CHAPTER-II

PROBLEMS OF MUNICIPAL ADMINISTRATION IN INDIA

The importance and role of Municipal Government as an integral part of Local-self government has increased manifold since independence and there has been a general feeling that Municipal Governments have failed to perform up to people's expectations. It is in the wake of this inefficiency that some of the problems like lack of constitutional status, autonomous entity, trained manpower, problems of finances and insufficient use of modern technology faced by the municipal governments in India have been discussed in the present chapter.

2.1. Role and Responsibilities of Urban Local Bodies

In a democratic society like ours, the government has to fulfill two objectives: development and management of socio-economic services and public utilities; and providing a vital base for the democratic structure through an effective system of local government which derives its strength from and is responsible to the local community. Today, it is through local bodies that decentralisation of political power and promotion of democratic value is achieved, they being an indispensable part of governmental machinery and thereby contributing to efficiency at higher echelons by undertaking purely local tasks.

The current British concept of local government implies a system of councils elected on the basis of universal suffrage. Such a council is responsible to the local community, its designated tasks being to provide basic social services, oversee and implement law and order, and undertake works. In the overall drive towards national progress in developing countries, local self government can play a vital role only on the basis of accepting and thereafter reorganising the following basic trends inherent in modern society: (1) urbanization (2) national control (3) creation of a welfare state (4) a higher standard of living (5) democracy. All these are fairly uniform worldwide, especially in developing countries where the developmental pace is often fast and furious. All the nations today are living practically in the same modern world. Most developing nations have chosen the model of a welfare state, promising the people higher standard of living, to achieve which modern administrative practices are required. The national government must therefore work in tandem with the leadership and citizenery of local communities, certain responsibilities being shared. This is extremely important as local governments hold the key to national progress.

Local authorities are important units playing a major role in achieving decentralisation of
Political power and promotion of democratic values. Their efficiency in routine matters can be markedly enhanced by bypassing the inflexibilities inherent in over centralised systems, and their tendency to oppose departmentalized decentralization at centre and state levels.

2.2. An Integrated Approach to Municipal Problems

Present day municipal administration faces a large variety of problems. In an established democratic set up as obtains in India, local self-government bodies are expected not only to provide basic civic amenities like water supply, sewerage, sanitation, roads and streets, lighting etc. but also to play an important role in the general process of economic and social development. Provision of civic amenities like potable drinking water, sewerage, underground drainage and the adoption of modern methods of refuse collection and disposal etc involve huge financial outlays far beyond the existing resources of majority of existing municipal bodies. Their powers of taxation are very limited. They are reluctant to increase rates of taxes. Their existing limited resources and a built in apathy to raise new resources, poor quality of existing cadres of municipal employees which has resulted from, in the

majority of states, the total lack of attention to laying down of proper recruitment policies. It may be mentioned that the problems relating to slum improvement, housing, integrated urban development etc. are the issues which can be effectively tackled and taken up at the level of state government.

The problem of urban development and administration are increasing and growing in complexity and there is a perception that the presently constituted municipal machinery has been unable to perform its tasks efficiently and in a straight forward manner. So there exists a dire need to reform the structure, administration and financial working of local bodies.

"The degree of efficiency attainable in any given government depends in very large measure upon improvement in structure and mechanics (facilities and techniques), improvement in performance of municipal officials and employees".

Some of the major problems of municipal administration in India, being discussed in this chapter are:

1. Lack of Constitutional Status;
2. Lack of Autonomous Entity;


3. Problems of Financial Viability;
4. Lack of Trained Manpower;
5. Insufficient Use of Modern Technology;

23. CONSTITUTIONAL STATUS OF MUNICIPAL BODIES

Municipal government in India is now more than one hundred years old, the beginning being made in the mid nineteenth century in the three presidency towns of Calcutta, Bombay and Madras. After the mutiny (1857) municipal governments were set up in other towns, primarily as an administrative measure to provide relief to imperial finance and secure better sanitary conditions in urban areas to prevent troops from contracting disease. Since those early days in 1860's, Municipal government has undergone various changes in terms of powers, functions and competence, but has not yet been given a sufficiently powerful base of its own within the scheme of governance of the country. The status enjoyed by the municipal bodies in India today is definitely weak in many respects.

