



Regional Consultation on Electoral and Political Reforms – Western Region

Date and Venue: Ahmedabad Management Association (AMA), 17th September, 2018

Background Note

Session: Urban and Local Governance

Local governance refers to how government (local, regional and national) and stakeholders decide how to plan, finance and manage local (both rural and urban) areas. It involves a continuous process of negotiation and contestation over the allocation of social and material resources and political power. It is, therefore, profoundly political, influenced by the creation and operation of political institutions, government's capacity to make and implement decisions and the extent to which these decisions recognize and respond to the interests of the people. It is important here, to note that good local governance is not just about providing a range of local services but also involves preserving the life and liberty of residents, creating space for democratic participation and civic dialogue, supporting environmentally sustainable local development, and facilitating outcomes that enrich the quality of life of residents.

In India, local governance has been formalized under the Panchayati Raj and Nagarpalika institutions since 1992, when the Parliament passed the 73rd & 74th Constitutional Amendment Acts. Though the Constitution of India, in its Directive Principles of State Policy (Article 40) had already stated "Organisation of village panchayats: The State shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government", local self governments gained constitutional status decades later.

The Panchayati Raj system is a three-tier system with elected bodies at the village, taluk and district levels. This is intended to create greater participation of citizens in local government and more effective implementation of rural development programmes. As of 2014, there were 29,50,128 elected Panchayati Raj representatives, a figure that is around three million now (MoPR).

Money and muscle power have played an important role not just in national and state level elections, but also panchayat polls. Recent media reports have confirmed allegations regarding increasing influence of money power in Panchayat elections. In Uttar Pradesh, some candidates have reported spending around Rs 80-50 lakhs per candidate, making a complete mockery of the expenditure limit of Rs.75,000/- as set by the SEC Uttar Pradesh (Mint, Apr 2016). Besides, panchayat polls are also seen as a launchpad for politicians' kin. In UP, many established politicians were seen trying desperately to establish their close family member into grassroots politics by using money and muscle power. This is connected to the objective of grooming them for a bigger role in the near future (HT, Feb 2016).

All of this has a detrimental impact on the quality of governance since any candidate who spends lavishly in Panchayat elections focuses on recovering this investment or returning favours to those who funded him/her. Those of whom come to power, also make money to ensure that they win the next elections in a competitive political environment where the stakes are quite high. As a result, opportunities like assigning contracts related to infrastructure e.g. construction of bridges, roads and other public facilities, and allocation of natural resources are often seen as a source for personal wealth creation. Likewise, funds that are received by panchayat under various national and state level schemes/programmes such as MGNREGS, IAY (Indira Awas Yojana) and midday meals are often misused, with adjustments being made and a lot of money being siphoned off (Mint, Apr 2016). Therefore, it is extremely important to establish the link between clean elections and good governance. Governance is bound to suffer unless there is a clean election process.

In this light, the session focuses on discussing the role of CSOs & People's movements in remedying the maladies of money and muscle power that have percolated from parliamentary and legislative body elections to the local body polls, improving the quality of local governance and strengthening the role of elected representatives by spreading awareness about their rights and powers as a functionary.