

**ESSAYS IN
URBAN GOVERNMENT**



M. Bhattacharya

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ESSAYS IN URBAN GOVERNMENT

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Mohit Bhattacharya, 1932—

TO MY WIFE, KRISHNA

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PREFACE

The purpose of this volume is to put together in one place a bunch of papers written from time to time for different occasions. Out of the fifteen papers, only two viz., "Problems of Cantonment Administration", and "Problems of Municipal Finance" were prepared for no ostensible purpose; these largely grew out of discussions on the subjects in the class room. The first essay was published in the *Journal of Administration Overseas* in April, 1968; the sixth and eighth articles were published in the *Indian Journal of Public Administration* in October-December, 1965 and January-March, 1969, respectively; and the seventh paper came out in the *Journal of the Institute of Town Planners, India* in June 1967. The remaining nine papers were submitted at different seminars and two of these have since been published. In the volume entitled *Law and Urbanization in India*, the Indian Law Institute which organised a seminar on the subject at Allahabad in December 1967, published the tenth paper. On the occasion of the 18th Annual Town and Country Planning Seminar at Trivandrum in November 1969, the Government of Kerala brought out a *Souvenir Volume* in which the eleventh article had found place.

The second and fifth papers were prepared for the Seminar on Municipal Administration held in the Urban Administration Centre of Osmania University, Hyderabad in 1968 and 1967 respectively. As a working paper for a seminar organised by the Municipal Corporation of Delhi in 1968, the fourth paper was prepared, and the third one served the same purpose for a seminar on "Cabinet System in Municipal Government" organised in September 1969 by the Centre for Training and Research in Municipal Administration of the Indian Institute of Public Administration, New Delhi. The ninth and twelfth papers were submitted at the seminars of the IIPA's Municipal Centre on the subjects of "State Machinery for Municipal Supervision" and "Five Year Municipal Development Plans", and the thirteenth one was written for a seminar on "Problems of Management and Financ-

ing of Water Supply in the Urban Areas of Bihar, Madhya Pradesh and Uttar Pradesh", which was organised in February 1969 by the Institute of Public Administration of the Lucknow University.

I take this opportunity to express my gratitude to the editors of the journals mentioned above and to the organisers of the various seminars for granting me permission to publish the papers in this volume.

To the publisher, The World Press Private Ltd., I am most grateful for bringing the book out in record time.

New Delhi

November 1969

Mohit Bhattacharya

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STRUCTURE OF URBAN LOCAL GOVERNMENT IN INDIA

UNLIKE countries such as France where a uniform local government system prevails, India has evolved different structures of local government for rural and urban areas. In recent times, much has been written on the Indian *rural* local government system. Especially after the inauguration of the system of local government known as *panchayati raj* considerable research and investigation have been undertaken into diverse aspects of the newly evolved system. Comparable interest in urban local government studies in India, is, however, conspicuously absent. A few articles do, of course, appear, few indeed compared with the spate of material on *panchayati raj*, and the small number is particularly disappointing in view of the importance of the problems of urbanisation arising from the planned development of the national economy.

In India there seems to be an inverse relationship between growth in urbanisation and consequent aggravation of urban problems, and the amount of inquiries and research into them. The system of elective urban local government which was established during the middle of the last century has remained largely static, although it stands badly in need of repair and renovation. Even the most optimistic observer would express concern about the system's performance and call for thorough examination and suitable reforms.

Urban local government in India was a British innovation. As Hugh Tinker remarks, "The English were certainly not laggard in endowing their Indian territories with self-governing institutions. Madras received a municipal charter investing the town

with the machinery of representative government a full one hundred and fifty years before the same privilege was extended to Manchester. If this was to some small extent due to extraneous issues in Stuart royal policy, there was no hidden reason for the drafting of Act X of 1842, which sought to establish municipal committees in India only seven years after the Municipal Corporation Act, introducing the principle of representation of urban ratepayers had become law in England.¹ The two principal forms of urban local government, the municipal corporation and municipal council,² came into being in the nineteenth century. The Corporation form was ushered in by the Bombay Municipal Corporation Act, 1888. Strikingly enough, although the working of urban local government has frequently been subjected to severe criticisms, the structural patterns of the two types have remained almost unchanged. Under the Indian constitution, local government is a State subject, and constitutionally the states are free to tinker with the structures of their local government units. In the rural sphere, the states have actually exercised their freedom by making changes in the *panchayati raj* system in response to local needs and circumstances. But there is a surprising degree of uniformity among the states to maintain the *status quo* in the sphere of urban local government. It will be pointed out later that some of the states did attempt to introduce structural changes in urban local government, but they had soon to abandon the experiment and revert to the uniform pattern.

Present Pattern

There are five types of urban local bodies in India, e.g., municipal corporation, municipal council, cantonment board, notified area committee, and town area committee.

¹ Hugh Tinker, *The Foundations of Local Self-Government in India, Pakistan and Burma*, University of London, 1954, pp. 333-4.

² The municipalities are differently called in different States. Throughout this paper, the name "municipal council" is used for the sake of uniformity.

TABLE I

Urban Local Bodies in India³

Types	Number
(a) Municipal corporations ..	29
(b) Municipal councils ..	1483
(c) Cantonment boards ..	62
(d) Notified Area committees ..	164
(e) Town Area committees ..	327

Source : A. H. Marshall, *Local Government Finance*, International Union of Local Authorities, The Hague, 1969, p. 231.

Although Table I shows all the five types of urban local bodies, only the first two can be considered as fully fledged representative urban local government. The cantonment boards are governed by the Cantonments Act, 1924, which is a central government legislation. The cantonments are military stations that grew up during the British regime for historical reasons. Even today, these are controlled directly by the central Ministry of Defence. In each cantonment, there is a cantonment board which is partly elected and partly nominated and its key officials such as the medical and engineering personnel are drawn from the military on an *ex-officio* basis.

The notified area committees which exist in eight states and one union territory represent a stop-gap arrangement for areas which are fast developing as new urban areas but which are not yet ripe for municipalisation. The members of these committees are all nominated by the state governments which vest the committees with specific powers in accordance with the provisions of the prevailing municipal Acts.

In six states and one union territory there are town area committees the members of which are usually nominated, or partly

³ Aside from these, there are improvement trusts, water and sewerage boards, and housing boards which are differently constituted special purpose authorities.

nominated and partly elected. Generally, such committees are set up for small towns and entrusted with limited local functions.

The municipal corporations and municipal councils had their basic structures laid down in the nineteenth century, and remain essentially the same to this day. The corporation form is usually found in the principal cities. In general, the corporations enjoy wider powers and more autonomy than other municipal councils. A distinctive feature of the corporation system is the statutory distribution of powers among three co-ordinate authorities, the corporation or the council, the commissioner and the standing committees. The council consists of popularly elected representatives. The commissioner who is the head of executive administration is appointed by the state government. The standing committees derive their powers from the Act itself and/or through delegation by council. The mayor who is the head of the corporation has no executive powers. It is the commissioner who, as chief executive officer, supervises the day-to-day administration of the corporation. Another important feature of the bigger municipal corporations, such as Calcutta, Delhi and Madras is the existence of sub-municipal units called borough committees in Calcutta, zonal committees in Delhi and circle committees in Madras, to which are delegated many of the purely local functions such as vaccination, registration of births and deaths, cleansing of streets and other local improvement works.

It is evident from the above discussion that the corporation system is designed to separate the deliberative and executive functions. The council is the deliberative wing and the commissioner is in charge of executive responsibilities. All the municipal corporations in India are uniform in this respect. Unlike the municipal corporations, the municipal councils which are commonly found in urban areas have, generally speaking, an integrated structure.^{3a} The chairman, who is head of the deliberative wing which is the council, is also the chief executive. At present, however, the trend in almost all the states is towards making statutory provision for the appointment of executive officers responsible for day-to-day administration. The committee system is widely in use, although the number and pattern of committees

^{3a} For further details, see Chapter III.

are not uniform throughout India. Some committees are mandatory, some are optional, and there are still others which are *ad hoc* in nature.

Personnel^{3b}

The service conditions in Indian urban local government are, generally speaking, far from satisfactory and as a result urban local bodies have not been able to attract suitable personnel to run the machinery of government efficiently. The municipal corporations are better off in this respect, as the commissioners of corporations are appointed by the state governments and they are usually top-ranking state officials belonging to the all-India service. In addition, there are high-ranking state officials who are sent on secondment to work as deputy commissioners or to fill in other top positions. But similar arrangements have not been made in the case of municipal councils. The state of Madras which has developed a system of state-appointed municipal commissioners for the municipal councils, is an exception to this general pattern. In recent times, however, most of the states have made provision for the appointment of municipal executive officers to look after regular administration under the general control and supervision of the municipal chairman.

As regards technical officers and all other staff, the general pattern is the individual personnel system of each urban local body. In consequence, these bodies have found great difficulty in getting suitable personnel such as public health engineers, medical and health officers, town planners and so on. The pay-scales and other service conditions in municipal government have failed to attract qualified officers. Chances of promotion are remote in a local body, nor is there any prospect of transfer since there is no unified local government service. Thus, the very image of service in a local body has in most cases discouraged the entry of suitable personnel.

The state governments are now very much concerned about the condition of municipal services and are taking steps to improve the situation. As already indicated, most of the states are

^{3b} For a more elaborate discussion, see Chapter V.

now making provision for the appointment of municipal executive officers. To regularise the recruitment of senior and middle level municipal personnel, the state public service commissions have been used in some states. The system of integrated service for technical posts such as municipal engineers and health officers has been adopted in a few states. Under this system, the officers are recruited for the requirements of the state government as well as the municipal corporations and municipal councils, and they may be posted either to a state department or to any of the urban local bodies. Also, there are limited instances of states that have introduced a system of unified municipal service for specific posts under which the officers are transferable from one municipal authority to another. The general trend seems to be to organise an integrated service system for the technical posts only. Whatever systems are worked out in future, it is already quite clear that no urban local authority can attract properly qualified personnel unless service conditions including scales of pay, prospects of promotion, job security and other service benefits are considerably improved.

Finances

An account of urban local government will be incomplete without a discussion on their finances. It is frequently observed that it is the desperate financial condition of the urban local bodies in India which is the root cause of their weakness and inefficiency. A full-scale discussion on municipal finance is not possible within the scope of this paper and we can highlight some of the important problems only. The sources of income of the municipal authorities are revenue from specific taxes, grants-in-aid from the state governments, and non-tax revenues from fees, fines and municipal enterprises such as city transport, markets, etc. A recent inquiry shows that "the urban local bodies derive about 66 per cent of their ordinary income from tax revenues, about 21 per cent from non-tax revenues and 13 per cent from grants-in-aid."⁴ The

⁴ *Augmentation of Financial Resources of Urban Local Bodies*, Report of the Committee of Ministers constituted by the Central Council of Local Self-Government, November 1963, Manager of Publications, Delhi, 1965, p. 140.

major taxes levied by most of the urban local bodies are (i) taxes on property including general rate and service taxes for water supply and drainage, lighting, garbage disposal etc.; (ii) octroi⁵ on the entry of goods into a local area for consumption, use or sale therein; (iii) taxes on animals and vehicles; and (iv) tax on trades and callings. Although, income from taxation constitutes the mainstay of urban local finance, municipal tax administration has been far from satisfactory. The following extract from a recent committee report depicts the situation very vividly:

"The municipal councils have generally been averse to levying fresh taxes or enhancing the rates of existing taxes. From a study of the tax structure of 100 local bodies, it appeared that as recently as 1962-63, 21 per cent of the local bodies were levying no property taxes, 54 per cent were levying no service taxes, while about 27 per cent were levying no vehicle tax. The Committee on Augmentation of Financial Resources of Urban Local Bodies has also reported that in 1960-61, 35 per cent of municipalities in Gujarat, 18 per cent in Madhya Pradesh, 38 per cent in Punjab, 83 per cent in Rajasthan and 40 per cent in Uttar Pradesh were levying neither property tax nor any of the service taxes. In Rajasthan, the levy of house tax, tax on professions, trades and callings and octroi are by law obligatory and their rates have been fixed by the state government but many local bodies are not collecting the house tax or the tax on professions, trades and callings. In Assam and Kerala, the municipal law provides for the levy of a duty on transfer of property, but no local body has used this source of revenue. Even where taxes are levied the rates fixed are kept low and the incidence of municipal taxes falls unevenly on different sections of people."⁶ The administration of property taxation which is the most important source of municipal income in many of the States, remains highly unsatisfactory. In the absence of a central valuation agency, assessment is often vitiated by local political considerations. Furthermore, tax collection is often grossly mismanaged as a result of which many

⁵ This tax is not levied by all the States. The exceptions are Andhra Pradesh, Assam, Bihar, Kerala, Madras and West Bengal.

⁶ *Report of the Rural-Urban Relationship Committee*, Vol. I, Ministry of Health and Family Planning, Government of India, June 1966, p. 89.

of the urban local bodies are found in heavy arrears. In some of the states, not even half of total municipal tax demand is collected.

State grants-in-aid have not assumed a significant proportion of municipal income so far in India, although state control is considerable. Only recently, the States of Gujarat, Kerala, Madhya Pradesh and Rajasthan have introduced detailed grants-in-aid systems. In all other states, grants are made on an *ad hoc* basis, depending on the condition of state finances.

Municipal income from non-tax sources is also meagre. Most of the remunerative enterprises such as road transport, electricity etc. are generally speaking, exploited by the state governments themselves, and the urban local bodies have not been forward-looking enough to tap other sources such as milk supply, hotel-keeping, land development and so on.

Most of the municipal bodies have low *per capita* income which stands in the way of their providing even the basic civic amenities. A recent survey made by the Rural-Urban Relationship Committee⁷ reveals that during 1962-63, most of the municipal corporations studied had an annual *per capita* income of less than Rs. 30/-. The figure was as low as Rs. 2/- only, in the case of smaller municipalities. Evidently, such municipal authorities exist in name only.

Role of State Governments

Constitutionally, local government is a state subject in India. A long tradition of centralized administration coupled with this constitutional position has led to considerable state control over municipal administration. Also, the rigour of state control is, in no small measure, attributable to the almost incurable weakness and inefficiency of municipal government, and a pathological indifference of the urban citizenry to municipal institutions generally.

The municipal bodies are creatures of state laws and as creators the states have powers to delimit and alter their jurisdiction, effect mergers and even extinguish them. State control

extends to almost every aspect of municipal administration such as finances, staff appointments and dismissals, sanctioning of major projects and performance of even ordinary functions. Control is strictest in financial matters and elaborate rules and regulations have been framed for this purpose. The budgets, for instance, are submitted to the state governments for approval, and there are auditors appointed by the state governments to audit the municipal accounts. Besides, the states have powers of inspection and supervision, powers to call for reports and returns, to take action in default, and to suspend execution of municipal orders and resolutions. In case of incompetence or persistent default in the performance of duties, the state governments have powers to supersede the municipal bodies and appoint administrators to manage their affairs.

The role of the state governments is of crucial importance in promoting healthy growth of the urban local bodies. But the situation today is not very much different from what the Simon Commission observed about thirty-seven years ago: "Where spur and rein were needed, the ministers were given only a pole-axe."⁸ This is also confirmed by the observation of a recent committee report that "the techniques of supervision and control in India—specially in the urban areas—have remained rather static, unimaginative and negative."⁹ The wanton use of drastic punitive measures which include removal of elected members and supersession of municipal administration, testifies to this state of affairs. Many of the state governments are now in the process of setting up directorates with requisite personnel for maintaining close contacts with the municipal bodies and offering them necessary and timely guidance and advice. Some states have already introduced grants-in-aid codes to systematise state grants to the municipal bodies. Also, to solve their personnel problems, many states have either adopted or are planning to introduce an integrated system and/or a unified service. Still, these efforts are rather slow in coming and patchy in nature, and these have important implications affecting the nature of urban local government.

⁷ Report, op. cit., p. 86.

⁸ Quoted in Tinker, op. cit., p. 142.

⁹ Report of the Rural-Urban Relationship Committee, op. cit., p. 117.

Summing up

Although urban local government has long been in existence, it cannot be said to have attained adulthood even today. Prior to Independence, the steady growth of the municipal bodies was not possible primarily because of the overwhelming importance attached by national leaders to the cause of political freedom. In the post-Independence phase, major attention was paid to the urgent nation-building activities such as planning and economic development. It is true that the first conference of the State Local Self-Government Ministers was convened by the Union Ministry of Health as early as 1948, and six years later the Central Council of Local Self-Government had come into being. But, constitutionally local government being a state subject, the states have not been over-enthusiastic about improving urban local government in spite of intermittent proddings by the central government. It is significant to note that the newly evolved system of rural local government known as *panchayati raj* is a creation of the central government. Similarly, radical reforms in the sphere of urban local government will perhaps await an accidental burst of reforming zeal on the part of the central government. Even then, with different political parties in power in the states and at the centre, it may not now be very easy for the centre to push through a scheme of reform.

The responsibility for stimulating the municipal bodies and helping them grow as local self-governing institutions falls primarily on the state governments. But, as already mentioned, the attitude of the states towards the municipal bodies has been largely static and negative. After Independence only two states, Uttar Pradesh and Madhya Pradesh, attempted unsuccessfully to make organisational changes by introducing the system of direct popular election of municipal presidents (chairmen). The experiment in both the states was short-lived and they had soon to go back to the old conciliar system with the president|chairman being elected by the councillors from among themselves. Apart from this, no fresh attempts were made by any of the state governments to introduce changes in the structure of urban local government. However, as pointed out earlier, many of the states are now trying to improve the staffing pattern of the municipal

bodies and some states such as Kerala, Gujarat, Madhya Pradesh and Rajasthan have regularised state grants to the municipal bodies on the basis of certain principles.

In a predominantly rural country like India, it is too much to expect radical reforms in urban local government within a short period. The state legislatures and the national Parliament are dominated by rural politicians who are naturally immersed in rural development problems. Also, the general poverty of the country and competing demands on resources stand in the way of liberal income transfers from the higher level governments to the local bodies.

Last but not least, urban local government is also impoverished by the general apathy of the urban communities, and it may not be an exaggeration to say that there is hardly any perceptible demand for urban local government. In a new democracy there remains a tendency to integrate all the levels of government—due perhaps to the reluctance of upper level governments to part with power. When to this is added citizens' indolence and apathy, such a situation is hardly conducive to the steady and healthy growth of local self-government. Currently, India is passing through a critical phase of political evolution which is affecting the growth of local government, both rural and urban, equally.

II

COMMITTEE SYSTEM AS A MANAGEMENT DEVICE

The committee system in municipal government can be discussed from a variety of standpoints. The purpose of this paper is to look at the committee system as a management device in municipal government and administration and to pose some problems from this angle. Our municipal corporations and municipalities undertake a number of functions: some are regulatory, some are in the nature of direct services to the public and still others like planning are holding-the-fence-type functions. Whether the structure of the prevalent municipal authorities is best suited to discharge these functions is an open question. At any rate, the proliferation of competitive urban local institutions such as the improvement trust, the housing board, the water supply and sewerage board and so on does point out the feasibility of management of many of the municipal functions through a variety of institutional devices. Again, in different parts of the world structural peculiarities of local government institutions offer a feast for the student of comparative local government.

The structure of our municipal government, as is well known, is a legacy of history. Because of the historical accident of British rule in India, municipal government in this country was modelled on the British pattern. Of course, some changes were made from time to time to adjust the municipal structure to local circumstances; but broadly speaking, the structure had close resemblance with the English institutions. The committee system which is the subject of our discussion has been characterised as 'the British way of life'. In fact, it is striking to note that the sub-title of Prof. Wheare's famous book, *Government by Committee*, reads as "an essay on the British Constitution". This shows the importance of the committee system in the British way

of governance. But in spite of its hoary tradition the effectiveness of the committee system as a management device has, in recent times, been a subject of serious concern. For instance, the recent report of the Maud Committee on *Management of Local Government* has drawn attention to the difficulties confronting English local government because of the multitude of administering committees going merrily on their own way. It is worth-while to refer briefly to the management problems involved in the English system, as this might be an eye-opener for us. In British local government, the elective council is the repository of all powers. In this system, the several committees, each of which is concerned with the administration of one or more functions, receive their powers by way of delegation by the council. Thus the English committees do not derive powers directly from the statute.¹ They are, strictly speaking, sub-committees of the council, and they do not have, legally speaking, any power of taking final decisions. So, all the deliberations and decisions of the committees go to the council for confirmation. In actual practice, however, very few of the recommendations of the committees are rejected or referred back. Through usage, therefore, the committees in English local government have come to acquire so much power. The departmental organisation of a local authority in England follows closely the types of administering committees. The chairman of a committee and the officer-in-charge of the functions which are being looked after by the committee, work very closely together. In consequence, each department, guided by the relevant committee, operates almost in an autonomous fashion. In such a situation, inter-departmental coordination becomes the first casualty. The British Town Clerk who is the chief officer of a local authority many a time remains a mute spectator to the discordant administration on which he has little control. "The general conception is", as the Maud Committee observes, "that of an assemblage of committees, each carrying out its own special duties and championing its own causes, with reliance on horizontal committees, personal contacts,

¹ This is generally true. But, a number of committees such as the Childrens' Committee is statutory.

party machinery and the efforts of officers to achieve coordination."²

Problems of our Municipal Corporations

We are not so much concerned with the difficulties of the English system as those of our own. Yet, it is instructive to look at the problems of English local government.

Fragmentation of authority and consequent lack of coordination are in no small way responsible for some of the difficulties in our municipal management; but the Indian problems stem from a rather different situation. We have two main types of municipal government: the municipal corporation and the municipal council. It was the Bombay Municipal Corporation Act of 1888 which created a model of corporation government. The Hyderabad Municipal Corporation Act, 1955, like all other Corporation Acts, has followed the Bombay model quite closely. A peculiarity of this model lies in the creation of the *triumvirate* consisting of the corporation, the standing committee, and the commissioner. They derive powers from the statute, and they operate as coordinate authorities. Section 4 of the Hyderabad Act enumerates the three authorities which are charged with the execution of the Act, viz., the Corporation, the Standing Committee, and the Commissioner. The respective functions of these authorities have been specified in Sections 117 to 128. The Hyderabad Act is unique in providing for a single Standing Committee (Section 93). There are references to sub-committees of the Standing Committee and Special Committees of the Corporation, but it is the Standing Committee which emerges as the powerful organ of Corporation government deriving powers directly from the statute. This stands in sharp contrast to the provisions of the Calcutta Municipal Act, 1951, under which five standing committees—finance and establishment; education; health and bustee improvement; water supply, drainage and sewage disposal; and works and town planning—possess

² *Committee on the Management of Local Government, Report* (Vol. I), HMSO, London, 1967, p. 14.

direct statutory powers. The corporation type of municipal government suffers from fragmentation of authority due to the parcelling out of powers and functions among three competitive authorities, viz., the corporation, the commissioner and the standing committee. Where, as in Calcutta, the statutory committees are numerous, this leads to further accentuation of fragmentation. The provision for a single Standing Committee in the Hyderabad Act has the salutary effect of forestalling fragmentation at the committee level. And given political homogeneity, there is every possibility of the emergence of a cabinet type of government in the Corporation *via* the Standing Committee. In that event the independent statutory powers of the Commissioner may well prove to be a stumbling block to concerted and harmonious municipal administration. Even now, it is not unknown that the commissioners in many of the municipal corporations are certainly not in a very enviable position; there are either open conflicts or uneasy alliances.

Integrated Structure of Municipal Councils

The corporation model with three coordinate authorities is an exotic Indian system which has hardly any parallel anywhere in the world. Perhaps, the statutory distribution of powers between the manager and the council in the Eire manager plan belongs to the same category. In any case, it has no parallel in English local government. The English conciliar system under which all the powers vest in the elected council became the model for the municipal councils in India. No statutory committees were there to claim a share of authority. If one makes a quick survey of the older municipal Acts which are still in force in many of our States such as West Bengal³ (Act of 1932), Bihar (Act of 1922), Madras (Act of 1920), Punjab (Act of 1911), and U. P. (Act of 1916), one would find no provision in these Acts for any standing committees which constitute an important feature of the corporation model. Like the English system, constitution of committees for making recommendations to the council has

³ Education Committee is a statutory committee in West Bengal.

been provided for. But the wide use of such committees and the duet of the functional committee and the parallel department which characterise the English system have never been fully realised in our municipal councils. The smallness of our municipal councils, lack of effective and substantial statutory and financial powers, and reluctance of members to disperse authority—all these have stood in the way of a fully developed committee system in our municipalities. Although the municipal council is more of an integrated type, the comparison with the English system should not be stretched too far. The role of the chairman in the older municipal Acts was certainly a departure from the English model. For, the chairman was given some statutory powers, and all executive administration was placed directly under his control and supervision. Even now, the chairman enjoys these powers in most of the States where the older Acts are in force. The chairman's power of general supervision and control has also been retained in some of the new Acts such as those in Maharashtra (Act of 1965) and Gujarat (Act of 1963).

Trend Towards Fragmentation

There is a trend evident in many of the new municipal Acts towards the distribution of statutory powers among the council, the chairman, the standing committee, and the chief executive officer. The Andhra Pradesh Municipalities Act, 1965, falls in this category. Section 4 of this Act enumerates the authorities charged with carrying out the provisions of the Act. There are the council, the chairman, the executive committee, and the secretary. The entire chapter III of the Act deals with the powers and functions of these municipal authorities which is very much in line with the provisions of chapter III of the Hyderabad Municipal Corporation Act, 1955. Also, Section 4 of the Municipalities Act is almost a replica of Section 4 of the Corporation Act, the only difference being the mention of the chairman as one of the four municipal authorities. Thus, the scheme of fragmentation of authority in the corporation model has been grafted in the Municipalities Act also. Besides, fragmentation has been carried further in the Municipalities Act. It is expected, therefore, that the attendant problems of fragmentation which have already been

discussed earlier in this paper, will accompany the scheme in due course. The Executive Committee is the only statutory committee in the Andhra Pradesh Municipalities Act, which makes it similar in this respect to the municipal Acts of Gujarat, Kerala, Madhya Pradesh and Mysore. The municipal Acts of Maharashtra and Rajasthan provide for a number of statutory functional committees along with the key standing committee. The Executive Committee in the Andhra Pradesh Municipalities Act is modelled on the Standing Committee of the Hyderabad Municipal Corporation Act. The adoption of the single committee system works as a guarantee against discordant administration inherent in a multi-committee system. Also, the Executive Committee can provide executive leadership in municipal administration if it gets the necessary political backing. Two provisions in the Municipalities Act, however, stand in the way of emergence of the Executive Committee as the most important organ of municipal government and administration. In the first place, election of members in accordance with the system of proportional representation by means of a single transferable vote (Section 28(3)) may lead to a politically heterogeneous Committee. In the second place, Section 57(1) (a) confers independent powers on the Secretary in the matters of collection of taxes, fees and licences and removal of encroachments. As political heterogeneity is apt to reduce the effectiveness of the Executive Committee, so the independent statutory powers of the Secretary are not unlikely to drive a wedge between him and the Executive Committee.⁴ In either case, administrative leadership of the Executive Committee is expected to be hamstrung.

Summing up

The committee system being one of the apparatuses of the municipal machine, its role needs to be related to other parts of the machine. As this discussion brings out, there is a trend in the new municipal Acts toward the creation of coordinate statu-

⁴ This can be inferred from the not-too-happy relationship that obtains today between the commissioner and the corporation under the Municipal Corporation Acts in force in India.

tory authorities of which the standing committee or the executive committee is an important part. With more and more encadrement of municipal services, this trend may gather momentum. In that event, splintering of powers and authorities will be a common feature of both the Corporation Acts and the Municipalities Acts. This is already the case in Andhra Pradesh and in some other States. A close look at the scheme of fragmentation of authority and powers reveals an attempt to make a queer compromise between 'democracy' and 'efficiency'. The underlying assumption here is that the two go ill together, and that too at the local government level only. An important fact missed by our legislators is that executive leadership can be either collective or individual-centric; it cannot be both. When powers are statutorily divided between the executive committee or the standing committee on the one hand and the commissioner or the secretary on the other, administrative leadership is sandwiched between the two, and the situation becomes one of 'suspended animation'. The situation may not be that critical in every case, but the system has a built-in bias towards the fragmentation of authority and conflict of powers.

If collective leadership of the standing committee or the executive committee is accepted as the basic tenet of municipal management, conferment of statutory executive powers upon any other authority is apt to defeat the purpose. This applies as much to the commissioner or secretary as to the chairman. One can draw attention particularly to Sections 48 and 49 of the Andhra Pradesh Municipalities Act, 1965, conferring executive powers on the Chairman which is repugnant to the scheme of Executive Committee leadership enshrined in the Act.

A central committee like an executive or standing committee has great potentialities for being developed much like the executive board in the Swedish local councils which is the king-pin of local executive administration in that country. The provision for coordinate authorities in our corporation and municipal Acts stands in its way at present. Collective leadership by an executive or standing committee would still leave room for wide use of the officials and a range of advisory committees by way of delegation of powers and functions which is so important in the management of local government.

III

CABINET SYSTEM IN MUNICIPAL GOVERNMENT

The foundation of urban local self-government in India was laid in the last century and the structure of municipal government that was designed in those olden days has remained almost unchanged to date. In bigger cities, the corporation type of city government, after the Bombay model, with its tripartite division of powers persists; in other towns the familiar council-committee system of the British type has generally prevailed. The southern States have, however, adopted in recent times the Madras model of municipal structure with powers distributed among the council, the chairman and the chief executive officer. This model has also been introduced recently in a few other States such as Madhya Pradesh, Bihar and Orissa. Thus, the fragmented structure of municipal government which is characteristic of corporation government seems to have gained in popularity after Independence. The current trend toward the provincialisation of municipal services, which is intended to strengthen the executive administration of municipalities, tends to reinforce further the fragmented structure of municipal government.

Under the Bombay model of corporation government, powers are distributed among three coordinate statutory authorities, e.g., the corporation or the council, the commissioner appointed by the State government, and one or more standing committees. The number of authorities increases further where separate utilities such as electricity, transportation, water supply and sewerage are sought to be administered with a degree of autonomy within the overall frame of city government. Thus, there are seven authorities under the Delhi Municipal Corporation Act, 1957, and an identical number under the Bombay Municipal Corporation Act, 1888. As mentioned earlier, in a number of States the

constitution of ordinary municipalities has also been framed or changed after the corporation model. In consequence, the traditional British-type council-committee system is now existent in only eight States such as Assam, West Bengal, Uttar Pradesh, Punjab, Rajasthan, Gujarat, Maharashtra and Haryana.

The Council-Committee System

The council-committee system is based on the nineteenth century idea of direct responsibility of every councillor for the administration of a local area. In an era of limited municipal functions and paucity of paid staff, it was necessary that each councillor should do his bit to run the municipal machinery. The committee system was, therefore, intended to give every popular representative some share in local administration. However, it is common knowledge that in India the committee system in the municipalities could not develop in the same way as it did in Britain. Very few functions were entrusted to the municipal bodies, and chronic financial difficulties stood in the way of diversification of functions. Another impediment to the widespread acceptance of the committee system was a general reluctance on the part of the group in power to delegate authority to anybody else. In Britain, where committee system developed fully, it has been observed recently by a Committee¹ that the device has contributed neither to efficiency in decision-making nor to economy in administration. It tends to divide municipal administration into separate isolated compartments, each consisting of one or more departments and the committee supervising their activities. In such circumstances, coordination becomes difficult, if not impossible, and there is hardly any mechanism for viewing and guiding the municipal administration as a whole. The idea of the councillors' direct responsibility for administration inherent in the committee system works against delegation of powers to paid officials, and encourages unnecessary and even undesirable interference in day-to-day administration.

¹ *Report of the Committee on the Management of Local Government*, Vol. 1, HMSO, London, 1967, pp. 35-6.

In India, the council-committee system did not work well due to the failure of the committee system to strike firm roots. So far as ordinary municipalities are concerned, the president|chairman with the help of a majority of councillors emerged as the head of both the council and the executive administration. The general picture has been one of ill-staffed municipal administration headed by a chairman who has at best been a part-time amateur administrator. Even where an executive officer has been appointed to strengthen executive administration, the relationship between him and the members of the elected wing has not always been easy and helpful. The municipal council has in many cases been reluctant to delegate powers to the executive officer to enable him to run the day-to-day administration without much of political interference. In such circumstances, no working distinction could be evolved between what should be done by the elected councillors and what should be left to the care of paid officials. It has resulted in the under-utilisation of the services of the paid staff and a diffused administration having no distinct focus of responsibility.