The constitutional status of local government differs from country to country. "The character, quality and constitutional and legal status of local government are determined by the multiplicity

of factors like national and local traditions, customary deference patterns, political-economic resource controls, social organisations and beliefs".

The actual prospects of according suitable constitutional status to local government in India is obviously a matter of conjecture. First, the worldwide concern for according and independent constitutional status to the local government, especially in federations of Brazil and Nigeria, are pointers in this direction. Secondly, political opinion at the centre seems to indicate a renewed interest in nationwide grassroot democracy. Thus in order to ensure that the functioning of states remains confined to their designated spheres, it may be necessary to strengthen local governments which counteract the increasing trends of centralisation at the top, this propensity towards narrow concentration of power being undesirable. However, the ground reality is that the states demand for increased devolution of power can be justifiably be met only when similar devolution to local government takes place. Thirdly, there are indications that the judiciary is actively intervening in such conflicts by directing states to allow elected local government to

As far as this phenomenon's recent history in India, conferring constitutional status to panchayati raj bodies was suggested by the Ashok Mehta Committee (1978) in order to accord requisite status to rural local government, as well as to ensure its continuous functioning. Since 1977 the All India Council of Mayors has also been demanding suitable constitutional amendments to provide effective safeguards against partisan supersession of municipal bodies and indefinite postponement of civic elections. Such safeguards can enhance the status of local government. There are basically three identified options in conferring such suitable constitutional safeguards. These are the following: (1) Coordinate Status, (2) Independent Status, (3) Improving the Status Quo.

In a strict legal sense, 'Status' implies a formal division of state power among the constituent units in the federation. The legality of the city-state relationship has obvious importance. Since the state can at any time assume the powers of city government, its powers are necessarily overriding. For instance, it can summarily remove its officials and/or even the right of the city to regulate its internal affairs becomes meaningless. In this light the degree and the kind of authority possessed by a

municipality constitute the real measure of its self government. Relatedly, if we compare decentralized bodies with overcentralized ones, we find that truly participation democracy is the hallmark of the former. Take the case of local government in England versus that of France. The tradition of self governance at the local level in England gives the community remarkable access to public officials, thereby offering them real choices in influencing legislation which has a direct bearing on their day-to-day affairs. All this is made possible through decentralization. However, in France where the level of decentralization is significantly less, even local government authorities are, more or less, agents of the higher levels of government, ---state and national---, rather than self-governing units. Therefore, public access is relatively severely curtailed in comparison. Since the concept of local self-government in India draws more from the British model in theory, a comparison is worthwhile. So if local government in India is an embodiment of an educative and positive change-effecting force as well as a training ground for those in politics, then it is in a better state than in France. The reason for this, lies in the fact that French tradition leans heavily on

centralization of power. As such local bodies provide services under strict central tutelage. This holds true in constitutional, political and administrative matters all mostly controlled by powerful central authorities. Though the American pattern is influenced by British tradition, yet local governments there are restricted in scope. Local autonomy laws in Japan and citizen control in Swedish local government over the field of unregulated or free functions has, to a certain extent, reduced tensions between higher levels of government and enhanced the status of local government.

1. Corrective Measures For the Improvement of Status of Municipal Government

The dependent and neglected status of municipal government in India can be improved by adopting a few corrective measures.

(1) Setting up new institutions.
(2) Development new management systems.
(3) According constitutional recognition.
(4) Developing a municipal lobby.

(1) Setting up New Institutions:


It seems unrealistic today to assume that municipal bodies can function effectively without necessary fiscal support from central and state government. Unfortunately, no state administrative machinery in India, as presently constituted, includes any "policy cell" for continuously evaluating municipal policies and programmes of urban development, inspite of the fact that it is high time for India to have a clear urban development policy with designated agencies for urban development. There is also a dire need for wellequipped administrative machinery at the state level, ideally acting as a bridge between the state government and municipal bodies for smooth functioning.

