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INSTITUTIONALISING CITIZEN PARTICIPATION IN URBAN GOVERNANCE

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SECTION 1

THE CONTEXT: AN INSTITUTIONAL PERSPECTIVE

Federalism and Urban Decentralisation in India

- 1.1 As with most hazy notions about India's glorious past, many Indians assume that we invented the concept of federalism and decentralisation: images of a panchayat negotiating the affairs of the village through a well-oiled process of bargain consensus are part of our collective consciousness. This confusion is compounded by the recent constitutional reforms on decentralization which use the phrase "Panchayati Raj".
- 1.2 Unfortunately, this assumption has two infirmities: one, that – despite our reasonably long but discontinuous history of town republics dating back a few thousand years, which practiced a form of democratic decision-makingⁱ – we really have no history of a multi-tier governmental system of mutually agreed covenants. In fact, even in its current avatar, India is barely acknowledged to be a truly federal republic: the constitution does not mention the term "federal", and we are just beginning to loosen the oppressive domination of the national government on state governments.
- 1.3 The second issue has more damaging consequences: with all the focus on rural issues, there has been an absence of intellectual leadership in recognizing the need for appropriate structures for urban local government management, barring few exceptions. More on this later.
- 1.4 Indeed, the reality is that there is little evidence of organised political institutions in India until the mid-eighteenth century. As Sunil Khilani puts it, "No concept of a state, an impersonal public authority with a continuous identity, emerged: kings represented only themselves, never enduring states.... unlike the history of Europe, that of pre-colonial India shows no upward curve in the responsibilities and capacities of the state." He goes on to state, "The British gradually but decisively defined power in political terms and located it in a sovereign, central state."ⁱⁱ
- 1.5 From the introduction of the Morley-Minto reforms in 1909, with the barest vestige of representative democracy where no individual rights were recognized,

the arc of India's political evolution raced over the next forty years, through the 1919 Montagu Chelmsford reforms, which changed this structure to grant Indians a form of responsible government, until finally the Government of India Act of 1935, which gave India a quasi-federal structure of government, in which less than one-third had a vote; with Independence, the Constitution adopted much of the framework of federal management laid out in the 1935 Act, providing universal suffrage for all its citizens. In political evolution terms, this is a 100-metre sprint, like going from the ape-man to homo sapiens in a decade.

1.6 So, within a period of less than a century, Indians went from a minimal conception of political institutions to a sophisticated system of a federalist structure. Clearly, while the political elites saw wisdom in this scaffolding, it was a frame to which the Indian citizen is still looking to provide flesh and blood. So, despite the fact that it has served us well in that we have managed to create an unbroken and somewhat enviable record of what can be called "democratic tradition", this has so far been restricted to the act of voting. Unfortunately, citizenship is about much more than that, a truth that could explain much of the public governance morass that we find ourselves in now. In the alphabet of democracy, we have all been going from "E" to "F": elect and forget. We need to stay on the letter "E": elect and engage.

1.7 These twin concepts of a federal arrangement – a structure for a multi-tiered form of government with clearly defined roles and responsibilities, as well as active citizenship are like the two strands of the DNA of good public governance. And we are in the early evolutionary stages of both in India.

1.8 Each strand needs to be explored separately, and then combined to see their interdependencies, and synergies.

1.9 While we will examine the role of citizens later, the presence of appropriate institutional arrangements is an important pre-requisite for the proper functioning of a federal system. And here, the situation in India bears some assessment. Professor Akhtar Majeed, Director, Centre for Federal Studies at Hamdard University, had this to say at a Roundtable on Mechanisms of Intergovernmental Relations in India.

"In the debates on federalism, special attention needs to be given – but often is not – to the importance of intergovernmental relations and mechanisms for

resolving contentious issues between different tiers of government. At least in India, the intergovernmental agencies have not acquired the functional relevance visualized in the Constitution. The recommendations of intergovernmental agencies in India have lacked any force and have not been in a position to cope with the inter-jurisdictional strains of the Indian federal set-up. This is due to the ad hoc style of their functioning and this has eroded their credibility. Cooperative federalism can succeed only if a fair balance is maintained between the claims of diversity and the requirements of unity. If that balance is absent, whatever mechanisms of inter-governmental relations are devised would remain non-functional and ineffective.”ⁱⁱⁱ

1.10 He refers to the continuous failure to establish appropriate intergovernmental institutions, from 1967 when the Inter-State Council was first recommended, to the 1971 recommendations of the Rajamannar Commission for Tamil Nadu, to the subsequent Sarkaria Commission recommendations for correcting the balance in Centre-State relations, stating that “there is ‘blood pressure at the Centre and anemia at the periphery’, resulting in morbidity and inefficiency.”

1.11 However, these recommendations did not result in the right kind of institutions with the right level of authority. Of late, the reduction in power of the political parties at the Centre, the emergence of coalition politics and regional parties has created an alternative mechanism to correct the Centre-State balance. Unfortunately, while the outcome of improved balance between Centre and States would be welcome to a federalist, the circumstances are more political than institutional. Mistaking one for the other would be sloppy, but worse, dangerous, because the appropriate institutional arrangements have not yet been created.

1.12 Over the years, these lacunae in Centre-State relationships in India have continued, but the gaps have not been fatal enough to torpedo the fundamental premise of federalism. However, there was a deeper flaw: we have always had an incomplete federalism, in that there was really no legitimate third tier of the federal structure, at the local level. With the 73rd and 74th Constitutional Amendments in 1992, we completed the federal puzzle in our country, creating units of local self-government at the rural and urban levels.

1.13 There have been several successes emerging out of rural decentralization, with Panchayati Raj institutions (PRIs). As George Mathews says, “*The Panchayats—*

Districts and below are now treated as third stratum of governance. As there is a Federal/or Central/or Union Government and below that the State Governments, we are now moving towards a District Government. That is to say, more than 500 District Governments within India besides 250,000 Village Governments. Today in India if there is a strong Centre it is not by virtue of its powers over other units but because the lower units – States, Districts, Blocks, Villages—are powerful. This is exactly opposite of what India started with. Thus, one can say that strong regional and state level political parties have strengthened India's democracy and federal character.^{iv}

1.14 There have been hiccups, even in rural decentralization, as can be seen from the experiences in watershed management. Begun as an exercise in involving the communities directly, the first few years of creating watershed user associations as part of a substantial national initiative resulted in the creation of a parallel grassroots power centre to the local government. As a result, “the Government (Ministry of Rural Development) decided to launch a new Haryali scheme in January 2003. The Haryali guidelines stipulated that CBOs comprising of user groups, self- help groups, watershed committees and even the watershed associations, as well as NGOs, would cease to have any role in watershed development and that, henceforth, Panchayat bodies (Gram Sabhas, GP, Block Panchayats/PSs and ZPs) are to manage and implement watershed development activities.”^v

1.15 While there is merit to the need for connection between the informal groups and the constitutionally mandated local government institution, there is also the need for space for citizen participation, either directly, or through community groups. The watershed experience demonstrates that the same issues of power, patronage and politics could possibly disrupt the accountability of this last leg of the federal food chain to the citizens themselves.

