-nine subjects would be transferred to the local bodies.
- The provisions of the 73rd amendment were not made applicable to the areas inhabited by the Adivasi populations in many states of India. In 1996 a separate act was passed extending the provisions of the Panchayat system to these areas. Many Adivasi communities have their traditional customs of managing common resources such as forests and small water reservoirs, etc. Therefore, the new act protects the rights of these communities to manage their resources in ways acceptable to them. For the purpose, more powers are given to the Gram Sabhas of these areas and elected village panchayats have to get the consent of the Gram Sabha in many respects. The idea behind the act is that local traditions of self government should be protected while introducing modern elected bodies. This is only consistent with the spirit of diversity and decentralization.

(xi) State Election Commissioners

The State government is required to appoint a State Election Commissioner who would be responsible for conducting elections to the Panchayati Raj institutions. Earlier, this task was performed by the State administration which was under the

control of the State government. Now, the office of the State Election Commissioner is autonomous like the Election Commissioner of India. However, the State Election Commissioner is an independent officer and is not linked to nor is this officer under the control of the Election Commissioner of India.

(xi) State Finance Commission

The State government is also required to appoint a State Finance Commission once in five years. This Commission would examine the financial position of the local government in the State. It would also review the distribution of revenues between the State and local governments on the one hand and between rural and urban local governments on the other. This innovation ensures that allocation of funds to the rural local governments will not be a political matter.

(xii) 74th Amendment

- 74th amendment dealt with urban local bodies or Nagarpalikas.
- What is an urban area? It is very easy to identify a big city like Mumbai or Kolkata, but it is not so easy to say this about some very small urban areas that are somewhere between a village and a town. The Census of India defines an urban area as having: (i) a minimum population of 5000; (ii) at least 75 percent of male working population engaged in nonagricultural occupations and (iii) a density of population of at least 400 persons per sq. km. As per the 2001 census, nearly 28% of India's population lives in urban areas.
- In many ways the 74th amendment is a repetition of the 73rd amendment, except that it applies to urban areas. All the provisions of the 73rd amendment relating to direct elections, reservations, transfer of subjects, State Election Commission and State Finance Commission are incorporated in the 74th amendment also and thus apply to Nagarpalikas. The Constitution so mandated the transfer of a list of functions from the State Government to the urban local bodies. These functions have been listed in the Eleventh Schedule of the Constitution.

IMPLEMENTATION OF 73RD AND 74TH AMENDMENTS

- All States have now passed a legislation to implement the provisions of the 73rd and 74th amendments. During the ten years since these amendments came into force (1994-2004) most States have had at least

two rounds of elections to the local bodies. States like Madhya Pradesh, Rajasthan and a few others have in fact held three elections so far.

- Today there are nearly 500 Zilla Panchayats, about 6,000 block or intermediary Panchayats, and 2,50,000 Gram Panchayats in rural India and over 100 city Corporations, 1400 town Municipalities and over 2000 Nagar Panchayats in urban India. More than 32 lakh members are elected to these bodies every five years. Of these, at least 10 lakhs are women. In the State Assemblies and Parliament put together we have less than 5000 elected representatives. With local bodies, the number of elected representatives has increased significantly.
- The 73rd and 74th amendments have created uniformity in the structures of Panchayati Raj and Nagarpalika institutions across the country. The presence of these local institutions is by itself a significant achievement and would create an atmosphere and platform for people's participation in government.
- Local bodies have very little funds of their own. The dependence of local bodies on the State and central governments for financial support has greatly eroded their capacity to operate effectively. While rural-local bodies raise 0.24% of the total revenues collected, they account for 4% of the total expenditure made by the government. So they earn much less than they spend. That makes them dependent on those who give them grants.

Conclusion

This experience suggests that local governments continue to be agencies implementing the welfare and development schemes of the central and State government. Giving more power to local government means-that we should be prepared for real decentralization of power. Ultimately, democracy means that power should be shared by the people; people in the villages and urban localities must have the power to decide what policies and programmes they want to adopt. Democracy means decentralization of power and giving more and more power to the people. The laws about local governments are an important step in the direction of democratization. But the true of democracy is not merely in the legal provisions but in the practice of those provisions.