Introduction

Statement of the Problem

Local governance has emerged as one of the core issues of debate on governance across the polities. There is greater degree of realisation that the centralized mode of governance creates distance between the government and people. The myth of efficiency attached to a centralized decision making is interrogated by the participatory urge of decision making and citizen centric mode of governance. The experiences suggest that the centralized mode of governance does not essentially ensure better governance and efficient delivery of services. On contrary, it may lead to creation of a regimented structure and inefficient bureaucratic structure. Even the top down approach of governance and service delivery may create a hiatus between the government and people. In fact, local governance structures are now much closer to the people, which are considered as a requisite principle of efficient governance and service. It is this reason that greater emphasis has been paid on the model of local governance in recent decades. The capacity of participatory structures of local government to bridge the gap between the people and state makes special appeal. This is endowed with inherent quality that can facilitate not only efficient governance and service delivery but also ensure greater degree of citizen participation in governance. In many cases local governance is proving to an instrument of inclusion and empowerment of disadvantaged groups.
Within the broader framework of governance local governance acquires additional significance as it emphasizes involvement and participation of the people at the local level. The autonomy to formulate policy and planning and implement them at the local level is more appropriately informed by the principle of subsidiarity. The principle of subsidiarity is well recognized in the literature of decentralization which implies that a task must be performed by the structure at the appropriate level competent to perform the function, and it should be transferred to an upper level only in case the level below to it is not competent to perform or fulfill the task assigned to it. The subsidiarity principle of governance provides legitimacy to the model of local governance within a political system.

Though there have been rich traditions of local form of governance throughout the history of civilizations, it has come to occupy a significant place in the contemporary times across the polities. Presence of strong form of local governance is found both in federal and unitary political systems and in centralized and decentralized forms of governments. However the status and competence of local governments vary from one form of political system to another. The variations are also found within the same kind of political system. For instance, within the federal political system we find variations in terms of constitutional status and competence of the local government. In some of the federal political systems such as Germany, India, South Africa local governments enjoy constitutional status but they are not necessary autonomous and more competent than the others. Institutions of local governance in case of Switzerland are certainly more empowered than their counterparts in many others federal countries. Similarly institutions of local governments in the case of U.K. and Italy are significant examples of
decentralized but unitary political systems. The point that needs consideration is that the institutions of local governments are not exclusive concerns of only one type of political system.

The logic of local governance is informed by variety of factors. Since local governance is nearest to the community, it is considered as efficient means of service delivery and effective governance. But more than that local governance are also seen as an effective and efficacious means of participatory democracy, inclusion and development. It can help in initiating a more participatory form of governance at the local level. The debate and processes unfolded on local governance in India in recent years testify the multiform relevance of the institution. Local form of governance in India is not new. It has existed in variety of forms throughout the history but it has acquired specific relevance in recent years, especially after the enactment of 73rd and 74th constitutional amendments. The provisions contained in the Acts envisage a participatory decision making both in terms of deliberation and execution. A greater role has been envisioned for the institution both in rural and urban areas. In a sense local government constitute a third order of government in the Indian federal system if they are assigned responsibilities by their respective states. It is not to deny that there no problems involved in the implementation of the provisions of the Act. It has provided a new avenue of political representation and participation to the disadvantaged group.

The case of Iran is different from India in many respects. In contrast to India’s decentralized federal political system, Iran represents a centralized and unitary form of government. Despite being a centralized form of political system, there is strong provision of local governance in Iran. Local councils are important in the framework of
local governance in Iran. However, the local councils do not form autonomous structures. They form integral part of the pyramidal form of governance structure. In this framework, the local governmental structures in Iran are primarily seen as a system of service delivery rather than a form of participatory democracy or inclusion. The aspect of representation and inclusion of disadvantaged groups in the governance structure at the local level, especially of women, is almost absent. This is one of the reasons that the women are abysmally present in the structure of local governance.

The contrast of the status role and functioning of local governance in two kinds of systems- centralized-unitary and decentralized- federal – becomes important as an area of research enquiry. With this vantage point, the present work attempts to study the system of local governance in Iran and India.

**Objectives of the study**

The main objective of the study is to get insight into the local governance systems in two different kinds of systems. India and Iran represent two different systems- federal and unitary respectively. But both the countries have network of institutions for local governance. An attempt is intended to get the insights into the competence and functional responsibilities of the local governance institutions in two countries. A comparative perspective can help us in understanding the dynamics. It is, therefore, also intended to explore the positive and negative sides of local governance in Iran and India for mutual learning.
Rationale of the Study

Since local governance has emerged as one of the most important governmental forms across the polities, study of local governance in two different systems could be interesting one. In the present case, a lot of studies have been conducted on various dimensions of local governance in India but there is no matching study on local governance in Iran. Since local governance in Iran in its present form is recent in origin, no serious attempts have been made to study local governance institutions with few exceptions. Piran has done considerable work on the issue of local governance. But there is hardly any study done on the local governance system in a comparative perspective by taking two different kinds of political systems of India in Iran. The literature on local governance system in Iran is also meager. The research gap is abundantly evident. The non availability of research on this aspect necessitates such kind of study. The present study is a modest attempt to fill the research gap.

Research questions

The study attempts to seek answer to the following research questions:

Generic Questions

i. How do the two different kinds of political systems grapple with the needs of governance at the local- community level?

ii. To compare and contrast the system of local governance on the axis of centralization and decentralization.
iii. To explore the competence of the local governments in Iran and India in terms of status, power and responsibilities assigned to them by the higher order of government.