1.16 So, in this journey towards a more healthy federalistic governmental arrangement, the patient incrementalism of policy-makers seems to be working fairly well. Yes, there are gaps in intergovernmental institutions that can oversee and regulate the interchanges. But given the magnitude of the local government initiative in the last decade, the expansion of the base of the third level, it seems that enough is going well.

1.17 Unfortunately, these statistics hide an uncomfortable truth: the base of the pyramid is expanding only for rural local government. While there are still enormous challenges in implementing the legal provisions with regard to true decentralisation, there is a great deal of energy emanating from within many state governments to solidify this process in rural areas. Issues such as untying of funds, streamlining of programmes, capacity building and training of Gram Panchayat members are among the hottest potatoes being tossed around in state legislatures.

1.18 However, such leadership is sorely lacking in urban decentralisation. Caught in the penumbra of the spotlight on their rural brethren, the urban dwellers are finding themselves in a governance vacuum, with all signs of the situation worsening. Consider the following statistics for Karnataka^{vi}:

POLITICAL REPRESENTATION RATIOS, 2000					
RURAL KARNATAKA			URBAN KARNATAKA		
POPULATION	3.2 crores		POPULATION	1.7 crores	
Level	No. of units	No. of Reps	Level	No. of units	No. of Reps
Zilla Panchayat	27	890	City Corporations	6	410
Taluk Panchayat	176	3,255	City Municipal Councils	40	1,308
Gram Panchayat	5,659	80,023	Town Municipal Councils	81	1,919
			Town Panchayats	89	1,373
Total No of Elected Reps		84,168	Total No. of Elected Reps		5,023
Citizen: Rep Ratio	380:1		Citizen: Rep Ratio	3,400:1	

1.19 The representation ratio between citizens and their elected representatives is almost ten times larger for urban areas. In a city like Bangalore, the ratio is 42,000 citizens for 1 Elected Representative. One possible interpretation of this could be that government is more than 100 times further away for the resident of Bangalore than the average rural dweller.

1.20 In addition to this, the concept of the Gram Sabha in the rural areas has got legitimacy, if not actual on-the-ground usage. The idea that every registered voter is a member of a Gram Sabha, and should participate in decision-making through this vehicle is one that at least has sanction, if not much track record.

1.21 In contrast, the urban areas have the concept of the Wards Committee, which is meant to be constituted for the City Corporations. In Bangalore for example,

there are meant to be 28 (recently revised to 31) such Ward Committees, which are fatally hampered by the combination of a debatable nomination process, limited citizen representation and an ambiguous mandate.

1.22 So, while it may seem reasonable to believe that decentralisation is now only an implementation challenge in India, the reality is that we have an extremely skewed federalist structure at the third tier. And this situation is getting worse, because while India was 28% urban at the turn of the century, it will be 50% urban by 2030.

1.23 This failure to have a coherent rural-urban approach to issues of federalism is a big lacuna in Indian federalism. Indeed it is astonishing that – despite the general rigour that has characterized India’s approach to democratic institutionalization, often correctly placing due process at a premium to short-term outcomes – there has been such an intellectual vacuum with respect to urbanization, with very few champions of the cause.

1.24 This separation of institutional delivery structures between rural and urban is a uniquely Indian creation; even a more recent democracy like South Africa has a common ministry for local government, integrating rural and urban. A white paper on local government in South Africa, drafted by the ministry, had this to say: “The fundamental issue in debate remains, however, the allocation of resources to rural and urban development. The debate is clouded by the difficulty of defining just what constitutes rural and urban in South Africa. Present trends show every sign of making that division even more murky than before. There could be profound implications for local government defined along lines which attempt to separate rural and urban areas.”^{vii}

1.25 Hence, if one were to assess the institutional arrangements for federalism to work effectively, it seems that we have more work to do, both in the creation of appropriate intergovernmental institutions, and also in leveling the playing field for urban governments.

1.26 However, as I mentioned earlier, there is another side to this coin, without which federalism is like a batsman without a partner at the crease: this is citizenship.

1.27 Citizen engagement is one of the critical success factors for federalism. One of the weaknesses that has emerged out of the bivalent approach that we have

taken to decentralization in our country is that the economic education of the Indian citizen that is happening with globalisation – being significantly felt in the urban areas - is not being supported or joined by a political education, since the space is not available. Hence, the state, by intent or otherwise, is creating a society of underdeveloped, politically malnourished citizens.

1.28 Indeed, there is merit to the argument that this is a trait that needs to be especially cultivated in young democracies, especially those that emerge into democracy from a feudal and culturally complex past like India.

1.29 At the upper end of the social strata, there is a dangerous trend emerging: there are many among the urban elite in India who are skipping around the world, taking the best of each country, essentially as free-riders, without paying the price that is necessary to build the fabric of democratic decision-making that got this quality-of-life in the first place. This is one of the less understood side effects of globalisation: the phenomenon of the free-rider globalists, who are not citizens anywhere, and therefore never feel the pain of participation, who takes the roads, the schools, the airports, the water supply, the garbage trucks all for granted, as they merrily skip from one country to another, blissfully ensconced in their personal lives, even if this is the building of economic machines that in turn pay taxes and keep the machinery of government going. Paying for the grease does not give anyone the right to opt out of the messy work of maintaining the democratic engines. Unfortunately, this is one of the results of global capitalism, where there is a price tag for everything.

1.30 These free-rider globalists live in “synthetic communities” bound together by the internet. With the internet releasing the dependence on location, it has therefore minimized the concept of the local citizen while possibly increasing the concept of the global citizen. People have started caring about the Siberian whale and the Brazilian rainforest, but not about the local water supply or the neighbourhood slum or the city council.

1.31 In new democracies, the idea of federalism and participatory processes at the grassroot level serve a much larger purpose than the efficient outcomes that they deliver in the more mature democracies. In the young democracies, local governments act as the political crucible to educate the citizen, and build the bulwark of civil society, of being a sort of political kindergarten.