(ii) Developing New Management System;

A new management system is the need of the hour. This should comprise an objectively formulated system of personnel management, proper budgeting procedures, and organization of statistical intelligence relevant to policy formulation. In addition, it should also be made up of a regular system of public relations and communication. The last should be used as tool of awareness for the electorate, whereby this group can become familiar with the difficulties faced by municipal bodies with respect to providing grass root accessibility. All the innovations just mentioned may
go a long way in significantly improving municipal management. This is due to the fact that such bodies are providing basic support services, services without which no kind of municipal management can meet the people's real expectations.

(iii) According Constitutional Recognition:

Much of the politico-legal weaknesses of municipal government in India, can be traced to their non-recognition by the constitution. Technically speaking, it is possible to confer constitutional status to local governments in India to provide for a third tier of government along with well-defined power sharing. This can be effected by removing a few items from the state list to a separate list, i.e. a local list in Schedule VII of the Indian Constitution. This would accord a degree of legal sovereignty to local governments in India.

(iv) Association of Municipal Authorities:

In the area of policy formulation, the municipal lobby is extremely weak. At the state level some association representing municipalities exist in West Bengal, Tamil Nadu, Andhra Pradesh, Kerala, Karnataka, Rajasthan, Orissa, Uttar Pradesh and Assam. The activities of these municipal associations, however,
have not yet been organized at such a level as to entitle them to a share in policy formulation on municipal government. They are consulted by state governments only on isolated occasions. But facts bear out that development of a strong and representative lobby of municipal bodies and professional associations of municipal officials would significantly raise the status of municipal government.

2.4. LACK OF AUTONOMOUS ENTITY (Too much dependence on state governments)

To a considerable degree, the authority of the city along with its extent is a matter defined by a higher level of government. To the state, municipal autonomy has long been a bone of contention throughout history. The exceptions of ancient times were the cities of Greece, representing a higher watermark in the struggle between city and state—specially in that bygone era, one which still is exceptionally relevant in the modern era. In pragmatic terms the mode is even till date a remarkable instance of autonomy harmonious with higher levels of government, as city authority coexisted within the sovereign state.

Today the word autonomy has only relative

significance, falling far short of sovereignty. This is self-evident as local bodies in practice do not exist as parallel bodies within the state. State legislation provides the basic structure, functions and powers of local authorities and also gives them definite form. This reality, however, leaves numerous gaps for the government and administration to fill. By virtue of such powers state governments periodically make rules to supervise and control local bodies. Therefore, autonomy which a local body essentially possesses will therefore be subject to overall control.

The degree of autonomy depends upon the interplay of several factors. Firstly, it depends on the basic structure of the state as the existence, structure and autonomy of local bodies is the outcome of state legislation. Administrative control and its very nature also influences the development and diffusion of technology for local governments. Since technology is paramount in the modern world, technological advances affect economic growth in their wake. This necessarily has a significant effect on political alignments and realignments ad-infinitum. Encircled within such buffeting winds of change, local governments need to look outward, and properly harnessed technology is a way.

to effectively deal with such a situation, with respect to the existing state of affairs in India. According to the Constitution (Seventy Fourth) Amendment Act 1992 on Municipalities, the state legislature by law, may endow the municipalities, with such powers and authorities as may be necessary to enable them to function as institutions of self-government and such law may contain provision for devolution of powers and responsibilities upon municipalities with respect to the preparation of plans for economic development and social justice and the performance of functions and implementation of schemes as may be entrusted to them, including those in relation to matters listed in the twelfth schedule.

Autonomy is continually assailed by growing socio-economic needs - the pace being frenetic. Thus the administration is required to develop new policies to address the rapidly shifting priorities of the urban socio-economic scope (with respect to social services). The result is either decreasing or increasing the authority of local government, i.e. by vesting them with or divesting them of certain functions. Thus the issue of autonomy is basically one of proper investment of material and human resources.