The Corporation Triumvirate

The internal management problems of the municipal corporations flow from the statutory fragmentation of authority which is a characteristic feature of all the Acts governing the organisation and working of municipal corporations in India. As the ordinary municipalities in the southern States exhibit a closely similar fragmented structure, the observations with regard to corporation administration will hold good in their case also. The distinctive feature of corporation government is what is commonly called the separation of executive and deliberative powers. The corporation or the city council is to lay down broad policies, frame bye-laws, sanction the budget and keep a general watch on executive administration. At the other end, the entire executive authority is vested in the commissioner appointed by the State government (Central Government in the case of the Municipal Corporation of Delhi). The commissioner is as much an independent statutory authority as the corporation, deriving powers directly from the law. He has important powers of mak-

ing appointments and contracts, enforcing the provisions of the Act for which he has been made statutorily responsible, implementing the decisions made by the corporation and the standing committees, and exercising control and supervision over the entire executive administration. In most cases, the corporation Acts have provided for a number of statutory functional committees which has the effect of splintering the administration further and rendering coordination difficult.

The structure of corporation government is designed on a dubious assumption that in governmental operations 'policy' and 'administration' are two distinct and divisible functions which can be entrusted to two separate authorities. It is not very easy to define the terms, and in the practical world of governance, especially in the field of local government, policy and administration are inextricably intertwined. Historically, the doctrine of separation of powers was formulated by Montesquieu to weaken governmental authority in an age of autocracy. With the advent of democracy, much of its appeal was lost, as other methods of keeping the executive in check evolved. So far as Indian municipal government is concerned, it should be borne in mind that the independent coordinate authority of the commissioner dates back to a stage in the constitutional evolution of the country when representative municipal government was struggling to be born and official dominance was universal. Corporation government originated in the Presidency towns where the then ruling class had a vital stake in their administration and they could hardly afford to entrust executive authority even to a partially elected council. With the inauguration of constitutional democracy after Independence, the retention of the government-appointed commissioner as a coordinate and independent statutory municipal authority has hardly any justification. When a civil servant is placed as a coordinate statutory municipal authority, it involves an unwarranted trespass into the domain of the representative local council. If he is defended as a check on the popular element, the argument would betray a queer distrust of representative government itself. As the history of corporation government in India shows, the statutory division of deliberative and executive powers has been a constant source of friction between the commissioner and the corporation. The commissioner's

attempts to run the executive administration without political interference have frequently been thwarted by pressures from the elective wing. On the other hand, the elected city fathers have argued, not without justification, that since they are often blamed for the deficiencies and failures in civic administration, the statutory responsibility for executive administration must be theirs. Thus, a debilitating conflict of authority has been built into the constitution of corporation government. In practice the commissioner and the corporation must work in harmony as necessary complements to each other, but the law has driven a wedge between the two.

Fragmentation of authority poses serious problems of administrative coordination. In corporation government the locus of authority is indeterminate which stands in the way of smooth internal management and progressive city planning and development. For instance, the commissioner may be responsible for executive administration, but in most cases he does not have ultimate authority over staff matters. Similarly, for making appointments and contracts, powers are distributed among several authorities which not infrequently leads to the slowing down of the pace of administration. Due to fragmented structure and splintering of authority, the needs of the city as a whole, its perspective planning for progressive development, and single-minded attention to mobilisation of resources and enlisting of active popular support for civic development projects seem to be nobody's concern. A commissioner may be a very efficient administrator, but he cannot be expected to play the role of a political leader. While the councillors would aver that they are partly, and not wholly, responsible for the city's governance, as executive administration has been statutorily taken out of their control. The standing committee, as provided for in the Corporation Acts of Bombay, Delhi and Hyderabad, has tried to assume the role of a coordinating mechanism—the focal point of city administration, which is intended to gather up the diverse threads of administration and give it a unity of purpose. As a microcosm of the corporation, it knows the mind of the elected wing; and being a small body, it works in a more business-like manner and takes decisions in a calmer atmosphere unruffled by the din and fury of corporation sessions. Although the commissioner is not

legally subordinate to the standing committee, in practice he finds it convenient to work in close association with the committee. The standing committee has the potentialities of a plural political executive acting as a bridge between the corporation and the executive administration headed by the commissioner. But the implied conception of non-partisan municipal government has stood in the way of its emerging much like a cabinet system which is in vogue at the Central and State levels. The corporation Acts invariably provide for partial election of the members of the standing committee every year on the idea that its membership is non-permanent. Again, some Acts provide for proportional representation which goes against the concept of political homogeneity so vital for a cabinet system. The placement of the commissioner as a coordinate, and not a subordinate, authority also creates an anomalous relationship between the standing committee and the chief executive, the commissioner.

Reform Proposals

Although it has been felt that the existing forms of municipal government in India have not met with much success, it is rather surprising that very few reform proposals have been mooted and seriously pursued to change the 19th century municipal structure. After Independence, a short-lived experiment was made in Uttar Pradesh and Madhya Bharat with the presidential system of municipal government, the president being directly elected by the people. In recent days, the corporation form of government has been under fire and the corporators have time and again inveighed against the statutory independence of the commissioner and pointed out the unworkability and undesirability in a democracy of the statutory separation of deliberative and executive powers. It is in this connection that the introduction of the cabinet system of government at the municipal level has been favoured by the mayors and corporators of important corporations such as Bombay, Calcutta, Delhi, Poona, Nagpur, Sholapur and a few others.² As a concrete measure, the Metropolitan

² See *Report of the Rural-Urban Relationship Committee*, Vol. III, Ministry of Health and Family Planning, Government of India, 1966, pp. 496-506.

Council of Delhi had passed a Bill (No. 59 of 1966) proposing a Mayor-in-Council form of municipal government for Delhi in replacement of the present Municipal Corporation. The Bill was forwarded to the Parliament for enactment, but due to the general elections intervening the measure could not be passed. It was explained in the 'Statement of Objects and Reasons' that the Bill contemplated important changes in the organisational set-up of the Municipal Corporation of Delhi to enable that body to function more efficiently. It was observed: "Under the Delhi Municipal Corporation Act, 1957, the executive power for the purpose of carrying out the provisions of the Act vests in the Commissioner but in a number of cases, he can act only with the previous sanction or approval of the Standing Committee or the Corporation. The scheme embodied in the Bill provides for the executive functions being vested in the Mayor-in-Council consisting of the Mayor who will be elected by the members of the Corporation and two Deputy Mayors who will be appointed by the Administrator (of the Union Territory of Delhi) on the advice of the Mayor. The Commissioner will be the principal executive officer of the Corporation and will exercise the powers and perform the duties conferred or imposed on him under the Act subject to the supervision and control of the Mayor-in-Council."³ The form of municipal government envisaged in the Bill comes close to the cabinet system of government. The Mayor and the two Deputy Mayors constituting the Mayor-in-Council will be responsible for the executive administration of the Corporation; at the same time, they will be members of the Corporation. The Mayor will be removable by a resolution passed by a majority of all the members of the Corporation. Thus, the fusion of executive and legislative wings which is the fundamental characteristic of cabinet system of government is achieved, and the accountability of the Mayor-in-Council to the Corporation ensured. The Commissioner, under the proposed system, will be appointed by the Mayor-in-Council with the approval of the Administrator, and he will function subject to the supervision and control of the Mayor-in-Council. This provision obviously aims at abrogating

³ See Bill No. 59 of 1966 as published in the *Gazette of India Extraordinary*, Part II-Section 2, New Delhi, August 29, 1966.

the old duality in Corporation administration. Also, the existing fragmentation of authority has been sought to be removed by abolishing the Standing Committee and making the constitution of committees optional. As the first serious attempt after Independence to radically change the constitution of city government, the Mayor-in-Council Bill is no doubt a landmark in the history of municipal government in India.

Search for a Modus Vivendi

In spite of this break-through, on a closer scrutiny, the form of municipal government proposed for Delhi exhibits a number of glaring defects also. For instance, a three-man council is too small to supervise and control the various functional departments. Also, a small cabinet is apt to antagonise influential party leaders many of whom would aspire after a position in the cabinet. Since only the Mayor is removable by the Corporation, the principle of joint responsibility has been overlooked in the proposed system. Under the projected set-up, no distinction has been made between a titular executive and a real executive. In such circumstances, the Mayor will have to function both as an ornamental figurehead and as the head of the executive organ; which would put too much strain on the busy Mayor. The Mayor or in his absence the Senior Deputy Mayor will be presiding over the meetings of the Corporation. This provision creates an anomalous situation; for, the Mayor who is head of the Mayor-in-Council—the political executive, should not simultaneously hold the position of speakership of the Corporation. A separate provision needs to be made for the election of a president and a vice-president of the Corporation from among the corporators who will preside over the meetings of the Corporation. Another important defect, which may pose a threat to the successful working of the Mayor-in-Council, is that the opposition will have almost no real share in the exercise of governmental power. Committees, if constituted, will be advisory in nature. On the lines of the Public Accounts Committee and the Estimates Committee at the higher levels of government, statutory Accounts and Estimates Committees elected on the basis of proportional representation would

have ensured a positive role of the opposition in keeping a watch on the working of municipal administration.

In spite of these defects, the proposed Mayor-in-Council system of government may well form a basis for starting a meaningful discussion on reforms in municipal structure. The cabinet form of government is certainly not the only type of government that can be introduced at the municipal level. But, it has certain distinct advantages. In the first place, the cabinet system establishes a plural executive as distinguished from the singular executive in a strong-mayor or presidential system of government. It has, therefore, more room for accommodating at least the important political leaders and offering them a share in the exercise of power. In the second place, a harmonious integration of the executive and the legislative wings is achieved through this system which thus steers clear of any possible deadlock between the two under a presidential system of government. Because of the not-too-pleasant history of concentration of executive authority in the municipal commissioner, politically any attempt to instal a presidential system of municipal government may run into rough weather. Lastly, the cabinet system has the great merit of being easily understandable, as it has been in operation for a fairly long time at the State and Central levels. The protagonists of non-partisan municipal government would obviously be opposed to this idea; but it remains a cold fact that our municipal government has already been working under the party system.

So far as the municipal corporations and bigger municipalities are concerned there is not much difficulty in introducing the cabinet system of government in them. The councils in these cases are fairly large and political parties have in fact gravitated toward them. This may not hold good in the case of smaller municipalities having not-too-large councils. Even then, it is possible in such instances to conceive of a small but plural political executive consisting of the municipal president and two or three deputies who would guide, direct and control the executive administration and, at the same time, communicate with the elected council to which they will be accountable for their actions.

Conclusion

There are various types of municipal government in operation in different parts of the world, and it is easy to be tempted by one type or the other and to urge for its adoption. One must not forget, however, that governmental forms are not just mechanical constructs ; they grow out of distinct socio-political situations. Again, there are certain core values in a society which are sought to be preserved and promoted through a particular structure of government. Political institutions last or languish according as they succeed or fail in keeping in step with the dominant societal needs and norms. In India, the crisis in municipal government has its origin in the deliberate non-acceptance of the fundamental core value of Indian polity, namely, democracy. Translated in local terms, municipal democracy means that the municipal government of an urban area is essentially the responsibility of a group of locally elected popular representatives. Such a concept of local democracy does not allow of an interposition of any other competitive authority, and it is a fundamental postulate of a democratic form of government that the non-political permanent executive must be subordinated to the political executive. Municipal government in India, especially the corporation form of government, has been working under the illusion that a system of government can endure even by neglecting the core value of a political society. Time is not far, however, when this illusion will be shattered by the surging realities.

IV

DECENTRALISATION OF BIG CITY GOVERNMENT

Local government has its basis in the idea of a 'locality' and in a close nexus between citizens and government. It is essentially a small government concept. This explains the reason for the world-wide concern for the state of health of local government in bigger urban complexes. It is as much a problem of London, New York and many other metropolitan areas in the West as of Delhi, Calcutta, Greater Bombay and other bigger urban areas in India. As the city size goes on increasing, its spatial growth tends to outstrip its legal limits and create a gap between the physical spread and the governmental jurisdiction. To plug this gap various devices have been suggested and introduced in different countries of the world. However, we are not directly concerned with such devices. What is important for our purposes is that the bigness of a city with a mono-centric local government sooner or later creates an unhealthy distance between the citizens and the government. There are so many 'localities' but one local government. Thus the main problem before us is : how to resolve the contradiction between a mono-centric big city government and a poly-centric urban community.

Solution through Delegation

In India, the bigger cities such as Calcutta, Delhi, Greater Bombay and a few others, have actually been confronted with this problem. There has been a feeling that the city government in these urban areas has been too distant from the citizens to appreciate and meet their needs. The physical distance between the town hall and the citizens in bigger cities stands in the way of getting redressal of day-to-day complaints regarding securing of water connections, payment of municipal dues, submission of

building plans and so on. The frustrating experience of citizens in getting the services of the local body alienates them further from the city government whose image in India has never been very bright.

To solve this problem of citizen-administration alienation and to bring the city administration closer to the people, two closely similar devices have been adopted so far in selected cities in India. The *first device* has been to set up local area offices of the city administration, each having a number of branches of several headquarters departments. A local area office, thus constituted, is headed by a coordinating and supervising executive officer who is also responsible for communicating with the central office in respect of matters that need to be referred to it. This method is technically known as administrative deconcentration which is achieved through a carefully planned delegation of powers and duties to the local area-level administrative and technical officers. It can be illustrated by referring to the systems of "circle offices" and "ward offices" in Hyderabad and Greater Bombay respectively.

The Municipal Corporation of Hyderabad has an area of 72.85 sq. miles inhabited by a population of 11.88 lakhs (1961 census). With an area nearly double the size of Madras and Calcutta, the City has naturally to look to the needs of far-flung localities and it was found that to secure ordinary civic services and licences, a large section of the citizens had to travel a distance of five to ten miles to reach the head office of the Corporation. To mitigate the difficulties of citizens, the entire Corporation area has since been divided into six circles each consisting of two to five electoral wards or constituencies. The population figures of circles range between 0.56 lakhs and 2.77 lakhs. In each circle has been located a Circle Officer under the general control and supervision of an Assistant Commissioner. Other officers posted in the circle office are an Assistant Medical Officer of Health, one Assistant Engineer each for works and drainage and an Assistant Town Planning Officer. All these officers have been delegated necessary powers to dispose of routine business concerning the provision and maintenance of civic services. Incidentally, the Corporation of Hyderabad has also had 45 sanitary ward offices on the basis of one ward officer for a population of

25,000 to 30,000. Each sanitary ward office has a Sanitary Inspector, a Vaccinator and a Birth and Death Registrar. A child welfare centre and a family planning clinic have been attached to the ward offices in certain places.

The Municipal Corporation of Greater Bombay with an area of 186 sq. miles and a population of 41.52 lakhs (1961 census) is the largest municipal authority in India. Realising the difficulties of citizens in getting municipal services from centralised offices far away from local areas, the Corporation has deconcentrated much of its administration through the creation of 17 ward offices each headed by a Ward Officer, who has been delegated necessary powers to deal with local area problems. The population figures of the wards (which are not electoral wards) range between 0.58 lakhs and 6.60 lakhs. Prior to the formation of the ward offices, the different departments of the Corporation were located at different places of the city, which used to cause a great deal of inconvenience to the citizens who had to move from place to place to get redress of their complaints or to secure needed civic services. Each ward office is a 'mini' municipal office having under one roof the local branches of several municipal departments which deal with the day-to-day problems of citizens. Thus, the Assessment and Collection Department, the Water Works Department, the Primary Education Department, the Public Health Department, the Conservancy Department, the Licence Department and the Shops and Establishment Section have their officers posted in different ward offices, which greatly facilitates speedy disposal of municipal business at the local area levels to the satisfaction of the citizens.

This device of deconcentrating centralised municipal administration through the establishment of local area-level offices has not been punctuated by a parallel system of citizens' participation in local-area decision-making. Although the ward councillors in Bombay meet informally to discuss the civic problems of the wards, it has no basis in formal law; nor do the ward councillors have any powers in regard to local decision-making for their wards. A *second device* adopted in Calcutta, Delhi and Madras seeks to add a political dimension to administrative delegation by enabling the local councillors to take part in local area decision-making.

The Calcutta Municipal Act, 1951, provides for the constitution of Borough Committees, one each for four to five electoral wards. At present there are twenty Borough Committees in Calcutta each covering five wards. The five ward councillors and not more than three persons elected by the councillors from among the residents of the wards in the Borough constitute a Borough Committee. Through a Corporation Resolution of 1953, the Borough Committees have been given both referred and delegated powers in respect of determination of street names, provision of baths and washing places, appointment of the Registrar of Births and Deaths for the Borough, planting and preservation of trees, laying out and maintenance of gardens and playgrounds, general supervision over conservancy and lighting and other miscellaneous matters relating to water supply, road repairs, drainage works and engineering services. In limited cases, such as the appointment of the Registrar of Births and Deaths, the Borough Committee has been given final power. But most of its powers are recommendatory in nature, and a Borough Committee does not have its own area-level administrative and technical staff to undertake local works on its prompting. All works are executed by the regular administrative and technical departments of the Corporation.

The system of 'decentralisation' was introduced in Delhi on the recommendations of the Ad-hoc Committee as approved by the Corporation in November 1962. It may be recalled that the Municipal Corporation of Delhi was set up under the Delhi Municipal Corporation Act, 1957, in supersession of as many as nine local authorities including the erstwhile Delhi District Board which had its jurisdiction over the rural areas within the Union Territory. In spite of the introduction of a unitary set-up, the offices of the former local authorities were being used as zonal and sub-zonal offices of the newly created Corporation. These offices, however, had very limited functions; they used to attend to day-to-day public complaints regarding civic amenities and receive municipal dues. Administration of most other functions was completely centralised, which resulted in inordinate delays in the disposal of business and caused considerable inconvenience to the citizens who had to travel long distances to reach the head office and have their problems solved. The Special Zonal Com-

mittees that were set up on the Corporation Resolution sought to remedy this defect and bring the city administration closer to the people. At present, the entire Corporation area of about 512 sq. miles has been divided into eight zones each comprising about eight to eighteen electoral wards. Like the Borough Committee in Calcutta, a Zonal Committee consists of the councillors from the wards falling in the Zone and one or more aldermen as determined by the Corporation. The powers and functions of the Zonal Committees appear on surface to be many. But almost all of these relate to "consideration" of proposals, making of recommendations, review of work progress, and inquiry and advice. The only important power delegated to the Zonal Committees is the power to sanction estimates and plan for works to be carried out in the zones (other than those relating to any of the Undertakings for water supply and sewerage, transport, and electricity) up to Rs. 25,000 provided provision exists in the budget sanctioned by the Corporation.

The organisation of the Zonal Office in each Zone is almost similar to the deconcentrated pattern in vogue in Hyderabad and Greater Bombay. Under the overall supervision and control of an Assistant Commissioner, several branches of the Corporation departments have been located in the Zonal Office. The familiar branches are those dealing with municipal works, buildings, water supply, drainage, public health, maternity and child welfare, lighting, education, accounts, taxation, garden, licensing and others.

By an amendment in 1961 to the Madras City Municipal Act, 1919, an elaborate system of 'decentralisation' of Madras city administration was introduced, which is not very much dissimilar to the system of Zonal Committees in Delhi. For electoral purposes, the city of Madras has been divided into 100 divisions, each returning one councillor. To deconcentrate city administration, the entire city has been further divided into 10 circles each having an equal number of divisions (10). For every circle, a Circle Committee has been constituted consisting of the ten councillors from the divisions falling within the circle. There is also a Central Committee at the headquarters consisting of the Mayor, the Deputy Mayor and one member (other than the Chairman) elected by each Circle Committee from among its members. A Circle Committee has been statutorily empowered to sanction

estimates when the amount exceeds Rs. 25,000 but does not exceed Rs. 50,000. Estimates up to Rs. 25,000 are sanctioned by the Commissioner or the Assistant Commissioner in charge of the Circle Office under delegation of powers from the Commissioner. The Central Committee has the power to sanction estimates between Rs. 50,000 and Rs. 1 lakh. All items of work relating to repairs and maintenance of water supply mains, connections, drains and bridges, and all local works such as cleaning of streets and removal of rubbish, provision of public conveniences, lighting, establishment and maintenance of maternity and child welfare centres, dispensaries and public health centres, reading rooms and public baths, registration of births and deaths and vaccination, construction and maintenance of circle roads, opening and maintenance of elementary schools, and planting and preservation of trees are undertaken by the Circle Committees within their areas. Each Circle Committee has a Circle Office headed by an Assistant Commissioner. The Circle Health Officer, the Circle Engineer and other staff are posted in the Circle Office to undertake the local area-level works within the circle. Considerable powers have been delegated by the higher level officers to their circle-level subordinates.

Pros and Cons of Administrative Delegation

This brief review of the systems of administrative decentralisation in the five cities including Delhi poses a number of important problems for municipal government in a big city context. The system of deconcentration in Hyderabad and Greater Bombay is based exclusively on administrative delegation. The patterns in Calcutta, Delhi and Madras envisage a degree of political decentralisation by associating the local councillors with the area-level administrative units. Of these three cities, Madras has devised the most elaborate system of area-level units endowed with quite a wide range of powers and functions. By contrast, Calcutta's Borough Committees and Delhi's Zonal Committees have little powers; Calcutta does not even have an administrative and technical wing at the Borough level.

These experimentations unmistakably demonstrate a need for

sub-municipal units in the bigger cities. So far, however, this need has been sought to be fulfilled largely through administrative delegation. The area-level officers have been delegated powers by their superiors at the headquarters to whom they are ultimately accountable. On the political side, except Madras no other city has attempted transfer of substantial powers of the Corporation to the local area-level units.

What needs to be carefully considered in this connection is: given the choice between the creation of local area-level administrative units with considerable delegation of powers and the establishment of decentralised political units as lower-tier bodies in a two-tier city government, which of these alternatives is preferable. So far, in India the first alternative has been tried in the big cities and the second has been paid a lip-service in Calcutta, Delhi and Madras. Delegation of powers is a universal feature of administrative organisations. Especially, when an organisation grows in scale, considerable delegations have to be effected to allow some amount of discretion to lower level functionaries. The advantages of delegation lie in continuity of administration, time-saving and creation of specialisation and initiative in the lower rungs of administration. It, however, tends to create problems about coordination, accountability and autonomy. When the range of delegation of powers becomes very wide, the task of coordination by the headquarters office is bound to be difficult, if not impossible. Secondly, delegation seeks to create specialisation over a longer period and the delegate comes to claim *de facto* autonomy which further complicates the task of coordination. Thirdly, as a natural corollary, the delegate's accountability poses a problem. Especially, in a political institution like a municipal body, when large-scale delegation of powers takes place to local area-level administrators, the problem of their accountability is bound to create citizen dissatisfaction and political trouble. It needs hardly any emphasis that the exercise of power without genuine accountability opens the floodgates of administrative corruption. Also, delegation of powers has the tendency to make a governmental machinery complex; as a consequence, it inhibits public understanding of local government which is bound to cause concern in a country where the public has been traditionally indolent and passive.

A New Type of Local Government

Administrative delegation is hardly any substitute for local self-government, and this is amply proved by the creation of urban and rural local self-governing bodies. The fact remains that in India the form of municipal government in bigger cities has not received the attention it deserves. We have been clinging fast to the time-worn Bombay model of municipal corporation with its proverbial splintering of powers among a number of statutory authorities. The ancient doctrine of separation of powers which was adumbrated to weaken government by creating checks and balances has been unknowingly built into our municipal government. If we really want a progressive, dynamic and quick-acting urban government, it is high time that we evolve a more integrated system of city government for our urban areas. The present system of coordinate statutory authorities constituting the government of bigger cities in this country has naturally stood in the way of delegation of powers to the local area-level units. Unless there is a single repository of power at the central level, there cannot be wide delegation at lower levels.

If we reject the delegation plan and favour political decentralisation through the creation of a number of smaller municipal units at local area levels, the implications of political decentralisation have to be carefully considered. Physically, economically and through the free circulation of goods and services, a big city area is homogeneous in certain basic respects, and its different sectors are interdependent. At the same time, a big city like Calcutta, Delhi and Greater Bombay has grown up by slow accretions of local areas each of which generally retains its peculiar social identity and traditional bonds of inter-personal relationships. Especially in a city like Delhi where the local areas have distinct memories of being governed locally by separate urban authorities, the anonymous loyalty to local area lingers on even after the dissolution of the urban local bodies. In fact the Zonal Committee system in Delhi was built on the ashes of the old local institutions. In designing a federal system of municipal government for our bigger urban areas, these centripetal and centrifugal forces need to be carefully weighed.

The present delegation plans in Madras and Delhi reflect, in

an embryonic form, a two-tier structure. The tendency is to delegate purely local functions to the local area units and to retain major, city-wide functions in the hands of headquarters administration. If there is agreement on having a two-tier government for our bigger urban areas, the present practice of dividing functions between the headquarters administration and the local area administrative units can be taken as a basis for further division of functions between the two levels. The basic principle governing such functional distribution would be that functions like trunk roads, trunk sewers, water supply, planning which need to be administered from the standpoint of the city as a whole, should be looked after by the upper-tier authority; and other functions like street sweeping, garbage collection, local roads etc. should be entrusted to the lower-tier units.

The next important consideration in evolving a two-tier urban government structure is the proper size of the lower-tier units. Ideally, these should be coterminous with the local community areas. But, to ensure a degree of financial viability it may be necessary to increase the population size of each unit substantially. In the Indian situation where the financial base of local areas is proverbially weak, a lower-tier unit may need a population size of nearly 1 lakh to 2.50 lakhs to meet the civic needs of the citizens within its jurisdiction. It is implied, therefore, that a two-tier structure would suit a city having, say, more than 10 lakhs population. In other cities within the population range of 5 to 10 lakhs, the Madras pattern of circle committees may be introduced. The Rural-Urban Relationship Committee which reported in 1966, had favoured the adoption of this pattern in cities having a population of 5 lakhs and over.¹

The relationships between the two tiers need to be defined carefully to avoid the tensions and conflicts of a federal system. Many of the world's big cities such as Greater London, Toronto, Winnipeg, Tokyo and a few others have been running a two-tier government. In Greater London the councils in both the tiers are independently elected, whereas in Toronto the upper-tier con-

¹ *Report of the Rural-Urban Relationship Committee*, (Vol. 1), Ministry of Health and Family Planning, Government of India, 1966, p. 65.

sists of indirectly elected members from the participating lower-tier municipalities. The Toronto system has the advantage of organically linking the two tiers which might be emulated in the Indian situation. We do have the experience of running organically linked three-tier panchayati raj institutions in the rural sphere. Under the English system of local government, the upper-tier makes precepts on the lower tiers which are the taxing authorities. In other words, the upper-tier lives on the earnings of the lower tiers. This system would not be workable in India, as it is apt to create frictions between the tiers. Although financial relationships have to be carefully considered, it may safely be said that the major tax resources have got to be given to the higher tier and an objective system of grants-in-aid to the lower tier units by the upper tier has to be evolved.

The advantages of establishing a two-tier system of government in our bigger cities would be many. There will not be any problem of accountability inherent in the delegation plans, and the local administration will function under the control and supervision of the local council. In the second place, the ratio between the councillor and the voters can be kept low to enable the councillor to represent his constituency properly. The system would, in the third place, ensure accessibility of the people to their government and make for more popular participation in city government and administration. In the fourth place, in future neighbouring local bodies would not be opposed to joining the federation as one of its units, once it is assured that they would not lose their identity through amalgamation. Lastly, a two-tier government in our bigger urban areas would render the mushroom growth of competitive special purpose authorities like the housing boards, water supply and sanitation boards, and improvement trusts redundant. The area-wide functions would then safely be looked after by the higher-tier unit.

V

MUNICIPAL PERSONNEL
ADMINISTRATION

The problem examined in this paper forms just a part of the broader discussion on personnel administration in municipal government. Personnel administration has many facets. There are the problems of recruitment and proper placement of workers, position classification and pay fixation, training, transfer and promotion, enforcement of disciplinary measures, and ensuring welfare measures and retirement benefits. These are important considerations which would entail, if justice is to be done to them, very lengthy discussion. We propose, instead, to concentrate on the problems of organisation of municipal government service in our country. Here the key issue is: how the different municipal services—administrative, technical and subordinate—can best be organised to ensure the recruitment of suitable personnel.

Local government administration, or for that matter any administration, depends for its success largely on the quality of the personnel manning the organisation. One of the main reasons for the failure of urban local government in this country to build up an image of at least an on-going concern can be traced to its inability in general to attract suitable personnel. It is frequently remarked that financial inadequacy is the Achilles's Heel of our urban local bodies and the State governments are asked to make up this deficiency. Although the need for a systematic State grants-in-aid can hardly be exaggerated, local government worth the name should, in the main, stand on local resources. But tapping of local resources needs the services of qualified and necessary municipal staff. Again, unless the affairs of the municipal bodies are properly managed and services efficiently provided, the citizens cannot be asked to pay more by way of additional taxes. Thus the urban local bodies are caught in a vicious circle.

Several commissions, committees and conferences have, from

time to time, made observations on the personnel problems of the urban local bodies. For instance, the Taxation Enquiry Commission (1953-4) spoke in favour of "adequately paid" and "well-trained" municipal staff. The Central Council of Local Self-Government at its meetings in 1956, 1959 and 1960, and the Fourth Conference of Ministers of Town and Country Planning (1963) expressed concern about the efficiency and standard of municipal services and called upon the State governments to provincialise administrative, health, engineering and town-planning services of the municipalities. The latest recommendation is from the Rural-Urban Relationship Committee (RURC) which has just reported on, among other things, municipal structure, personnel and finances. The RURC has made some significant recommendations which will be mentioned later in this paper.

Personnel Practices and Trends

Originally the separate personnel system was universal in Indian municipal government, the solitary exception being the commissioner in a municipal corporation who used to be appointed by the provincial government. In 1931 Punjab passed the Punjab Municipal (Executive Officers) Act to provide for the office of municipal chief executive. The old states of Travancore-Cochin and Hyderabad had provided for government-appointed municipal executive officers; Hyderabad had evolved a more thorough-going state-controlled municipal services. Also, Madras created centralised State cadres for the more important municipal officers such as commissioner, municipal engineer, and municipal health officer. The Madras model of integrated personnel system has been adopted by all the southern States. Mysore which has been slow to adopt the system is expected to fall in line very soon.¹ Of the other States, the trend in Madhya Pradesh, Rajasthan, Uttar Pradesh and Orissa is toward the creation of unified and/or integrated services and vesting of wide controlling powers with regard to municipal personnel in the hands of the State Government.

¹ Report of the Committee on the Service Conditions of Municipal Employees, Ministry of Health, Family Planning and Urban Development, Government of India, 1968, p. 21.

Rajasthan has advanced very far in this respect as, apart from the constitution of the Rajasthan State Municipal Services for superior posts, the Rajasthan Municipal Subordinate and Ministerial Service has been created covering almost the entire subordinate posts in the municipalities. Pending the constitution of unified municipal services for administrative and technical officers, Madhya Pradesh Government is presently appointing chief municipal officers, health officers and municipal engineers from corresponding State cadres. Appointments to the posts of revenue officers, accounts officers, sanitary inspectors, overseers, revenue inspectors and accountants are subject to State approval and the municipalities do not have the power to create, abolish or change the emoluments of any of these posts without the prior approval of the State Government. Recently, the Uttar Pradesh Government has introduced a very comprehensive scheme of provincialisation of municipal services under which various categories of administrative and technical personnel will be posted, controlled and transferred by the State Government. The Government of Punjab is reported to be considering the question of provincialisation of the posts of executive officer, health officer and engineer. The municipal corporations had so long enjoyed comparative autonomy in the administration of their personnel matters. But, the recently constituted Kerala Municipal Common Service and the provincialisation scheme in Uttar Pradesh do not intend to spare them any more indicating thereby a slow extension of government control over the personnel under the municipal corporations. Expectedly, the corporations are not feeling happy over this recent development. Orissa has not constituted any special cadres for municipal posts; the executive officer, the municipal engineer and the health officer are State Government servants appointed to serve in the municipalities. Thus, for these key posts, an integrated system has been evolved. In the remaining States, viz., Maharashtra, Gujarat, Haryana, Bihar and West Bengal, the separate personnel system prevails. However, generally the State governments have reserved powers to give prior approval to the appointment and dismissal of senior officers. In Bihar, the Municipal Act has recently been amended to provide for the posts of Government-appointed executive officers, and the State Government is contemplating to create

unified cadres for municipal engineering, and medical and health services.