1.32 A federalist structure, done correctly, can not only provide the right institutional mechanism, but possibly more critically, offer an real-time political education at the local level for the citizens. People must know how to walk before they can run.

SECTION 2

THE CONTEXT: A CITIZEN PERSPECTIVE

- 2.1 Our cities and towns in India provide many comforts: livelihood opportunities; relatively better infrastructure than rural areas; access to choice in education and healthcare, and so on. While the quality compares poorly with developed countries, conditions are superior to what is available even a few miles outside the urban boundaries.
- 2.2 However, viewed in a different sense, our urban centres do not have an essential “rooting”, an organic connection between the urban citizen and the government. From the point of view of the individual citizen, there are significant gaps in urban living. Examples abound: there is no opportunity to participate in decisions on local development, no mechanism to stop the illegal violation of the neighbourhood park, no system to prevent the neighbour’s residence from being converted into a hospital that could soon dump toxic waste in the storm water drains, no grassroots answer to manage the voter roll errors which are upwards of 40% in urban areas, no space to even vent one’s frustrations. While the urban resident can see herself as a producer of urban goods and services, or as a consumer of urban comforts, she cannot so easily see herself as a citizen. In fact, her identity as a citizen in urban India is one that is minimally developed, if at all.
- 2.3 These gaps exist for everyone. For those within government, be it a Supreme Court judge, a Cabinet Secretary or an employee of the railways, they know all about the empty edifice of citizenry and often come to terms with their civic emasculation by leveraging their positions and titles. Even for the elite, this same sense of disconnection prevails: the industrialists, the writers, the media, the film-makers, the intellectuals, even the activists. None of them can individually survive in the city without the coping mechanisms that their particular position offers them: their networks, their identities. Strip away these identities, and the hollow shell of basic “citizenry” will provide cold comfort. Imagine if this is true for the “empowered” urban Indian, what it could be doing to the 35% and more of the urban dwellers who are the urban poor. They are twice forsaken, once because of their state, and once by the state.

2.4 The fabric of any society begins with the individual, her sense of empowerment, her belief in her own agency. In a society that is static or changing at a leisurely pace, most challenges can be addressed at a similar pace. However, in a society that is urbanising rapidly, the changes are faster: old identities are being wiped clean and being replaced with an aching vacuum, the underlying rules of engagement are increasingly transactional. And this is what is happening in our urban areas. Alienation is the underbelly of urban living in our country.

2.5 How do we solve this problem? Beyond voting, there was little scope for the average citizen to really engage in affairs of state in India. Until the 73rd and 74th Constitutional Amendments dealing with rural and urban decentralisation respectively. With the 73rd amendment, every rural voter got an opportunity to actively participate in local issues through the powerful concept of the Gram Sabha. This singular act, of placing the citizen at the centre of the governance architecture, is one of the most extraordinary moves of any government anywhere in the world, because it captures the essence of democracy.

2.6 However, in the 74th Amendment, there was no such parallel move to place the citizen at the centre. Here, the prism through which the governance challenge was viewed was an institutional one, i.e. creating an appropriate decision-making mechanism to address the relative complexity of urban management. The Ward(s) Committee arose as a solution. Unfortunately, while the ward committee is an important cog to move the wheel of decentralisation forward, it does not go far enough to build an architecture of governance around the individual citizen, just as we have done for her rural cousin. There are critics who say that rural decentralisation doesn't work either. True, but the two are broken for two opposite reasons: in rural areas, citizens have all the opportunity to participate, but little capacity; in urban areas, citizens have the capacity to participate, but no opportunity.

2.7 We have therefore built a complex accountability matrix for cities and towns that is away from the citizen, not towards the citizen. The starting point for democracy in urban areas has been damaged. It is akin to building a complex organism when the nucleus of the cell itself is missing. We don't see this so apparently because of the veneer of development that coats our cities and towns. But this has nothing to do with citizenry. Indeed, they are like magic mirrors, taking our focus away from the central point of citizen identity. They

are the forces that add to the strip mining of the individual. And given the pace of globalisation, we are only increasing the alienation factor every day. The result: meet the urban voter, aka second-class citizen.

2.8 It sounds odd to be talking of urban residents needing to be treated in the same vein as the rural citizen, when one compares the quality of life in urban India with the rural areas. However, in this context, the comparison is not about roads or water supply, education or health care, employment opportunities or gender equality. It is about the fundamental right to be treated equally as a citizen fully engaged in the democratic process, with the same rights and responsibilities.

SECTION 3

SUMMARY OF JANAAGRAHA'S EXPERIENCES IN KARNATAKA

3.1 Against the backdrop of a state that has not provided enough toe-holds for the urban resident to assert his identity as a citizen, grassroots work continues to show that people do not stay still, they react to this reality. It is not that people don't care, or don't want to address this. Across the length and breadth of this country, local communities have been sprouting like congress grass, looking to bring groups of people together, to address their local problems. Whether it is in the form of Resident Welfare Associations (RWAs), neighbourhood groups in urban slums, or even less formal community-based groups, these display an energy for change that in many cases has tremendous potential.

3.2 And in the study of these communities, we discover that there have been remarkable stories of self-help: of cleaning their streets of garbage, of procuring water supply in their slums, of community policing and so on. But equally striking will be the observation that these demonstrate either a complete detachment from the state, or at best an ad-hoc, situational arrangement with the government. They will also show the power of collective action, rather the empowerment of an individual citizen.

3.3 In Bangalore, over the past few years, we have attempted to right this ship of decentralised governance and straighten the inequity to the urban voter, through a citizen-led initiative for participatory democracy called Janaagraha (meaning Janaagraha, or the moral force of the people). During this time, we

have accumulated piece after piece of evidence to suggest that while the urban resident cares, and wants to take part, the state has not only not provided her with any toe-hold to engage with her identity as a “citizen”, but actively thwarts this desire.