In 1949 the Local Finance Enquiry Committee, appointed by the Government of India, was formed to enquire into the affairs of local bodies. The committee’s report stated, "we are of the opinion that wholesale transference of functions from local bodies to state governments is a retrograde step and should be avoided, whatever be the criterion for demarcation of functions between the two, the desperate financial plight of the local bodies should not be made ground for reducing them to practical impotence. The tendency since 1935 is to curtail the powers of local bodies. State control over local bodies today is so enormous that the local autonomy has been reduced to a farce. The state legislatures enact statutes determining the constitution, power and function of local bodies. Anything done by the local bodies beyond the scope of powers especially conferred on them by the state legislatures is ultravires." According to A.G. Noorani, "There is fairly extensive reassignment of functions and revenues between the state governments and the local bodies, but it would be all futile if the state governments could freely supersede local bodies and postpone elections to them and encroach on their autonomy in various other ways as they have been doing.

hitherto. The case for entrenchment of autonomy of civic bodies in Constitution itself is very strong.

The state governments argue that autonomous powers of local authorities are intact. However, the former also contends that the greater good of the general public is unaffected by partisan activities. But this is not the whole truth. Some supervision should be there to increase the competence of local authorities, improve their organization and procedures and supply them with technical assistance and advice -- the areas where they are generally needed.

State Governments in general have continued to play a rather negative role, restricting initiative or discretion or assumption of responsibility by urban local bodies. If the municipalities are desirable as units of local-self government, there is certainly no need for an excessive degree of central control. It should be reduced in great measure and also rationalized by amending outmoded bye-laws, regulations.

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16. B.B.Majumdar, Problems of Public Administration in India, Pustak Mahal, Patna, pp.239-47, N.D.
and budgetary patterns. Municipal authorities should be allowed to freely frame their budgets, subject to certain conditions. Though the necessity for imposition of certain conditions cannot be denied, there are presently too many restrictions attached to grants and loans, resulting in municipal bodies being frequently unable to draw and utilize them in time. Therefore, there is a great need for rationalizing and simplifying procedures so that the municipal autonomy could be strengthened.

In India the local government has not been able to evolve policies and programmes for providing various services consistent with the needs of city. This has been largely because of the lack of autonomy. But in America local self government is one of the greatest achievements of the country. It has succeeded in retaining it in a centralizing and a nationalistic age where the units of local self government are vested with a measure of local autonomy.

2.5. PROBLEM OF FINANCIAL VIABILITY

Inadequacy of financial resources in India is a common malaise of administration. This is especially true of local governments, a fact rendering them unable to meet their and their residents' needs.

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This has given rise to a myriad of problems, the major one being a dismal failure to properly train municipal personnel. However, poverty in isolation or the resource crunch is not the sole cause of such a situation. The reluctance of elected members to levy local taxes is also a paramount factor - a feature not confined to India.

In general, community willingness to accept and or demand high taxation for common needs is a proof of highly advanced civic consciousness. However, the failure to collect direct taxes thus levied worldwide, shows the mammoth obstacles the authorities have to face. Great Britain is an exception, where local municipalities routinely expect to collect 98 to 99 percent of the rates levied. Should this figure drop by 3 or 4 percent, an enquiry as to why is the result. But in municipalities in India, uncollected arrears have mounted into staggering sums-after the reforms. Another area of deep concern is the phenomenon of embezzlement, to some extent the result of failure to pay adequate salaries in order to secure honest officials. So, all in all, carelessness, lack of a system and inefficient supervision are major causes. According to Ursula Hicks, Indian local government is not short of means to

raise autonomous revenue. The actual problem seems to be a general lack of responsibility and accountability, graft and concomitant inefficiency in collection. Consequently, octroi and house tax, the two major sources of revenue, are either ignored or maladministered—with the result that optimum collection is never achieved. "Municipalities consistently whimper against inadequate financial resources. What is worse, however, is that municipalities have invariably been adverse to impose a tax seriously and concertedly."

Constraints on Local Government Finances

"Local government financial decisions, including management and structural reforms, are constrained by central government policy—particularly fiscal policy and spatial decentralization policies and by what are usually incompatible political objectives of ministries of finance and local government and the administration of the large cities."