One important reason for the failure of municipal authorities to develop efficient operational administration is the general absence of a well-designed municipal personnel policy which would have ensured services of adequately paid trained professional staff enjoying reasonable security of tenure and proper service benefits. The long-standing separate personnel system throughout northern, western, eastern and central India stood in sharp contrast to the integrated system developed in Madras. If the former system could evolve a tradition of at least moderately efficient municipal administration run by professional executive and technical officers within the general framework of policy-guidelines laid down by the elected council, it is doubtful if the present trend toward the provincialisation of municipal services would have set in. No doubt there were immense difficulties in the way of building up such a tradition. But, the failure provided enough ground for a steady State encroachment in the sphere of municipal personnel administration. The Madras model has now spread all over southern India, and to Orissa and Madhya Pradesh. Rajasthan and Uttar Pradesh have constituted State-wide cadres of municipal services to be controlled by the State Governments. The trend has been firmly set so much so that the municipal employees in a few other States such as Haryana are currently agitating for the provincialisation of municipal services. In a recent announcement, the Minister of Local Self-Government, Haryana, is reported to have agreed to provincialise the municipal services in order to ensure greater efficiency and contentment among employees.² It may be recalled that the First Conference of Local Self-Government Ministers held in August 1948 adopted a resolution favouring the constitution of 'provincial cadres' for local government staff. Later, similar resolutions have been adopted from time to time by the Central Council of Local Self-Government consisting of the State Ministers of Local Self-Government. To go into the question of improvement of service conditions of municipal employees and to suggest a pattern of

² *The Times of India*, Delhi, June 10, 1969.

organisation for State-wide municipal services, the Executive Committee of the Council had set up in June 1965 a Committee with the Ministers of Local Self-Government of Maharashtra, Madras, Bihar, Uttar Pradesh and Madhya Pradesh as members. Provincialisation of municipal services was taken for granted and the Committee was asked to suggest a pattern of organisation for it. Naturally, it came out with the conclusion that the essential elements of municipal cadres are administrative control of the State Government, transferability of the incumbents, and a fair and impartial process of selection and promotion through the Public Service Commission. It was significantly observed that the municipalities could not claim absolute autonomy and exclusive right to appoint their own servants. The Committee bluntly quoted in support of its argument entry 5 of list 2 of the Seventh Schedule of the Constitution according to which 'local government' is exclusively a State subject.³ Thus, formal constitutional provision has been invoked to silence all arguments for local self-government. Incidentally, training of municipal employees to equip them with modern techniques of management and to enable them to work better has received wide recognition in recent times, and following the recommendations of the Nur-ud-din Committee (1963), the Union Government has been contributing to the costs of four regional training centres at Calcutta, Lucknow, Bombay and Hyderabad, apart from the national centre located in the Indian Institute of Public Administration, New Delhi. Also a number of State governments such as Punjab and Orissa is contemplating to run training organisations of their own.

Recommendations of the RURC

The RURC, referred to earlier, had carefully diagnosed the ills of the present-day personnel administration in the municipalities and suggested some important remedial measures. Briefly stated, its recommendations are the following :

(a) Since the requirements of the municipalities for public health, medical and engineering services are small and the oppor-

³ *Report of the Committee on the Service Conditions of Municipal Employees*, op. cit., p. 32.

tunities for promotion are limited, "it will be more convenient and advantageous to have a *combined integrated service* for public health engineers, town planners and medical and health officers". An integrated system has also been suggested for the municipal accounts service.

(b) Since the administrative and revenue services of municipal bodies require special knowledge and expertise which do not fit in with the State departmental work, "it would be better to have a separate *unified cadre* of Municipal Officers, including Revenue and Assessment Officers mainly for administrative duties".

(c) The recruitment to other subordinate services would be looked after by a statutory municipal selection committee.

(d) In both integrated and unified systems, the control of the services would vest in the State government.

Alternative Systems of Organisation

Now that the State governments have started thinking to solve the personnel administration problems of the municipalities and the RURC made some important recommendations, it is necessary at this stage to evaluate the different systems of personnel organisation.

(i) The *integrated system*, which was mentioned by the RURC, involves recruitment for appointment to posts under the State government as well as the local bodies. The personnel, under this system, would be interchangeable between the two levels of government and their scales of pay and service conditions would be the same. Its chief merit is that it makes no distinction between State and local government services, and thus it might ensure availability of suitable personnel at the local level. But, as a United Nations report observes, the integrated system "may be impracticable in the larger countries in which conditions vary widely, local authorities are numerous and the personnel needed by them may run to hundreds of thousands".⁴ Secondly, as the experiences of panchayati raj point out, the duality involved in

the controls exercised by the State departments and the local authority to which an officer is posted has a deleterious effect on the morale and efficiency of the serving officer. Last but not least, the integrated system takes away the power of appointment and, to a great extent, control over personnel from local government.

(ii) Under the *unified system*, which was also suggested by the RURC, recruitments are made for the purpose of appointments to local bodies alone, and personnel would be transferable from one local authority to another. The administration of such a system by an independent central agency ensures career opportunities and security of tenure, and saves the personnel from the danger of political victimisation and possible contamination from local politics. Transferability among the local authorities offers the staff an opportunity to change and widen their area of experience. This system is particularly useful for smaller local authorities that would otherwise have failed individually to attract suitable personnel. However, despite these advantages, the unified system obviously involves curtailment of much of local control over the staff.

(iii) A third method viz., the *individual personnel system* of each local body, is practised in U.K. and, to a great extent, in our country. This system is attractive to the protagonists of local 'self-government', since each local authority is free to recruit and control its staff as it thinks best. But as the history of local government in this country has amply demonstrated, in the absence of adequate financial resources this system allows the local authorities the freedom to remain ill-staffed and inefficient.

Actually what we now have in our urban local bodies is a combination of these three systems, with emphasis on the separate personnel system for each local body. As earlier mentioned, the present trend is to have a mixture of integrated and unified systems for appointments to technical and higher municipal posts, and to leave the subordinate appointments to the municipal bodies themselves. Andhra Pradesh provides a good example of such a mixed system. The RURC also favoured the mixed system, and worked it out in more details.

⁴ *Seminar on Central Services to Local Authorities*, United Nations Technical Assistance Programme, New York, 1964, p. 49.

Evaluation

The advocacy of any particular personnel system is not possible without reference to the nature of local government and central-local relationship obtaining in a country. In fact prescriptions about local institutional changes are usually made on the basis of certain assumptions about the nature of local 'self-government' and the relationship between the central government and the local bodies. But these assumptions are rarely spelt out. The tradition of state-local relationships, national economic planning, and the condition of the labour market where skill—both executive and technical—is scarce, all these factors have to be carefully considered before suggesting any personnel system for our urban local bodies. Also, conditions differ from State to State which makes it difficult to suggest any uniform system for the entire country.

Keeping these general observations in mind, it may be said that so far as subordinate appointments are concerned, there is justification for recommending the continuation of the system of appointments by the municipal authorities themselves. It is too much to wait for, say, the appointment of a peon or a sweeper, till this is done by the State government or a central personnel agency. Also, some local powers of appointment are needed as much in the interest of local democracy as to provide opportunities for local employment. But the key problem is to organise the higher technical and executive services. At present, it is generally found that the urban local bodies fail to attract suitable candidates for these posts. Unless some special arrangements are made, the image of present-day local government will continue to discourage them, and the machinery of local government will be operated by the left-outs.

The RURC, as mentioned earlier, has chosen to blend the integrated and unified systems together. Since the State governments play the dominant role in State-local relationships, the integrated system is apt to pay additional premium on State control. Also, an officer who knows that he will one day be transferred to State department, may not have any stake in municipal service. Some other demerits of the integrated system have been pointed out earlier in this paper. A mixture of the integrated

and unified systems has the further danger of creating two classes of officials within a single municipal authority who may not pull together well.

In view of these considerations, there is much that can be said in favour of the unified system operated by an independent central agency. It will be exclusively devoted to local government appointments. Its constitution will be such as would include the representatives of both the State government and the local authorities. Thus, it would not involve additional State departmental control; nor would it completely deprive the local authorities of their right to make their voices felt in personnel administration matters. Other advantages of this system have earlier been pointed out. The Local Government Service Commission in Ceylon is an example of this kind of central personnel agency. Some other countries such as Ireland, Thailand, Jamaica, Nigeria, Tanzania and Ghana have established the unified service for local government personnel.

It may be worthwhile discussing briefly the salient features of the organisation of unified service in Ceylon. Under the Local Government Service Ordinance of 1945, all local government employees at certain salary levels have been constituted into a Local Government Service which is administered by a Local Government Service Commission. The Commission consists of nine members appointed by the Minister of Local Government. Of these, four members are appointed by the Minister at his full discretion and four are appointed from panels of nominees submitted by the Colombo Municipal Council, the Association of Urban Councils and Town Councils, the Municipal Councils Conference, and the All-Ceylon Village Councils Association. The head of the Department of Local Government, the Commissioner of Local Government, is *ex-officio* Chairman of the Commission. The Commission's power includes classification of posts, formulation of salary scales, determination of qualifications for different posts, recruitments, appointments, promotions, transfers and discipline of staff. Recruitments are made through public announcements, interviews and competitive examinations. Before filling up the vacancies, local authorities are invariably consulted by the Commission, and during interviews of candidates for appointment, the mayors or chairmen of local

councils are permitted to sit in. Minor disciplinary powers are also delegated to local authorities by the Commission.⁵

The unified personnel service of this type marks a healthy compromise between local democracy and central control. No doubt the personnel problems of our municipal bodies have been responsible, to a considerable extent, for their inability in general to deliver the goods; but one should not at the same time ignore the political turmoil through which municipal government in this country had to pass before Independence, and the utterly negative role of the State governments that failed to give positive guidance and assistance to the structurally weak municipal authorities. The current trend toward the provincialisation of municipal services has its origin in a psychology of distrust of urban local government. Hence, there is a general tendency presently to vest all local personnel administration power in the hands of State governments. Such a policy, however, cuts at the very root of municipal democracy. The present-day contradiction in State policy toward municipal personnel administration is remediable through the introduction of a unified local government personnel service which would suitably blend local control with State supervision and guidance. Current thinking in India seems to be that separate personnel system is unworkable and the only solution is to go for the provincialisation of municipal services under which control over personnel matters would vest in the State government. It may, however, be cautioned that already there exists in this country a high degree of State control over the municipal bodies. Any new measure to streamline their administration should, therefore, be preceded by a frank consideration about the type of local government that we want to develop in our urban areas.

⁵ United Nations, *Local Government Personnel Systems*, New York, 1966, pp. 74-6.

VI

GOVERNMENT IN METROPOLITAN CALCUTTA

The phenomenon of urbanization and its impact on almost every aspect of the social system have, in recent years, led to much academic interest and consequent analytical sophistications. Metropolitanism, as one form of urban growth, has been subjected to thorough scrutiny as much to satisfy academic curiosity as to provide planners and administrators with hard data and possible solutions to the myriad problems which a flood of unchecked urbanization brings in its trail. Thus conceived, the study of widespread urban growth around the city of Calcutta, carried out by the Institute of Public Administration, New York, is important for two reasons. In the first place, its purpose has been to assist the local planners with a large array of facts and data without a knowledge of which no solution pattern could be devised. In the second place, the study has been of considerable international importance inasmuch as the knowledge of the area might help in making comparisons with apparently similar urban growth elsewhere and thus formulating general principles and concepts. The metropolitan growth of Calcutta, like any other similar growth elsewhere, could be viewed from different perspectives. The investigations carried out, since 1961, by the Ford Foundation Consultants, the Institute of Public Administration (New York), the World Health Organisation and the Calcutta Metropolitan Planning Organisation of the Government of West Bengal, to name the major authorities engaged in research and planning in the area, bear testimony to the multi-dimensional approaches to the problem.¹ It is not possible to com-

¹ The Institute of Public Administration, New York, has since published the results of investigations in the form of about a dozen monographs.

press all of them within the compass of this brief essay. The main purpose here is to highlight the principal governmental problems of the urban area. Since these stem from and are intertwined with the physical nature of the area, an account is also given of its geographic nature and spread and its locational-functional significance.

Terminologies

Before we deal with the physical nature of the urban area, it is necessary to define some of the important terms which will be frequently used in course of the discussion. Such terms as "urban" and "rural" have particular local connotations, an explanation of which would save us from possible semantic confusion.

- (1) *Urban Area* : An area is defined as urban by the Indian Census if it possesses, *inter alia*, the following characteristics :
 - (a) A density of not less than one thousand persons per square mile ;
 - (b) A total population of at least five thousand ; and
 - (c) Three fourths of the working population being engaged in non-agricultural activities.
- (2) *Rural Area* : An area is rural if it is non-urban.
- (3) *Calcutta Conurbation* : Like the U.S. Bureau of the Census definition of the Standard Metropolitan Statistical Area or the Registrar General's definition of the conurbation in England, no attempts have as yet been made by the Indian Census aside from the 'town group' concept of the 1961 census, to define urban agglomerations. In delineating the boundaries of the Calcutta Conurbation, the Study Group of Geographers of the Calcutta Metropolitan Planning Organization had to take into account the local conditions that vitally affected the nature and extent of the conurbation. Apparently, it is the compact ribbon-shaped built-up area along both banks of the River Hooghly extending in all directions from the two cities of Calcutta (East Bank) and Howrah (West Bank). Because of

material differences between living conditions in West Bengal and Western Europe, the boundary of the conurbation was demarcated by mapping (a) all areas under urban local bodies, (b) all rural local authority areas (locally named *mouzas*) with more than sixty per cent of the population dependent on non-agricultural occupations (as per 1951 census), (c) all rural local authority areas with a density of more than 2,000 persons to the square mile in 1951, and (d) all settled areas including built-up areas and not distinguishing between urban and rural settlement, as factory labour was found to be residing in villages as well as towns.²

- (4) *Calcutta Metropolitan District* : The Calcutta Conurbation is the urban core along both banks of the River Hooghly. But, for planning purposes and future development, substantial portions of purely rural tracts and the areas of three other outlying municipalities have been added to the conurbation area. Thus the conurbation and these additional tracts taken together constitute what the Calcutta planners call the Calcutta Metropolitan District (CMD), which cuts across the four magisterial districts of the southern plain of West Bengal. This wide urban-rural tract of nearly 450 square miles is the planning area of the Calcutta Metropolitan Planning Organization of the Government of West Bengal (CMPO). It contains about 6 million population and is administered by a multiplicity of local government authorities, the numerous field agencies of the State and the Union Government, and by a host of special agencies or *ad hoc* bodies.

² C. B. Fawcett's conception of the conurbation which seems to have been the basis of English census delineation of it, also includes enclaves of rural land in urban areas. Again, Robin Best points out, "in County Boroughs alone no less than a third of the total administrative area was in agricultural and other rural uses in 1960". See *The Major Land Uses of Great Britain*, Department of Agricultural Economics, Wye College, University of London, 1959, pp. 53-4. Within the Calcutta Conurbation the proportion of rural enclaves is as high as 44 per cent of the urbanized land.

Geography and Locational-functional Significance

The city of Calcutta is the heart of the CMD and the focal point of a region that extends far beyond the CMD. Several factors contributed to the growth of Calcutta which in turn generated steady urban growth in the peripheral areas resulting in the present agglomeration of urban centres. Situated at the mouth of the Ganges-Bhagirathi river systems of North India, Calcutta grew to be a major port in Eastern India. The Bay of Bengal is about 80 miles from the port whose hinterland contains the fertile alluvial plains of the Ganges valley and the leading industrial region of India. Consequently, the port handles about 45 per cent of India's total exports and 40 per cent of total imports. It is also the focal point of inland waterways system, although the partition of India and the deterioration of the Bhagirathi have greatly reduced its influence in recent times. Calcutta's airport at Dum Dum is one of the busiest in the East. As the greatest transport node of Eastern India, Calcutta's location has ensured its unparalleled commercial preeminence, with all the paraphernalia of banking and insurance companies, capital market and stock exchanges, clearing agencies and shipping lines, wholesale and retail trading houses and allied trades and professions. All the major rail-systems converge in the city which is also the focal point of several important National Highways. These communication systems have tied the Calcutta area to a far-flung region of about 350,000 square miles tentatively measured on the basis of intensity of flow of goods and migration to and from the city.

Calcutta's immediate neighbourhood is the hub of West Bengal's industrial structure which has developed mostly northward along the banks of the River Hooghly. It is this Hooghly Industrial Belt unified by gradual industrialization along the river and by the spinal communication systems, which has formed by slight inflation on the east, west and south the Calcutta Metropolitan District. Certain physical factors such as the existence of swamps and marshes have restricted the growth of the industrial belt in the east and the west and the communication systems moving north-south have given it a particularly lineal pattern. Here are located a complex of industries the more important of

which are jute mills, cotton mills, chemicals, engineering and automobile works, glass, soap, pottery and match factories. The importance of industries and commerce and other non-agricultural occupations is borne out by the fact that nearly 98 per cent of the income earners in the CMD derive their income from these occupations (*see* Table 1).

TABLE 1

Employment in CMD

Sectors	Earners in 1961-62 (in thousand)	% to total
1. Primary (Agriculture, including animal husbandry, fishery etc.)	58.60	2.50
2. Secondary (Industries and construction activities)	964.62	41.27
3. Tertiary (Commerce, banking and insurance, transport and communication, services and professions.)	1314.26	56.23
TOTAL ..	2337.48	100.00

Also, the gross industrial production of the CMD amounting to about 822 crores (1961-62) accounts for slightly more than 29 per cent of national production and the net value added by manufacturing which is about 270 crores constitutes more than half the national figure.

The urban field of the CMD, as measured by daily commutation extends to about 9,000 square miles of which 4,000 square miles constitutes the intensity zone of commutation. As surveyed by the Geographers of the Calcutta Metropolitan Planning Organization, the daily supply zone of commodities such as fish, eggs, milk and milk products, fruits and vegetables also conforms to the wide daily commutation field. One peculiarity of commutation in the CMD is the predominance of the rail-borne traffic.

Buses ply within a narrow zone around Calcutta and the role of the automobile which is so important in the metropolitan areas elsewhere in the world, is yet to be felt in the CMD.

Population Pressure

The intermingling of the constituent local authority areas within the CMD is largely due to the twin forces of widespread industrialization and a tremendous population explosion. Of the total CMD area of about 450 square miles, nearly 235 square miles constitute the urban core and the rest are peripheral rural areas. As per the latest (1961) census, the total population of the CMD is slightly more than 6 million of which nearly 90 per cent live in the urban core area (*see* Table 2). The commanding position of the City of Calcutta is revealed by the fact that its population is nearly half of that of the CMD and almost equal to the combined strength of the rest of the urban core. The real concentration of population has taken place in about 45 per cent of the area of the CMD, and as regards the distribution of urban population in the entire State of West Bengal, the CMD alone contains nearly 75 per cent of the State's urban population.

TABLE 2
Population Distribution in CMD

Units		Population (in thousand)	Area sq. miles
1. Urban core			
(a) Calcutta City		2927	36.92
(b) Other Municipal Towns		2691	140.06
(c) Non-municipal Towns		395	57.00*
2. Rural units (<i>Mouzas</i>)		609	216.00*
TOTAL		6622	449.98*

* Approximate figures.

The density of population varies considerably from area to area within the CMD (*see* Table 3). For instance,

the city of Calcutta has the highest density with about 76,000 to the square mile. At the other extreme, the rural fringes have a very low density of nearly 3,000. The low density in the peripheral rural tracts and in some of the urban areas has kept down the average density of the CMD as a whole.

For obvious economic reasons, Calcutta and its environs have always attracted in-migrants from different parts of India and the rural areas of undivided Bengal. A socio-economic survey³

TABLE 3
Population Density

Units		Density (in thousand per sq. mile)
1. Calcutta City		76
2. Urban Core, including Calcutta		25
3. Rural Fringe		3
CMD (as a whole)		15

conducted by the Calcutta University during 1954-58 revealed that about 55 per cent of Calcutta's population were migrants. The latest census (1961) figures also point out that the annual rate of growth over the last decade has been over 3 per cent through in-migration and only 1.5 through excess of birth over death. After the partition of Bengal, continuous flow of refugees from East Pakistan had poured into Calcutta and its adjacent areas. Almost all the towns around Calcutta have been registering since then steady population growth. As the inter-censal figures for Calcutta and its neighbourhood areas show (*see* Table 4), Calcutta's net growth is the highest among the CMD towns, although the percentage increase of 8 per cent is the lowest. Apart from Calcutta, thirteen out of the total of 34 municipal towns in the CMD registered a growth of more than 50 per cent. Of these, the growth figures of at least three towns are as high as 214 per cent (North Dum Dum), 119 per cent

³ S. N. Sen, *The City of Calcutta*, Calcutta, Bookland, 1960.

(Kotrung) and 107 per cent (Bally). In addition, as many as seven municipal towns had the growth figures between 40 per cent and 49 per cent.

TABLE 4
Population Growth in Municipal Areas

Urban Local Bodies	Population		Percentage change
	1951	1961	
1. Calcutta Corporation	26,98,444	29,27,289	8.47
2. Chandernagore Corporation	49,909	67,105	34.45
3. Baidyabati Municipality	24,883	44,312	78.08
4. Bally Municipality	63,138	1,30,896	107.32
5. Bansberia Municipality	30,622	45,463	48.47
6. Baranagore Municipality	77,126	1,07,837	39.82
7. Barasat Municipality	16,027	29,281	82.70
8. Barrackpore Municipality	42,639	63,778	50.42
9. Baruiপুর Municipality	9,238	13,608	47.30
10. Bhadreswar Municipality	36,292	35,489	(—)2.21
11. Bhatpara Municipality	1,34,916	1,47,630	9.42
12. Budge Budge Municipality	32,196	39,824	23.69
13. Champdany Municipality	31,543	42,129	33.56
14. Dum Dum Municipality	14,002	20,041	43.13
15. Garden Reach Municipality	1,09,160	1,30,770	19.80
16. Garulia Municipality	28,304	39,041	2.60
17. Halisahar Municipality	34,666	51,423	48.33
18. Hooghly-Chinsurah Municipality	56,805	83,104	46.30
19. Howrah Municipality	4,33,630	5,12,598	18.21
20. Kamarhati Municipality	77,251	1,25,457	62.40
21. Kanchrapara Municipality	56,668	68,966	21.70
22. Khardah Municipality	18,524	28,362	53.11
23. Konnagar Municipality	20,233	29,443	45.52
24. Kotrung Municipality	14,177	31,031	118.88
25. Naihati Municipality	55,313	58,457	5.68
26. North Barrackpore Municipality	32,173	56,683	76.18
27. North Dum Dum Municipality	12,156	38,140	213.75
28. Panihati	49,514	93,749	89.34
29. Rajpur Municipality	16,310	24,812	52.13
30. Rishra Municipality	27,465	38,535	40.31
31. Serampore Municipality	74,824	91,521	22.32
32. South Dum Dum Municipality	61,391	1,11,284	81.27
33. South Suburban Municipality	1,04,055	1,85,811	78.57
34. Titagarh Municipality	71,622	76,429	6.71
35. Uttarpara Municipality	17,126	21,132	23.39
36. Barrackpore Cantonment	16,189	16,912	10.64

NOTE: Bally has since been merged with Howrah to form the Howrah Municipal Corporation, and Kotrung and Uttarpara have been converted into a single municipality.

Peri-urban Growth

The rural areas contiguous to the Hooghly industrial belt have always lived within the magnetic pull of the chain of neighbouring urban local bodies which administer the industrial area. In the last twenty-five years, increasing industrialization and in-migration of the successive waves of refugees from East Pakistan have led to the natural overspilling of the population of the municipal areas into the rural fringes. Thus, in many places, municipal jurisdiction has *in fact* moved into the nearby urbanized peripheral areas leaving the statutory limits somewhere behind. Also, a few new urban pockets have in certain cases clustered together, and grown up almost as one unit. Lastly, new urban settlements have sprung up in some places independently.

This phenomenon of rapid peri-urban growth took place only during the last inter-censal period 1951-61. The 1951 census identified the rise of only two new urban areas, whereas as many as thirty-two new urban areas were recognized in 1961. The total area freshly urbanized thus came to about 57 square miles with a population of nearly 3,95,000. Here, the average density of about 7,000 to the square mile is higher than even the density pattern of some of the individual municipalities. One consequence of this urban flood which quickly inundated a sizable portion of the peripheral rural areas, is that the boundaries of the Calcutta conurbation moved further from the outer limits of the municipalities to those of the urbanized areas, registering thereby an inter-censal areal growth of nearly 32 per cent.

Implications for Government and Administration

This discussion so far has aimed at highlighting the process of growth of a wide stretch of integrated territory along both banks of the River Hooghly. This spatial integration of the CMD has far-reaching implications for its government and administration. The functional interdependence of the local areas falling within the CMD has recently attracted the attention of the public authorities in India. For instance, at the request of the Government of India, a team of consultants from the World

Health Organization reviewed in 1959 the environmental sanitary conditions of the Greater Calcutta Area.⁴ In view of the physical and functional unity of the area, the WHO consultants recommended, *inter alia*, the creation of a Calcutta Metropolitan Authority with jurisdiction for sanitary functions, such as water supply and sewerage, over urban and industrial areas on both sides of the River Hooghly covering approximately 270 square miles.⁵ Shortly afterwards, the Government of West Bengal set up the Metropolitan Water and Sewage Board on the lines suggested by the WHO team. Finally, the Board was superseded in 1961 by the Calcutta Metropolitan Planning Organization which was established to attack the problems of the Calcutta Metropolitan area on a bigger scale and "to secure and promote its development according to plan". The CMPO is the only agency so far created to deal with the problems of the Calcutta Metropolitan District on an integrated basis.^{6a} Unlike such planning bodies as, for example, the Wellington Regional Planning Council in New Zealand, it is a non-representative, technical body—an organ of the State Government. Its purpose is merely to make a master plan for the co-ordinated development of the CMD.

Local Government in CMD: Fragmentation of governmental jurisdictions which is a universal feature of metropolitan areas everywhere, can also be found in the CMD. Aside from the direct or indirect involvement of the Union and State Government agencies, a multiplicity of local government authorities directly administer specific areas. The urban local bodies (see Table 5) are the English County-borough-like all-purpose single-tier authorities locally known as corporations and municipalities. The only exception is the Barrackpore Cantonment which has a Board consisting of military personnel, State Government nominees and local representatives. For all practical purposes, the Board operates as a municipal authority. The city of Calcutta is administered by the Calcutta Corporation. Chandernagore which

⁴ The review area of the WHO consultants was, roughly speaking, the same as the Calcutta Conurbation area.

⁵ *Assignment Report on Water Supply and Sewage Disposal, Greater Calcutta, WHO Project: India 170, World Health Organization, January 1960.*

^{6a} Another special authority has since been set up, viz., the Calcutta Metropolitan Water and Sanitation Authority.

TABLE 5

Urban Local Bodies in CMD, 1964

Area	Urban Local Bodies
1. City of Calcutta (36.92 sq. miles)	Calcutta Corporation
2. Barrackpore Cantonment .. (1.43 sq. miles)	Cantonment Board
3. Chandernagore Town (3.73 sq. miles)	Chandernagore Corporation
4. Other municipal areas .. (134.90 sq. miles)	33 Municipalities
TOTAL : 176.98 sq. miles	36

was originally a French colony, also has a Corporation which follows, however, mainly the provisions of the Bengal Municipal Act which governs the operation of the thirty-three municipalities in the CMD. The areas of these municipalities vary widely from 0.80 square miles to 11.73 square miles, the average being about 4 square miles. The rural areas and the freshly urbanized areas which together comprise 250 square miles, are administered by a newly evolved system of rural local government. In accordance with an all-India pattern, generally known as the *Panchayati Raj*, a three-tiered structure has been designed for each magisterial district. At the top is the district level body called the *Zilla Parishad*; the second tier is the *Anchalik Parishad* at the level of the development block which comprises about one hundred villages with not more than 100,000 population; at the bottom tier is the village level body known as the *Gram Panchayat*. In West Bengal, the lowest tier has been further sub-divided into two types of authorities called the *Anchal Panchayat* and the *Gram Panchayat*. The former consists of a number of villages each of which has a *Gram Panchayat*.⁶ All these types of rural local authorities—four types in the CMD—

⁶ In addition, each gram panchayat has a gram sabha which consists of the entire electorate in a gram panchayat area, and possesses very limited powers.

TABLE 6
Special Purpose Bodies in CMD, 1964

Name	Composition	Jurisdiction	Functions
1. Commissioners for the Port of Calcutta	Central Government and State Government nominees, representatives of Calcutta Corporation, Howrah Municipality and major commercial and industrial interests	Dock areas in and around Calcutta and navigation and allied authority over a wide stretch of the Hooghly River even beyond the CMD	Port of Calcutta and navigation authority
2. West Bengal Development Corporation (since gone into liquidation)	State Government nominees	State-wide	Water supply, road construction, disposal of sewage, land reclamation and improvement
3. West Bengal State Electricity Board	do.	do.	Supply of electricity
4. Calcutta State Transport Corporation	3 out of 5 members are State nominees	City of Calcutta, parts of Howrah Municipality and the district of 24 Parganas	Passenger bus services
5. Oriental Gas Co. Ltd.	State nominees	City of Calcutta and its environs	Supply of gas
6. West Bengal Secondary Education Board	17 out of 30 members are State nominees	State-wide	Secondary education
7. Smoke Nuisances Commission	5 out of 11 members are State nominees	Towns and suburbs of Calcutta and Howrah	Abatement of smoke nuisances
8. Calcutta Improvement Trust	6 out of 11 members are State nominees	City of Calcutta	Improvement of Calcutta including street, housing and general improvement

TABLE 6—contd.

9. Howrah Improvement Trust	5 out of 11 members are State nominees	Howrah Municipal area	Improvement of Howrah, otherwise same as in 8
10. Commissioners for the New Howrah Bridge	Same as 1	Howrah Bridge and its approaches	Maintenance and control of Howrah Bridge
11. Salt Lakes Reclamation and Development Board (now departmentally done)	State Government nominees	Salt Lakes area to the east of the city of Calcutta	Reclamation and development including execution of city extension project

have overlapping jurisdictions and functions and the entire structure is hierarchical, the topmost body being the supervisory and co-ordinating body for the whole magisterial district. Within the CMD, parts of the areas of four Zilla Parishads fall and the number of lower tier authorities in these parts will run into few hundreds.

The governmental picture is further complicated by the existence of a number of *ad hoc* special purpose bodies such as the Commissioners for the Port of Calcutta, the Calcutta Improvement Trust, the West Bengal Development Corporation, the Calcutta State Transport Corporation and the like (see Table 6). Many of the important functions and services such as transportation, slum clearance, city planning development and water supply have been entrusted to them that not unoften come in conflict with the elected local bodies.

The outer fringes of the CMD cut across the boundaries of four magisterial districts where the regional units of the State Government perform a host of local functions directly, many of which are now gradually being vested in the newly created rural local bodies. The main administrative units are the *District*, the *Sub-division* and the *Block*. The district administration headed by the French Prefect-like District Officer exerts considerable influence and control on the rural local bodies. Next to him is the Sub-divisional Officer in each sub-division of a district who functions almost as an agent of the district officer within the sub-division. Finally, at the development block level operates the

Block Development Officer. These three units—district, sub-division and block—have each its own complement of field officials who serve the local areas directly. Thus, in the rural areas and the freshly urbanized tracts where rural authorities are still now functioning, the regional units of State administration operate in close association with the elected rural local bodies.

Governmental Problems

The governmental organization within the CMD is much more complex than what the above discussion points up.⁷ For instance, there are a number of Union Government agencies such as the Railways, the Planning Commission, the Central Water and Power Commission, and the ministries like the Finance Ministry, the Education Ministry and so on which are both directly and indirectly involved in the government of the CMD. Also, a very important part is played by many of the State Government Departments such as those of Local Self-Government and Panchayats, Finance, Home, Education and Health. Even some private organizations such as the Calcutta Electricity Supply Corporation, Light Railways and Bus Syndicates ought to be included to get a clear picture of the authorities and organizations that are directly serving the CMD. Here the emphasis has been deliberately laid on the local self-governing bodies for the simple reason that they are the main suppliers of the municipal services such as water supply, roads, public health measures, primary education, sewerage and drainage facilities, parks and playgrounds, street-lighting and the like. They are also responsible for inspection of food and drugs, markets and slaughterhouses, building regulations and zoning. Naturally, therefore, it is these local bodies which have to bear the main brunt of increasing demand for the municipal services and their administration faces the real pressure generated by population increase and growing urbanization.

⁷ A full-scale inquiry was conducted by the Institute of Public Administration, New York, under the guidance of Dr. Leslie Green, and the findings are now published in Calcutta Research Studies No. 1, M. Bhattacharya *et al.* *Government in Metropolitan Calcutta: A manual*, Bombay, Asia Publishing House, 1965.