3.4 Examples of work that we have been involved with over the past few years in Bangalore:

- In the recently held national and state elections, many citizen communities wanted to be involved in increasing voter registration and voter turnout. It is a well-documented fact that urban voter rolls have error rates that are 40% - 45%, arising primarily from non-registration of valid voters, and bogus entries in the list. Rural voter lists also have errors, but these are less than half the urban error percentages. Also, several initiatives in various states have had significant impact in correcting voter lists in rural areas. To name one successful exercise, the MKSS exercise of getting the CEC to have the voter list read out formally at all rural ward sabhas (80-100 households) in Rajasthan resulted in the CEC notification (order 23/2003-PLN-II) to have the list read out in rural areas, resulting in the correction of over 7 lakh voter entries. Unfortunately, the CEC provision for the urban voter was a much-diluted one, requesting that the list be read out in mohalla committees or Resident Welfare Association meetings; this is because there is no platform for such an exercise, there is no ward sabha for the urban voter, covering the extraordinarily intimate 100 households that the rural voter is privileged to get; nor is there the equivalent of the gram sabha that covers all the voters of the villages in the gram panchayat.

The only alternative for communities is to conduct door-to-door verification of the voter list. This suffers from two weaknesses: one, it is not a formal exercise of the government machinery; and two, it is extraordinarily time and people intensive. In spite of this, a pilot exercise was conducted in two polling stations, which showed that the error rates were in the region of 45%. Unfortunately, there could be no institutional redressal of the matter, since the entire election machinery by this time was occupied with other pressing matters like EVMs, candidate disclosure and the rest.

Hence, the urban voter list continues to be error-prone, due to the lack of equality in treatment of the urban voter. Is it any surprise that voter turnout is low and tending to become lower in urban areas, across all elections in our federalist system?

- The ward works campaign done between December 2001 and May 2002: getting citizens to participate in the allocation of ward-level funds for local development. The first campaign of Janaagraha, the approach of this campaign has been a collaborative one, with partnership between citizens, their Corporators, and the BMP Administration. Done for the financial year 2002-03, citizens from 65 wards took part in this exercise; in 32 of these wards, citizens came together in strong numbers, and actively negotiated with their Corporators and BMP administration; in 22 of these wards, citizens were happy with the final works list that was produced. A total of more than 5,000 citizens took part in the exercise, and hundreds of volunteers were involved in conducting the training programmes, and providing the engineering, technology

and support activities. This represented a total of Rs 10.7 crores of works, out of a total BMP works list of Rs. 50 crores. Since there was no formal space for such citizen participation in ward-level planning, each ward success was the result of one or more of a unique set of conditions: a resolute citizenry, a willing elected representative, a supportive administration. The experience demonstrated that citizens are willing to engage, take the trouble, and even compromise on their own needs, so long as they the process as scientific, transparent, and fair. Institutionalising this engagement would increase citizen participation manifold.

- The ward vision campaign conducted between June to December 2003, where citizens at the ward level got together to prepare a vision for their ward. In 10 of the city's 100 wards, over 2,000 people attended 5 workshops to prepare detailed documents for their wards, including the expenditure requirements, and the sources of funds. After analysing the funding sources, they discovered that the city was only collecting 30% of the potential revenues at the ward level, and hence suggested an innovative plan to raise the compliance. Called Ward RECI-P (revenue Enhancement with Citizen Participation), they suggested that citizens would support the city administrators to increase revenues, with the condition that a portion of the increased revenues be allocated for local ward development. Hailed as an innovative public finance solution to help local governments by eminent economists and public policy experts, this proposal is still awaiting a response from the local government. The actual citizen plans would have done any government department proud: detailed, prioritised projects, with estimated costs. However, because there was no formal mechanism for these plans to be produced in a participatory process, they are lying in cold storage. The citizen participant has become an activist: while some are willing to trudge this path, it is too large a burden to place on all citizens.
- A local vegetable/fruit/meat market that served a large pocket of residents, (in an area of over 4 square kilometres) collapsed. The local government moved all the vendors out onto the street, with the promise to re-build the market within a few months. After close to two years of waiting, the situation has resulted in several inconveniences to the locals: the waste from the street vendors is now being dumped in the drain, blood from the meat market is flows into the local school, local residents are complaining of health problems, there are traffic issues in the area, and so on. With a great deal of citizen initiative, a referendum was held, on what needed to be done about the market. Overwhelmingly, the vote was to move the roadside market on to an adjoining location, which currently houses a small revenue office of the local government. Local entrepreneurs also promised financial support to help the local government construct the new market building. The local government, which had been continuously informed and invited to participate in the entire process, then stated at the end that this solution was untenable, since the proposed location had been identified for another government programme. A unilateral decision taken without consultation, and without any heed for the needs of the local community.
- There are several examples of citizens challenging change in land-use of properties that are adjacent to their homes, where a residential site suddenly becomes a commercial property with no due process, or where the neighbour has violated building bye-law restrictions, and there is no mechanism for redressal for the citizen other than going to the courts, which are already filled with case backlogs, many of which are property-related.

SECTION 4

IMPLICATIONS FOR URBAN GOVERNANCE

The fallout of Urban disengagement

4.1 There are two elements that are intersecting in urban decentralisation: one, the inability of the urban voter to express herself in a manner fitting of being a citizen of India; and two, the absence of an appropriate accountability platform for urban decentralisation to function correctly.

4.2 The combination of these two lacunae creates a situation with unfortunate consequences:

1. distorted sense of identity
2. no sense of the duties of citizenship
3. minimal understanding of the role of government
4. over-emphasis on the power of the market
5. limited sense of “community”
6. breakdown of the essential fabric of a society
7. minimal interactions across class, caste and community
8. ghetto-isation of our towns and cities
9. self-interest prevalent in all actions
10. no focus on due process for decision-making
11. tendency to constantly “beat the system”
12. ends justifying the means: law of the jungle
13. sub-human conditions for the urban poor
14. inequitable outcomes in local government decisions
15. lack of transparency and accountability
16. lack of platforms for participatory decision-making

Other aspects of Urban Governance

- 4.3 If the issues related to urban areas were limited to the inability of the citizen to fully express herself, the problem would still be somewhat easy to solve. However, there are additional complexities in urban management
- 4.4 The existing structure of government has created complicated jurisdictional problems for various institutional players. This is especially true at the fault lines between urban and rural areas, where change is the most rapid.
- 4.5 As the institutional delivery system has evolved over the past 50 years, several ad-hoc measures that were taken to solve immediate situations have left behind legacy problems, mainly in the form of continuing special purpose vehicles and para-statal institutions, whose roles need to be re-defined in light of the 74th Amendment.
- 4.6 The day-to-day delivery challenges of urban life are different from rural areas: solid waste management, water supply often needing piped supply across hundreds of miles, underground drainage systems etc. There is little institutional capacity within government in providing training to the necessary administrative layers to manage these challenges
- 4.7 New delivery systems for public services like public-private partnerships and outsourcing of services require the creation and monitoring of complex contractual agreements, areas where government has little prior experience especially at the local level.
- 4.8 Economic activity that shapes urban landscapes are evolving rapidly. The data that is being generated by state governments through their Departments of Statistics and Economics do not have the granularity or reliability to provide any insights to governments on the texture of urban economies. Even the banking documents managed by Lead District Banks (District Credit Plans) do not contain any information on urban credit flows.
- 4.9 Urban poverty alleviation issues have their own complexities, driven by a variety of factors: land rights for slum-dwellers and streetside dwellers; permanent and seasonal migration from rural areas, making it very hard to keep track of BPL families; multiple institutional jurisdictions cutting across tiers in the federal delivery system (example: livelihoods with local government; public distribution system with state government); universal access to basic rights like education and healthcare, and so on.

