

# **District Government in Pakistan- Model for India A Symposium**

Editor

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**CENTRE FOR BUDGET AND POLICY STUDIES**

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September 2009



### **CBPS MONOGRAPHS**

- ❖ 'Decentralisation From Above- Panchayat Raj in the 1990s' by Vinod Vyasulu, March 2000.
- ❖ 'Democracy and Decentralisation: a Study of Local Budgets in two Districts of Karnataka' by A. Indira, et al, March 2000.
- ❖ 'Democracy and Decentralisation: Zilla, Taluk and Grama Panchayats,' A. Indira et al, March 2000.
- ❖ 'Small Enterprises in Karnataka- Lessons from a survey in Karnataka' A.Indira, B.P.Vani, Vinod Vyasulu, February 2001
- ❖ 'Development at the District Level: Kodagu in the 1990s' A. Indira. Note submitted to the District Planning Committee, March 2001.
- ❖ 'A Health Budget in Karnataka: A Preliminary Study' A. Indira, Vinod Vyasulu, April 2001
- ❖ 'The Estimation of District Income and Poverty in the Indian States' A. Indira, Meenakshi Rajeev, Vinod Vyasulu, August 2001
- ❖ 'The Budget for Education-A Study at the District Level in Karnataka', Vinod Vyasulu, A. Indira, November 2001
- ❖ 'Civil Society and Budget Analysis- Experience of Civil Society and Budget Analysis in Nepal, Bangladesh and India' Documented by Jonna Vyasulu, June 2002
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- ❖ 'Maternal health in Karnataka - as seen from Budget data, a preliminary analysis for discussion among Civil Society Groups' Oct. 2004.
- ❖ 'Reproductive and child health services in Karnataka' - by Anaka Aiyar and Poornima Vyasulu. December, 2007.
- ❖ The Budget of Apna Pradesh - A Hand Book - December, 2007.
- ❖ 'Karnataka : Fiscal correction for Human Development' - by Vinod Vyasulu - 2008.
- ❖ The Fiscal stimulus is it enough : Is it in the Right Direction - S.Varadachary - January, 2009.
- ❖ Options for Budgeting in a Downturn Karnataka 2009-2010 by Dr. A.Indira - May 2009.



The Centre for Budget and Policy Studies (hereinafter referred as the Centre) is a non-partisan, non-profit, independent society established by a group of professionals based in Bangalore and registered under the Karnataka Registration of Societies Act in February 1998 (no 777 of 199701998). The President is Dr. S. Rajagopalan and the Secretary M.S. Ramaprasad and Director is Dr. Vinod Vyasulu.

The objective of the Society is to contribute through research to understanding and implementing a process of long run, sustainable, equitable development in countries like India. Equity, as we understand it, extends across time - future generations must not be deprived of resources because of irresponsible use - and class and gender - all human beings have inalienable rights that society must ensure.

An area in which the CBPS has made a contribution is in the context of the ongoing process of democratisation and decentralisation following upon the 73rd and 74th amendments to the Indian Constitution. In this context, budgets of different governmental bodies are important statements of policy priority. Budget analysis at local levels is an area where much needs to be done. An example is the work of the Centre in studying the budgets of two zilla panchayats [Dharwad and Bangalore (Rural)] in Karnataka. This report, formally released by the Governor of Karnataka, Her Excellency Smt. Rama Devi on July 4, 2000, is being used in, programmes to orient those who have newly been elected to local government bodies. The CBPS is currently working on a study of the finances of a few city municipal councils in Karnataka.

One way of meeting our objective is by providing inputs into ongoing debates in society on matters of policy priority by collecting and analysing information and presenting scenarios on different options that face the public. Industry is one such area. The functioning of different sectors of industry, its impact on employment, livelihoods, productivity and the like, and the different options open to this country, in the midst of major global changes like the advent of the WTO, need careful study and debate. CBPS did a study and published a monograph. Another area of importance is an understanding of the nature of the local economy. The Centre has worked on this issue and a manual on the method to calculate District Income in India, sponsored by the Planning Commission, is being published by Macmillan India.

Another area of importance is ecological and environmental sustainability. The interface between local bodies and environmental programmes is another area of focus. CBPS has studied the working of programmes like drinking water, watershed development and joint forest management to see how local bodies can contribute to the meeting of national objectives.

CBPS was a partner in a campaign called PROOF (Public Record of Operations & Finance, along with 3 other Bangalore based organisations. The PROOF campaign provides an opportunity for citizens & the corporation of Bangalore (BMP) to join hands and demonstrate that public money is being used for public good. This will be achieved by systematic BMT performance report & reviews, substantiated by performance indicators & explanatory statements.

CBPS will remain a small body of professionals who will work by interacting and networking with others who share such interests. Working groups for different studies with professional membership will be set up, and will work with minimal infrastructure. Full use will be made of modern technology in this process. The results of such work will be used in training, in dissemination of results and in follow up programmes.