Municipal and other local governments face enormous fiscal problems. The income elasticity of municipal revenue tends to be low and there is a wide


20. Bahl & Linn, Urban Government Finances and Administration in less Developed Countries, Chapter-2 (Forthcoming).
gap between revenue and expenditure. Municipalities also face heavy competitive demands on their tax base. Following are the constraints on local government finances:

1. Low Income Elasticities:

As private per capita income increases, municipal revenue correspondingly increases by smaller percentages. The degree of revenue elasticity is related to the structure and rates of a municipality’s taxation system.

2. Competitive Demands on the Tax Base:

Horizontal competitions among governments for tax revenue, basically restricts the fiscal independence of municipalities. If, for example, a municipality thinks of raising its sales or excise tax rates, the outcome may be that sales within its jurisdiction are likely to decline. Thus actual tax collected may turn out to be much less than expected.

3. A Wide Gap:

There is generally a wide gap between municipal revenue and the overall demand for expenditure on municipal revenue and the overall demand for

expenditure on municipal services. This stems from the fact of political and fiscal federalism, local control of land use and freedom to migrate. Few municipalities have balances between land use for industries, commerce and residences and a balance amongst income groups. Thus large cities are populated mainly by low income groups, whereas suburban municipality residents are generally of middle and upper income groups.

Irene Rubin summarizes urban fiscal stress in terms of the following three models:
1. Migration and Tax Base Erosion;
2. Bureaucratic Growth; and
3. Political Vulnerability.

The migration and tax base erosion model attributes urban fiscal stress to shifting populations and job hopping and their impact on the municipal tax base -- e.g. the stream of rural migrants strains expenditure demands, further crunching meagre resources. Naturally, the already poverty-stricken municipalities cannot cope with such huge burdens suddenly added. More accurately, the resources crunch increases by geometrical progression. Both the bureaucratic growth and political vulnerability models ascribe fiscal stress to a city's internal functioning. The former's basic premise is that governments grow too large too rapidly. Rubin suggests that if such growth reflects legitimate demands for additional services for which citizens are
willing to pay, it may not lead to overspending and fiscal stress. However, the problem can still nevertheless arise if overspending by municipal governments is a bureaucratic attempt to perpetuate the municipal bureaucracy. The political vulnerability model stresses that the more vulnerable a city is to demands of the public, or special interest groups, the greater likelihood that overspending and fiscal stress will result.

2.6. LACK OF TRAINED MANPOWER

Although training has come to be universally accepted as one of the potential tools in making employees efficient and effective in performing their duties, but it is still a highly neglected field. In a study conducted by the U.N. on training in public services, it was observed, "in a period marked by rapid expansion of functions of government into economic and social fields, all the governments encounter in differing degrees, shortages of trained manpower". More importantly, the Hoover Commission of the U.S.A. pointed to the continuous failure of developing countries to provide training for public employees, an area where

clearly the need for such is far more important as the situation is worse.

Soon after the Second World War, the problems of cities grew manifold, partly due to war devastated cities and partly due to the population increase. In addition, major advances in science and technology, e.g., disciplines like cybernetics which radically changed governmental functioning- increased the pressures manifold.

In the light of all such changes, the old system of training became woefully inadequate. Local governmental administration policies and functioning became outmoded. The specific factors for this were the following:

1. Training provided by private agencies was not subject to supervision and hence its soundness was not guaranteed.
2. Its judicial nature and character over emphasized legal details rather than examining administrative problems as a whole.
3. Its narrow approach towards acquiring dry factual knowledge and thereby dismissing insight into the connection between the whole and the parts of tasks of

 Costs and Limitations of Training

Training has its limitations and costs. Municipal bodies do not function properly due to lack of trained manpower. Several reasons can be attributed to this. These are: (1) training is generally a very slow process; (2) most trainers are poorly qualified or motivated; (3) material to be learnt is complicated; (4) conditions for learning are not conducive. Another peculiar problem of developing countries is that the need for training is given scant attention by professionals. With respect to the ground reality, those actually vested with major training responsibilities are ill qualified. As such, they convey improper attitudes and antiquated methods which retard rather than help the productive processes. Besides this, training is sometimes resisted either covertly or overtly. Organizational conflicts as to appointment of trainers may arise conflicts which also question the proper roles and responsibilities of the trainers. Last but not least training is expensive due to the direct expense of the trainer and his tools.