- 4.10 Municipal administrative structures are very weak, with poor quality human resources, badly designed Cadre and Recruitment Rules, dysfunctional accounting systems that have not been audited for years, uncertain domains of responsibility.
- 4.11 Financial requirements for urban infrastructure to meet the growing demands of urban residents are far outstripping the current capacity of the municipalities and cities to generate resources. State governments are themselves broke, with little capacity let alone inclination to meet the devolution formulae of State Finance Commissions, wherever implemented.

The country is urbanising at a scorching pace

- 4.12 In 1941, India was 13.86% urbanised. In the 6 decades since then, the decadal urban growth has averaged 36.6%. By 2030, there will be 634 million urban Indians, comprising 46%
- 4.13 The forces of globalisation are adding fuel to the urbanisation engine. As one example, Paul Collier et al, in “The new Wave of Globalisation and its economic effects” (World Bank, 2001) says that as new globalisers like India break into world markets, their pace of urbanisation will increase. One example of this is that 78.3% of all FDI that went into China in 1990 was to the top 20 cities. Globalisation is hitting India like a tsunami wave, and the shoreline is littered with the puny shells of unprepared urban India.
- 4.14 One related impact of globalisation is the exacerbation of inequities that already exist in our urban centres between the poor and the non-poor. In the absence of appropriate participatory opportunities or accountability mechanisms, state decision-making becomes even more distorted in favour of the industrial flavour of the day.
- 4.15 There is no global evidence that countries de-urbanise. In fact, North America and Europe, the world’s most urbanised societies were 77% and 75% urbanised in 2000; this figure is projected to grow to 84% and 83% by 2030.
- 4.16 Our political, administrative and policy leadership is still in denial of urbanisation in India. If one examines the training that is being imparted in IAS centres, Administrative Training Centres, District Centres throughout the country, it is woefully lacking in urban management techniques. This is when urban

management is inherently more complex than rural administration: for example, a city like Bangalore generates 2000 tonnes of garbage every day; water supply and sewage systems need more technical skills; there is little data being generated on urban micro-economies and credit flows, with the result that planning functions are completely dysfunctional.

4.17 The stakes for political patronage in urban India are very high. Land transactions, planning decisions, new layouts, and development of urban infrastructure like airports and metro-rails are all areas where complex stakes are being bartered.

4.18 It is estimated that meeting the urban infrastructure needs in India will require financial outlays to the tune of Rs 28,000 crores every year for the next 10 years.

In the face of the above problems, the reaction of the administrative machinery is to substantially ignore the claims of the citizens as the least of the priorities facing them. This response is driven by a varying combination of the following set of sentiments:

- Corruption is rampant in everything from garbage contracts to road-repair work. Citizen involvement will expose the corruption.
- A city commissioner still behaves much like a District Commissioner (Collector in some states), even with respect to the local elected members. This unequal relationship is a legacy of the past, and reflects the as-yet immature fleshing out of the 74th amendment provisions. Even the best ones fall victim to the sense of benevolent power that the position bestows. Citizen participation would imply a diffusion of this power.
- Elected members are just beginning to experience some of the powers of decentralisation; everybody wants decentralisation only to their level. Sharing this power with citizens is a threat to their nascent political careers.
- Including the citizen will slow down an already creaking decision-making system that is barely coping with the current challenges.
- There is no existing structure for citizen engagement in any organised, methodical way.
- In any event, citizens are fundamentally selfish, so no substantial good is going to come from participation.
- Given the complexity of these changes, and the patronage opportunities that it unleashes, there is little desire to create platforms of accountability, or even consider the legitimate claim of an individual urban voter.

4.19 Unfortunately, all the above arguments are specious. A citizen is a citizen, whether she lives in the rural hinterland or in urban India.

SECTION 5

ASSESSING THE CURRENT LEGAL FRAMEWORK

5.1 From a constitutional standpoint, there has always been a bias towards the rural voter, unfortunately allowing our love for the rural resident to colour our sense of constitutional equity toward the urban voter in the process.

5.2 This bias can be seen in the following examples:

- Directive principles of state policy: Article 40, which states “*Organisation of village panchayats. 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.*”

- 73rd Constitutional Amendment, 1992, which states:

“3. Accordingly, it is proposed to add a new Part relating to Panchayats in the Constitution to provide for among other things, Gram Sabha in a village or group of villages

243. (b) "Gram Sabha" means a body consisting of persons registered in the electoral rolls relating to a village comprised within the area of Panchayat at the village level;”

- 74th Constitutional Amendment, 1992, which states:

“In many States local bodies have become weak and ineffective on account of a variety of reasons, including the failure to hold regular elections, prolonged supersessions and inadequate devolution of powers and functions. As a result, Urban Local Bodies are not able to perform effectively as vibrant democratic units of self-government.

2. Having regard to these inadequacies, it is considered necessary that provisions relating to Urban Local Bodies are incorporated in the Constitution particularly for-

(i) putting on a firmer footing the relationship between the State Government and the Urban Local Bodies with respect to-

(a) the functions and taxation powers; and

(b) arrangements for revenue sharing;

(ii) Ensuring regular conduct of elections;

(iii) ensuring timely elections in the case of supersession; and

(iv) providing adequate representation for the weaker sections like Scheduled Castes, Scheduled Tribes and women.

243S. *Constitution and composition of Wards Committees, etc.*

(i) *There shall be constituted Wards Committees, consisting of one or more wards, within the territorial area of a Municipality having a population of three lakhs or more.*

(ii) *The Legislature of a State may, by law, make provision with respect to-*

(a) the composition and the territorial area of a Wards Committee;

(b) the manner in which the seats in a Wards Committee shall be filled.