Gross inadequacy of municipal services and deficiency in the administrative structure are the basic facts of the system of local government in West Bengal, and the local bodies in the CMD are no exception to this. For instance, in 1962-63, the *per capita* income of individual municipalities ranged between three shillings and slightly more than a pound. The condition of the rural local bodies is far worse. Low *per capita* income naturally entails low *per capita* expenditure and the services such as water supply, roads, sanitary measures, education, etc. are thus starved. There is no set principle of exchequer grant, as in Britain, assuring substantial financial assistance to the local bodies. Grants from the State Government which are entirely discretionary, account for nearly 20 per cent of the total revenues of the urban local bodies. The mainstay of their finances is the property taxation which yields about 70 per cent of their total revenues. But the machinery of tax assessment and collection is far from satisfactory. Consequently, under-assessment and default in collection are universal features of municipal financial administration. As it has been rightly pointed out, "The local authorities are caught in a vicious circle: low tax receipts from a narrowly-limited field breed poor administration, poor administration puts a brake on the imposition of new taxes or the increase of existing ones".⁸ As regards administration, very few urban local bodies can employ qualified valuers, engineers and doctors, and, for the sake of economy, many officials such as the sanitary inspector, the head clerk and the like are to work in various capacities.⁹ The upper tier rural local authorities are now receiving staff assistance from the State Government, but those at the lowest tier have little or no staff at all.¹⁰

Such, in brief, is the picture of local government within the

⁸ Calcutta Research Studies No. 3, Abhijit Datta and David C. Ranney, *Municipal Finances in the Calcutta Metropolitan District: A Preliminary Survey*, Bombay, Asia Publishing House, 1965.

⁹ Calcutta Research Studies No. 2, M. M. Singh, *Municipal Government in the Calcutta Metropolitan District: A Preliminary Survey*, Bombay, Asia Publishing House, 1965.

¹⁰ Calcutta Research Studies No. 5, M. Bhattacharya, *Rural Self-Government in Metropolitan Calcutta*, Bombay, Asia Publishing House, 1965.

CMD. The low standard of local administration is manifest in each of the local authority areas. Metropolitanization has just aggravated the problems, and not created them. In fact, many of the local ills such as water scarcity, lack of adequate sanitary and public health facilities and so on, would still be there, even if there was no metropolitan area with interlocking local bodies. This situation has important implications for metropolitan analysis. The crux of the metropolitan administrative riddle is that physical integration of contiguous areas following from land uses, movement of population, traffic and goods, etc. needs to be translated into some form of administrative integration. Hence the prescriptions for such devices¹¹ as federation of local bodies, joint boards, annexation and consolidation, inter-authority contracts and so on. Whatever be the form of administrative solution, the chief purpose remains the same everywhere: the areas of problems must coincide, in the main, with those of the administering authorities. In the metropolitan areas of the mature economies such as those in the United States and Great Britain, the local areas are more or less well-provided with the basic services and the administration as such is not inadequate. There, the main problem is one of administrative co-ordination among the involved authorities for those functions that have metropolitan area-wide repercussions. In the CMD, also, the physical integration of the metropolitan area does, of course, necessitate inter-governmental co-ordination and metropolitan area-wide solutions for certain problems. But the distinguishing feature of the CMD is that the area contains a multiplicity of substandard local authorities none of which is capable of providing the basic municipal services in their respective areas. Hence the main problems are basically localized rather than metropolitanized. In suggesting a re-organization of the government of the area, this fact of localization of the basic municipal problems has got to be borne in mind. This has perhaps general applicability to the metropolitan areas in the developing countries of the world, where the problems arising out of basic deficiency in local government

¹¹ For a discussion on the administrative solutions to metropolitan area problems, see L. P. Green, "Johannesburg" in W. A. Robson, *Great Cities of the World*, 2nd ed., 1957.

structure and functions have a tendency to get mixed up with those that are genuinely metropolitan.¹² Another difficulty in such metropolitan areas is that the basic weakness of the local bodies renders a two-tier Greater London-type governmental design ineffective. For, formal re-organization does little to remove the structural-functional inadequacies of the lower tier bodies without whose active co-operation the system can hardly operate successfully. Secondly, the upper tier authority responsible for metropolitan areawide functions cannot be expected to precept on the poverty-stricken lower tier bodies. In a developing economy where the local economic base is proverbially weak, the institution of local bodies with overlapping governmental jurisdiction may make it difficult to tap enough revenues from the identical tax base.

Governmental Solutions

As mentioned earlier, there are quite a number of solution patterns evolved in the metropolitan areas of different countries of the world to get out of their governmental chaos. Yet, any solution that can be suggested must be based on a careful consideration of the peculiar problems of a particular metropolitan area.¹³

It follows from what has been discussed above that in the CMD three things have to be borne in mind before any governmental solution can be suggested. Firstly, for certain specific purposes such as drainage and sewerage, water supply, traffic control and overall planning including land use control, the metropolitan area needs to be viewed as a unity, and as experience proves, fragmentation of governmental jurisdictions is a positive hindrance to the much-needed integrated and single-

¹² The localization of problems arising out of local government deficiencies was also pointed out by many Arab urbanists in Morroe Berger, *The New Metropolis in the Arab World*, New Delhi, Allied Publishers, 1963.

¹³ The suggestions of the Local Government Commission for England for different areas such as the Tyneside, the Teesside and the West Midlands bear testimony to this statement.

minded approach to these problems.¹⁴ Secondly, the urban local bodies whose areas form the core of the CMD are structurally and financially too weak to ensure even a moderate standard of municipal services. This is true in spite of the fact that many of the municipal towns have local industrial bases. Lastly, there is a vast peri-urban fringe consisting of freshly urbanized tracts and purely rural areas both of which are administered by a multiplicity of rural local bodies in close association with the regional administrative units of the State Government.

Let us take the last two points first. So far as the urban local bodies are concerned, the first thing needed to enable them to cope with the rising demand for urban services is to stimulate them structurally and financially. As it has been pointed out, "The municipal framework was . . . established in the early days of the jute industry, which began in the 1850's, and there has been little re-organization in spite of the great industrial growth and development of a closely-knit conurbation in the last quarter of a century. Moreover, no important changes have been made in the municipal boundaries laid down by 1900."¹⁵ If we leave out Calcutta (36.92 square miles) and Barrackpore Cantonment (1.43 square miles) which is a military station, it can be noticed that nearly a fourth of the urban local bodies have areas below 2 square miles; and most of them possess areas between 2 and 6 square miles. Only six have areas between 6.01 and 11.73 square miles. In view of such small areas and the consequent high density of population, municipal consolidation seems to be the imperative need. Only in this way can the municipal bodies pull together their administrative and financial resources. Consolidation would yield some viable units which could then perhaps annex even some of the peri-urban areas. The factors that need to be taken into account in municipal consolidation were fully laid down in the statutory regulations for the Boundary Commission in England in 1945. These are of universal validity. It can only be emphasized that the annual rateable value, popula-

¹⁴ Of these, traffic control falls outside the jurisdiction of the local bodies and is exercised by the police which are directly under the State Government.

¹⁵ Calcutta Research Studies No. 2, op. cit., p. 3.

tion and area of each unit have to be carefully weighed in the formation of new units.¹⁶ Also, these local bodies must be assured of statutory State Government grants commensurate with their financial needs.

As regards the peri-urban fringe, its two component parts, *e.g.*, freshly urbanized tracts and purely rural tracts, are susceptible to different solutions. For instance, the purely rural area or a part of it can be used for the purposes of a ring of green belt around the CMD, which function can be entrusted to a body constituted to look after metropolitan area-wide problems. The other alternative is to treat the rural area and the freshly urbanized tracts on the same footing, and these may be controlled, developed and administered by a separate "peri-urban development board". For, these areas are still under the rural local bodies which are structurally and financially unfit to meet the rising demand for urban services. Sooner or later, this peri-urban fringe will completely elude the grasp of the rural local bodies through rapid urbanization which is expected to inundate the rest of the rural areas within the CMD. Keeping these developments in mind, proper administrative provision should be made to forestall haphazard and unregulated growth. Since the urban-rural fringe area lies at the periphery of the urban local bodies, one solution could be to combine parts of this area with contiguous urban local bodies. But, that would put a severe burden on the weak urban bodies that can hardly make both ends meet. Also, it is the general experience that the freshly annexed area needs more services, but yields very little tax revenue. Under the circumstances, the establishment of a peri-urban development board may be helpful on two counts. It can undertake the work of systematic development of the entire urban-rural fringe area which would then receive a unified treatment. Also, such a board may be profitably utilized as a watch-dog body to keep an Argus-eye on unregulated fringe urbanization throughout the State of West Bengal.¹⁷ The

¹⁶ Within the CMD, the State Government has so far effected consolidation in only two cases, and proposals for some other areas are under consideration.

¹⁷ For a more detailed analysis of this point, see Calcutta Research Studies No. 5, op. cit., Ch. 8.

operation of the board would naturally necessitate the extinguishing of the jurisdiction of the district magistrate and the sub-divisional officer in respect of most functions.

We can now consider the first point about an integrated approach to some of the specific problems of the CMD. No institution like the Greater London Council or the Metropolitan Toronto Council has so far been established to administer metropolitan area-wide functions. However, two important bodies have recently been set up for the CMD as a whole. Of these, reference has already been made to the Calcutta Metropolitan Planning Organisation. The other important body is the Council of Co-ordination which is presided over by the Chief Minister of the State, and consists of seven other ministers, some members of the State Legislature, a few journalists and eminent public figures, representatives of the bigger urban local bodies and some civil servants. As the name suggests, it is to review, co-ordinate and look to the implementation of the work of all the important agencies concerned with the "social, economic and overall betterment" of the CMD. The Council is not an elective body; its members are nominated by the State Government. Obviously, in a politics-ridden State like West Bengal, the purpose of such a body is not merely to ensure co-ordination among competing agencies, but essentially to take the important interest groups in confidence. Even then, on the face of it, there seems to be a real need for public relations which, if actually provided by this body, will go a long way in removing local political obstacles to the implementation of the plan which the CMPO might frame.

Inter-governmental co-ordination is perhaps the biggest problem in the CMD. Prior to the establishment of the CMPO, a number of special purpose bodies was created from time to time to undertake developmental and allied work for different parts of the CMD. As Table 6 shows, there are at least four bodies, excluding the CMPO, which are concerned with improvement and development, *e.g.*, West Bengal Development Corporation, Calcutta Improvement Trust, Howrah Improvement Trust, and Salt Lakes Reclamation and Development Board. To put it bluntly, if the CMPO is genuinely to be treated as a planning body for the whole of the CMD, the planning functions of these four bodies within the CMD, need to be extinguished. The West

Bengal Development Corporation might continue its operations outside the CMD, since its jurisdiction is State-wide. But, the other three can well be merged into the CMPO to form a pool of rare technical personnel. There is no earthly reason why the CMPO cannot thus be given the responsibility for both planning and execution. Such re-organization would eliminate institutional rivalries that might bedevil planning in the CMD, and ensure economic and rational use of scarce technical and financial resources. Despite its impressive composition, the Council of Co-ordination has failed so far to be the rallying point of public consciousness about planning in the CMD. This, however, is the appropriate body for publicizing and popularizing the planning proposals of the CMPO. But, political neglect seems to have made it a cripple. If the Council could provide the much needed leadership in planning, it could, at a later date, be transformed into a Metropolitan Council of the London or Toronto model. Pending such development, the CMPO, re-organized in the line suggested above, can undertake the metropolitan area-wide functions; the urban local bodies after necessary consolidation would discharge the purely local functions; and a peri-urban development board would look after the municipal and development work of the peripheral, urban-rural tract.

A final word may be said about the problem of inter-departmental co-ordination at the level of State administration which is an important element in the planning and development of the CMD. Since the policy leadership must emanate from the State Government, co-ordination among the departments that are directly involved in local government administration is of paramount importance. More than any others, the three departments that are so involved are the Development and Planning Department, the Local Self-Government and Panchayats Department and the Health Department. Originally conceived as a co-ordinating department for the framing of the five year plan of the State Government, the Development Department got involved in such functions as local development work and setting up of township. The latest addition to its responsibilities is town and country planning, for which a separate Town and Country Planning Branch has been set up within the Department. Constitution, control, supervision and care of the local self-governing

bodies have been the responsibility of the Local Self-Government and Panchayats Department. Lastly, the Health Department which has the final control of all health activities in the State, also possesses powers of supervision over the local self-governing units in respect of their public health and sanitary services including water supply, drainage, garbage and sewage disposals. The Directorate of Public Health Engineering within this department deals with all engineering aspects of environmental health, executes water supply schemes in both urban and rural areas, and undertakes sanitary schemes including drainage and sewage disposal. It is the Local Self-Government and Panchayats Department which has overall responsibility for the local self-governing bodies. Yet, strangely enough, it has been left with just a crumb of formal powers. Unless there is an attempt to bypass this Department, it is difficult to see how the functions of the Town and Country Planning Branch and the Directorate of Public Health Engineering can be divorced from those of the Local Self-government and Panchayats Department. Planning cannot be done in an administrative vacuum. Departmental isolation is a patent vice in State administration, and when the complementary and identical functions are parcelled out among a number of agencies, its inevitable corollary is institutional rivalry. The West Bengal Government, under the directives of the Planning Commission, have now embarked upon planning operations for a number of urban centres outside the CMD. In the interests of speedy and effective planning, it seems imperative that the Town and Country Planning Branch, and the Directorate of Public Health Engineering should combine with the Local Self-Government and Panchayats Department (since re-constituted as Local Self-Government Department). Only thus can a co-ordinated approach at the policy formulation level match with a similar approach at the level of policy execution.

Conclusion

The growth and development of the CMD have direct relevance to the health of its far-flung influence area and to the state of the national economy. As one authority pointed out, "The vast majority of informed observers... consider the urban prob-

lem in West Bengal, and especially the area of Greater Calcutta, an urgent matter of national—and even international concern."¹⁸ Unfortunately, however, many of these problems have remained unsolved due, mainly, to administrative and political stagnation. For instance, since 1947, out of the 36 urban local bodies, 19 have different times. The city of Calcutta which is the heart of the been superseded and taken over by the State Government at CMD has suffered from frequent bouts of administrative stalemate which is another fascinating story of interminable conflicts of competing interests. Against such a background of administrative paralysis, one can at best hope that suggested institutional changes would be punctuated by a much-needed political leadership which is so crucial for the life and health of the CMD.¹⁹

¹⁸ Richard L. Park, "The Urban Challenge to Local and State Government: West Bengal, with Special Attention to Calcutta", in Roy Turner, *India's Urban Future*, University of California Press, 1962.

¹⁹ Also see the next article on "Some Administrative Aspects of Calcutta's Basic Development Plan".

VII

SOME ADMINISTRATIVE ASPECTS OF CALCUTTA'S BASIC DEVELOPMENT PLAN

The Calcutta Metropolitan Planning Organisation (CMPO) which was set up by the Government of West Bengal in 1961 "to secure and promote the development of the Calcutta Metropolitan area according to plan", published *The Basic Development Plan for the Calcutta Metropolitan District*, 1966-1986, in December 1966. The Plan is a very comprehensive document. It is very different from a conventional city master plan. It does not deal with detailed functional plans for specific urban facilities such as water supply, sewerage and drainage and so on. Its primary purpose is "to provide a rational and comprehensive framework of growth for Metropolitan Calcutta over the next two decades". It has studied in depth the complex problems inhibiting the growth and development of the metropolitan area and then tried to provide a set of basic inter-related policies for its economic, social, physical and administrative stimulation. The four main objectives of the Basic Development Plan (BDP) are:

- (a) to promote a more dynamic growth of the metropolitan economy ;
- (b) to develop a proper urban environment for a population of about 12.3 million by 1986 ;
- (c) to create the machinery for sustained development planning and effective plan implementation ; and
- (d) to strengthen local self-government and citizen participation.¹

The principal merit of the BDP lies in its comprehensiveness

and the methodical and scientific treatment of the subjects discussed. In these respects, it represents a model of city and regional planning which can be profitably emulated by planners in other urban areas and metropolitan complexes in the country.

It is not the purpose of this paper to go into all the details of the BDP. We are concerned here with a very specific feature viz., its treatment of local government in the growth and development of the metropolitan area. The importance it attaches to local government is evident from the four main objectives mentioned above. As the BDP clearly affirms, "strong and well-organised local governments, with efficient and purposive administrations, should play a vital role in the collective progress of the metropolitan area and in raising the standards of living of the individual citizen. There is a wide range of governmental functions, of importance both to the individual and to the community, which are best performed at the local level. Furthermore, the encouragement of responsible elected leadership at this local level must, in a democracy, itself be one of the fundamental goals of all comprehensive development plans."² Accordingly, the BDP has discussed the problems faced by the local government institutions within the metropolitan area and suggested some remedial measures to rationalise and stimulate them in order that they can effectively play their assigned roles within the framework of development administration for the entire Calcutta Metropolitan District (CMD).³

Existing Local Authorities

A brief account of the existing structure of local government in the CMD may be helpful in evaluating the suggestions and recommendations of the BDP. Much like the metropolitan areas elsewhere in the world, the CMD is administered locally by a multiplicity of authorities each operating isolatedly within its petty jurisdiction. Their insularity is a legacy of the past and symbolic of the inability of the administrative apparatus to

¹ *Basic Development Plan for the Calcutta Metropolitan District 1966-86*, Calcutta Metropolitan Planning Organisation, Development and Planning (T & CP) Department, Government of West Bengal, 1966, p. 6.

² *Op cit.*, p. 129.

³ The terms 'metropolitan area' and 'Calcutta Metropolitan District (CMD)' are used interchangeably.

keep in step with the dynamics of later day industrial-urban growths. At the time of writing this paper, the CMD's local administration is shared by 3 municipal corporations, 31 municipalities, 1 cantonment, 1 notified area authority, and about half a dozen statutory special purpose authorities (*see* Table 1). In addition, parts of the zilla parishads of 24 parganas, Hooghly, Howrah and Nadia with their constituent lower tier authorities such as the anchalik parishads, anchal panchayats, and gram panchayats, fall within the CMD. On top of these, various State departments and the areal units of State administration viz., the division, the district and the subdivision, and quite a few Union Government agencies, such as the Railways, the Port authorities and the like, are directly involved in the administration of the CMD.

Thus government in about 490 sq. mile area of the CMD inhabited by more than 6 million people (1961 census) presents a picture of chaotic fragmentation. The CMD has many governments, yet it is pitifully lacking in government. This governmental chaos sets the background for the BDP.

Reorganisation Proposals

Planning and its implementation cannot take place in a state of organisational chaos which creates, as it were, an administrative vacuum. Hence the BDP has sought to provide "a suitable organisational framework for planning and action as aspects of a single development process". Its main proposals relate to :

- (i) the establishment of a statutory planning authority for the CMD ;
- (ii) the organisation of functional and area development agencies ;
- (iii) the rationalisation of the structure of local self-government ; and
- (iv) the improvement in the fiscal machinery.

The need for a metropolitan planning authority arises out of the fact that the CMPO which is currently engaged in planning for the CMD, is not a statutory body, and does not have adequate status and authority to review and coordinate the development programmes of various implementation agencies within the

TABLE 1

Existing Local Authorities in the Calcutta Metropolitan District

(as of April, 1967)

A. Urban Local Self-Government

1. Calcutta Corporation	18. Hooghly-Chinsurah Municipality
2. Chandernagore Corporation	19. Kamarhati "
3. Howrah Corporation	20. Kanchrapara "
4. Baidyabati Municipality	21. Khardah "
5. Bansberia "	22. Konnagar "
6. Baranagore "	23. Uttarpara-Kotrung "
7. Barasat "	24. Naihati "
8. Barrackpore "	25. North Barrackpore "
9. Baruipur "	26. North Dum Dum "
10. Bhadreswar "	27. Panihati "
11. Bhatpara "	28. Rajpur "
12. Budge Budge "	29. Rishra "
13. Champdany "	30. Serampore "
14. Dum Dum "	31. South Dum Dum "
15. Garden Reach "	32. South Suburban "
16. Garulia "	33. Titagarh "
17. Halisahar "	34. New Barrackpore "

B. Cantonments

1. Barrackpore Cantonment

C. Special Purpose Authorities

1. Calcutta Metropolitan Water and Sanitation Authority
2. Calcutta Improvement Trust
3. Howrah Improvement Trust
4. Commissioners for the Port of Calcutta
5. Commissioners for the New Howrah Bridge
6. Calcutta State Transport Corporation.

D. Notified Area Authority

1. Kalyani Notified Area Authority

E. Rural Local Self-government

Parts of the Zilla Parishads of 24-Parganas, Hooghly, Howrah and Nadia, along with their constituent anchalik parishads, anchal panchayats and gram panchayats.

CMD. Within the framework of a State planning legislation, the proposed metropolitan planning authority will be mainly responsible for (a) formulation of plans and policies for the development of the CMD, (b) preparation of a capital budget for the CMD, and (c) coordination and enforcement of development controls only in respect of major projects and policies, most of the enforcement powers being otherwise vested in the hands of the local authorities.

To undertake metropolitan area-wide functions, four statutory special purpose authorities have been suggested viz., a water and sanitation authority, a traffic and transportation authority, a parks and recreation authority and a Hooghly River Bridge Commissioners. Of these, the first authority has already been created under the Calcutta Metropolitan Water and Sanitation Authority Act, 1966. Besides, three area development authorities have been proposed to undertake general improvement and development works in specific areas on both banks of the river. These have been named the East Bank Development Authority (EBDA), the West Bank Development Authority (WBDA) and the Kalyani-Bansberia Development Authority (KBDA). The first two authorities are to be formed by extending the existing jurisdictions of the Calcutta Improvement Trust and the Howrah Improvement Trust, and the last one is to be specially constituted to emphasise the strategic importance of the area in the BDP. Three other special purpose bodies proposed are a bustee improvement authority for Calcutta and Howrah, a housing authority for the CMD, and an education commission for the CMD. All these authorities with their jurisdictions and functions are put together in Table 2. In the sphere of local self-government, the BDP has suggested municipal consolidation as a remedy against fragmentation. Several factors such as population size, density, area, contiguity, topography, optimum service areas, organisational and financial resources and so on need to be taken into consideration in creating bigger and more viable municipal units. The programme of consolidation suggested in the BDP is presented in Table 3. These consolidation proposals have been put forward "tentatively", and these do not provide "a detailed examination of alternatives" to find out optimum urban local units in terms of area and population. The area

TABLE 2

Special Purpose Authorities Proposed in the Basic Development Plan

Authority	Jurisdiction	Main Functions
1. Calcutta Metropolitan Planning Authority	CMD	Plan preparation and co-ordination, capital budgeting, plan review and enforcement
2. Calcutta Metropolitan Water and Sanitation Authority	CMD	Water supply, drainage and sewerage
3. Calcutta Metropolitan Traffic and Transportation Authority	CMD	Traffic and transportation planning and regulations; parking facilities; planning, construction and maintenance of arterial roads and highways; planning, coordination, development and operation of systems of mass transportation
4. Hooghly River Bridge Commissioners	CMD	Construction of bridges and operation of ferries across the river
5. Calcutta Metropolitan Parks and Recreation Authority	CMD	Planning, provision and maintenance of major parks and public recreation facilities, permanent open spaces and public landscape.
6. Housing Authority (as a division of the State Housing Board)	CMD	Housing
7. Calcutta Metropolitan Education Commission	CMD	Development of policies and standards for education, school construction and location
8. Bustee Improvement Authority	Calcutta and Howrah	Bustee improvement

TABLE 2—*contd.*

9. East Bank Development Authority	All of the CMD on East Bank up to the southern boundary of Bhatpara Municipality	Urban renewal, area development, new township, local planning
10. West Bank Development Authority	All of the CMD on West Bank up to the southern boundary of Chander-nagore	do.
11. Kalyani-Bansberia Development Authority	Remaining areas of the CMD in the North	do.

Source : *The Basic Development Plan*, op. cit., p. 133.

TABLE 3

Proposed Consolidation of Urban Local Government in the CMD

Units	Area sq. miles	Population (1961 Census)
<i>East Bank Groups</i>		
1. Calcutta, Garden Reach, South Suburban	56.48	32,43,870
2. Baranagar, Kamarhati, Dum Dum, North Dum Dum, South Dum Dum	21.62	4,02,759
3. Panihati, Khardah, Titagarh ..	13.25	1,98,540
4. Barrackpore, North Barrackpore, Garulia, Bhatpara ..	13.77	3,07,132
5. Kanchrapara, Naihati, Halisahar ..	11.56	1,78,846
<i>West Bank Groups</i>		
6. Howrah, Bally	16.11	6,43,000
7. Uttarpara-Kotrung, Konnagar, Rishra	7.30	1,20,141
8. Serampore, Baidyabati, Champ-dani, Bhadreswar ..	9.8	2,13,451
9. Hooghly-Chinsurah, Bansberia ..	13.00	1,29,890

Source : *The Basic Development Plan*, op. cit., p. 131.

and population of the units as envisaged in Table 3 will in many cases, increase, if simultaneously attempts are made to bring peripheral non-municipal tracts into them. Thus the Kalyani Notified Area Authority is proposed to be amalgamated with the fifth east bank group consisting of Kanchrapara, Naihati and Halisahar.

Another important recommendation concerns the "phased programme of non-municipal area annexations" to fill in the gaps in the municipal mosaic of the CMD. Since there are difficulties in the imposition of higher municipal tax rates on the residence of the newly annexed areas and in providing higher levels of services to them, immediate annexation of the entire non-municipal urban and rural tracts to the reorganised urban units has not been favoured. Special administrative and fiscal arrangements have been suggested for those areas which cannot be brought within the ambit of urban local government at this stage. On the actual nature of such special arrangements, however, the BDP does not throw any light.

Certain basic fiscal policies have been recommended with a view to financing the implementation of the BDP. These include suggestions for improvement in the administration of assessment and collection of municipal property taxation, introduction of a system of uniform assessment for the entire CMD, widening the local tax base, and the creation of a metropolitan development fund with contributions from the Central, State and local governments.

Evaluation of the BDP

Tables 2 and 3 taken together broadly present the scheme of governmental reorganisation envisaged in the BDP. If these are put alongside Table 1, the changes proposed come to clear relief. Palpably, the BDP has relied on the twin devices of creation of special purpose authorities and consolidation of municipalities. The existing maze of authorities represented by 34 municipal bodies, 4 zilla parishads and their constituent lower tiers, and about half a dozen special purpose authorities has been sought to be replaced by an array of agencies comprising eleven special purpose authorities and about nine municipal units. Evidently,

in the reorganisation scheme the scale has tilted quite heavily toward the special purpose authorities. The area development functions which are currently entrusted to the two Improvement Trusts of Calcutta and Howrah have not changed hands. On the contrary, the operating jurisdictions of the two Trusts have been widened considerably, and they will have new names and a new compatriot in the proposed KBDA.

The innovating zeal of the BDP has found fullest expression in framing a constitution for the metropolitan level. As Table 2 shows, 7 special purpose authorities have been proposed each of which would undertake specific metropolitan area-wide functions. The metropolitan level, in the eyes of the BDP, seems to be the vanishing point of local government. As it has been argued, "It would not be feasible or advisable to continue to fragment the performance of what are essentially 'metropolitan' functions amongst a number of units of general civic government."⁴ The preference for special purpose authorities has been based on the following logic :

"Such specialised authorities, since they are not burdened with the multifarious responsibilities of general local government, are able to concentrate on the limited function or functions assigned to them, and can consequently, be much more efficient in the provision of their respective services. The financing operations of these agencies can be run on commercial and economic lines untrammelled by the complications and exigencies of overall local government finance. It is also possible for the public at large to identify and appraise the benefits received in direct relationship to service charges paid for the use of the services and amenities rendered by the functional agency."⁵

The extreme fragmentation of local government coupled with their inefficiency and lack of financial resources and technical know-how has been mainly responsible for their relegation to a secondary position in the scheme of reorganisation. New local government units with larger areas, population and resources have been planned through the devices of consolidation and

⁴ *The Basic Development Plan*, op. cit., p. 125.

⁵ Op. cit., p. 126.

annexation. Even after these reforms, however, the functions of these units will neither be numerous nor very exciting. As is the practice now, the proposed area development agencies will operate within the areas of these local units perpetuating thereby the old divorce between local self-government and local planning and development. Many of the special purpose authorities designed to undertake metropolitan area-wide functions would further deprive local government of their important powers and responsibilities. Thus, the Calcutta Metropolitan Water and Sanitation Authority which has already been set up will take over existing municipal functions in respect of water supply, drainage, sewerage, sewage treatment and disposal, collection and disposal of night soil, and garbage collection and disposal. Municipal responsibilities in respect of primary education will be subject to the policies and standards to be laid down by the proposed Metropolitan Commission on Education. Local functions relating to road construction will obviously have to conform to the regulatory powers of the proposed Metropolitan Traffic and Transportation Authority. Slum clearance and improvement will be undertaken by another special purpose body. Even ferry services will go the way of the above mentioned functions. In the context of such functional allocations, all the complementary remarks about the role of local government and the scheme of local government reform in the BDP look like mere window-dressing. Reorganised local government without important powers and responsibilities, will remain a mere shell without contents, and it will fail to attract responsible elected leadership needed to run the machinery successfully. It is also not clear how the special purpose authorities at one end and the local government units at the other can be made to move in concert which is so important for a coordinated development of the CMD.

Admittedly, the very existence of a metropolitan area implies a range of metropolitan area-wide functions. But, this does not mean that such functions will be best administered by a multiplicity of special purpose authorities, as the BDP assumes. The metropolitan area is crowded with different types of local authorities. It is the fragmentation of administration that stands in need of reform, and when a fairly large number of special purpose authorities is created to manage the metropolitan area-

wide functions, such a device proves to be a perpetuation of fragmentation and not its solution. Aside from the undemocratic nature of such authorities, they are "bound to lead to confusion of purpose, extravagance, and lack of coordination."⁶ In rejecting the method of creating a number of special purpose authorities, the Royal Commission on Local Government in Greater London succinctly remarked that, in view of the interlinked problems of the metropolitan area, "What is needed is some means of considering them as a whole and dealing with them. It is no solution to separate these further by giving each to some specially designed *ad hoc* body."⁷ Even in the United States of America, which has been the happy home of special purpose authorities, the defects of this method "have stimulated a reaction to the use of limited purpose districts, and a search for still other approaches to the problem of governmental reorganisation."⁸ In view of these considerations, the device of a multiplicity of special purpose authorities, as envisaged in the BDP, remains a dubious solution to the governmental problems in the CMD.

The basic defect of the BDP lies in its reluctance to weigh the pros and cons of alternative methods of governmental reorganisation. It has referred to international experiences in this field; even then, it has not considered the applicability of alternative devices.

Recently, the Rural-Urban Relationship Committee set up by the Ministry of Health, Government of India, on the recommendations of the Central Council of Local Self-Government dealt *inter alia* with the problem of governmental organisation of metropolitan complexes. In the opinion of the Committee, a suitable administrative organisation for these complexes may be arranged in either of the following ways:

- (a) "by placing the entire city region under a single municipal authority; or

⁶ William A. Robson, *The Government and Misgovernment of London*, London, 1948, pp. 502-3.

⁷ *Report of the Royal Commission on Local Government in Greater London*, HMSO, London, 1960, p. 188.

⁸ *Alternative Approaches to Governmental Reorganization in Metropolitan Areas*, Advisory Commission on Intergovernmental Relations, Washington, 1962, p. 83.

- (b) "by creating a special statutory authority which will undertake the planning and development of the entire region in the matters which affect the entire area, namely communications, water supply, drainage and sewage disposal and other such area-wide functions. The planning of details and their execution can be left to the local authorities in so far as they pertain to matters of local interest only."⁹

In fact, the first method has been adopted in Greater Bombay where the boundaries of the Corporation have been extended to cover suburban and peripheral areas. The second method envisages a two-tier organisation. Under this scheme, local functions will be entrusted to the lower tier local bodies, while the metropolitan area-wide functions will be administered by a multi-purpose statutory authority representing different interests in the area. In a far-flung metropolitan area like the CMD with more than 6 million population, the first device may not be *feasible*. Even now, the administration of Calcutta Corporation which is the biggest local body in the area has been decentralised to some extent. If a single municipal authority for the entire CMD is envisaged, that would involve considerable decentralisation of administration which in effect would partake of a two-tier organisation. Also a scheme of reorganisation in the CMD, to be politically acceptable, must accommodate the local units, even in consolidated forms.

In view of these considerations, some form of two-tier organisation may be tried to meet the governmental problems of the CMD. Such a two-tier system may be of the type suggested by the Rural-Urban Relationship Committee; alternatively it can be organised on the elective Greater London model. The adoption of the two-tier system would, however, necessitate formation of suitable lower tier units with an eye to, more or less, even distribution of population, densities and financial resources. The actual distribution of powers and functions between the two tiers can be worked out drawing upon local and international practices.