**Specific Questions**

i. How the system of local governance is organized in the capital city of Iran and India-Tehran and Delhi respectively?

ii. What kinds of power and responsibilities have been assigned to municipal government in two cities in terms of delivery of services?

iii. What are the provisions in the local governance structure for facilitating citizens participation in governance and inclusion in the two cities’ local governmental structures?

**Premises of the study**

Local government can work efficiently in both the system of decentralized federal structure and unitary centralized system. However, in decentralized federal system it can work as a third order of government with its constitutionally defined status, competence and autonomy. An empowered local government can ensure effective service delivery. It can also work as a channel of inclusion and empowerment of disadvantaged group besides a ground for participatory democracy and development.

**Research Methodology**

Both qualitative and quantitative research methodology have been used in this work. Observation and structured and unstructured interview have been used to collect data
from the official and elected representatives in the local governmental structures. For better understanding of the status and functioning of local government both primary and secondary data have been used. - method of data collection

**Scope and limitations of the Study**

The study of local governance in Iran and India is confined to the contemporary context. The historical context referred at any place is just for referencing and validation of the institution. Though the study has taken into consideration the local governance system in the two countries, the attention has been paid mainly on the system of local governance in the national capital territory of Tehran and MCD in the national capital of Delhi. The study mainly attempts to analyse the system of governance. It does not exclusively focus on the dimensions of inclusion and democracy in the local governance structure.

**Plan of the study**

The materials of the study are organized into four main chapters besides introduction and conclusion. Details of the chapters are as follows:

**Chapter I: Local Governance: Issues, Perspectives and Comparative Experiences**

This Chapter attempts to examine the issues and perspective related to local governance. It attempts to explore the answer to the question as to how and to what extent decentralized structure could lead to better governance in terms of efficiency and service delivery and as to how empowered local governments could lead to greater degree of citizens’ participation in governance and development. Can the idea of local
governance unfold/initiate and deepen democracy and provide channel for inclusion? The propositions and arguments revolve around the debate on the twin axis of centralized system of governance and decentralized/federal systems. For the purpose of comparison, the chapter has traverse through the comparative experiences of local governance mainly in the federal political system besides critically examining the perspectives on local governance. The Chapter attempts to examine the issues and perspectives related to local governance. It endeavors to examine the relationship between local governance and democracy, and local governance and inclusion on the basis of arguments advanced in the literature on the issue. It reiterates the argument that the structure of local governance could lead to better governance in terms of efficiency and service delivery. Evidences suggest that the empowered local governments could lead to greater degree of citizens’ participation in governance and development. Switzerland and UK are the two most important and notable cases representing two distinct political systems- Federal and Unitary respectively. Despite the differences in governance structures and orientation, these two cases of developed world make provision for empowered structure of local governance wherein citizen’s participation becomes important. Effective institutions of local governance can unfold/initiate and deepen democracy which can provide channel for inclusion. The case of India is undoubtedly important in this regard. The structures of local governance especially after the constitutional amendment of 73 rd and 74th effecting local government have enabled space for citizen participation of governance on the one hand, and inclusion and empowerment of disadvantaged groups on the other. The chapter attempts to articulate the arguments built around the structure of local
governance. For a comprehensive insight into the problem the chapter also examines the comparative experiences of local government across the polities, but it basically maps out the cases of federal systems.

Chapter-II: Local Governance in India and Iran: Perspectives and Institutional Framework

This chapter attempts to examine the system of local governance in two countries- both in the rural and urban system of governance. The chapter attempts to unravel the perspectives of local governance in both the country in the first case, and then delves into the institutional framework of governance in both rural and urban areas in Iran and India. Since the perspectives of local governance can not be compartmentalized, the chapter takes into account the perspectives of local governance in both urban and rural areas.

Chapter-III: Local Governance in the National Capital Territory of Delhi

The present chapter attempts to map out the local governance structure in the National Capital Territory of Delhi. The governance of national capital territory of Delhi (NCT) is shared responsibility of the union, state and the local governments. The shared responsibility of the governments in this context implies certain responsibilities and competence of each of the governments. The local governance structures in Delhi are loaded with the responsibilities of development and maintenance of the city to a larger extent. Service delivery to the people in the city is ensured and facilitated by the local governments. There are many overlapping areas wherein the state and the local governments are involved. The union government has its own jurisdiction over the
governance of the city. Delhi is governed through three different local bodies having their own geographical demarcation and areas of operation. In this case Municipal Corporation of Delhi has been taken as case study as it has jurisdiction over 94% of the areas. The structure, organization and functional responsibilities of the MCD have been discussed in detailed. It has also attempted to understand the dimensions of participatory democracy and inclusion through the local institution of MCD.

Chapter-IV: Local Governance in National Capital Territory of Teheran

It examines the framework of local governance in the capital city of Tehran. It attempts to unravel the organizational structure of the local governance institution in Tehran. It also examines the local-regional-national relations, sources of revenue, competence of the bodies in terms of decision making and implementation and service delivery related to health and transport besides touching upon other aspects of service delivery. Citizens’ participation and inclusion, especially inclusion of women has been also been taken into consideration.

The findings of the study and distinctive aspects of comparative importance have been brought into the conclusion of the work.