(iii) *A member of a Municipality representing a ward within the territorial area of the Wards Committee shall be a member of that Committee.*

(iv) *Where a Wards Committee consists of-*

(a) one ward, the member representing that ward in the Municipality;

or

(b) two or more wards, one of the members representing such wards in the Municipality elected by the members of the Wards Committee, shall be the Chairperson of that Committee.”

5.3 Note that there is no mention of the phrase “a body consisting of persons registered in the electoral rolls”, as was the case in the 73rd Amendment. It is clear from the above that the voter was one of the central elements of the 73rd Amendment, in addition to the numerous issues surrounding decentralisation and the institutional relations between the 3 tiers of the federalist system. On the other hand, the 74th Amendment was concerned exclusively with the institutional arrangements among the 3 tiers of government. Even in Article 243S, which discusses the Ward(s) committee, the Amendment is still engaged with institutional arrangements rather than recognising the centrality of the registered voter, as in the case of rural decentralisation.

5.4 These Constitutional Amendments have percolated down to State laws for rural and urban decentralisation that mirror these biases. Extracts from two reports that assess urban decentralisation are produced below: the National Commission to Review the Working of the Constitution (NCRWC), and the Sen Committee Report to review Decentralisation in Kerala.

5.5 The National Commission to Review the Working of the Constitution (NCRCW) constituted a Advisory Board to submit a consultation paper on decentralisation in municipalities. Some observations from this document:

“Varied Arrangements in the States

1.54 *At one end of the spectrum, in Kerala, there is a Wards Committee for every Ward. The elected Councillor of the Ward concerned is the Chairman of the Wards Committee. The Committee consists of not more than 50 persons nominated by the Chairperson of the Municipality in consultation with the Councillor. The members of the Ward Committee are drawn from various categories such as residents associations, doctors, teachers, etc. and these categories are mentioned in the Act. The Wards Committee will meet at least once in three months. The Secretary and the Heads of Departments in the Municipality shall attend the meetings of the Wards Committee. The Committee will prepare and supervise the development schemes for the Ward, encourage harmony and unity among various groups, mobilise voluntary labour for social welfare programmes, give assistance for identifying beneficiaries for the implementation of welfare and development schemes related to the Ward. This is besides assisting timely collection of taxes, fees and rents for the Council. The duration of the Wards Committee shall be for five years.*

1.55 *In Maharashtra, on the other hand, Wards Committees have been set up for groups of wards. In the Greater Mumbai Corporation there are 221 municipal wards. These wards have been grouped into 16 Wards Committees. Similarly, in Pune, Navi Mumbai and Pimpri Chinchwad, wards have been grouped. The wards committee comprises all the councillors from the concerned wards and one to three representatives of NGOs in the area as nominated by the Corporation.*

1.56 *West Bengal is one other State where, like Kerala, Wards Committees have been set up for each municipal ward. In the case of the Calcutta Corporation, in addition to the Wards Committees, the Borrough Committees which are for groups of contiguous wards have been in existence for a long time. These are in effect a substitute for the Zonal Committees. Calcutta thus has a three-tier, decentralised arrangement. Though the actual work of Wards Committees has been hampered due to political problems, West Bengal has accepted the need for decentralisation within a city administration and enhancing proximity to the citizens. It has, therefore, provided that apart from the Calcutta Corporation, Wards Committees may be formed in the Municipalities as well even though the population of such municipalities may be*

less than three lakhs. The Ward committees will consist between 4 to 14 members depending on the population of the ward. The West Bengal Municipal Act, 1993 has been amended to incorporate a provision regarding composition and functions of a Wards Committee for each ward of a Municipality.

1.57 In the other States the provisions vary considerably. In Chennai, the 155 municipal wards are grouped into ten Wards Committees, each representing a population of close to four lakhs. Bangalore's Wards Committees cover an average population of about two lakhs. In effect, these are Zonal Committees and not Wards Committees. Similarly, in the States of Andhra Pradesh and Uttar Pradesh, every Wards Committee is to contest in not less than five Wards in a Municipality. In Himachal Pradesh, Wards Committees are to be constituted for not less than ten Wards in the Municipal Corporations. The Madhya Pradesh, Haryana and Tamil Nadu legislations only specify that Wards Committee shall be constituted for Municipalities with a population of three lakh or more.

Proximity as an Issue

1.58 A major objective of providing for Wards Committees in the 74th Constitution Amendment is that it enables closer interaction between the people and their elected representatives and thereby more sensitive responses to local needs and accountability of the elected persons to their Constituencies could be obtained. The setting up of Committees for groups of wards with large populations but calling them as Wards Committee in name only, defeats the basic purpose of proximity and accountability. By restricting the membership only to elected councillors as in Andhra Pradesh or allowing a sprinkling of NGOs as in Bangalore or Mumbai the representative character of these committees is further vitiated. Even in Kerala and West Bengal where provisions have been made for a committee for each ward, the principle of election has not been accepted. The preference appears to be for selection or nomination rather than election.

1.59 This is in sharp contrast to the arrangement for the Panchayats. Whether at the Gram Sabha, Village Panchayat or Intermediate level Panchayat, the emphasis in the 73rd Amendment is on increasing the number of elected representatives from territorial constituencies at different levels so that locally elected people can participate better in locally relevant matters. In the urban areas, on the other hand, there appears to be a strong fear of allowing such elective arrangement.

If an urban citizen can be trusted to elect an MP, an MLA and a Councillor can't he be trusted to elect members of a committee for his ward or neighbourhood?

Suggested Legal Changes

1.62 *The suggested legal changes are:*

- (a) Wards Committees should be mandatory for each of the ward in all Municipal Corporations with a population of three lakhs or more, to comprise of persons chosen by direct election from the territorial area of the Ward. The Chairman of the Committee will be the Councillor elected from the Ward.*
- (b) The State laws may determine the number of persons to be so elected but there should be parity, within the city in the ratio between that number and population of a ward.*
- (c) State laws may also enable Wards Committees to co-opt such residents of a ward who are knowledgeable and can assist the work of the Committee.*
- (d) In all Corporations with a population of six lakhs and more, Zonal Committees at a level between the Wards Committees and the Corporation Council should be formed. State laws may determine the number and area of such Zonal Committees. The Councillors of all the municipal wards represented in that area shall be members. In addition, one other person from each of the Wards Committees elected by and from amongst the elected members of that Committee shall be a member of the Zonal Committee.*
- (e) State laws may determine the manner in which elections to the Ward and Zonal Committees are to be held, their functions and responsibilities and the allocation of funds to carry out the same.*
- (f) Article 243S should be amended suitably to incorporate the proposals made in items (a) to (e) above."*

5.6 After making very potent observations about the functioning decentralisation in urban areas, the advisory group's recommendations fall well short of empowering the individual citizen, and once again fall into the trap of examining institutional arrangements.