⁹ *Report of the Rural-Urban Relationship Committee*, (Vol. 1), Ministry of Health and Family Planning, Government of India, June 1966, p. 44.

VIII

ADMINISTERING THE URBAN FRINGE

The structure, spread and functions of the urban fringe are often studied by the geographers. Our substantive concern here is the administration of the fringe area. Since the spatial dimension of the fringe would determine the nature of its administrative problems we may be permitted to trespass into the geographers' domain. Concepts like "urban influence area" and "region" have wider connotation, the extent of the area or region being measured on the basis of certain indices. Also the delineation depends very much on the needs or purposes which the delineator has in mind. In a study of the functional zones and the urban spread of the Mysore towns, V.L.S. Prakasa Rao has used the words "peri-urban land" and "fringe area" interchangeably.¹ His *assumption* is that the peri-urban land lies within two to three miles from the existing town boundary. Of course, he agrees that this usual spread may not be true in the case of cities passing through explosive phase of spread and where the spread is interrupted by local terrain. Although Ellefsen² uses the word "hinterland" which is a broader concept, his conclusion is that even the hinterland of Indian cities is very much restricted as compared to Western city hinterland. When we talk of the fringe area from the standpoint of local administration we have in mind a particularly problematic area quite close to a given city boundary, which has over the years grown in such a fashion that it is for all practical purposes an integral part of the core city; yet it lies beyond the administrative jurisdiction of the city and is administered locally by the panchayati raj bodies. So

¹ V. L. S. Prakasa Rao, *Mysore Towns*, Indian Statistical Institute, Calcutta, 1964.

² Richard A. Ellefsen, "City-Hinterland Relationships in India", *India's Urban Future*, Roy Turner (ed.), University of California, 1962.

the fringe area for our purposes is a transitional or twilight zone situated in-between well-recognized land uses of the city and the agricultural tracts of the village. It is, generally speaking, smaller than the commuting or trade area of a city, and can be distinguished in terms of peculiarity of land uses. In fact, most of the land uses in the fringe area are in a flux where industries, residential quarters, commercial places, streets, drains, shacks and slums jostle in space.

Admittedly, every town or city has a fringe, narrow or wide. This is also proved by the study of Rao. As he points out, "encroachment seems inevitable whether in a small town with slow growth like Talakad or rapidly growing towns like Chikballapur, Mandya and Gadag." Not every fringe, however, can be considered as a problem fringe. Really speaking, the phenomenon of *problem fringe* is usually to be seen around growing towns and big cities. Instances are not rare where to avert the fringe problem the peripheral rural tract has been annexed by the core city thereby internalising the problem temporarily. Poona and Kanpur, and a few other municipal towns present this kind of situation. Delhi has about 300 villages within its jurisdiction, but it can be treated as a unique case where the boundaries of a Union Territory coincide with those of an urban local authority. In most cases, the fringe area becomes a problem area for the city because of its location right at the periphery of the city. This area is marked by haphazard and unregulated growth, overcrowding, slums, ribbon development and traffic problems, insanitary conditions and chaotic uses of land. The fringe area, whenever discussed, is looked at as extended city area. The unregulated and haphazard developments and the insanitary conditions in the fringe adversely affect the core city. Free movement between the fringe and the city places the city at a disadvantage. Its services and amenities are freely used by the residents of the former without caring to pay anything to the municipal coffer. Thus, the fringe is looked at as the Mecca of the tax-dodgers. Since the restricted legal jurisdiction of the core city does not allow of municipal intervention beyond the boundary, various methods have been adopted or suggested to deal with this problem.

Methods Adopted

(1) *Annexation*: Outright inclusion of the fringe within the city boundary is a widely known solution, and in cities like Poona, Kanpur and Howrah this method has actually been adopted.

(2) *Extra-territorial Power of Local Authority*: The core city has been given in some places statutory authority to undertake planning and building regulations in the areas close to its boundary. Under the Uttar Pradesh Nagar Mahapalika Adhiniyam, 1959 the municipal corporations have been authorized to undertake these functions within two miles of the legal limits.³ A similar measure is the Chandigarh Periphery Control Act, 1953, under which an area within five miles on all sides of the Chandigarh boundary has been declared as "controlled area" where land use is decided strictly in accordance with the provisions of a periphery land use plan. A kindred measure is the Madhya Pradesh Town Periphery Control Act, 1960, under which the District Collector has power to declare an area of seven miles on all sides from the outer boundary of the town as a control area for regulating construction and development.

(3) *Notified Area Authority*: To deal with the fringe areas some States have set up specially constituted local authorities. For example, under the Bihar and Orissa Municipal Act, 1922, notified area committees have been set up in Jamshedpur and Jugsalai (Bihar). These committees consist of State Government nominees and function as *de facto* municipal bodies. Similarly, in West Bengal the Bengal Municipal Act, 1932, provides for the establishment of notified area authorities for administering the following areas:

- (a) any area not fulfilling the conditions for being constituted as a municipality;
- (b) any area which falls within a newly developing town; or

³ A United Nations Seminar Report contains a similar suggestion. See *Public Administration Problems of New and Rapidly Growing Towns in Asia*, Technical Assistance Programme, United Nations, New York, 1962, p. 12.

- (c) any area in which new industries have been or are being established.

In West Bengal, notified area authorities have been set up at Kalyani within the Calcutta Metropolitan District and at Durgapur which is a growing urban centre.

(4) *Special Controlling Authority*: Another measure of special nature is the Uttar Pradesh Regulation of Building Operations Act, 1958, under which the State Government can constitute a controlling authority for a regulated area in order to prevent in that area bad laying out of land, haphazard erection of buildings and growth of substandard colonies, or to develop and expand the area according to proper plan. The authority is to consist of not more than nine members with the Secretary, Local Self-Government Department or the Divisional Commissioner or any other officer not below the rank of a Sub-Divisional Magistrate as Chairman. Other members to be nominated by the State Government may be the chairman of the zila parishad and the president of the municipality or notified area situated within the regulated area. There is also provision for co-option of other presidents of local bodies in case these fall within the regulated area. In West Bengal, the Calcutta Metropolitan Planning Area (Use and Development of Land) Controls Act, 1965, is intended to serve the same purpose. Under Section 3 of the Act, the State Government may declare an area to be a controlled area for which it may issue directions concerning the use of land, the division of any site into areas for the erection of buildings, the allotment or reservation of land for services or utilities, excavation, access to roads, and any other matters necessary for orderly development. The State Government may appoint a Land Use Controller to enforce these directions, or delegate powers to existing agencies, such as District Officers or the Chief Executive Officers of local authorities.

Apart from these, there are also few instances of joint committees of urban and rural local bodies to solve specific problems.

Methods Suggested

In recent times at least two high-power central committees have paid attention to this problem of unregulated and haphazard

urban growth beyond the municipal boundary. One is the Committee on Urban Land Policy which submitted its report in 1965, and the other is the Rural-Urban Relationship Committee which submitted its report a year after. The first Committee suggested⁴ that a way out of the type of difficulties created by haphazard and unregulated urban growth might be to create a high-power statutory autonomous urban development board or authority at the state level which will have the power of compulsory public acquisition of land. In its opinion, the board should have a whole-time chairman, and two or three whole-time members to deal with financial, engineering and administrative matters. Senior officers of the concerned State departments including the Local Self-Government Department, State Town Planning Department and the State Public Works Department, and one or two members of Parliament, State Legislatures or Local Authorities should be taken in as members of the board. The principal executive head of this board should be vested with sufficient financial and executive powers. As regards functions, it is suggested that the board would guide and advise the State Government, the urban local bodies and other agencies in matters pertaining to urbanization and urban planning and development. It will act as the co-ordinating agency for planning and development and enforce the plans prepared by it with a view to securing integrated and co-ordinated planning and development. The board may also undertake the implementation of various development schemes itself. It might have to set up operating units in the areas where it has to work. To ensure inter-agency collaboration and coordination at the local level the board may have a local advisory committee in the operating areas consisting of representatives of the urban local bodies, development agencies and other major interests. Where no operating units can be set up, the board may entrust the urban development functions to a suitable local agency, such as the Improvement Trust or any other authority. Thus, the Committee on Urban Land Policy recommends a multi-functional board at the State level which may or may not have local operating units of its own. Planning and development of fringe areas would be

⁴ *Report of the Committee on Urban Land Policy*, Ministry of Health, Government of India, New Delhi, 1965, pp. 29, 52-4.

one of its functions, but it is not exclusively meant to take care of these areas.

The Rural-Urban Relationship Committee, as the title suggests, is more intimately concerned with the governmental problems beyond municipal boundaries. This Committee has discussed in detail the problems of unregulated urbanization. To quote from its Report, "The urban process cannot stop at the edge of the municipal limits. In fact, most of the problems of urbanization relate to haphazard growth and development in areas that lie within the administrative jurisdiction of Panchayati Raj Bodies." The solution offered by this Committee is quite ingenious.⁵ Except for metropolitan and industrial complexes, the district, in its opinion, must be accepted as the regional administrative unit for the purposes of planning and development within the framework of a comprehensive planning legislation. The districts have been divided into two broad categories: (a) those with substantial urban population, and (b) others which are predominantly rural. For the district with substantial urban population a statutory planning and development authority at the district level has been suggested. The members of this authority would include the district magistrate, the president or chairman or mayor of major cantonment boards, municipalities and corporations within the district, the chairman and two other members of the zila parishad of the district and representatives of special interests like railways, etc. For the predominantly rural district no statutory authority has been recommended. Instead a special committee has been suggested consisting of representatives of urban and rural local bodies and other special interests within the district. The chairman of the involved zila parishad will preside over this committee.

For metropolitan areas and industrial complexes a separate planning and development authority has been recommended. The State Minister of Local Self-Government or Urban Development should be the Chairman of the authority, which would con-

⁵ *Report of the Rural-Urban Relationship Committee* (Vol. I), Ministry of Health and Family Planning, Government of India, 1966, pp. 43-4, 52-3.

sist of the representatives of zila parishads, major municipal authorities and other important interests within the metropolitan area. The authority, it is suggested, should have a senior officer as its executive head who would be assisted by technical members in charge of planning, engineering and finance. So far as the special committee for the predominantly rural district is concerned, it is to be assisted by the State Government in drawing up regional plans and their implementation. But in the two other cases, the special statutory planning and development authorities should have sufficient powers and resources to prepare regional plans and ensure their implementation, to coordinate the activities of different agencies, and to operate in respect of land acquisition, development and disposal and other important area-wide functions. Wherever possible, the urban and rural local bodies would prepare detailed local plans in accordance with the guidelines laid down by the statutory planning and development authority. For metropolitan areas the creation of a single municipal government covering the entire region has also been recommended as an alternative.

Recently, in the *Basic Development Plan*⁶ for the Calcutta Metropolitan District it has been suggested that special development authorities should be set up to undertake planned development of both municipal and non-municipal areas falling within the Metropolitan District. The latter constitute about sixty per cent of the total area of the Metropolitan District and contain nearly fifteen per cent of its population. Three such authorities recommended are the East Bank Development Authority, the West Bank Development Authority and the Kalyani-Bansberia Development Authority. The first two would replace the existing two Improvement Trusts of Calcutta and Howrah. Essentially these authorities would be in the nature of Improvement Trusts and their main functions would be to undertake urban renewal, area development, new township development and local planning within the framework of a metropolitan plan.

⁶ *Basic Development Plan for the Calcutta Metropolitan District* (1966-86), Calcutta Metropolitan Planning Organisation, Government of West Bengal, 1966, pp. 127-8.

The Problem Reconsidered

The methods so far adopted and suggested to contain and regulate fringe growth point out that this problem has not gone unnoticed. Before examining them, some basic considerations need to be kept in mind. In the first place, one cannot overlook the fact that our local government which has to bear the brunt of urbanization is ill-equipped to undertake this responsibility. Although the urban local bodies are somewhat better off, many of these have within their boundaries haphazard and unplanned developments, and even the basic urban services, such as water supply, drainage and sewerage, roads, and medical and health facilities, are woefully poor in many of them. Often there would be hardly any marked difference between the situation within the municipal boundary and that outside it. Again, the neighbouring rural local body—a tiny gram panchayat—does not have the resources or the necessary orientation to deal with urban problems. The Panchayati Raj bodies, as they are conceived and constituted now, are basically oriented towards rural development and agricultural growth, and cannot be expected to provide an answer to urbanization and urban development. A second important consideration concerns the *degree of control* that needs to be exercised to cope with haphazard fringe growth. Although the fringe areas are notorious for unregulated urbanization which is obviously annoying to a townplanner and it is always nice to have an urban area according to a master plan, a developing country like ours with sluggish rate of economic growth can hardly afford to disregard the fact that the fringe areas are also the natural growth areas. Land use controls should, therefore, be carefully planned to impose “minimal essential constraints” which would help, and not scare away, “aggressive private investment in productive activity.”⁷ Last, but not least, whatever methods might be adopted or suggested to tackle the problems of fringe area, one has got to take the local bodies of the area in confidence and from the long term point of view no enduring solution is possible outside the system of local government.

⁷ In this respect, the *Basic Development Plan for the Calcutta Metropolitan District* has laid down a reasonably cautious urban land policy, op. cit., p. 134.

Turning to the methods that have been adopted and suggested from time to time to tackle fringe growth, it appears that these are classifiable into three types : (a) solution being within the system of local government, (b) solution being outside the system of local government and in special purpose bodies, and (c) solution being in a compromise between (a) and (b).

Municipal annexation of peripheral tracts, extra-territorial powers over the fringe areas, and joint committees belong to the first type of solution ; while notified area authority, special controlling authority and the Basic Development Plan's suggested development authorities belong to the second. The methods recommended by the Committee on Urban Land Policy and the Rural-Urban Relationship Committee fall in the last category. Annexation, exercise of extra-territorial powers and joint committees serve the purpose of internalising the fringe problems. These may be useful methods in limited cases, but their acceptance as a general policy is open to question. Municipal bodies in India live a hand-to-mouth existence. It will, therefore, be ruinous for them to undertake additional responsibilities for the undeveloped problem fringe. Also the residents of the fringe are often opposed to annexation for fear of increased taxation. Again, fringe growth is a moving phenomenon which needs to be dealt with by a sufficiently flexible tool. These methods are, however, too static to be of any real use in a dynamic situation. This applies equally well to the special purpose bodies which are also area-bound. Even then, given adequate resources, these bodies might be useful as *stop-gap devices*. The Improvement Trusts, for example, have in many places done commendable work as development agencies. Once the development work is completed, the Trust usually hands over maintenance responsibilities to the municipal authority. At the same time, special authorities often get involved in jurisdictional conflicts with the local bodies, and they have to depend on the State Government and the municipal authorities for funds.

Of the suggested measures of the two official Committees mentioned earlier, the idea of a State level urban development board seems to have attracted little attention. Apart from the difficulty of finding resources for such a machinery, an important problem that this kind of proposal raises is : where to place it in the orga-

nizational set-up of State Government ? Rural local government and urban local government are in many States looked after by separate departments. An urban development board would naturally be tagged to the State department dealing with urban local bodies, but urban growth often cuts across the boundaries of local bodies, both urban and rural. Unless there is a single State level department of local government in charge of urban and rural local bodies, it may not be easy for a functional agency like the proposed board to operate in the peri-urban areas. Also, the location of a State functional agency would perhaps be fruitful at the field level and not at the State level.

The Rural-Urban Relationship Committee

In many respects the recommendations of the Rural-Urban Relationship Committee are of monumental significance. It deserves all the praise for pioneering a sound and scientific approach to the problems of urbanisation and urban development without being bogged down in petty institutional considerations. Urbanization, as the Committee rightly points out, is no respecter of local boundaries ; it is a mobile phenomenon which links in its trail rural and urban areas together. One can infer from this that whatever happens in the fringe area is the localised symptom of a bigger problem whose tap roots lie elsewhere. Therefore, to get a broader perspective, it is necessary to look beyond local areas into the wider region that grows out of a symbiotic relationship of the rural and urban areas. To quote from the Committee's Report :⁸

"The process of interaction and inter-dependence between the smaller communities for the achievement of common needs and interests leads to the formation of a regional community. Such a regional community contains a central urban area and the surrounding rural areas. The boundaries of such a region would depend on the size and the complexity of the urban area. The bigger and more complex an urban area, the larger the corresponding region embracing within its boun-

⁸ Op. cit., p. 41.

daries rural and urban groups. All these regions, large and small, include a fairly broad spectrum of agricultural, industrial, commercial and other types of activities, all closely inter-related and requiring various common services, such as health, education, water supply, drainage, and transportation. In the region, there is a hierarchical pattern of settlements bound together in a system of functionally interlinked and inter-dependent units. There is thus a continuum of communities that stretches from the smallest village to the largest metropolis."

Ideally, the problem area should be coterminous with the administrative area. If the unit of rural-urban interactions is the region, it is but natural to recommend a regional administrative machinery. This is exactly what the Rural-Urban Relationship Committee has done. The upshot of the Committee's recommendation is that barring the metropolitan areas and the city region complexes having a population of more than 5 lakhs which have to be treated differently, the district should everywhere be accepted, for the sake of administrative convenience, as the regional unit for planning and development. Virtually a two-tier administrative system is envisaged with a district level special statutory planning and development authority looking after major area-wide functions and the local authorities at the bottom undertaking purely local functions.

This recommended administrative structure would eliminate chances of unregulated fringe growth, as the upper-tier authority will plan for the whole region including the peri-urban areas falling within it. Presumably, inter-regional plan coordination would be done at the State level. But once this problem of State level coordination is posed, the basic weakness of the recommendations of the Rural-Urban Relationship Committee becomes apparent. If Panchayati Raj and Municipal Government are looked after at the State level by two separate departments which is the case in many States after the advent of Panchayati Raj, the idea of coordinated rural-urban development at the regional level as envisaged by the Committee becomes difficult, if not impossible. Local government is one and indivisible, and it has to be treated as such. Any dichotomous approach at the policy level is bound to affect administration at the local and regional

levels. The device of a statutory planning and development authority at the district level is a purely *ad hoc* arrangement and it cannot organically link the rural and urban local bodies together. Even now, provision for interlocking memberships of the panchayati raj bodies and the municipal authorities exist in most of the Panchayati Raj Acts. The Andhra Pradesh Municipalities Act, 1965, provides that a municipality must send its plan schemes to the zila parishad [Sec. 34(4)]. But, all these arrangements have failed to achieve the much-needed coordination between urban and rural local bodies. Intergovernmental coordination is more desired than actually realized in practice, and it is hard to believe that the statutory planning and development authority with an assortment of diverse interests would have a smooth sailing.

Nevertheless, the Committee's diagnosis of the administrative malady is certainly above board and its approach to administrative reorganization is remarkably sound. To quote from its Report:⁹

"The vital role of administrative institutions in equalising distinctions and differences must be recognised...and so long as we have one set of institutions for urban areas and another set for the rural areas, the differences will not persist but get further stratified."

There cannot be a better statement of the predicament of contemporary local government administration in India. The phenomenon of unregulated fringe is largely a concomitant of the dichotomy that exists today between urban and rural local government institutions in the country. The urban fringe is the vanishing point of local government, as it were, where municipal administration cannot reach and rural administration is at best a silent spectator. What is needed is, to borrow the Committee's words, "the integration and coordination of the activities of the urban and rural local bodies, particularly in the field of planning and development." After this, the Committee's recommendation about the statutory authority sounds inconsistent with its own approach towards the solution pattern. If integration is really the objective, this cannot be achieved through *ad hoc* arrange-

⁹ Op. cit., p. 36.

ment; it has to be built into the very system of local government. What we have in mind is a composite form of local government embracing both urban and rural areas together, which would do away with the present-day invidious distinction between Municipal Government and Panchayati Raj. Within the framework of a single piece of local government legislation, each district could have a district-level representative body and a number of municipalities and suitably designed rural local units. To forge an organic link between the district-level body, and the local-level municipalities and the rural units, the former could be constituted by indirect representation from the latter. A scheme of functional distribution between the two levels would be governed by the principle that larger district-wide functions and those that involve more than one local unit should be undertaken by the district-level body, and the local-level functions should be entrusted to the municipalities and the rural local units. Planning, to cite an instance, would be the responsibility of the district-level body. Under this arrangement chaotic fringe development which is largely due to a governmental vacuum in the peri-urban regions, would not take place, as district planning would blanket the entire district area. Such a scheme of local government reorganization would obviously necessitate a re-modelling of the contemporaneous triple-decker Panchayati Raj system of rural local government. The bigger municipal corporations have to be left out of this scheme. To forestall haphazard fringe-growth beyond their boundaries, their planning must take into account their limits of future urbanisability and try to put a green-belt around. The green-belt is, however, an essentially negative device based on the assumption of a static urban population. Therefore, it must be supplemented by a planned policy of population dispersal through the development of new urban nuclei.

The planning of district-level bodies and bigger municipal corporations, which would remain outside the composite local government system, would have to be coordinated at the State level. Hence, the scheme of local government reorganization envisaged above must be preceded by the creation of a single, well-equipped ministry/department of local government at the State level which would do away with the present-day duality

in State administration in relation to Municipal Government and Panchayati Raj institutions. Haphazard urban growth has its origin, in most cases, in faulty locational policy with regard to setting up of industry, and there is hardly any watch from the State level over unregulated urbanisation. It should be one of the functions of the ministry/department of local government to keep in constant touch with the development policy for the State as a whole so that specific local areas selected for development could be alerted against the possible consequences of development.¹⁰

Conclusion

The fringe being the rural-urban confluence, a discussion on its administration naturally raises fundamental questions about the conception of local government as a whole. During the nineteenth century our Municipal Government grew up as an exclusive system in much the same way as Panchayati Raj was inaugurated as an exclusive pattern of rural local government ten years ago. An unhappy contradiction that has resulted from this is that industrial and technological developments are fast creating a functionally linked society, but the two mutually exclusive systems of local government are trying to keep local communities apart. Sooner or later, we will have to resolve this contradiction by evolving a composite system of local government that would fit in with the emerging pattern of society.

¹⁰ In this connection, see Mohit Bhattacharya, "Rural Self-Government in Metropolitan Calcutta", *Calcutta Research Studies* No. 5, Bombay, Asia Publishing House, 1965, Ch. 8.

IX

STATE AGENCY FOR MUNICIPAL
SUPERVISION

During the British regime a policy on local self-government used to constitute an indispensable part of a general policy on India's constitutional development. The intention of reforms was to offer the educated elite an opportunity to take part in the management of local administration and this was regarded as a necessary precondition of expanding future area of Indian participation in government and administration. Historically, Lord Ripon's resolution of 1882 is regarded as the first clear and coherent policy statement on the introduction of local self-government in India. In spite of the noble philosophy of Lord Ripon, local self-government could not strike root in those days, as the circumstances were still not conducive to the growth of self-governing institutions. District administration headed by the District Officer was a formidable state agency operating in full force in the districts. The authoritarian character of district administration proved to be a major impediment to the blossoming of local self-government. Later as Indian political opinion gradually became restive and started demanding radical constitutional changes, important concessions were made in the form of radical reforms in the sphere of local self-government. In fact the Montagu-Chelmsford Reforms of 1918 selected local self-government as the sphere in which steps could be taken first and furthest in the direction of progressive realisation of responsible government in India. Although Central and Provincial Governments were reformed to some extent, radicalism in constitutional reform exhibited itself in the field of local self-government. As a result of the Reforms, municipal bodies were left to the direction of a majority elected by a comparatively wide franchise. Resurrecting the philosophy of Lord Ripon, the Montagu-Chelmsford Report emphasized the importance of educating local

citizens through participation in local bodies and recommended the largest possible independence for the local bodies of outside control. One of the principal tenets of reform was to strictly subscribe the radius of official control and to treat local government as 'a vital link in the chain of organisms that make up the Government of the country.'

As a sequel to the Montagu-Chelmsford Reforms, Governmental powers at the provincial level were divided into two categories: reserved and transferred. 'Local self-government' was one of the transferred subjects entrusted to the supervision and control of Indian Ministers answerable to the provincial legislatures. This resulted in the emergence of Local Self Government Department at the provincial level for the control and supervision of municipal authorities and rural local bodies. At the district level the reforms led to an almost complete severance of connection between the municipalities and the District Officer. Previously the District Officer was the official chairman of the District or Local Board and frequently of one or more municipalities. In fact, the District Officer was an integral part of municipal administration, but the Reforms introduced a new relationship between the Local Self Government Department and the municipalities without the interposition of the District Officer. The latter remained an agent of the State at the field level bereft of his powers of direct interference in municipal administration.

The organisation of State machinery for supervision and control of municipal administration even today remains almost the same as it evolved out of the Montagu-Chelmsford Reforms of 1918. The next momentous event in the history of constitutional reforms was the federal scheme envisaged in the Government of India Act, 1935. 'Local self-government' in the federal scheme was placed in the provincial list. After Independence, when India framed her new Constitution, the location of "local self-government" was not disturbed and it was retained as a 'State List' subject.

The only change in the sphere of local self-government in post-Independence India is the inauguration of a new system of rural self-government commonly known as Panchayati Raj. To give special attention to the development of the new rural institutions, almost all the State Governments constituted a separate

department for the control, promotion and guidance of Panchayati Raj institutions. This, however, marked the beginning of a duality in State level organisation with regard to supervision of local self-government. Henceforward, two independent departments started operating at the State level, one dealing with municipal affairs and another with the Panchayati Raj institutions.

Organisation of State Machinery

In this paper we are concerned with the organisation of State machinery for the control and supervision of municipal authorities. A general practice in India in State administration is to have a Secretariat department charged with specific functions. The Secretariat, which is essentially a policy-framing organ, is presided over by a Minister who is answerable to the legislature. Below the Minister, the Secretariat organisation is headed by a permanent Secretary with Deputy and Assistant Secretaries working under him. With the bifurcation of State level administration on local government after the emergence of Panchayati Raj, the general pattern is that in most of the States a Secretariat department deals with municipal government and administration. There are, however, variations in the organisation of these Secretariat departments. For instance, some States such as Punjab, Rajasthan and West Bengal have each a Department of Local Self-Government dealing exclusively with municipal affairs. Again, States like Andhra Pradesh, Gujarat and Maharashtra have each a multi-functional department at the State level with municipal government as one of its many charges. At the Secretariat level the multi-functional Department in Andhra Pradesh is called the Health, Housing and Municipal Administration Department. Similarly, Maharashtra has constituted a combined Department known as the Department of Urban Development, Public Health and Housing. The corresponding department in Gujarat is the Panchayat and Health Department which combines both Panchayati Raj and Municipal Government, although the latter does not appear in the name of the Department. No doubt there are obvious advantages in gathering a number of allied functions under a particular department. Especially, under Indian situation where public

health functions loom large in local administration, there is advantage in combining municipal administration and public health functions in one Secretariat department. This is exactly what States like Andhra Pradesh, Gujarat and Maharashtra have tried to do.

In recent times there has been a growing concern about streamlining the State machinery for control, supervision and guidance of municipal bodies. Many of the problems faced by the municipalities are of such nature that these need to be attended to very promptly. Municipal government in India, in spite of its age, has never been known for efficiency. The weaknesses of municipal institutions are due to various causes, which, however, would entail a separate study altogether. The specific statutory provisions coupled with the debilitating condition of the municipal bodies have encouraged increasing control and intervention of the State Government in the affairs of the municipalities. In such circumstances the State would naturally require a suitable machinery which would be swift-moving and come to the timely rescue of the municipalities. The Secretariat department has been looked at as a policy-framing organ unable to be in constant touch with the needs of the municipalities. Since the District Officer has virtually been dissociated from municipal government and administration since the days of Montagu-Chelmsford Reforms, it has been felt that a specially constituted State executive organ would be of considerable help both to the Secretariat organisation at the State level and to the municipal authorities at the field level. Also, the District Officer has his hands full of numerous functions relating to revenue administration, law and order and development administration. In some States there has been a practice of using the local government inspector for conducting occasional inspections of municipal affairs. For instance, States like Bihar, Madras and West Bengal have appointed such inspectors who go round the districts and look into the working of municipalities. But the local government inspector is a jack-of-all-trades and master of none. Inspection is not conducted on functional lines and its spirit has often been inquisitorial rather than advisory and promotional. Moreover, in the absence of any clear idea about its role and purpose, inspection is a perfunctory exercise. It bears fruit in the form

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of a general report which is promptly kept in cold storage by the Secretariat department.

Directorates of Municipal Administration

General dissatisfaction with the existing mechanism for State supervision and guidance of municipalities, need for relieving the congestion of work at the secretariat level and the utility of a well-equipped State machinery which would act as a bridge between the municipalities and the State-level administration, have prompted many of the State Governments in India to create in recent times a special agency known as the Directorate of Municipal Administration. Incidentally, it is common practice in Indian State Administration to create a Directorate just below the Secretariat Organisation in order to undertake operative responsibilities with regard to public works, public health, education and so on. So far, six State Governments have set up Directorates of Municipal Administration to aid and assist the Secretariat departments and to keep in constant touch with the municipalities and meet their urgent needs.¹ The oldest among them is the Rajasthan Directorate which came into being as far back as 1951, when the Inspectorate of District Board and Municipalities was converted into the Directorate of Local Bodies. Ten years after, Andhra Pradesh constituted its Directorate of Municipal Administration, and the next State to follow suit was Kerala which set up its Directorate in 1962. In both these southern States the Directorates emerged in the wake of the introduction of Panchayati Raj institutions and the consequent bifurcation of State level administration with regard to local authorities. The year 1965 witnessed the birth of two more Directorates in the States of Gujarat and Maharashtra respectively. The Maharashtra Municipalities Act, 1965, contains a specific provision for the appointment of the Director of Municipal Administration (Section 74), much like the Andhra Pradesh Municipalities Act of the same year (Section 63). The Punjab

¹ See, in this connection, Mohit Bhattacharya, *State Directorates of Municipal Administration*, Indian Institute of Public Administration, New Delhi, 1969.

Directorate was set up in 1966. Subsequently, the Uttar Pradesh State Government appointed a Director of Municipal Administration, but the organisation of the Directorate is still to be finalised in that State. Two other States, namely Assam and Madhya Pradesh are actively considering the establishment of similar Directorates following the general trend in State administration in the country.

The organisation of the Directorate of Municipal Administration differs from State to State. Of the six States that have set up full-fledged Directorate, only two, Andhra Pradesh and Punjab, have created regional branches of the Directorate. In Andhra Pradesh, apart from the Director who heads the Directorate, there are two Regional Directors posted in two regions—north and south, into which the entire State has been divided. There are ten districts in each region and an attempt has been made to evenly distribute the workload with regard to municipal supervision and control between the two Regional Directors. Although Punjab is a much smaller State than Andhra Pradesh, it has established three regional offices of the Directorate each headed by a Regional Deputy Director. Obviously, the purpose of having regional branches of the Directorate is to maintain an independent machinery of the Directorate in the matter of inspection, supervision and guidance of the municipal bodies. But the remaining four States have not created similar regional field organisations. Kerala is the smallest of the six States with about 28 municipalities to look after. Hence, it is not difficult for the Kerala Director along with the headquarters staff to keep in touch with the municipalities, and supervise and guide them. Two of the States, Gujarat and Maharashtra, have tried to make use of the machinery of district administration and thus avoid creating independent regional branch offices. In the matter of making use of the district machinery for the purposes of municipal supervision and control, the case of the Rajasthan Directorate is of special importance. Like its counterpart in the two States of Andhra Pradesh and Punjab, the Rajasthan Directorate earlier had its independent regional field machinery consisting of five regional inspectors. In 1962 the Rajasthan Government decided, mainly on the ground of economy, to abolish the regional machinery and delegate powers of field supervision of municipi-

palities to the District and Sub-divisional Officers. Thus, it appears that the services of the District Officer, who was debarred under normal circumstances from exercising control and supervision over the municipalities since the Montagu-Chelmsford Reforms, have once again been requisitioned. Even in Andhra Pradesh and Punjab where regional branches of the Directorates have been established, the District Officer has been endowed with a number of statutory powers relating to control and supervision of the municipalities. It is clear therefore that State administration with regard to municipal supervision is still in a dilemma as to whom to choose for field-level operations between a regional office and the age-old district administration. At the headquarters, the Directorate in each State is headed by a Director who is assisted by a Deputy or Assistant Director. The purity of separation between the Secretariat and the Directorate has been sought to be observed in only two States namely Andhra Pradesh and Kerala. In the remaining four States, the Director has been given concurrent Secretariat responsibilities. On the one hand, a full-time Director attending to field level problems of the municipalities and keeping the State Government abreast of municipal problems, has often been acclaimed as an ideal model. A Director with concurrent Secretariat responsibilities, it has been alleged, serves neither the municipalities nor the Government. On the other hand, it has been argued that in practice the separation between the Directorate and Secretariat is an illusion, and there are distinct advantages in making the head of the Directorate also a member of the Secretariat. Of the six States that have full-fledged Directorates of Municipal Administration, Andhra Pradesh, Gujarat, Kerala and Maharashtra have multi-functional Secretariat departments, and Punjab and Rajasthan have uni-functional local self-government departments. It is naturally to be expected that the pull of the Secretariat would be greater in a State having a uni-functional local self-government department. Thus, both Punjab and Rajasthan have given their heads of Directorates concurrent Secretariat responsibilities. In the four other States with multi-functional Secretariat departments, the Directorate can be expected to function in comparative ease and isolation; for, the Secretariat department will be too busy to handle its heavy workload because

of the combination of a number of functions under its charge. In any case, the differences in organisation are worth keeping a watch and at a later date it might be interesting to study the comparative advantages and disadvantages following from the differences in organisational patterns.