## **About the Author**

Abhijit Datta (b. 1934 ) was educated in Calcutta and London Universities. He started his academic career in Calcutta (now Kolkata) in 1962 in a research project with the Institute of Public Administration, New York. In 1964 he joined the Indian Institute of Public Administration, New Delhi (IIPA) where he held various academic positions till 1994 and retired as Professor of Urban Administration and Development and Municipal Finance. Afterwards he worked as an independent consultant on local governance and finance from Kolkata. In 2009 he was appointed as Malcolm Adiseshiah Chair Professor of Development Economics and Decentralised Planning at the Institute of Social Sciences, New Delhi - a post that he currently holds.

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## Acknowledgement

As a research and advocacy organisation committed to working on local self governments, the Centre for Budget and Policy Studies has been contributing to informed public debates. Over the last twelve years, the Centre has completed a number of studies and has published many papers. In its endeavour to continue its work on decentralisation and looking at district as the unit of governance, CBPS invited Professor Abhijit Datta, to share his thoughts on District Governments in Pakistan. Professor Datta wrote on **District Government in Pakistan and Model for India** which has some very interesting ideas. Recognising that this paper merits serious discussion and deserves wider sharing Dr. Vinod Vyasulu, Director, CBPS proposed to publish it as a working paper. I am grateful to Dr. Vyasulu for allowing me to put this paper together, by inviting comments from experts in the field of decentralisation and for writing the Foreword.

One of the papers published by CBPS in May 2008 on **Karnataka: Fiscal Correction for Human Development?** has successfully attempted to bring out a paper on the main theme, followed by notes from discussants who are experts in the field. A similar pattern is followed in this paper where Professor Abhijit Datta's paper is published followed by invited comments from experts on decentralisation.



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Shri. Joy Elamon, Dr. Meenakshi Sundaram, Professor Mishra, Professor Rajalaxmi Kamath and Shri. Varadhachary, five eminent names in decentralisation, have taken time and interest to write and send us comments on Professor Datta's paper. These are published as Part 2 in this book. This is an opportunity for us to thank them for their valuable contributions. The received comments were sent to Professor Datta, inviting him to revise his paper, Professor Datta chose to respond to some of the individual comments: this has been published as it stands –as Author's Response to Comments, in the same section.

Part 3 is reserved for an Epilogue which is not meant to respond to either Professor Datta's article or the comments received. Epilogue is used as an opportunity for the editor to briefly reflect on some of the points that have been raised in the paper and the comments received.

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## Foreword

The former Union Minister for Panchayati Raj, Mani Shankar Aiyar, led a delegation of 50 Indians interested in decentralisation to Pakistan some time ago. Some of those who have written comments were also on this delegation. Apart from providing us with an excellent platform to learn about Pakistan's experiments with local government, it facilitated a great deal of interaction among ourselves. Professor Datta, based on material collected, prepared an excellent paper on what we had collectively learned. He has been the muse for us all. It would be unfortunate if the opportunity to learn from a country with which we share a great deal of history. What have the different trajectories we have followed in the past 60 odd years made to our experiences in federal devolution?

Both Pakistan and India are federal countries, but then the differences loom large. We began with a bang, abolishing zamindari. So far as I know nothing like that took place in Pakistan. While our land reforms cannot be called a great success, they have made a big difference to our social structure. Then again, our democracy stumbled only once—the horror of the Emergency. Pakistan has been singularly unfortunate in this respect. Pakistan has undergone the trauma of separation, when Bangaldesh broke away. We have

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had such threats, but have somehow survived as a multi-lingual, multi-cultural, multi-many things democracy.

We have differences between ourselves and these seem difficult to resolve. Both countries have crazy fringe groups that make settlements difficult. In this backdrop, it may be difficult to believe that these are lessons for one to learn from the other.

Yet, there is a common history. In both countries, the key outside the major cities is the institution of the Collector. In India, the Collector has morphed into a super being, with development functions added to his/her kitty. If things are to work, the Collector must be on your side—witness the strategy of the Right To Education mission in Madhya Pradesh. We have tried to co-opt the Collector. Pakistan, on the other hand, seems to have tried to do away with this institution—with varying degrees of success. In its last form—which is discussed here by Professor Datta—the Collector has been replaced by an elected Nazim. Whether this is a change for the better is still, I think an open question. Not because I think we should work with this institution, but because I know how entrenched it is in our society and administration—and imagination!

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Pakistan has also done away with the rural-urban divide. We have two departments in India—Urban and Rural Development, and each is an empire and law unto itself. What the country needs is local government, not a rural panchayat and an urban municipality. But we have not been able to debureaucratise. We wish Pakistan luck.

In both countries, modern federalism has meant a decentralisation from above. India's constitutional amendments were from the union, with states quite reluctant to decentralize below their own level. A good example is Karnataka, a pioneer in decentralisation in the 1980s. In the 1990s, Karnataka became a pioneer in rolling back. This was possible because the experiment of the 1980s was from above; and from above it could be undone.

I hope this monograph is useful in deepening our understanding of the pave of local governments in our federal system.