5.7 Changes to Kerala Municipalities Act, based on the Sen Committee Report:

“The ‘Committee on Decentralisation of Powers’ firmly believes that decentralization is a process which has to be furthered by empowering the ordinary citizen to the maximum extent possible. Only then the spirit of the Constitution to bring about grass roots level democracy will be realized. At present Ward Committees exist below the Municipalities to facilitate involvement of the people in developmental matters. But since it is a nominated body and is too small in size, it cannot be an effective vehicle for people’s participation in the development process. Experience shows that unlike Grama Sabhas, the Ward Committees have not been very successful in their functioning, particularly in the bigger towns.

Urbanisation naturally affects the organic unity of society which is there in rural areas and community participation cannot be natural and spontaneous in urban areas as in rural areas.”

5.8 Observations about the urban Ward Sabha idea in Kerala:

- The concept of the Ward Sabha is not thought of as mandatory, but rather as a vehicle that can be used only in smaller municipalities. While the operational aspects of citizen involvement in large metropolitan areas is a legitimate issue that requires careful structuring, the concept of full right to express oneself being denied to residents of large cities just because the state finds it inconvenient to create the appropriate mechanisms is unacceptable. This demonstrates that the centrality of the voter is again not key, and there is no thought being made of structures that are necessary to involve her in the decision-making process. What we see is the emphasis on institutional arrangements, rather than individual empowerment.
- Sections 42, 43, 45, 46 refer to the constitution/composition/functions/rights and duties of Ward Committees and Ward Sabhas in Municipalities in Kerala; Sections 51 and 53 refer to the planning cycle to be adopted, starting with the local ward and connecting all the way up to the District Plan. These sections are the most comprehensively documented guidelines for urban decentralisation anywhere in the country, defining funds to be allocated. Unfortunately, the Kerala exercise, while laudatory and clearly a standout in urban decentralisation in the country, still seems to suffer in implementation when compared to the passion and relative success with which rural decentralisation has been pursued in that state.
- Indeed, even if one accepted the small-town ward sabha idea, the impact of the creation of people-centric ward sabhas in smaller urban centres (population less than 1 lakh) is at best limited. In 1991, there were 296 Class 1 cities with a population greater than 1 lakh, out of the 3,610 urban centres in the country. However, these 296 contained over 65% of the total urban population in the country. At 2001 population levels, this would mean that over 150 million Indians will be living in cities and towns that are considered too large for them to exercise their fundamental rights as citizens. And the evidence suggests that the large towns and cities are only increasing their share of urban population: in the 20 years between 1981 and 2001, the top 23

cities in India increased their share of urban population from 31.8% to 33.2%, close to 100 million people. It is indeed cold comfort to know that at least 65% of urban Indians can exercise their full constitutional rights to express themselves freely; whether they are doing so or not is another matter, left to other aspects of the executive and social process.

SECTION 6

INSTITUTIONALISING CITIZEN PARTICIPATION – A PROPOSAL

- 6.1 Nowhere in the Union or State legal framework is there a space for every urban voter to fully procure her rights. Despite the track record over the past century of creating an institutional governmental structure that has got progressively more federal in deed, more than just rhetoric, there is much to be done in India. While there are challenges in making decentralization work in rural India, there are equally pressing, and substantially different challenges in urban decentralization as well. The combination of poor intergovernmental arrangements, coupled with the lack of opportunities for the citizen to fully develop her political identity can unnecessarily slow down the process of better public governance.
- 6.2 Janaagraha's experience in Bangalore has provided substantial evidence that urban residents – even in large metros – care deeply about their city, and wish to participate. Indeed, the amount of social energy that can be harnessed is extraordinary, if the appropriate structures are made available to the citizen.
- 6.3 As indicated in the earlier section, urban local governments also face a range of other challenges that also require changes in law, jurisdiction, administrative streamlining, decision-support systems etc. Credible, realistic solutions are available for these issues as well, so that a holistic governance environment can be created in urban India. We cannot adopt an “either-or” approach to resolving issues of urban governance: all reforms are required, and we need to find the intellectual bandwidth and institutional energy to push for all necessary reforms.
- 6.4 In this, it is critical that we are guided by one central tenet: democracy cannot trickle down to the citizen, it has to ripple out from her. If one takes this perspective, it is apparent that the starting point for democracy in urban areas has been damaged. It is akin to building a complex organism when the nucleus

of the cell itself is missing. The entire democratic system becomes nothing but a large, disconnected instrumentality representing the state.

6.5 The suggestions for reforms in municipalities being made here will concern themselves only with two aspects: one, ensuring that the urban citizen has access to a platform for full freedom of expression; and two, that this mechanism also functions as a platform of accountability from the local government. Both these aspects are being clubbed together under the broad heading “Institutionalising citizen participation in urban areas”.

6.6 Any response to such a demand for citizen participation needs to address the following issues:

- The creation of a mechanism for every registered voter to participate in issues of local government, in a meaningful manner. This means creating an appropriate number of tiers, even below the ward-level if necessary, especially in larger municipalities. The footprint of every polling station could be the smallest unit in such an architecture; this could be called an Area Sabha. Area Sabha Representatives could participate in the Ward Committee. Large municipalities would have wards with greater population, hence more Area Sabhas, hence larger Ward Committees. Smaller municipalities would have smaller population in each ward, hence fewer Area Sabhas and fewer members in each Ward Committee.
- The recognition that, in urban areas, it is not only the individual voter who needs to engage, but also non-residential stakeholders. This is a unique urban problem, since in rural areas, the place of residence and work is often the same. This is not true in urban areas, where there are pockets of every urban centre that are predominantly commercial. These non-residential stakeholders need to be given some representation at the Ward Committee level, subject to a ceiling.
- An unambiguous role for these ward- and sub-ward platforms, so that there is a seamless integration between their role, and that of the municipality. This role should be comprehensive, extending from planning to budgeting to oversight and financial authority, and possibly also to spatial planning issues like zoning, change in land use and comprehensive development plans that can be built bottom-up.
- The integration of the internal systems of the municipality to support such a decentralised architecture: appropriate accounting and budgetary systems; administrative support; establishment of necessary bank accounts; ward maps and GIS systems; data collection mechanisms at the ward-level on issues like building starts and other such economic activities; voter rolls and BPL lists, and so on.
- A calendar of activities that define clearly how these grassroots decision-making systems are linked to the processes at the municipality. For example, the municipality budget is to be placed before the Taxation and Finance Committee at a certain time of the year, normally around January. It is then placed before the Council within a few weeks, for approval. In the proposed system of Area Sabhas and Ward Committees, full teeth to their roles can only be provided if they have a say in the budgeting process. This means that