There is a great need to provide training facilities at all levels to all categories of employees of municipal bodies. Departmental rules and regulations should be available in a manual which is periodically updated. A brief course of in-service training would also be useful. At a higher level, complete advantage of training should be availed of by the local bodies, such as training facilities of the centre established by the Ministry of Health, Family Planning and Urban Development at the Indian Institute of Public Administration. "The Main aim of Centre for Training and Research in Municipal Administration is to stimulate and strengthen Municipal Administration and to create national awareness about the problems of urbanization and urban administration".  

Emphasis must be placed on arrangements for orientation of non-official members in the municipal law, organization, finance and administration from time to time.

It is quite disconcerting to know that no training provisions exist in Delhi and Shimla Municipal Corporations. Both Corporations lack trained manpower and no steps have been taken to introduce a sound training system at this level.


Dr. Porter considers systems training a real breakthrough in the technology of manpower development. However, the impact of this new technology is yet to be felt. He says that there is reason to believe that proficiency and flexibility increases as an individual develops a broader and more accurate knowledge of: (1) Routine work situations; (2) the limitation of procedures and equipment; and (3) the consequences of alternative actions.

2.7. THE PROBLEMS OF INSUFFICIENT USE OF MODERN TECHNOLOGY

Adoption of technological innovations by municipal units of government has attracted the attention of local government officials—academic and non-academic, researchers and programme managersthroughout the federal government. The common goal is to understand how and why new technological innovations find application in problem solving activities of municipal government. This goal, more broadly, relates to the efforts aimed at (1) developing a more complete theoretical understanding of the process of innovation and diffusion; (2) providing programmatic guidelines for promotion of productivity and change at

Despite the widespread view that municipal governments have been slow to adopt new technologies, some critics claim that the empirical basis for this conclusion is slight. For the most part, according to them, evidence of municipal adoption of new technologies consists of illustrative examples of non-adoption, a slow rate of adoption of specific techniques, demonstrated resistance of given agencies to "clearly" superior techniques. This view holds merit but is not true across the board. Critics further contend that this view is mostly fragmentary, both with respect to the number of users and innovations. Nevertheless, overall the government has failed to apply and harness technology. The reasons for this are: the difficulties involved and the wilful resistance, "conservative" and related inefficient behaviour.

Paucity of skilled personnel is great among problems in the administration of Indian cities. Although the magnitude of urban problems is increasing year after year, yet the component of manpower is weakening. We in India cannot cope with increasing dimensions of type of services which are required these days to be performed by municipal corporations.

Municipalities face many problems in discharge of their services such as: Disposal of wastes, sullage, cleaning of sewerages and managing of treatment plants of metropolitan cities like Delhi, Calcutta, Madras, and Bombay, Provision of water supply for 10 million people, i.e. one crore in each one of the four metropolitan cities, air and water pollution problem, noise pollution, beautification of vacant spaces and maintenance of gardens and parks, electricity, generations plants, schools, libraries and dispensarys, construction of flyovers, sky scrappers and stadiums, construction of underground railway systems in metropolitan area, construction of municipal markets and other complexes, demolition of unauthorized constructions, transportation and urban traffic problems.

In the discharge of various municipal services as enlisted above we need, these days, highly qualified technical personnel as well as most modern technological equipments and machinery with the available infrastructure, it is not possible to deliver goods.

To take an overview, one can see that municipal administration is constantly battered at by socio-economic and technological forces. The problems faced and grappled with are gigantic but not insurmountable. The staggering nature of the malaise can, however, be
better dealt with if political will exists and, more importantly, is applied. In short, the need of the hour is to face the problems with determination and fixity of constancy to purpose.