Powers of Directorates

In all the States, the Directorates derive their powers by way of delegation. The municipal Acts in India abound in regulatory provisions which serve to strengthen the hands of the State Governments in relation to municipal administration. The newly created Directorates of Municipal Administration have benefited from this statutory position, and many of the important controlling powers of the State have been delegated to them. The various powers of the Directorates can be classified in terms of their relationship with specific aspects of municipal administration such as organisation, personnel administration, financial administration and general administration. The last group includes emergency and default powers. To cite a few instances of the Directorates' powers regarding municipal organisation and constitution, in Kerala the Director has been appointed as the Election Authority for municipal election purposes. The Punjab Director has been delegated the State power to approve the election of Municipal President, and the Rajasthan Director has been given the extraordinary power of removal of municipal councillors in very limited instances. Because of the prevalence of separate personnel system in Gujarat, Maharashtra and Punjab, the Directorates in these States do not enjoy substantial powers over municipal personnel administration. Still, the Maharashtra Director has been empowered to accord sanction to the creation of posts and determine qualifications, and pay and allowances for certain categories of posts. The Punjab Director has been given the power of according approval to the appointment and removal of the Municipal Secretary, and to compel a municipality to punish any of its employees on the ground of negligence in the discharge of his duties. The Director can even compel a municipality to dismiss an employee. The States of Andhra Pradesh, Kerala and Rajasthan have evolved State-wide unified

municipal services, which have naturally increased the powers of their Directorates. The Directors in these three States function as the controlling authorities for different categories of municipal posts. They have been empowered to appoint, transfer and take disciplinary action against particular classes of municipal employees. The Directorates also have considerable powers over the financial administration of municipalities. In this respect the Directorates of Andhra Pradesh and Kerala are the most powerful. The Director in Kerala has the power to direct municipal councillors to modify municipal budget estimates, and in Andhra Pradesh the Director has important sanctioning powers over municipal expenditure. Similar sanctioning powers are also enjoyed by the Kerala Director. The Punjab Director has power to approve budget estimates and reappropriation from one budget head to another. The Directorates of Rajasthan, Maharashtra and Gujarat do not enjoy similar controlling powers with regard to municipal finances. As regards general supervision over municipal administration, the Directors in all the States have been given powers to inspect and supervise municipal property and work, and records and proceedings. Emergency and default powers are not enjoyed by all the six Directorates. In Gujarat and Kerala these powers vest in the State Governments themselves, but the Directors in Andhra Pradesh, Punjab and Rajasthan have been empowered to suspend municipal resolutions, and order and acts in certain cases. The Maharashtra Director has the power to enforce performance of duties in case of default by a municipality. In other States, this default power has been reserved for exercise by the State Governments.

Evaluation

It appears that the Directorate of Municipal Administration which is functioning as a new machinery for exercising control and supervision over the municipalities, has been delegated substantial regulatory powers over municipal administration. The original idea behind the setting up of the Directorate was that this would function as a friend, philosopher and guide to the municipal bodies. But the nature and extent of powers delegated to it by the State Governments make it more like

a controlling authority sitting in judgment on the day-to-day administration of the municipalities. There is also some confusion about the distinction between 'Government' and 'Directorate.' The latter is just an agency of the Government and cannot be expected to exercise important constitutional, regulatory and punitive powers, which must remain in the hands of the Government itself. Because of a lack of clarity on this point, in some States certain important regulatory powers have been delegated to the Directorates, but in some others such powers have been retained in the hands of the States.

No doubt the Directorates of Municipal Administration are emerging as a new machinery for inspecting, supervising and guiding the activities of the municipalities in India. To add strength to the current trend, a recent Committee has also recommended the establishment of State Directorates of Urban Local Bodies.² Municipal government in India is an old institution which was introduced during the early stages of British rule. Age, however, has failed to bring in maturity, and the image of Indian municipal government has been one of financial poverty, inefficient administration and of general stagnation. Municipal inertia is due to a variety of causes, one of which, and a very important one at that, is the failure of the State Governments to provide timely guidance and advice, and necessary financial assistance and technical help and formulate well-thought-out strategies for the development of municipal institutions. The accent of State supervision over the municipalities has been on the negative, restrictive and punitive side. The municipality has always been suspected of being in the wrong and state-municipal relationships have grown up under this all-pervading atmosphere of distrust and suspicion. In such circumstances, if a State agency can really dispel the unhealthy air of suspicion and serve the cause of positive municipal growth and development, such an agency would immediately command the respect of municipalities. But the controlling and restrictive powers which the newly created Directorates have been delegated, would stand in

² *Report of the Rural-Urban Relationship Committee*, Volume 1, Government of India, Ministry of Health and Family Planning, 1966, p. 120.

the way of creating an atmosphere of faith and friendliness. Again, the character of municipal legislations in India remaining as it is, there is very little to choose between the District Officer and the Director of Municipal Administration. Both are civil servants appointed by the State Government, and as such any attempt to confer on them powers restrictive of representative municipal government will be resented by the municipal bodies. Inspection, advice, guidance and even informal pressures by civil servants look innocuous; but the delegation of important regulatory powers to a civil servant like the Director is of questionable merit in a democracy. In a parliamentary system of government the minister in-charge of local-self-government is directly responsible to the legislature for the exercise of his powers of control and supervision over the municipalities. When the minister is delegating governmental powers of supervision and control to an appointed State official, the legality of such sub-delegation remains in doubt. Also, it is bound to create political complications to face which the civil servant is not the fit person. The nature of local self-government in India was modelled on the British system and not the Continental one. A new State machinery for municipal supervision has got to be devised in such a way that it may not be violative of the spirit of local-self government; at the same time, it has to be in conformity with the principle of ministerial accountability to the legislature.

X

STATE-LOCAL RELATIONS IN URBAN DEVELOPMENT

The purpose of this paper is to bring out the actual working relationships between the State Governments and the municipal bodies in a specific operative field e.g., urban development. The functional approach followed here is distinguishable from conventional generalistic or macro-study of State-local relations where the entire gamut of interactions between the two parties—State and local government is sought to be encompassed. Without getting bogged down into meticulous details of State-local relations in normal and emergency situations, the present inquiry focusses attention on the actual interactions taking place between the State Governments and the municipal bodies in the administration of urban development which, in turn, would throw some light on the more general problems of State-local relations.

The term 'urban development' has been used here to signify the provision of basic urban facilities in municipal areas such as (i) town-planning, (ii) land acquisition and development (iii) construction of roads, (iv) transport and 'power', (v) water supply, and drainage and sewerage, and (vi) housing and slum clearance. Not all these facilities are, however, provided by the municipal bodies themselves. For instance, with a few exceptions such as the Municipal Corporations of Delhi, Bombay and Ahmedabad, most of the municipal bodies do not run the transport service. The situation is much the same with 'power' also. Again, housing is not a municipal function in India, although corporations and municipalities often build houses mostly for the sweepers and menial staff. Land acquisition and development cannot be said to be a function undertaken by a majority of municipal bodies in India. So far as practice goes, slum clearance has perhaps a greater claim to be listed as a municipal responsibility.

Whatever powers and functions the municipal bodies have are statutorily delegated to them by the State Governments, and these are conferred on them from the States' constitutionally allotted jurisdiction. In delegating powers and functions, the States have chosen different institutions for different responsibilities. Thus, in no State would one find a single institution entrusted with the whole gamut of urban development responsibilities. Aside from the elected municipal councils and corporations, there are the improvement trusts, housing boards, water supply and sewerage boards, electricity boards, transport undertakings and even State departments, each of which is charged with one or more urban development functions. Such a multiplicity of competitive institutions in the field of urban development does give rise to important problems of horizontal coordination and inter-relations. This, however, does not fall within the scope of our discussion. Nevertheless, the existence of these diverse types of institutions in the same or closely allied operational field bespeaks of a contractionist rather than expansionist attitude on the part of State Governments to the urban local self-governing bodies.

Urbanisation and Municipal Government

So far as municipal government is concerned, it is the municipalities and municipal corporations which are bearing the brunt of urbanisation. This is especially true of bigger urban centres which are faced with a tremendous population explosion due to rural-urban migration and natural growth. Thus, during the period 1921-61, total urban population increased by 174 per cent, but the corresponding increase in class I cities i.e. those with a population of one lakh or more, was 400 per cent. According to 1961-census, there are 107 Class I cities which contain 35 million persons or nearly 44 per cent of the total urban population of India.

Our municipal government has never been known for efficiency and good administration. On top of it, continuous pressure of population which in turn badly affected the urban local services and facilities, has thrown the machinery of municipal government almost out of gear. The already inadequate municipal services

such as water supply, drainage and sewerage, conservancy and others have deteriorated considerably and created serious problems of public health and sanitation. Illustrative of the crisis in our urban areas are these facts that not more than 35 per cent of the urban areas have adequate or partial water supply, and in only about 5 to 6 per cent of the urban areas there are sewerage systems, full or partial. It is estimated that 30 per cent of the population in cities having more than 5 lakhs of population live in slums. These figures amply point out the dismal state of urban living conditions which are deteriorating further with the steady growth of urban population.

Role of State Governments

As a recent Committee Report has observed. "The deterioration in the services and amenities is inevitable as the local authorities have neither the necessary perspective nor the administrative machinery nor the resources to keep pace with rapid urban growth."¹ It is against this background of weak municipal government and mounting problems of urbanisation that the relationships between the State Governments and the municipal bodies have to be examined. For the sake of convenience, the relationships can be studied from three standpoints of law, administration and finance respectively.

Law

The municipal Acts in India were framed long ago when there were hardly any problems of growing urbanisation. Even now the old municipal Acts are in force in such States as West Bengal (Act of 1932), Bihar (Act of 1922) and the Punjab (Act of 1911). After Independence many of the States, e.g. Assam, Orissa, Andhra Pradesh, Kerala, Gujarat, Maharashtra, Rajasthan, Mysore and Uttar Pradesh (in respect of corporations only) have framed new legislations. But, not all these legislations were enacted keeping in view the need for endowing the municipal bodies

¹ *Report of the Rural-Urban Relationship Committee*, Vol. 1, Ministry of Health and Family Planning, Government of India, 1966, p. 48.

with adequate powers and resources necessary for a planned and regulated urban growth. The Maharashtra Municipalities Act, 1965, seems to be the only new Act which has tried to breathe into municipal government some new ideas and concepts. Also, in proper contexts references will be made to the commendable efforts made by the State Governments of Madhya Pradesh, Gujarat and Kerala to codify and systematise rules and regulations pertaining to grants-in-aid to municipal bodies.

It may be mentioned in this connection that in most of the States town development functions have not been statutorily entrusted to the municipal bodies. For this purpose, the improvement trusts have been created under special statutes. But, what the trusts actually do are piecemeal development and re-development which is a far-cry from comprehensive town planning. Thus, laws have been enacted to create competitive institutions without solving the real problem of overall planning and development of the urban areas. In recent years, a notable measure is the Uttar Pradesh Nagar Mahapalika Adhiniyam, 1959, which makes the municipal corporations responsible for city planning and development and vests in them the powers and functions of the erstwhile improvement trusts that were abolished after the creation of the corporations. The other States that have endowed the municipal bodies with planning functions under the State town planning Acts are Madras, Maharashtra and Mysore.

Even where urban local bodies are statutorily empowered to undertake planning functions, such powers are exercisable within their limited legal jurisdictions only. Consequently, in many of the growing cities and towns, actual urban growth has left their frozen legal limits somewhere behind. This situation has created an unbridged gulf between the planning areas and the plannable limits. In Uttar Pradesh, the municipal corporations are empowered to extend their planning areas up to two miles beyond their legal jurisdictions. Wherever bigger urban complexes such as the Calcutta Metropolitan District or Greater Bombay and some others are functionally and spatially inter-related with wide hinterlands, there is need for suitable legislations in order to make provision for the planning and coordinated development of the entire city region. Only a few States such as Maharashtra have framed necessary legislations for the purpose.

Administration

For administering their urban development programmes in the fields of water supply, drainage and sewerage, planning and so on, the municipal bodies have to depend very much on the State Governments. Apart from normal State powers of making rules, issuing orders, approving bye-laws, according sanctions etc., the schemes of urban development are in most cases framed and implemented by the State Governments. In general, the municipal bodies do not have well-equipped departments consisting of properly qualified technical staff such as engineers, town planners and architects. Dearth of technical staff coupled with lack of financial resources leaves them with no other alternative than to look to State Governments for assistance—both technical and financial. It is noteworthy that in Andhra Pradesh, Madras and some other States, technical posts in municipal bodies are being filled in from organised State municipal services or by deputing officers from State services.

The procedures that a municipality is presently to follow to communicate with the State Government are exceedingly cumbersome and time-consuming which stands in the way of adoption of expeditious measures to meet the urban challenge. Barring the municipal corporations, all other municipalities are tied to the apron-string of the divisional commissioner and the collector. To cite one instance of the long drawn-out procedure, in West Bengal a municipality that desires to undertake a project for water supply or sewerage has to submit detailed plan and estimate of the project to a specially constituted Public Health Engineering Committee through the district magistrate concerned. The Committee, after considering the project, forwards it to the Health Department with its comments. The Health Department next consults the Finance Department and ultimately issues administrative approval. Where a municipality is unable to prepare its own scheme, this task is undertaken by the Public Health Engineering Section for which the municipality has to pay separate charges to the Government. The procedure is much the same throughout India and it has been found that in general it takes 2-3 years to implement a municipal water supply or sewerage scheme. Apart from increasing costs involved in such delays, the tortuous and

long drawn-out process of negotiation and communication with the State Governments before and after the implementation of a project dampens the spirit of most municipal bodies who, therefore, think twice before desiring to launch an urban development scheme.

The present weaknesses of municipal government highlight the necessity for a well-equipped organisation for urban development administration in each State which would keep in close touch with the municipal bodies and offer them timely assistance and advice. As one eminent administrator remarks, "The state administration must look upon the local authorities of the urban centres (as indeed of the countryside as well) as partners in the programme of planned development."³ However, very few States have got properly staffed organisations, both at the secretariat and field levels, which could assist and guide the municipal bodies. Moreover, the urban development functions such as housing and slum clearance, water supply, drainage and sewerage, road constructions etc. are entrusted to different functional departments at the State level, and in most cases no administrative device has been evolved to ensure coordination among the functional departments. Except Maharashtra which has created an integrated Department of Urban Development, Public Health and Housing, all other States suffer from fragmentation of responsibilities at the departmental level. For instance, in West Bengal which is currently engaged in urban and regional planning, there are at least four Departments viz. Local Self Government, Health, Housing and Town and Country Planning, which are competing with one another in exercising authority over their respective operational fields. In such a situation each department tends to think in terms of specific functions only without bothering about the provision of other complementary facilities which are looked after by the sister departments. Instances are, therefore, not rare when in an urban area, rows of newly built houses remain unoccupied, because water supply and electricity are yet to be provided.⁴

³ S. G. Barve, "Urbanisation in Maharashtra State: Problems and a Plan of Action" in Roy Turner (ed.) *India's Urban Future*, University of California Press, 1962.

⁴ Such a situation is quite common in many of our growing urban

Urban development is a composite and coherent theme which is achieved through a harmonious blending of cognate services and facilities. Hence, it is imperative to suitably organise the secretariat administration at the State level which will have its field staff as well to keep in close touch with the municipal bodies and offer them timely guidance and assistance. In this connection, the Maharashtra model of departmental organisation deserves attention. Where integration is not favoured, permanent inter-departmental committees can go a long way in securing a co-ordinated approach to urban development. Another unique organisation in Maharashtra which may well be emulated by other States, is the Board of Urban Development constituted in 1964 with the Minister for Urban Development as Chairman and with 42 other members, official and non-official, including members of the various municipal and other local bodies, which "advises government on the problems of water supply, drainage and sanitation schemes, public health, housing, traffic and communications, education, commercial and industrial development, town planning, municipal finances, municipal staff (including the establishment of common staffing patterns) and social and economic measures for the welfare of urban population."⁴

Finance

Urban development through the agency of municipal bodies involves undertaking of municipal capital development works. But, as is well known, our municipal bodies are financially too weak to make both ends meet. They fail even to run the normal administration properly. Their financial resources are limited by statutory conditions, and these are usually supplemented by tax-sharing with State Governments, and grants-in-aid. Although State control over the municipal bodies is considerable, State grants-in-aid, however, account for less than 20 per cent of muni-

areas which is due to fragmentation of functional responsibilities among a number of local authorities such as municipality, improvement trust, housing board and even State departments.

⁴ *Urban Development in Maharashtra: Progress and Prospect*, Urban Development, Public Health and Housing Department, Government of Maharashtra, Bombay, 1967, p. 102.

cial income.⁵ The financial condition of the municipal bodies is further worsened by weak and inefficient administration. Consequently, whatever limited resources are left at their disposal are not properly tapped.

At the other end, the State Governments stand as overlords, keen to keep the municipal bodies within the confines of laws, rules and regulations rather than to stimulate, guide and assist them. There are elaborate financial rules and regulations handed down from the British days, an audit system which is based more on finding fault than on rendering advice and assistance, and an insistence on State sanctions and approval almost at every step. A typical restrictive regulation can be illustrated by the fact that in Rajasthan even when a budgetary provision exists every municipal expenditure proposal exceeding Rs. 5,000 requires the sanction of the State Government. The restrictions are far more rigorous in the case of indebted municipal bodies.

Thus, municipal government is almost doomed to stagnation because of its inherent weaknesses and the negative role of State Governments. Successful participation of municipal bodies in urban development administration would, therefore, necessitate an urgent change in both the directions. In this connection, it is relevant to quote a few lines from the Third Five Year Plan : "At the local level, municipal administrations alone can undertake satisfactorily the task of providing the services needed for development in urban areas, expansion of housing and improvement of living conditions. Most municipal administrations are not strong enough to carry out these functions. They should be sufficiently strengthened by increasing their resources and personnel and by enlarging their jurisdiction and functions."⁶ Undoubtedly these lines contain a noble sentiment, but not many States have taken the follow-up measures to translate it into practice.

It may be mentioned that although municipal development schemes are generally left out of our five year plans, some plan

⁵ *Augmentation of Financial Resources of Urban Local Bodies, Report of the Committee of Ministers constituted by the Central Council of Local Self-Government, November, 1963, p. 140.*

⁶ *Third Five Year Plan, Planning Commission, Government of India, p. 693.*

funds do filter down to the municipal bodies through a handful of urban development schemes on water supply and sewerage, preparation of city master plans, land acquisition and development, slum clearance and improvement, and urban community development.⁷ Obviously, such plan funds are quite meagre from the stand point of the needs of municipal bodies, and under existing circumstances no spectacular increase in plan allocation can be expected on these social overheads which are accorded a low priority in the plans.

Specific Purpose Grants

Realising the need for the stimulation of specific municipal services, specific purpose grants for municipal capital works are offered to the municipal bodies by most of the State Governments. But the quantum of such grants is extremely meagre, and there is no regularity and certainty about these grants which are discretionary in nature and dependent on the state of States' finances. In fact, grants-in-aid to municipal bodies have never been systematised and codified in India. It is only recently that three States viz., Madhya Pradesh, Gujarat and Kerala have tried to introduce a measure of system and certainty in this sphere. Even then, the State Governments in general express their inability to release specific purpose grants for municipal capital development projects. The Kerala Municipal Grants Enquiry Committee expressed the mood of the State Governments succinctly, as it remarked, "it will not be easy to conceive of a recurring grant-in-aid system for our municipal administrations which would cover the capital cost of improvement works. The commitment will be too large."⁸

Nevertheless, many of the State Governments are giving some capital grants to their municipal bodies. Thus in West Bengal, for instance, the municipalities are offered two-third of the initial

⁷ For further details see Abhijit Datta and Mohit Bhattacharya, "A Functional Approach to Indian Federalism—Case Study of Urban Development", *Indian Journal of Public Administration*, Vol. XIII, No. 2, 1967.

⁸ *Report of the Municipal Grants Enquiry Committee, 1964, Government of Kerala, Ernakulam, 1965, p. 32.*

capital cost of a water-supply or sewerage project as grant ; the corresponding figure for Kerala and Mysore is fifty per cent. The Madhya Pradesh Government is offering grant to the municipal bodies to the tune of thirty per cent of the capital cost of a water supply and/or sewerage project. Gujarat and Maharashtra have a variable percentage grant system on the basis of classification of municipalities. So far as other municipal capital works are concerned, e.g. road construction, housing etc., it is not possible to make any generalisation that would fit in with the situation in all the States.

It is noteworthy that of the three States viz., Madhya Pradesh, Gujarat and Kerala that have introduced some sort of a grant-in-aid system, only Madhya Pradesh has laid down certain percentage grants for specific municipal developmental works. The other two States have laid down some grants formula for specific services ; but apart from water supply and sewerage, the grants are all for the purpose of maintenance rather than development.⁹ These could as well be fitted into the general purpose grant system.

Problem of Loans

The problem of procuring loans for municipal capital works is equally great. The Reserve Bank of India, and the Union Ministry of Finance exercise strict control over municipal borrowing in order to avoid competition with the loans raised by the union and State Governments. Owing to increased commitments under the plans the borrowings of the Union and State Governments are given priority, and the needs of municipal bodies are almost neglected. The State Governments also do not favour municipal borrowing from the market, which requires States' sanction and guarantee. Since an indebted municipal body has to submit itself to various financial control by the State Government, the municipal bodies, too, do not feel encouraged to go for loan funds for their development works. In this connection, the

⁹ Government of Gujarat, Panchayats and Health Department, Resolution No. GIA-4064—2710—p., dated 26th April, 1965 ; and *Report of the Municipal Grants Enquiry Committee*, 1964, op. cit., pp. 32-4.

present Maharashtra practice needs special mention. Realising the difficulties of municipal borrowings, the Maharashtra Government has been contracting bulk loans from the Life Insurance Corporation of India and passing these over to the municipal bodies.

Practically, it is the State Government which is the only source wherefrom the municipal bodies can get loan funds. Owing to increasing commitments under the plans and extremely tight financial condition, the State Governments, however, are not in a position to transfer adequate funds to the municipal bodies.

In view of these difficulties involved in municipal borrowing, suggestions have been made for setting up separate institutions for the purpose. One suggestion is to set up State Urban Development Boards with initial capital drawn from total plan provision for urban development. The Boards can also raise funds from "private investors, trusts, commercial banks and so on by issuing long-term tax-exempt bonds backed by the full faith and credit of government."¹⁰ It appears, however, that there is a certain confusion about the Boards' functions which include, apart from fund raising and loan distribution, a long range of municipal and State functions such as undertaking of town development schemes, production and distribution of water, technical advice and guidance to the municipal bodies etc.

A recent committee report contains a suggestion about the setting up of a Municipal Finance Corporation in order to meet the capital requirements of municipal enterprises.¹¹ The capital of the Corporation would "be subscribed by the Government of India, the Reserve Bank of India, the State Bank of India, the Life Insurance Corporation, commercial banks and other financial institutions as also the local bodies." The Corporation is rather narrowly conceived, as it will be concerned with offering of loans for municipal enterprises only and not for other capital works where loan funds are most needed. Again, municipal bodies being within the constitutional jurisdiction of the States, municipal credit institutions have got to be set up at the State level. An

¹⁰ *Augmentation of Financial Resources of Urban Local Bodies*, op. cit., pp. 28-30.

¹¹ *Report of the Rural-Urban Relationship Committee*, op. cit., pp. 107-8.

enabling Central legislation would, of course, be necessary under Article 246(1) read with entry 43 of the Union List under the Seventh Schedule.

The need for medium and long-term loanable funds for financing municipal development works can hardly be exaggerated. Since some sort of a specialised banking institution in each State might serve this purpose well, it would be better to set up statutory municipal credit institutions independent of State Departments.¹²

Conclusion

Urban development will not be able to make much headway, if the municipal bodies continue to suffer from lack of financial resources and if the need for proper strengthening of municipal administrations remains neglected. Our five year plans have so far consistently kept comprehensive municipal development out of their scope. The approach has been toward functional stimulation rather than coordinated urban areal development. It is high time that the latter approach is adopted and municipal development schemes are integrated into the five year plans *via* the State plan schemes. Centre-State relations which are governed by the provisions of the Constitution have undergone considerable changes in recent times due to the operation of the five year plans. There is a danger that integration of municipal development plans into the State plans would lead to the blurring of the already indistinct line that separates the State Government from municipal government in this country. Certain institutional devices such as the independent statutory municipal credit agencies, and municipal finance commissions¹³ for regularising transfer of funds from the State Governments to the municipal bodies can go a long way in promoting and preserving municipal "self-government". Even then, some sacrifice of municipal autonomy seems inevitable in this integration process which municipal government in India will have to make as a price for urban development.

¹² A well-argued case for independent municipal finance corporations at the States' level has been made out in "Municipal Finance Corporations in India," by A. Datta (unpublished paper submitted at the Osmania University's Orientation Course in Urban Administration, June 1967).

¹³ *Report of the Rural-Urban Relationship Committee*, op. cit., p. 88.

XI

URBAN PLAN ADMINISTRATION

Planning in India has come to stay. Since the inauguration of the five year plans, planning has become almost a part of our national life. But initially when the plans were formulated, there was little thinking about the spatial dimension of planning. Our concern was mostly for making some investments over the years and achieving certain physical targets within a time horizon. Planning, conceptually speaking, envisages coordinated development in order to achieve specific goals. Indian planning, undertaken in obvious haste could not ensure coordination; the emphasis was more on development rather than coordination.

Lack of coordination could be evidenced from the emphasis of the five year plans on functional stimulation irrespective of their consequences at the operational level. This may further be clarified by pointing out that earlier five year plans had introduced schemes of development for specific functions such as water-supply and sanitation, houses for different classes of people, preparation of city and regional plans etc. This schematic approach towards the development of urban infra-structure led in many cases to uncoordinated operation at the ground level. It is not difficult to find instances where new houses have been built but hardly any provision has been made for water supply, sanitation and electricity. In such circumstances the plan investment programme has failed to meet the community needs, although in terms of achievement of physical targets, some progress was discernible. Under scarcity conditions, investment allocation for social services is generally neglected; where investment fails to meet the community needs, its *raison d'être* remains doubtful.

In fine, our planning process has not been directed towards coordinated spatial development, which accounts for the distortions as stated above. In this paper we are concerned with urban planning and its administration. It is necessary at the outset to

define the nature of urban planning itself. To a town planner urban planning has traditionally been known as physical planning which is oriented towards engineering and architecture. The modern concept of urban planning seeks the integration of economic, social and physical planning and envisages coordinated areal development. It is, therefore, much wider than physical planning, and a planner today has to be of a different breed. The urban plan is a means of action which tries to indicate not merely optimal pattern of land use and design but also probable costs of providing necessary urban infra-structure and charting out stages of the plan including the *modus operandi* of translating the plan policies into concrete programmes and projects. Thus conceived, urban planning entails the imperative need of spelling out legal, administrative and fiscal implications of a plan.

In the memorandum on the Forth Five-Year Plan published by the Planning Commission, the objectives of city development plans were clearly laid down. It is worthwhile quoting from the memorandum:

"Costly schemes of development for the cities have necessarily to form part of the plans of States, for instance, in power, water-supply and drainage, hospitals, housing and slum clearance and higher education. But, besides such schemes there is considerable scope for civic development in many directions as well as for improving the administration of various services enlisting the participation of citizens and promoting urban community development. Development schemes for cities included in the plans of States as well as those undertaken by them at their own initiative and from their own resources can be easily brought together into city development plans. Plans for the use of land and for land acquisition and development, leading as early as possible to systematic master plans, will go a long way in integrating development efforts in different directions. They are the essential foundations for city planning. In turn, they will help municipal bodies to plan for the fuller mobilisation of their resources and assume larger responsibilities for housing and slum clearance and improvement and for ensuring that over a period of years the minimum amenities will become available to all citizens".

What the Planning Commission intended was to integrate the city development plans with the national plan *via* the State plans.

Although such integration has generally not been attempted in most States, the intention was nevertheless laudable. It may, however, be pointed out that the concept of *city development plan* is narrower than that of *urban development plan*. Urban planning has its focus on comprehensive area planning; whereas, a city development plan is confined to the limited jurisdiction of a city. The latter model of planning is essentially oriented toward municipal development which suffers both from spatial and institutional inadequacy. Usually, a city contained within a legal-administrative jurisdiction is smaller than the natural and functional city. Economically, socially and functionally, the area of close interdependence in space is very often wider than the limited legal jurisdiction of a municipal authority. In such a context, a mono-institutional (municipal) city development plan becomes an unreal exercise. This takes us directly to the concept of regional planning which is comprehensive enough to embrace the city and its immediate hinterland, and include the entire complex of institutions and authorities involved in making provision for key public services.

Urban planning, today, needs to be spelt out in regional terms. To a planner this seems to be a simple preposition. He is perhaps used to drawing lines freely on space oblivious of its administrative implications. It may, however, be cautioned that if a plan has to be successfully formulated and expeditiously implemented, the governmental-administrative aspect of planning should be carefully taken into account. Also, a planner can hardly ignore the important political forces dominating the urban scene. Many a time a plan, even if it has been meticulously drawn up, remains a mere blueprint due mainly to political neglect and opposition.

Experiments in Regional Planning

The Delhi Master Plan may well be considered as the pioneering attempt in regional planning in India. Soon after, the Basic Development Plan was formulated for the Calcutta Metropolitan District in West Bengal. Recently the Government of Maharashtra has framed a new legislation to put regional planning on a statutory footing. On the recommendations of the Gadgil Com-

mittee, the Maharashtra Regional and Town Planning Act, 1966, was framed under which three regional planning boards have already been set up respectively for Greater Bombay, Poona and Nagpur regions. Also the Government of West Bengal, following the Calcutta experiment, has constituted planning organisations for two other growth centres in the State namely Siliguri and Asansol-Durgapur areas. The Delhi Master Plan was formulated by the Delhi Development Authority under the provisions of the Delhi Development Act, 1957. A statutory advisory committee consisting of different interests and authorities involved in the Delhi area examined the plan proposals and generally guided the Delhi planners. The Delhi Master Plan is unique in the sense that the Delhi Metropolitan Area, as defined by the Master Plan, included territories of the Union Territory of Delhi and two other neighbouring States, namely, U.P. and Haryana. Naturally, the problems of inter-State plan coordination have posed an almost insurmountable difficulty in the planning and development of the Delhi region. The Calcutta Metropolitan District and the Asansol-Durgapur and Siliguri planning areas in West Bengal have been planned without any statutory backing. Due to the peculiar history of evolution of municipal government in the Calcutta region, the number of urban local authorities in that area is unusually large. An attempt was made to take dominant local and regional interests and authorities in confidence through the establishment of a Coordination Council presided over by the Chief Minister of West Bengal. Unfortunately, this Council could not meet regularly and consider the plan proposals prepared by the Calcutta Metropolitan Planning Organisation, which was constituted under executive orders for undertaking the planning function for the metropolitan area. Consequently, the Basic Development Plan which the C.M.P.O. finalised after considerable studies and surveys generated a lot of institutional jealousy, and even resistance, which has greatly marred the prospect of the Plan's early implementation. In fact, the Calcutta plan experiment makes it abundantly clear that metropolitan planning is an immensely complicated affair and its success is dependent almost wholly on the continuing support of dominant political forces.

Turning to regional planning in Maharashtra, it is heartening to note that under the new Act framed by the Maharashtra Gov-

ernment Regional Planning Boards have been provided for, consisting of representatives of various local authorities falling in the region and persons holding special knowledge and practical experience in the field of town and country planning, engineering, transport, industries, commerce, power and agriculture.¹ As already stated, the Maharashtra Government has set up three regional planning boards so far for Greater Bombay, Poona and Nagpur regions. Among the States, Maharashtra is thus first to introduce regional planning on a statutory basis.