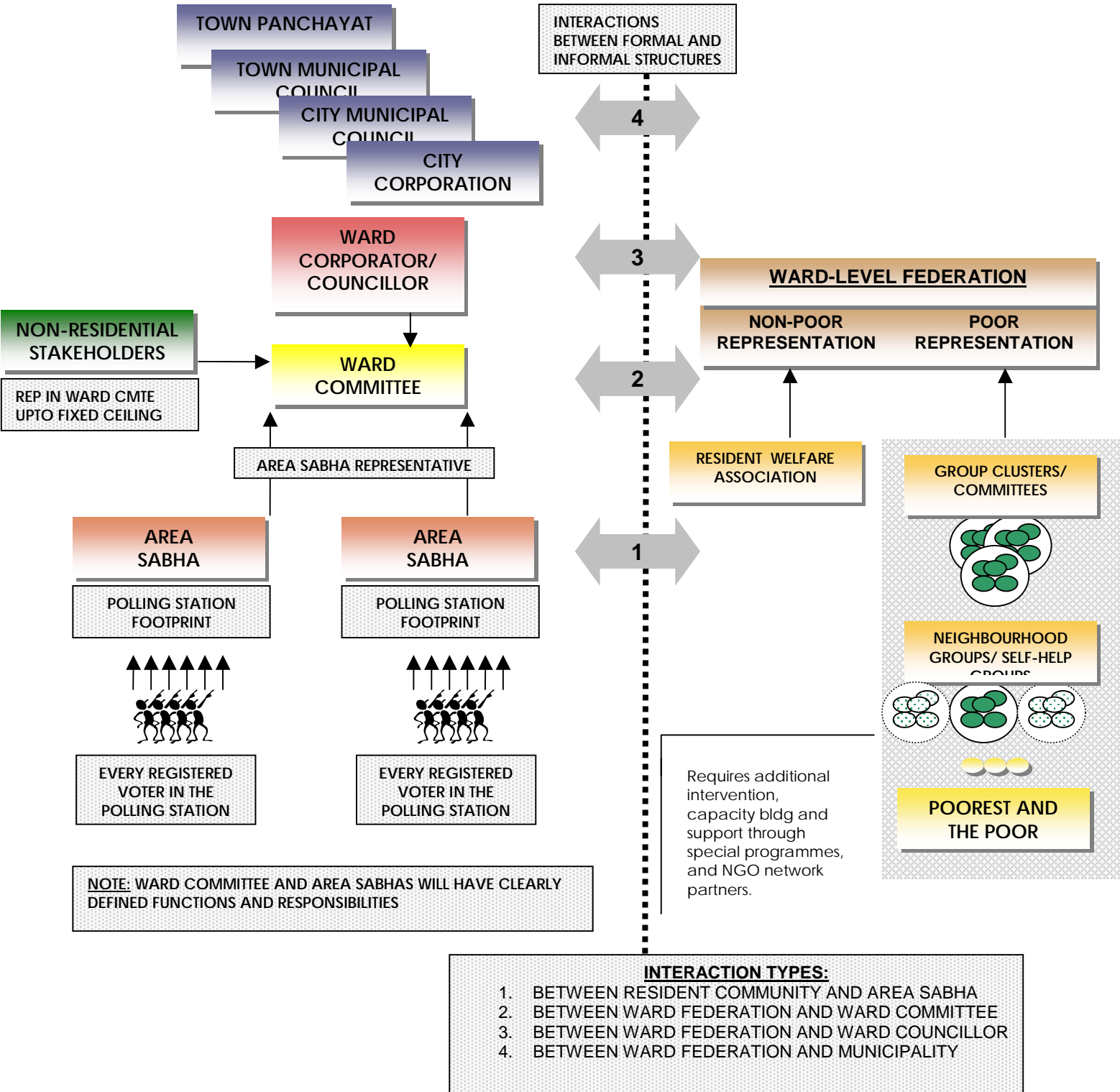
a calendar of their budgeting process needs to be created, to synchronise with the overall municipality calendar.

6.7 Janaagraha has prepared a draft “NAGARA RAJ BILL” itself, giving a detailed answer to all the issues highlighted above: the constitution, composition, functions, roles and responsibilities of the Area Sabhas and Ward Committees. This document has emerged out of the examination of the platform that was provided with the 74th Amendment, the good work already done by some selected states like West Bengal and Kerala, and also the grassroot experiences from a citizen standpoint. The drafting has been done in a manner that would allow the Bill to be passed separately, or included as an Amendment to the Municipalities Acts of States as a chapter exclusively dealing with Institutionalising Citizen Participation in Urban Governance. Some sections of this Act could require other parts of a state’s Municipality Act to be modified, such as the budgeting process mentioned above.

6.8 The presence of a formal structure of decentralization to the citizen will create the appropriate participatory and accountability mechanism for the citizen. Informal community structures like local resident associations, neighbourhood groups and ward-level federations can also begin to engage with these platforms. Appendix A gives a graphic representation of these structures and their interactions.

Appendix A

A PARTICIPATORY DEMOCRACY VISUAL



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- i Democracy in Ancient India, by Steve Muhlberger, Associate Professor of History, Nipissing University.
 - ii The idea of India, Sunil Khilnani, Penguin Books, 1997
 - iii Roundtable on Mechanisms of Intergovernmental Relations in India; Prepared by Professor Akhtar Majeed, Director, Centre for Federal Studies, Hamdard University, New Delhi.
 - iv Democracy at Work : Evolving Federalism Through Political Representation in Socio-Cultural Pluralism; By George Mathew, Director Institute of Social Sciences
 - v 'Community Based Organizations and Panchayats as Instruments of Governance in the Sphere of Watershed Development', by Rakshat Hooja and Dr. Rakesh Hooja
 - vi Urban Development Department, Government of Karnataka, and Department of Panchayati Raj Institutions, Government of Karnataka
 - vii White Paper on Local Government, Ministry and Department of Provincial and Local Government (DPLG), South Africa, 1999