Considerations on Machinery

After a quick survey of the experiments in regional planning in the country, some observations on the machinery for plan formulation and implementation will be in order. In actual planning operation, these twin processes are found to be closely inter-linked. The agency or agencies involved in plan formulation cannot work successfully unless there is willing cooperation from the ground-level operative agencies. Also, planning, to be successful, has to depend on a constant feed-back process which forges almost an organic link between the planning agency and the ground-level operative agencies. At the implementation stage, new problems are likely to crop up in the light of which the plan or any part of it may have to be recast. Ideally, therefore, both plan preparation and plan implementation should vest in one agency. But, this is rarely the case, as regional planning has got to be undertaken in a multi-institutional situation. The Indian

¹ Under Section 4(1) of the Maharashtra Regional and Town Planning Act, 1966, "for the purpose of planning, development and use of land in the region, the State Government shall, by notification in the Official Gazette, constitute a regional planning board for the region consisting of a Chairman appointed by the State Government, the Director of Town Planning or a person nominated by him, such number of persons not exceeding four, appointed by the State Government as are members of local authorities functioning in whole or part of the region, such number of persons not exceeding six, appointed by the State Government who, in the opinion of the Government have a special knowledge or practical experience of matters relating to town and country planning, engineering, transport, industry, commerce or agriculture and a town planning officer appointed by the State Government".

urban scene is cluttered with a number of public and semi-public agencies including Union Government agencies such as the Railways and Port authorities, State agencies, municipal authorities, and special purpose bodies. Urban planning undertaken in the regional context would also include peri-urban rural local authorities governing fairly extensive rural-urban tracts.²

It is this multi-institutional context which the urban planner has got to reckon with in framing a plan. In many instances, the distribution of functional responsibilities among a number of authorities will be found to be utterly irrational. Born in the pre-planning age, many of the existing urban institutions are unfit for survival. They only live to complicate the governmental map and render coordination well-nigh impossible. If planning and its implementation are to be taken seriously, a pre-condition seems to be to clean up the governmental mess through a rational scheme of governmental reorganisation all along the line. No doubt the Union Government agencies operating in an urban area can be brought within the plan discipline with great difficulty. But, regional planning being generally an intra-State exercise, it is the involved State Government that has to do a good deal of hard thinking about the governmental reorganisation in urban areas as a prelude to successful planning. The acceptance of regional planning would also entail radical reforms of the State level machinery which would provide the main policy guide-lines, screen the regional plans and coordinate inter-regional planning, and allocate resources between competing functions and areas. Logically, the line of reform would reach upto the Planning Commission which is in overall charge of the national plan.

It is not the purpose of this paper to recommend an ideal governmental framework for planning and implementation. Every urban area has its own tradition of institutional development which would naturally stand in the way of detailed generalisations. But, a few important guide-lines may be suggested with an eye to general acceptability under the Indian urban situation. To start with, the State-level machinery of planning needs to be

properly organised to achieve the integration of economic, physical and social planning. What passes for State planning at the moment is, generally speaking, a mere amalgamation of departmental plan expenditure estimates. The Planning Department does this kind of exercise and the Town Planning Department, at the other end, goes on merrily with the work of preparation of master plans for towns and cities. There are two kinds of planning between which no bridge has been built and no communication link established. If planning has to be spatially, not functionally, oriented, the State-level planning machinery must be married to the town and country planning machinery and these must work in unison and not isolation. No doubt such a combination would call for a new spirit of camaraderie from economic and social planners on one side and town planners on the other. The planning machinery must be located at a strategic point at the State level wherefrom it can get the necessary political support for its actions.

Since the urban area is the theatre of planning, its governmental organisation is naturally of prime importance. If the involved urban area has a multi-functional municipal government, it may be possible, to a great extent, to combine planning and its implementation in this single authority. Quite often, the need for functional stimulation prompts the creation of a host of special purpose authorities which in turn fragments the government of an urban area and renders inter-authority coordination difficult. Such an approach to urban development leads to the weakening of local popular institutions and complicates the processes of plan formulation and plan implementation. A typical example of this kind of misguided approach is clearly noticeable in the proposals for governmental reorganisation contained in the Basic Development Plan for the Calcutta Metropolitan District.³ Once the basic principle of entrusting the planning function to the representative municipal authority is accepted, it may not be difficult to design a federal-type municipal government, as in Greater London, with functional responsibilities suitably divided between an upper-tier

² See, in this connection, M. Bhattacharya, M. M. Singh and Frank J. Tysen, *Government in Metropolitan Calcutta: A Manual*, Asia Publishing House, Bombay, 1965.

³ *Basic Development Plan for the Calcutta Metropolitan District 1966-1986*, Calcutta Metropolitan Planning Organisation, Government of West Bengal, 1966, Part Three: Chapter 3.

authority and a number of lower-tier local authorities. Two patent criticisms against this approach are that (i) local government is area-bound, and (ii) it cannot cover all the important urban functions. So far as (i) is concerned, no doubt local government has static boundaries which often fail to arrest the ever-growing urban problems. In reply, one may however argue that it is within the powers of the State Government to extend the municipal boundaries. The boundary problem is frequently exaggerated and it is conveniently forgotten that wherever one might draw the line to demarcate a region, it is bound to be an arbitrary line. If successful plan administration is the aim, the boundaries of planning area should coincide, as far as possible, with those of established governments. The second criticism about the coverage of functions is a valid criticism. Since there are agencies of higher levels of government, a municipal authority will find it difficult to bring them within the overall discipline of an urban plan. This can be achieved only through the mediation of the State Government.

By way of conclusion, it may be observed that in India the present confusion about the administration of urban planning stems from a distrust of local popular institutions. But, from a long-term point of view, the salvation does not lie in multiplying institutions which serve to fractionate urban government and which we cannot really maintain, but in consolidating, reforming and modernising urban representative government which lives so close to the people.

XII

PLANNING AND IMPLEMENTING AGENCIES

The Third Five Year Plan underlined the need for integration of urban area planning with the national planning process in the same way as the rural areas had earlier been brought within the plan frame. It was proposed that as many cities and towns as possible and, at any rate, those with a population of one lakh or more, should be organically linked with the scheme of planning. Each city would mobilise its own resources for this purpose and draw up its five-year development plan which would include sectoral development programmes for water supply and sanitation, housing and slum clearance, education, transport and communications, medical and health facilities, and other urban services and utilities. Within a State, the five-year development plans of cities and towns would be coordinated at the State level and integrated with the State five year plan. In August 1962, the Planning Commission had accordingly written to the State Governments urging them to induce the municipal corporations and municipalities to prepare their five year city development plans. Barring a few exceptions, most of the States did not evince much interest in the proposal of the Planning Commission. The idea itself was new and in the absence of a well-designed methodology of this kind of planning, the State Governments in general did not try to seriously work it out. Later, the Union Ministry of Health, Family Planning and Urban Development got some model city development plans prepared by the experts in the Town and Country Planning Organisation, and a methodology of plan preparation was also evolved by them for general guidance.¹

¹For more details, see *Five Year Municipal Development Plans*, Proceedings of the Seminar, March 11-13, 1968. Indian Institute of Public Administration, New Delhi.

In this connection, this paper seeks to examine two inter-related questions : (i) who will prepare the city development plan, and (ii) who will implement such a plan ? In posing these questions, no implicit assumption is made that planning and implementation are necessarily to be entrusted to two different agencies or set of agencies. Apparently, these are simple questions, but their answers are not quite easy to find out. Yet, these are important questions, and unless some satisfactory answers are found out, planning and implementation may both be in jeopardy.

The agencies for the preparation and implementation of the city development plan cannot be considered independently of the functional and territorial coverage of the plan itself. The selection of functions in the development plan would determine the extent of institutional involvements. If the functions are so selected that these fall within the administrative jurisdiction of a single institution, we can call it a mono-institutional situation. The *Fourth Five Year Plan of Urban Development* which the Poona City Municipal Corporation prepared in July 1965 may be cited as a model of this kind of situation. The sectors of development in the Poona plan follow closely the functions that fall within the City's administrative jurisdiction. Alternatively, a poly-institutional situation would arise where the functions included in a city development plan are such that they fall within the administrative jurisdiction of a number of institutions. Had the Poona plan also embraced the functions of such authorities as the Maharashtra State Electricity Board and the Maharashtra State Housing Board within the city area, it would have assumed a poly-institutional situation.

Obviously, the needs and requirements of cities differ from place to place which would affect the extent of institutional involvements in specific instances. Even if one prepares a uniform list of functions, as the Planning Commission did, for inclusion in the city development plans throughout India, the extent of involvement of institutions would vary from State to State, and from place to place within a single State. The reason behind this is that the responsibilities for administering the urban local functions have been entrusted to different institutions in different States and in different places within a single State. Thus, with the exception of the City of Nagpur, no other city in Maharashtra

has an improvement trust which is quite common in most other urban areas in India. Again, in U.P. there are no improvement trusts in the five corporation cities of Kanpur, Allahabad, Varanasi, Agra and Lucknow ; but in other places in the State such as Meerut, Ghaziabad, Bareilly, Gorakhpur, Dehradun, Saharanpur, Aligarh, Jhansi, Moradabad, Faizabad and Shahjahanpur, the improvement trusts are functioning alongside the respective municipal boards. The presence of other institutions like the housing boards, the electricity boards etc. creates a poly-institutional situation which is commonly to be witnessed in most of our urban areas. On top of it, when the State departments, as in Jaipur (Rajasthan), directly administer services like education, water supply and roads in the city area, the poly-institutional situation is further complicated.

The territorial coverage of the city development plan is also important in determining the agencies for its formulation and implementation. The bigger cities and urban complexes like Delhi, Calcutta and Bombay pose problems that transcend the local municipal limits and envelop far-flung regions. Secondly, in many of our growing urban centres, urban growths spill over statutory municipal limits creating thereby an artificial distinction between the municipal boundaries and the extended urbanised areas. Thirdly, there are several instances of municipalities and cantonment boards growing up cheek by jowl almost as one unit. Last but not least, an urban area like a district or sub-divisional centre or even a small town could be found to be inextricably linked with the neighbouring villages. Very often it serves as a service and shopping centre for the villages surrounding it. In all these cases, there is need for extending the territorial coverage of the city development plan. However, it is doubtful if the concept of city development plan which would perhaps admit of marginal areal adjustment to facilitate inclusion of a neighbouring authority like a cantonment board or a panchayat, could be applied to situations obtaining in the bigger urban complexes where the crying need is for broad regional plans rather than limited city plans. Anyway, the main point here is that an extension of the territorial coverage of a city development plan would create a poly-institutional situation.

Given the present organisation of governments in our urban

areas, it seems that there is no escape from the poly-institutional situation in them which sets the background against which the city development plans have to be formulated and implemented. This is borne out by the fact that all the three city development plans which the Town and Country Planning Organisation of the Government of India prepared for Jaipur, Agra and Meerut on an experimental basis, had accepted the poly-institutional situation. The plans for Jaipur and Meerut involve the Municipal Councils, the local Improvement Trusts and the State Governments. The Agra Plan embraces the Municipal Corporation, the State Government, and the Cantonment Board which agreed to share costs toward water supply. The omission of the Meerut Cantonment Board which has a civilian population of about 74,000 and which is functionally, spatially, socially and economically an integral part of the Meerut City, has rendered the Meerut development plan incomplete and unrealistic. Similarly, the Poona Fourth Five Year Plan has the important limitation of not covering two neighbouring cantonments of Poona and Kirkee and the two new industrial townships, viz., Pimpri and Chinchwad which are presently being developed to the north-west of the municipal limits by the Maharashtra Industrial Development Corporation. For all practical purposes, these contiguous areas are integral parts of the Poona City, and they have to be treated as such for the purposes of planning and development.

At this stage, we can cite a few instances of actual preparation of city development plans. The development plans of Jaipur, Agra and Meerut form a case apart, thanks to the experimentation by the Town and Country Planning Organisation of the Government of India. The case of Poona is, however, quite instructive. The broad guide-lines of development were laid down by the State Government. Next, an *ad hoc* committee was constituted consisting of the Mayor as Chairman, and some prominent citizens, corporators, M.L.A.'s, M.L.C.'s and M.P.'s.

The Collector of the Poona district and the President of the Poona Zilla Parishad were also associated with the *ad hoc* committee which discussed the objectives, priorities and financial implications of the plan. For formulating concrete development schemes under individual heads of development, six sub-com-

mittees were constituted with appropriate experts and technical staff. After the formulation of plan-proposals, the Municipal Corporation approved them by passing a resolution to that effect. The Plan was next submitted to the State Government for necessary action.

Another instance is the *Basic Development Plan* for the Calcutta Metropolitan District which has been prepared by a specially constituted authority, viz., the Calcutta Metropolitan Planning Organisation. This Organisation is an expert body that functions directly under the Town and Country Planning Branch of the State Development and Planning Department. The Basic Development Plan covers an area of about 490 square miles inhabited by more than 6 million people and governed locally by 3 municipal corporations, 31 municipalities, 1 cantonment board, 1 notified area authority and about half-a-dozen special purpose authorities. Besides, three zilla parishads and their constituent units are also involved in the administration of parts of the metropolitan area. The governmental picture depicted here provides an example of a poly-institutional situation in all its complexities.

The two instances cited above reveal two different approaches to the question of agencies for the formulation of city development plans. One approach would be to entrust the municipal authority to plan for its area, obviously following the major guide-lines set by the State Government. The other alternative is to create a special authority for this purpose. There are genuine advantages in making the municipal authority the planning agency. In that case, the needs and priorities of the municipal area are readily ascertained; there is a greater possibility of local initiative for tapping more resources for financing the plan; and popular participation in planning and implementation is assured. Where both planning and implementing functions vest in a municipal authority, the latter is expected to implement its own plan quickly and successfully.

The case for a special statutory planning authority has been made out by at least two important committees viz., the Committee of Ministers constituted by the Central Council of Local Self-Government (1963) and the Rural-Urban Relationship Committee (1966). The first Committee envisaged a State level Urban Development Board which would have its operating units

in specific urban areas. Where separate units could not be set up, a suitable local agency would do the work under the general direction and control of the proposed Board. The Rural-Urban Relationship Committee, on the other hand, concerned itself with the problems of dovetailing urban and rural plans together. Accordingly, three devices were suggested for three situations, viz., (i) a district with a substantial urban population, (ii) a predominantly rural district, and (iii) a metropolitan area or a city region. For the first situation a statutory planning and development authority has been recommended consisting of representatives from zilla parishads and urban local bodies. The authority would coordinate, implement certain projects and set the guide-lines for planning and development which the local bodies would be following. For the second situation, it is recommended that a special committee of the zilla parishad on which the involved local bodies would be represented would undertake the task of planning and development with the guidance and assistance of the State Government. For the metropolitan area or a city region, two alternatives have been suggested. One is to place the entire city region under a single municipal authority; the other alternative is to create a special statutory authority for undertaking the planning and development of area-wide functions, matters of purely local interest being left to the local authorities.

Of these two committees, the Rural-Urban Relationship Committee made an admirable attempt to think in an altogether unconventional way about a possible amalgamation of the rural and urban local bodies for the purposes of planning and development. This may well be the precursor of a composite form of local government that would do away with the present-day artificial distinction between urban and rural areas. The recommendation for an *ad hoc* planning authority is often made to overcome the difficulties involved in a poly-institutional situation. Also in most cases, our local bodies do not have the necessary technical know-how, and they are invariably area-bound. From a long-term point of view, however, the multiplicity of urban authorities such as improvement trusts, housing boards and the like need to be supplanted by the elective local government, which would obviate the necessity of having an *ad hoc* planning authority. Furthermore, the boundary problem cannot be regarded as an insuper-

able problem. In the ultimate analysis, an *ad hoc* planning authority is no substitute for an elective local planning authority which is in close touch with the needs and aspirations of the people.

Whatever be the merits of the recommendations of the Rural-Urban Relationship Committee, it is not known whether these recommendations are going to be implemented by the State Governments in the near future. Shall we then bid good bye to city development plan in the absence of the recommended agencies? Nobody would like to reply to this question in the affirmative. Even in the absence of an ideal institutional arrangement, city development plan can be undertaken by the existing agencies operating in the urban areas. Under the municipal and panchayati raj Acts all over India, there is no legal bar to inter-local authority cooperation. Even where cooperation may not be easily forthcoming, the municipal authority can always plan for its own services and functions which is certainly better than no planning at all. Since the development planning exercise is a new thing to the local bodies, the role of the State Government in laying proper guide-lines and assisting and advising them can hardly be exaggerated.

XIII

SPECIAL AGENCY FOR WATER SUPPLY

In this country, water supply and sanitation measures have not received the attention they deserve. The benefit of protected water supply that came to be extended to a few towns was largely due to local emergencies like recurring epidemics in those places. Until recently no organised programme was evolved to ensure safe water supply in our towns and cities. It was the Bhore Committee which for the first time laid emphasis on the importance of safe water supply and sanitation. After Independence, the Environmental Hygiene Committee (1948-49) made a comprehensive assessment of the problems of environmental hygiene in the country and came out with important recommendations, which unfortunately remained mostly unimplemented. Water supply has been one of the main functions of the local bodies in India. Since local government remained highly undeveloped and hardly any attempt was made to improve the structure and finances of the local bodies, the services under their charge including water supply could not make much headway. It was against this background of ill-equipped and undeveloped local government and the inability of the States to provide adequate funds for water supply and other sanitation measures that the National Water Supply and Sanitation Programme was launched by the Union Health Ministry as part of the Plan Health Scheme during August-September, 1954. No doubt, the National Programme has been a welcome measure and it has made some impact on water supply and sanitation in the country. Still, it has to be admitted that the problems in these fields are of such gigantic proportion that these have to be fought at all levels namely Central, State and local. Water supply falls constitutionally within the competence of the State Government. Under the municipal Acts of different States, the municipal corporations and municipalities have been entrusted the task of

providing water supply in their areas. So, the primary responsibility for ensuring safe water supply rests with the local bodies and the State Governments oversee their activities in order to make sure that this important service is actually provided to the urban dwellers by the municipal authorities.

The Situation in Three States

By way of illustration, we may refer to the water supply position in the three States of Bihar, Madhya Pradesh and Uttar Pradesh. It is quite well-known that the water supply position in these States, as in all others, remains much to be improved. The desired supply of water per day per capita for various grades of townships was calculated by the experts for a Committee of Ministers constituted by the Central Council of Local Self-Government (1963). Table I shows the desired standards of supply for different classes of cities and towns.

TABLE I

Desired per capita Distribution of Water supply per day for various grades of Cities and Towns

Size of Town		Gallons
1.	Class A Special (Population above 20 lakhs or industrial towns having more than 10 lakhs population)	60
2.	Class A (5 to 10 lakhs population)	45
3.	Class B (1 to 5 lakhs population)	35
4.	Class C (50,000 to 1 lakh population)	25
5.	Class D (20,000 to 50,000 population)	15
6.	Class E (Below 20,000 population)	10

Source : *Augmentation of Financial Resources of Urban Local Bodies*, Report of the Committee of Ministers constituted by the Central Council of Local Self-Government, November, 1963, p. 114.

Although some of the principal cities in the three States such as Allahabad, Lucknow, Patna and Varanasi were reported to be enjoying adequate supply of water as per the standard laid down in Table I, cities like Jabalpur, Gwalior, Indore in Madhya Pradesh, and Agra and Mathura in Uttar Pradesh, are some of the instances where water supply is not adequate, and one can take it for granted that the supply position in many of the urban areas in the three States is far from satisfactory by the standard laid down by experts. The urban water supply position in the three States, as reported by the National Water Supply and Sanitation Committee (1960-61), is shown in Table II.

TABLE II

Percentage of Population served by Urban Water Supply System

State	Urban Population (1961)	Percentage served by water supply system		Percentage not served by water supply system
		Adequately	Inadequately	
Bihar	39,15,300	34	19	47
Madhya Pradesh	46,29,276	33	14	53
Uttar Pradesh	94,76,118	30	15	55

Source : *Report of the National Water Supply and Sanitation Committee (1960-61)*, Ministry of Health, Government of India, 1962, pp. 17-8.

Although the figures presented in Table II are somewhat outdated, it is alarming to note that nearly 50 percent of the urban population in the three States were not served by water supply system. It was found that only about 30 percent of the urban population of the three States were served by adequate water supply system.

It is no use marshalling data to prove the woefully inadequate water supply position in most of our urban areas. The magnitude of the problem is not unknown to us. What is really needed is to devise ways and means for gradually wiping out the deficit and ensuring a regular supply of safe water at standard rates to our citizens.

Problem of Machinery

The magnitude of the problem and the obvious need for its speedy solution have prompted many expert committees and commissions in this country to advocate the case for the establishment of statutory water and sewerage boards. It may be recalled that the National Water Supply and Sanitation Committee and the Modak Committee (Panel on National Water Supply and Sanitation Schemes under the Building Projects Team of the Committee on Planned Projects of the Planning Commission) strongly recommended the setting up of regional water and sewerage boards as independent statutory bodies for the provision of these two amenities. It has been argued that the statutory boards would sponsor and promote water supply and sewerage projects, and raise necessary funds from the open market for the investigation, design, execution, operation and maintenance of the projects. The boards will function much like commercial enterprises levying tariff on account of water and sewerage charges on the total cost of production and management of these facilities. The advantages of statutory boards were emphatically pointed out by the *Seminar on Financing and Management of Water and Sewerage Works* which was convened by the Ministry of Health with the assistance of the World Health Organisation in 1964. The following is a list of possible advantages accruing from a statutory water and sewerage board:¹

- (i) the financial autonomy of the board makes for increased efficiency;
- (ii) a strong and efficient body can raise capital quite easily;
- (iii) it can cater to a larger area having within it a number of municipalities;
- (iv) financing and operation of the schemes would be possible on a business-like footing;

¹ *Seminar on Financing and Management of Water and Sewerage Works*, convened by the Ministry of Health, Government of India with the assistance of the World Health Organisation, New Delhi, 1964, p. 39.

- (v) economies can be effected when a common source of water can be made to serve several undertakings;
- (vi) a board would be able to employ competent staff, purchase spares in bulk and provide staff and workshop facilities for quick and efficient repair and maintenance of all parts of an undertaking;
- (vii) it will be possible to equalise rates over a region ; and
- (viii) there will be better and fuller realisation of water dues when this duty is divorced from local politics.

It was pointed out in the Seminar that local bodies do not have enough finances and the idea that water is a service to be paid for could be inculcated only by a statutory board. All in all, it was felt that operational efficiency would be possible only when a statutory board could be brought into being. It is small wonder, therefore, that the annual conferences of public health engineers in this country have been consistent in advocating the case for the statutory water and sewerage boards as necessary devices for their operational efficiency.

Statutory Boards at Bangalore and Calcutta

The recommendations of committees and commissions, and seminars and conferences have not gone unheeded, and at least two water supply and sewerage boards have been established in recent times in India. The first such board to come into being was at Bangalore following the enactment of the Bangalore Water Supply and Sewerage Act, 1964. It is no use recounting the circumstances, under which the Bangalore Board was brought into being. No doubt, the public agitation over the enhancement of water rate by the Bangalore Corporation made the case of the Water Board stronger, and the offer of international monetary assistance had also expedited the setting up of an autonomous board for Bangalore and its adjoining areas. The next similar authority to come into being was the Calcutta Metropolitan Water and Sanitation Authority for the Calcutta Metropolitan District. Under the Calcutta Metropolitan Water and Sanitation Authority Act, 1966, the Authority has since been brought into existence, and it may be worthwhile to follow the constitution of this authority, as the idea of having independent

statutory water and sewerage boards seems to be very much in our mind today.

The Authority in the Calcutta region consists of a Board of Directors and a General Council. The Board has six Directors including a Chairman appointed by the State Government. Of the six Directors, three are appointed by the State and the remaining three are elected by the General Council. Thus, the Board has an even representation from the State and the local interests; but the Chairman has a casting vote. The General Council consists of 55 members of whom 17 are *ex-officio* members, 3 are State nominees, 10 are members of the two Houses of the Legislature and 25 are councillors from the various municipalities within the Calcutta Metropolitan District. The Board is the executive organ of the Authority and the Council has powers to approve annual budget and proposals for making regulations, raising loans, taxes, fees and charges fixed by the Board. In case of non-approval by the Council of any matter, the Board can refer the case to the State Government whose decision will be final. The Authority has the appearance of a federated type of organization as it seeks to draw upon different interests in the Calcutta Metropolitan District. The Bangalore Water Supply and Sewerage Board has also a Consultative Committee consisting of 16 members drawn from a multiplicity of interests, including the City Corporation, the City Improvement Trust, legislators, journalists, industrial interest and the State Government. However, the Consultative Committee does not have the status of the General Council in the Calcutta Authority and its powers are negligible. It may be recalled in this connection that Delhi had its Joint Water and Sewage Board under the Delhi Joint Water and Sewage Board Act, 1926, which was also a federated type of organisation with the nominees of local and other interests involved in the area of operation of the Board. The Delhi Act did not envisage any council or a consultative committee.

Legally, the board type of organisation is a corporate body and it has its parallel in the English Joint Boards or the erstwhile Metropolitan Water Board for London and its neighbouring areas. Special purpose authorities for different functions such as water supply, sewerage, education, parks and recreation and so on are a characteristic feature of American local government. The main

reasons for the mushroom growth of special purpose functional authorities in the United States are the unreponsiveness of general local government to the stimulation of specific functions, the pressure of interests to have "private" government of their own, the eagerness of technical experts to give emphasis on their particular functions and a general tendency to take a function "out of politics."²

A multiplicity of functional authorities in the urban areas in America has been generally identified as being responsible for fragmenting government in urban America and three principal criticisms against the use of special purpose bodies in that country are as follows:

- (i) To have a special purpose functional authority is to give undue importance to specific functions and it is a piecemeal approach to local government problems, which if carried to its logical conclusion, would lead to a complex network of unrelated special purpose bodies.
- (ii) Such a piecemeal approach tends to distort the governmental map of a particular local area, and coordination of different allied area problems becomes difficult.
- (iii) The functional authorities are typically governed by a board of directors of private citizens and are not directly responsive to the will of the people. As the United States Advisory Commission on Inter-Governmental Relations observed, "the problems and limitations of the authority device, as it has been widely used, cannot be taken lightly. They need to be recognized and avoided in any legislation designed to permit metropolitan areas to utilise this device where it seems more desirable or feasible than alternative changes in the existing pattern of local government".³

² See, in this connection, John C. Bollens, *Special District Governments in the United States*, University of California Press, 1957.

³ *Governmental Structure, Organisation and Planning in Metropolitan Areas*, The Advisory Commission on Inter-governmental Relations, Washington, 1961, p. 28.

Although many committees, commissions and conferences in India have favoured the idea of independent statutory water and sewerage boards, their case needs to be carefully scrutinized. A statutory board for water supply and other sanitary purposes can no doubt cover a wide area of operation and thereby may reap the economies of scale. The other advantages of such a board have already been stated earlier in this paper. It may, however, be noted that a statutory board may not be suitable for all the areas in a State. In fact, where a compact urban area has extensive spread as is the case in the Calcutta Metropolitan District and in Greater Bombay, the board may be useful for large-scale operation and management of water supply and sanitation. Where there are dispersed human habitation or scattered urban pockets the idea of a board for such areas is not quite suitable and it may even be uneconomic. In fact, if one examines closely the arguments usually made in favour of a statutory board it becomes clear that the main reason, to put it bluntly, for its advocacy is the eagerness of technocrats to take their specific functions out of local politics. No doubt our municipalities have not been able to discharge their statutory responsibilities effectively and efficiently. This applies equally well to water supply, education, health and medical services and other functions that have statutorily been placed under their charge. If the case of a statutory board is advocated for water supply and sanitation, same can be made out for other municipal services. If this approach is carried to its logical conclusion, it is not difficult to foresee the gradual extinction of municipal government in this country. The municipalities in India have lost some functions either by way of provincialisation or through the establishment of special purpose authorities like the Improvement Trust and the Housing Board. Undoubtedly, municipal government in India is structurally and financially weak and its inefficiency stems from its built-in weaknesses, but the remedy does not lie in depriving the municipal bodies of their functions and responsibilities, which will be a retrograde step altogether. On the contrary, a positive approach towards the growth and development of municipal government would be to overhaul and streamline municipal government, provide for more financial resources and equip the municipal bodies with proper personnel. If the water supply

position in the three States, earlier mentioned, is unsatisfactory, both the municipalities and the involved State Governments have to be blamed for this. Under the Municipal Acts of these three States, water supply is not an obligatory function of the municipalities; it is an optional function. The result has been that there has been a general reluctance to develop this particular service and in each case the State Public Health Engineering Department has assumed the goading role and almost taken over this municipal function. Thus, if water supply has so far been a neglected subject, the root cause of the neglect lies in the approach of the State Governments towards municipal government. The old statutes of Uttar Pradesh and Bihar have remained unchanged and even Madhya Pradesh, which had enacted the municipal law in 1961, did not care to make water supply an obligatory function of the municipality.

Very often, a statutory board is recommended on the ground that the municipalities have limited jurisdictions, and it is argued that a board can operate over a wider area having a number of municipalities within it. The 'area' concept is a vexed one in local government, and there is bound to be a conflict between a governmental area and a technically optimum area. But, much of the debate on 'service area' centres round the inflexibility of local government area. In a bigger urban complex like the Calcutta Metropolitan District or Greater Bombay, a number of functions including water supply would need area-wide treatment, and the solution in such cases does not lie in the creation of a host of special purpose functional bodies but the reorganisation of local government in such a way that functional areas coincide as far as possible with the local government area. The area problem is not an insuperable one and alterations in our local government boundaries are much easier than is the case in the United States of America. As the experience of the fledgling Calcutta Metropolitan Water and Sanitation Authority has demonstrated, the problem of getting funds for the activities of a special purpose body is not as easy as it might appear on the surface. The States themselves are finding it hard to raise funds for their various development projects. In such a context, it is futile to expect that a statutory board would have a smooth sailing from the financial point of view. Again, in a developing country like

ours the economic base of urban areas is too weak to allow of multiple authorities tapping resources simultaneously. If the underlying intention of advocating statutory boards is to take water supply out of politics, it needs to be cautioned that 'depoliticisation' is well-nigh impossible in a democratic system.

If it is agreed that municipal government is necessary and good in itself, it will be a retrograde step to start creating special purpose functional agencies for water supply and sanitation. In fact, the Rural-Urban Relationship Committee, which reported in 1966, placed water supply at the top of a list of obligatory municipal functions.⁴ Once it is accepted that water supply should remain a municipal function, there can be various ways through which its administration could be improved. A familiar method is to provide for a statutory municipal committee like the BEST Committee in Greater Bombay or the Water Supply and Sewerage Undertaking of the Delhi Municipal Corporation. With a separate budget and a statutory officer looking after the management of the function, water supply can be administered separately even within the overall municipal set-up. An extreme example of separate functional administration is provided by the Municipal School Board in Maharashtra and Gujarat. Under the Bombay Primary Education Act, 1947, a school board consisting mostly of municipal councillors have independent funds separate from the municipal fund, and the executive administration is vested in an administrative officer appointed by the State Government. Without going to such extremes, it is possible to provide for water supply development as part of the normal functions of a municipality. In this connection, the provisions of the Maharashtra Municipalities Act, 1965, deserve special mention. Under this Act, every municipality must prepare and execute a scheme for the supply of protected drinking water within a specified period. If a municipality is unable to prepare the plans and estimates and execute the scheme, it may apply to the State Government for assistance. When a municipality fails to prepare and execute a scheme, it is presumed that it has committed default

⁴ *Report.* Vol. I, Ministry of Health & Family Planning, Government of India, p. 20.

in the performance of its statutory duty and the consequences of default follow. For the purpose of ensuring that adequate funds are available with a municipality to investigate, and prepare plans and estimates, and execute schemes for water supply, the law provides for the creation of a separate "Water Supply Reserve Fund". The municipality is obliged to deposit in that fund annually such percentage of its general revenues as determined by the State Government at the time of sanctioning a scheme and before giving any guarantee to municipal loan. If the State Government finds that the municipality has failed to make deposits in the "Water Supply Reserve Fund", it may take over the fund and direct the bank in which the moneys of the municipality concerned are deposited to pay from the amount to the credit of the municipality such sums as might be due to the Reserve Fund.⁵

We have pointed out the different methods which could be employed to administer water supply as a municipal function. Some others like joint committees and contractual arrangements could also be thought of. The idea of setting up statutory water and sewerage board is the product of a one-track mind that seeks to elevate a particular function above local government institution. But, when the choice lies between an institution and a function, it would betray an unfortunate lack of foresight if the institution is sought to be sacrificed at the altar of a specific function.

XIV

PROBLEMS OF CANTONMENT ADMINISTRATION

Like some rare species of flora or fauna, the cantonment board is an exotic type of local government in India and in no other parts of the world, except Pakistan which shares with India the same history, can this type of local government be found. It functions almost like any municipal authority in such familiar local government fields as public health and public works, buildings and trades regulations, water supply and sanitation and so on. Structurally, however, it has some distinctive features which mark it out as a special type of local government. And in fact, it is this organisational peculiarity of the cantonment board which has time and again been the subject of intense controversy.

Evolution of Cantonment Administration

To understand the nature and origin of this controversy, we will have to trace the evolution of cantonment administration in India which grew out of peculiar circumstances. The word 'contoning' means the disposition of troops in weatherproof shelters. To quote from the Encyclopaedia Britannica, "until within relatively recent times, a European army in the conduct of active operations, but sufficiently removed from hostile concentrations to be safe from sudden attack, would, if tired by long campaigning, be given temporary relaxation by contoning it among nearby villages, and this was the only type of cantonment thus known. The sole permanent establishments of this character up to the mid-19th century were those occupied by British troops in India".¹

⁵Section 50 of the Maharashtra Municipalities Act, 1965.

¹Encyclopaedia Britannica, vol. 4, 1951, p. 773.

In India, cantonment administration had its origin in the regular quartering of troops in the permanent military stations. Initially, the cantonments were temporary encampments of the forces and their followers, and later some of these came to be selected as permanent camps. In some cases, land was acquired on payment of compensation. There are also instances of acquisition by treaty with the ruling chiefs, and by conquest or outright appropriation.

The mode of administration and the legal and structural outfit of the cantonments had never remained static; they changed from time to time in response to changing circumstances. At first, the Officer Commanding the troops in a cantonment was responsible for the maintenance of law and order. With the increase in the number of retainers and followers attached to military establishments, a modified form of Military Law was introduced for the administration of the population. As the cantonments began to develop as permanent stations and the civilian population went on increasing, there arose some other problems mostly relating to land and residential accommodation. In the early stages of growth, construction of private residential accommodation was encouraged subject to Government's proprietary right in land. For administrative purposes, rules and regulations were formulated which were consolidated in the Bengal, Bombay and Madras Regulations and, later on, in the Army Regulations (India). These regulations related to law and order, discipline and welfare of troops and non-military residents, and grant and management of Government lands. The civilian population was sought to be confined to the bazar area which emerged gradually as a distinct locality, as the advantages of trade and security went on attracting people who had little or no direct connection with the troops. With the passage of time, conditions were relaxed and the civilians were permitted to acquire houses outside the bazar areas and even to live and carry on business. When the Government found it difficult to provide for residential accommodation for the military officers and their camp followers, private capital was invited as a matter of policy and the civilians were encouraged, through the offer of some concessions such as free grant of sites, to build bungalows outside the bazar areas.

In order to consolidate the rules and regulations governing

the cantonments, an Act was framed in 1864 which provided for the post of Cantonment Magistrate to administer law and justice. It also contained provisions relating to the regulation of grant of land and residential accommodation. The Act of 1864 was amended by Act II of 1880 and Act XIII of 1889. The Cantonments Act, 1889 dealt mostly with the civic administration of cantonment areas and introduced taxes commonly imposed by municipalities. This Act was modified in 1910. Until 1824, the Cantonment Magistrate was mainly responsible for running the administration. Through an Advisory Council he was subordinate to the Officer Commanding the station for all executive matters. In administering law and justice he was responsible to the State Government concerned through the District Magistrate.

The passage of the Cantonments Act, 1924, under which the cantonments are administered today marks an important event in the evolution of cantonment administration in India. By this Act the civic administration of the cantonments was further municipalised and entrusted to the cantonment boards. Administration of law and justice which was so long the responsibility of the Cantonment Magistrate, was transferred to the Provincial Governments. It is noteworthy that the enactment of 1924 was to some extent intended to accommodate the rising demand of the civil population for local self-government. While speaking on the bill in the Council of State on February 14, 1924, General Lord Rawlinson observed: "It is only natural and in accordance with the spirit of the times that in Cantonments (having a large civil population) . . . the civil population come to desire, and desire very keenly that the Government of Cantonments should acquire a more progressive and popular character. Institutions which are suited to the purely military government of purely military areas naturally do not commend themselves to men who have seen representative institutions introduced in the General Government of the Country".² No doubt this statement reveals a fairly progressive attitude which, paradoxically enough, seems to be missing after Independence, as a result of which the can-

² Quoted in Estimates Committee (1956-57), *Forty Sixth Report*, Lok Sabha Secretariat, New Delhi, 1957, pp. 9-10.

tonment administration in India has not changed since the passage of the Act of 1924.

The structure of cantonment board envisaged in the Act of 1924 was in keeping with the overall policy of the Government of India in those days which was laid down in the Montagu-Chelmsford Reforms. The keynote of this newly enunciated policy was to provide for the increasing association of Indians in every branch of Indian Administration and for the gradual development of self-governing institutions, with a view to the progressive realisation of responsible government. By introducing the election of a substantial number of popular members, the new Act tried to live up to the spirit of the time.

Structure of Cantonment Board

Under the Act of 1924 the cantonments have been grouped into three classes on the basis of population. Each cantonment has a board consisting of *ex-officio*, nominated and elected members in the following proportions:

TABLE I

Composition of Cantonment Boards

Class	Population	<i>Ex-officio</i>	Nominated	Elected	Total
I	10,000 and above	4	4	7	15
II(a)	Above 7,500 and below 10,000	4	3	6	13
II(b)	Above 5,000 and below 7,500	4	2	5	11
II(c)	Above 2,500 and below 5,000	4	1	4	9
III	Below 2,500	1	1	1	3

It is clear that the Act constituted the boards with official majority, for in each case the total number of elected members on the board is one less than the total number of *ex-officio* and nominated members. Excepting class III cantonments, in all other classes the Officer Commanding the Station, a Magistrate of the first class nominated by the District Magistrate concerned, the Health Officer and the Executive Engineer are *ex-officio*

members. The Officer Commanding the Station is the sole *ex-officio* member in the class III cantonments. In all the cantonments, the nominated members are drawn from the military and are nominated by the Officer Commanding the Station who is the *ex-officio* President of the cantonment board and has a second or a casting vote. The Vice-President is elected by the elected members from amongst themselves. As a sequel to a conference of the elected representatives of cantonments in 1954, the principle of parity was introduced between the elected and the nominated members by holding in abeyance one post of nominated member. For the administration of predominantly civil areas a statutory committee called the Bazar Committee or the Civil Area Committee was constituted by an amendment in 1936. It consists of all the elected members of the cantonment board, the Health Officer and the Executive Engineer. The Vice-President of the board is the Chairman of this Committee. By an executive directive, the Civil Area Committees have been delegated powers in respect of the civil areas under the provisions of Section 178(a), 179 to 185, 210 and 213 of the Cantonments Act. The committees are more or less independent of the boards in these specified spheres. For assessing house tax there is an Assessment Committee consisting of a majority of elected members. The Vice-President of the board is the Chairman of this Committee. The boards are free to constitute other committees, and actually a Finance Committee is commonly to be found in the cantonments.

The Officer Commanding the Station, as President of the cantonment board, supervises its financial and executive administration, and exercises powers which are specifically given to him under the statute. Under Sec. 51(i), he has the power of suspending action for a month in situations connected with the health, welfare and discipline of troops. Sec. 239 empowers the President to order the exclusion of any person from the cantonment. The day-to-day administration is run by the Cantonment Executive Officer who belongs to the Military Lands and Cantonments Service under the Ministry of Defence, which is a unified and transferable service. For the custody of all records he is the responsible officer and he has to implement the decisions taken by the cantonment board and its various committees. He

is the Secretary to the board and to all its committees. In emergencies, he can exercise some of the board's powers with the prior approval of the President (Sec. 25).

Control and Supervision

Under Article 246 (1) of the Indian Constitution read with item 3 of List 1 in the Seventh Schedule, the Central Government is responsible for the "delimitation of cantonment areas, local self-government in such areas, the constitution and powers within such areas of cantonment authorities and the regulation of house accommodation (including the control of rent) in such areas". Accordingly, the Union Ministry of Defence is in overall charge of the cantonments and responsible for their creation, alteration, abolition, supervision, and supersession. The Director of Military Lands and Cantonments at the Headquarters acts as an adviser to the Minister of Defence on all matters relating to cantonment administration.

The entire country has been divided into four military Commands viz., Eastern, Western, Central and Southern, each of which is in charge of a General Officer Commanding-in-Chief. For most purposes, the Ministry of Defence exercises control and supervision over the cantonments through the G.O.C.-in-Chief of the Command who has been conferred specific powers under the Act and the rules made thereunder. In each Command, there is a Deputy Director, Military Lands and Cantonments, who acts as the adviser to the G.O.C.-in-Chief on all matters concerning the administration of lands and municipal affairs in the cantonments falling within the Command. The Deputy Directors stationed in Commands function under the administrative control of the Director, Military Lands and Cantonments. The Cantonment Executive Officers are responsible to the latter through the Deputy Director at the Command level.

Financial control over cantonment boards is quite stringent. Any new taxation proposal needs to be approved by the Ministry. The budget estimates are submitted by the boards to the Command Headquarters where the Deputy Director, Military Lands and Cantonments, makes the preliminary scrutiny including reduction in estimates, if necessary. From the Command Head-

quarters the budgets are forwarded to the Director, Military Lands and Cantonments for submission to the Ministry which is the final sanctioning authority in this respect. Any new taxation proposal can be initiated by a cantonment board, but this must be sanctioned by the Ministry.

The cantonment boards draw revenue, much like the municipal bodies, from rates and taxes, property and other powers, fees and fines and grants-in-aid from the Union Ministry of Defence. The taxes levied by them are usually those which are imposed by the municipal bodies in a State within which the cantonments are situated. In many instances, the boards raise substantial sums from property and other powers. The financial position of the boards is, however, far from satisfactory. It was discovered by the Estimates Committee (1956-57) that out of 59 cantonments 25 were not self-supporting. Apart from specific grants for water supply, education, roads, medical services and others, ordinary grants-in-aid are given by the Ministry of Defence in some cases to help the boards balance their budgets.³ The State Governments sometimes make grants-in-aid to the boards within their areas for such services as education and hospitals.

Future of Cantonment Administration

The main problem of cantonment administration in India arises out of the fact that the cantonments are more than military stations and contain sizeable civilian population. An administrative system that suits the armed forces can hardly be applied to the civilian population. Also, the latter cannot in principle be discriminated against simply because they live close to the barracks. Naturally, therefore, whenever there had been any occasion for constitutional reform during the pre-Independent days, the civilian population of cantonments joined hands with their fellow brethren in the country by airing legitimate grievances against the cantonment administration. Political agitation for the democratisation of cantonment boards did not fall in deaf ears. As pointed out earlier, the Cantonments Act of 1924 was

³ Op. cit., p. 24.

passed in consonance with the spirit of constitutional reforms ushered in by the Montagu-Chelmsford Report. To satisfy the aspirations of civilian population, they were given fifty per cent representation on the board and considerable power in respect of the administration of bazar areas. At one stage, the Government of India decided to consider the question of excision of bazar areas from the cantonments. But, due to the outbreak of World War II, this could not be pursued. With the advent of Independence, the issue of complete democratisation of cantonment administration naturally came to the fore and the First Conference of Local Self-Government Ministers in 1948 recommended that the Central Government should, in consultation with the Provincial Governments concerned, appoint a committee to examine the question of delimiting the areas of cantonments and the desirability of amending the Cantonments Act. It was in pursuance of this resolution that the Government of India constituted in 1949 the Central Committee on Cantonments under the chairmanship of Shri S. K. Patil. Instead of capitalising this opportunity to suggest radical changes, the Patil Committee gave an extremely narrow interpretation to its terms of reference and did not agree to considering *de novo* the larger issue concerning the future of cantonment administration in India. The pusillanimity of the Committee could be evidenced from the fact that when the question of vesting controlling powers in the hands of the elected majority had come up, the Committee observed that for "the maintenance of satisfactory conditions of security, discipline and health among the troops, which are a necessary corollary to efficiency of the Army, no chance could be taken by transferring the administration to civil majorities". Apart from suggesting some incidental changes in the structure of cantonment board, the Committee recommended excision of civil areas in certain cases. Through the passage of the Cantonments (Amendment) Act, 1953 and issue of executive instructions, the Central Government implemented the recommendations of the Patil Committee. Some civil areas were also excised from the Cantonments at Ahmednagar, Agra, Allahabad, Delhi, Jhansi and Varanasi.

Today the cantonment areas stand in a peculiar position. They are deprived of the benefit of plan programmes of develop-

ment and self-government has stopped just outside their boundaries. In respect of special development programmes on water supply and sanitation, eradication of communicable diseases and other health and educational improvements, the cantonment areas have by and large been left out simply because any financial assistance to them should be provided in the Defence Budget. And the Defence authorities have in general expressed their inability to earmark funds for developmental programmes.

Complete democratisation of cantonment administration has always foundered on the rock of military security and health. The reform proposals, so far made, have been consistent in assuming that the interests of troops and those of civilian population are irreconcilable, and the latter should be subordinated to the former. Thus by raising the military bogey, the right of self-government which is axiomatic in a democratic polity has been denied to the civilian population residing within the cantonment areas. We cannot do better than quote in this connection a very cogently argued case for complete democratisation of cantonment administration put forward by an Estimates Committee on the Ministry of Defence Lands and Cantonments headed by the redoubtable Balvantray G. Mehta⁴:

"Since 1928, when the Cantonments Act was framed, much has happened in the country. A Political Revolution of epoch-making importance has taken place and a sovereign democratic republic has been established. The armed forces have ceased to serve a foreign power and are entrusted with patriotic duties of defending the freedom and integrity of the country. Consequently, the anxiety (with) which the Government of those days kept the troops and the officers insulated from the civil population and the feeling of mutual distrust and suspicion that existed between the troops and civilians have both become out of date and meaningless now.

"Yet, the Committee notice the same hesitancy as before in the approach of the authorities to the question of the full democratisation of local self-government in Cantonment areas. They regret to find that at this stage of political development in

⁴ Op. cit., pp. 10-12.

the country, the authorities should still think in terms of conducting experiments in a matter of entrusting what is essentially a municipal administration to the elected representatives of the local population. The Committee are also distressed to hear the same old arguments based on the fear that if municipal administration was entrusted to the elected representatives of the people, it might interfere with the health and security of the troops stationed in the adjoining areas.

"The Committee find it difficult to accept these arguments. The security aspect is fundamentally a defence responsibility and is present wherever the defence forces are stationed, whether in Cantonments or other areas, and whether temporarily or permanently. There is little that the municipal administration in the Cantonment towns can do to safeguard the security of the troops stationed in the military areas, which the military authorities will themselves find powerless to do. Even now, troops are stationed in certain areas of non-Cantonment cities like Bombay, Calcutta, Bangalore and Delhi. The Committee are not aware that the presence of a large civil population in those towns is considered injurious to the security of the armed forces stationed at those places.

"As regards the health aspect, at present all direct measures regarding the health of the troops are controlled by the Defence authorities. It is only indirectly that the standards of public health and sanitation in the adjoining areas occupied by the civil population in the Cantonments could be said to affect the health of the troops. Even in this respect, while it might have been true, in the early stages when Cantonments were being developed, that the standard of sanitation and public health in the municipalities was generally not of a high standard, it is no longer true in the context of considerable development made in the municipal areas in all States in matters relating to medical, public health, and sanitation. There is little reason to look down upon the standards that could be provided by a civil administration as against those that the military Cantonment administration has provided in the Civil areas of the Cantonments".

With these forceful arguments, the Committee sought to demolish the bureaucratic administration in the cantonments, and the recommendation was to *immediately* amend the Cantonments

Act and provide for full democratisation of the civil administration in them. The *long term goal* was set as the abolition of cantonments in its present form, and local government being a subject relating to State administration should be left to the States. The Committee pointed out that after the conversion of cantonments into municipal boards, the Commandant could be given representation in the latter in case the army would be stationed in areas contiguous to the municipalities. Even the Commandant's right to refer municipal decisions affecting the health or security of troops to the State or the Central Government could be conceded.⁵

The case for complete democratisation of cantonment administration and the eventual abolition of cantonments as commonly understood at present has been ably made out by the Lok Sabha's Estimates Committee. It is rather amazing that these far-reaching recommendations of a Parliamentary Committee have been swept under the carpet and no body seems to have taken any notice of them. Thus the ablest of pleadings has been successfully countered, and time, as a consequence, stands still, as it were, in the cantonment areas. But the path has been shown and it will need another bold attempt to disturb the marmoreal composure of authorities in power and set the cantonments on the right track along with the rest of the country.

⁵ Op. cit., pp. 45-6.

XV

PROBLEMS OF MUNICIPAL FINANCE

Municipal finance as a subfield of public finance has not received the attention it rightfully deserves. Hardly any attempt has been made to collect municipal financial statistics on all-India basis. Lack of adequate academic interest coupled with governmental indifference has stood in the way of scientific analysis of municipal finance in this country. This also serves as an indication of our general attitude toward the municipal institutions. Municipal finance is a wide field and we do not pretend to deal with all its aspects in this small paper. An attempt is made here to bring out the salient features and underline the key issues involved.

Since Independence a number of committees and commissions has studied the problems of municipal finance only to come to the familiar conclusion that the finances of the municipal authorities are in a pitiful shape and suitable measures should be taken to augment their resources. The substance of recommendations has remained virtually the same from the Local Finance Enquiry Committee (1951) to the Rural-Urban Relationship Committee (1966). The Committee of Ministers constituted by the Central Council of Local Self-Government prepared a voluminous report in 1963 on "Augmentation of Financial Resources of Urban Local Bodies". But hardly any steps have been taken to implement the recommendations of these committees, which is symptomatic of an absence of progressive thinking about the development of urban local bodies in this country. On the one hand, the municipal authorities have been criticised for laxity in tax administration and inability to augment their financial resources; on the other the State Governments, who are accused of similar crimes by the Central Government, have failed to evolve well-thought-out strategies to put municipal finance on a sound footing.

Studies on municipal finance tell the familiar story of an ever-widening gap between needs and resources. A Reserve Bank Survey¹ covering the period from 1951-52 to 1961-62 reveals that "receipts of local authorities covered by the survey almost doubled, but disbursements increased even more, by as much as one and a half times, the increase being pronounced in the last two years. In consequence the gap in resources and expenditure had latterly tended to widen". Recently the Rural-Urban Relationship Committee studied the finances of selected municipalities and came out with the same conclusion that in spite of doubling of income during 1952-53 and 1962-63 the standards of their civic services have gone down. To make a more precise estimate of the expenditure gap, the Zakaria Committee² tried to calculate the desirable per capita expenditure for the maintenance of municipal services at minimum levels of physical standards. The municipal authorities were divided into six size classes on the basis of population, and their existing per capita expenditure was placed alongside the desirable expenditure estimation to show the gap in per capita terms. The extent of the gap can be seen from Table I. It needs to be emphasised that this estimation is only for the maintenance of the services at a minimum level of standard and does not take into account the expenditure for capital development functions. The gap between desirable per capita expenditure and existing per capita expenditure exists in all classes of urban local bodies; although it is the narrowest in the top class and the bottom class. The range between class A and class D, in which fall most of the urban local bodies, exhibits the widest gap. Obviously, due to such low levels of expenditure, the essential municipal services are neglected in our urban areas. The larger urban areas thus suffer in general from chronic shortage of essential civic amenities such as water supply, roads, health and educational facilities etc. In reaching the expenditure figures, cost calculations were made by the Zakaria Committee with reference to a base year in the past. Due to the spiralling of costs in subsequent years, it may be safely assumed that the

¹ Reserve Bank Bulletin, November, 1962.

² Augmentation of Financial Resources of Urban Local Bodies, Report of the Committee of Ministers constituted by the Central Council of Local Self-Government, November 1963, p. 86.

expenditure figures have since gone up considerably worsening the situation further.

TABLE I

Gap between Desirable per capita Expenditure and Actual per capita Expenditure

Classes of Urban Local Bodies	Per Capita Expenditure		Gap Between Desirable and Existing per capita Expend.
	Existing	Desirable	
	Rs.	Rs.	Rs.
Class A (Special) (Population above 20 lakhs; industrial cities above 10 lakhs)	.. 33.95	43.50	9.55
Class A (Population 5-20 lakhs)	.. 22.22	38.93	16.71
Class B (Population 1-5 lakhs)	.. 15.06	33.40	18.34
Class C (Population 50,000-1 lakh)	.. 12.74	27.62	14.88
Class D (Population 20,000-50,000)	.. 12.49	24.27	11.78
Class E (Population below 20,000)	.. 11.19	21.07	9.88

Source : *Augmentation of Financial Resources of Urban Local Bodies*, op. cit., p. 151.

On the resources side, the municipal authorities depend for most of their funds on the proceeds of statutorily specified taxes which have remained unchanged since the days of Lord Ripon. Although the municipal Acts usually contain a lengthy list of taxes, in practice, due to the inelasticity and unproductivity of most of them, only five taxes are exploited by the municipal authorities viz., (i) general rate and service taxes; (ii) octroi, (iii) terminal tax and toll taxes, (iv) tax on professions, trades and callings, and (v) taxes on animals and non-mechanically propelled vehicles. Really speaking, the staple of municipal finance in India is property taxation and octroi, and the municipal bodies rely on either or both of these. Studies made over time have revealed that the basic fiscal structure of urban local authorities has remained almost static, and despite the five-

year economic development plans municipal finance presents a dismal picture of stagnation. The Zakaria Committee made studies covering the period from 1950-51 to 1960-61 and its findings are shown below in Table II. It is evident that the relative importance of the different components of municipal revenue structure has changed very little since the report of the Local Finance Enquiry Committee. Recently, the Rural-Urban Relationship Committee came out with the same conclusion after conducting a sample survey of municipal finances in the country³.

TABLE II

Revenue Structure of Urban Local Bodies during the period 1950-51 to 1960-61
(figures in percentages)

S. No.	Sources of Revenue	1950-51	1960-61
1.	Tax revenue	63.50	66.00
2.	Non-tax revenue excluding grants-in-aid	24.40	20.50
3.	Grants-in-aid	12.10	13.50
	Total	100.00	100.00

Source : *Augmentation of Financial Resources of Urban Local Bodies*, op. cit., p. 156.

Under the Schedule Taxes Rules framed under the Government of India Act, 1919, there was an exclusive list of taxes to be utilised by or for the local authorities. That was the heyday of local self-government. Later, in the federal scheme envisaged in the Government of India Act, 1935, the distinction between provincial and local taxation was abolished with the repeal of the Scheduled Taxes Rules, and every local tax became potentially a provincial tax. In the present Constitution of India,

³ Report, Vol. III, 1966, p. 80.

the arrangement of the Act of 1935 has been left undisturbed. Since the State Governments themselves are frantically looking for additional sources of revenue, the absence of any constitutionally delimited local tax field has, not infrequently, tempted them to encroach upon municipal tax sources. Thus, urban tax or urban land tax is being levied by the State Governments of Assam, Bihar, Gujarat, Madhya Pradesh, Madras, Maharashtra and Punjab. A special urban property tax is being utilised by the State Governments of Uttar Pradesh and Haryana and a profession tax by the Governments of Assam, Punjab and Madhya Pradesh. Similarly, taxes on passengers and goods carried by road are being levied by a number of States such as Assam, Bihar and Punjab. The Taxation Enquiry Commission (1953-54) recommended a list of reserved taxes for the utilisation of the local bodies. Later, the Committee of Ministers constituted by the Central Council of Local Self-Government (1963) agreed with the recommendations of the Commission. But, as usual the recommendations remained in paper only, and nothing has been done to implement them.

As Table II shows, State grants-in-aid to municipal bodies did not change much during the period from 1950-51 to 1960-61. It was pointed out in the report of the Committee of Ministers constituted by the Central Council of Local Self-Government that although the State Governments were receiving larger grants-in-aid from the Union Government than what they used to get about a decade back, 'they in turn have not passed on this increase to municipalities to the desired extent'⁴. State grants to local authorities in India have been discretionary in nature and dependent on the exigencies of State financial condition. The State Governments themselves have mostly been in the red and they have been frantically looking for more Central assistance to tide over their financial difficulties. In such a desperate situation, the question of income transfers from the State to the municipal bodies is naturally relegated to the background. Only recently attempts have, however, been made in a

⁴ *Augmentation of Financial Resources of Urban Local Bodies*, op. cit., p. 151.

few States to systematise grants-in-aid to municipal bodies through suitable grants-in-aid codes. The Madhya Pradesh Government was the first to introduce in 1962 a fairly comprehensive general purpose grants system on per capita basis classifying the municipal bodies population-wise. In 1965, the Gujarat Government devised a grants formula after the Madhya Pradesh pattern. The Kerala Government followed suit the next year. Rajasthan introduced a simple per capita grant and Delhi tried to link up grant with municipal tax efforts⁵. Recently, the Government of Assam set up a Committee on Municipal Finance (1967), and a number of States is actively considering the ways and means to augment municipal resources. Though crude and rudimentary, the grants systems evolved in the States mentioned above seem to have influenced State-level thinking on the necessity of grant-in-aid code for the augmentation of municipal resources. A recent Committee has even recommended the constitution of a Municipal Finance Commission in each State well before the appointment of the quinquennial Finance Commission by the President of India. The Municipal Finance Commission, according to this Committee, would "examine the financial requirements of local bodies for meeting their financial obligation for water supply, sanitation, health and other obligatory services and expenditure on schemes of planning and development forming part of the State's Five-Year Plan but meant to be executed by the local bodies."⁶ It is yet to be seen if the States would agree to the idea of setting up a commission like this. No doubt, such a method, if adopted, will go a long way in integrating municipal finance with State and national finances. The municipal authorities would thus be assured of fairly long-term grants which would enable them to plan ahead to some extent.

Apart from grants, limited 'tax-sharing' is practised in India with regard to the proceeds of the entertainment tax and the motor vehicles tax. The sharing is not on contractual basis; it is decided *ex parte* by the State Governments. The motor

⁵ See, in this connection, Abhijit Datta, 'A General Purpose Grant to the Urban Local Bodies', *Souvenir Volume* in commemoration of the 6th Conference of Municipal Corporations, Trivandrum, 1967.

⁶ *Report of the Rural-Urban Relationship Committee*, op. cit., Vol. I, p. 88.

vehicles tax was provincialised in the 'thirties, hence the percentage of proceeds that is given to the local bodies is not so much an assignment of a share as a reimbursement of local revenue foregone. In practice, however, the percentages are fixed arbitrarily by the States. It was recommended by the Committee constituted by the Central Council of Local Self-Government that "at least 25 per cent of the proceeds of the motor vehicles tax should be earmarked for local bodies".⁷ Like all other recommendations, this one also has fallen on deaf ears.

Incidentally, Central plan funds have been made available via the State Governments to the municipalities for their water supply and sewerage projects and limited housing schemes such as those for sweepers' housing, preparation of city master plans and urban community development.⁸ But owing to low plan priority to urban development, such funds have been too meagre to make any impact on municipal development. Even when plan funds are allocated, the allocations are made for functional stimulation rather than all-round institutional growth. Although the Third Five-Year Plan laid down a policy of integrating city development plans with the national plan process, it was never pursued successfully. In consequence, the urban local bodies are virtually left to fend for themselves outside the scope of the five-year plans.

Poverty of resources naturally stands in the way of municipal capital development projects. As substantial revenue surpluses are rare, the municipalities depend for capital funds almost exclusively on the State Governments. The condition of municipal corporations is a whit better and they can float loans in the open market on such terms and conditions as are approved by the State Governments. Local authority borrowings from the open market are, however, strictly controlled by the Reserve Bank of India and the Union Ministry of Finance under the Local Authorities Loans Act, 1914. In fact, most of the municipal authorities look to the State Governments for loan. But as already stated, the State Governments themselves are perpetually

⁷ Report, op. cit., p. 55.

⁸ See Abhijit Datta and Mohit Bhattacharya, 'A Functional Approach to Indian Federalism—Case Study of Urban Development', *The Indian Journal of Public Administration*, Vol. XIII, No. 2, 1967.

in a financial strait and look in turn to the Centre for funds. In the process, municipal capital development projects for water supply, sewerage, roads and buildings move at a snail's pace.

Turning now to the key issues, it needs to be emphasised at the outset that the primary reason for the sad state of municipal finance is the lack of clarity about the role of municipal government in this country. In spite of occasional sentimental outbursts of politicians, the fact remains that municipal government is rarely treated as another level of 'government' with the necessary paraphernalia of autonomy, powers and resources. In the absence of any positive thinking about the role of municipal government in the total governmental set-up of the country, the urban local institutions just continue to trudge on aimlessly through sheer inertia. Thus, the adumbration of an unequivocal, pragmatic philosophy of municipal government is a necessary pre-condition for the reorganisation of municipal finance in India.

Local government worth the name must depend on some independent source of local finance. This does not rule out the necessity of grants-in-aid from higher level governments. But, the bulk of local revenue should come from a reliable source assigned to local government, which is basic for the preservation of its autonomy. As pointed out earlier, our municipal bodies depend for most of their funds on either property tax or octroi. Although, allegations are often made about underassessment by municipal authorities and considerable leakage through corruption and bad collection by the local staff, one should not ignore the basic fact that in a developing economy property tax can hardly be treated as an elastic source of revenue. And as a direct tax, it has never been very popular in our urban areas. This explains the almost negligible role of this tax in those States where octroi, which has been criticised so often as a bad tax, still remains the main source of municipal revenue. It is not impossible to pull municipal government out of the present financial rut through the assignment of new tax sources and/or a scheme of tax-sharing.⁹ But, such an effort would necessitate

⁹ See in this connection Abhijit Datta, "Financing Municipal Services", *The Indian Journal of Public Administration*, Vol. XIV, No. 3, July—September, 1968.

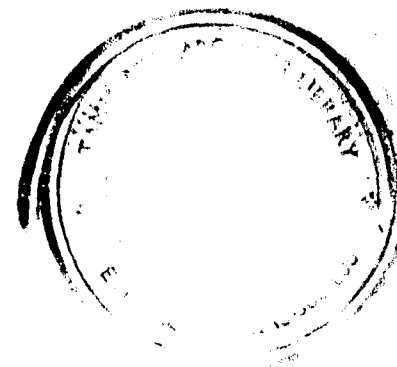
some hard thinking about what the State governments should do and what spheres of activities should be exclusively assigned to the municipal bodies. The allocation of financial resources should follow rather than precede the allocation of functional areas.

Grants-in-aid from higher level governments to local bodies are universally practised. Generally, the former have more elastic financial resources, but considerable functional responsibilities devolve on the latter. The disparity between local functional responsibilities and financial resources is sought to be remedied through the grants system. Again, due to locational peculiarities, smallness of local bodies and some other reasons, incomes of municipal authorities differ widely from place to place. If the country desires to ensure a minimum standard for each of the urban local services such as roads, schools, water supply and so on, a general grants formula needs to be evolved to bring the services of weaker local bodies up to a national minimum standard. In India, State grants-in-aid to municipal authorities have yet to be evolved on a scientific and objective basis. Crude beginnings have been made in a few States ; but the quantum of grants is not at all high, nor are the grants systems scientifically devised. This is an area which cries out for more sophisticated formulation.

Aside from taxes and grants-in-aid, income from service charges for specific services forms a part of local authority revenue. Owing to the absence in general of proper costing procedures for municipal services, the prices charged for the services rendered by municipal bodies have little relation to the costs of those services. This happens in spite of the fact that the municipal authorities usually enjoy monopolistic power in respect of the urban local services. At the local level, more than elsewhere, it is possible to relate costs to benefits. Unfortunately, however, lack of costs consciousness has more often than not led to the financial bankruptcy of municipal authorities and gradual deterioration of the standard of urban local services.

In posing these problems one fundamental assumption has been that municipal government has a positive role to play in the total governmental set-up of this country. Unless we are clear

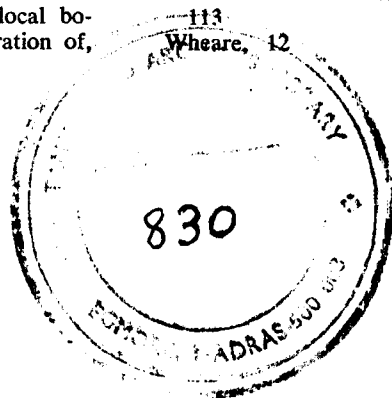
in our mind as to what we expect of the municipal authorities and how we are going to make use of these institutions, there will be no end to the precarious financial condition of our municipal bodies.



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