There was to be a return visit by the Pakistanis, but so far as I know, it never materialized. A great pity, for it has robbed us of the chance to return their great hospitality.

**Vinod Vyasulu,**  
Director CBPS,  
September 2009

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# **Part 1**

## **District Government in Pakistan and Model for India**

**Abhijit Datta\***

### **Introduction**

Indian interest in district government (DG) is a-quarter century old, but this was limited to a small circle. After Pakistan's local government reform in 2001, the interest widespread and included civil servants and political leaders with the realisation that this has relevance for the entire South Asia, including Bangladesh and Sri Lanka. Earlier in east and southern Africa, the transition from a political administrator to an executive district functionary was smooth, mainly because he became a field officer of the local government department of the central government and the local government institutions functioned in an autonomous manner, both dominated by the colonial rulers.<sup>1</sup>

In South Asia, the district collectors (DCs)<sup>2</sup> continued to enjoy the power of controlling local government from outside, with

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<sup>1</sup> See, Mawhood, Philip (Ed.), *Local Government in the Third World : The Experience of Tropical Africa*, London : Wiley, 1983

<sup>2</sup> In British India, the District Officer was known as Deputy Commissioner in the non-regulated provinces (Punjab and Assam), while in the regulated provinces (e.g. Bombay, Madras and Bengal) he was known as Collector or District Magistrate

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a parallel commissioner placed in the municipal corporations to rule the elected native local councillors. There is an additional reason for the continuance of the DC. This was regarded as the anchor-sheet of the generalist civil service cadre controlled by the central government. Once this position is abolished, the system of generalist rule of the civil service with horizontal movement would give way to a vertically-oriented civil service, as in the USA, and pave the way for political appointees to occupy top civil service posts at the policy level. This is a choice that has not been made by the South Asian countries, although it appears that Pakistan has to make the choice eventually, if its DG survives the present political turmoil.

The paper first starts with a recapitulation of the Indian thinking and state level experiments in DG. This is followed in section II by a comparative analysis of the limited Indian experiments and the Pakistan DG. Section III makes a detailed comparison between the Pakistan DG and the 2<sup>nd</sup> Administrative Reforms Commission proposed DG. The conclusions of the paper is set out in section first on Pakistan and followed by the Indian DG situation.

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## I. Indian Thinking and Experiments in DG

### Indian Thinking

Indian thinking on DG started with the writings of late Nirmal Mukarji on the subject during 1986-1993 and contained in three papers.<sup>3</sup> A close look at these papers does not, however, clarify the structural ingredients of DG that Mukarji had in mind. It was pointed out, for instance, that a DG being regional in nature would weaken the state administration, without strengthening local government in the district.<sup>4</sup> In his 1993 paper, he seems to be reconciled with the idea that the district *panchayat* would ultimately replace the collector-oriented district administration. The idea has again been raised recently to abolish the post altogether and making him the secretary of the district *panchayat*<sup>5</sup> This cuts the root of state administration and, at the same time, reduces the autonomy of the district council to control its chief executive functionary. We shall now discuss Mukarji's

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<sup>3</sup> Mukarji, Nirmal, "The Alternative: District Government", in M. L. Dantwala, Ranjit Gupta and Keith C. D' Souza (Eds.), *Asian Seminar in Rural Development: The Indian Experience*, New Delhi: Oxford & IBH, 1986, Pp. 235-261; Mukarji, Nirmal, "Decentralisation Below the State Level", *Economic and Political Weekly*, 1989, May 4; Mukarji, Nirmal, "The Third Stratum", *Economic and Political Weekly*, 1993, May 1;

<sup>4</sup> Datta, Abhijit, "Whither District Government", *Indian Journal of Public Administration*, October-December, 1989

<sup>5</sup> Bandyopadhyay, D. "Is the Institution of District Magistrate Still Necessary?", *Economic and Political Weekly*, November 25, 2006

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writings on district government around issues that have survived the 73<sup>rd</sup>-74<sup>th</sup> Amendments:

- i. Constitutional recognition:* District government was not contemplated during the process of 73<sup>rd</sup>-74<sup>th</sup> Amendments. Mukarji himself did not clarify whether this would be a constituent part of the Union; assuming he intended this to be so, then its conflict with the federal feature of the constitution needed to be resolved.
- ii. Electoral arrangement:* Mukarji pleaded for direct election to district government under the control of the Chief Election Commissioner; it was not clear whether he would also like the Comptroller & Auditor-General to control the audit of the district government as well – as provided under the Rajiv Gandhi bill. However, since the passage of the twin Amendments, on both election and audit, there are collaborative efforts between the central and state election and audit authorities.
- iii. Functions and finances:* Mukarji wanted its functions to be constitutionally specified in the 7<sup>th</sup> schedule, while it was to subsist on revenue-sharing with the centre and the states. A partial dependence on revenue-sharing can be justified, but without any



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tax powers this violates the principle of fiscal responsibility.

- iv. *Relations with the state and local authorities*: Mukarji conceived the district government as a proxy of local government; this cannot be so as it would not be created by the state government, but by the Constitution. As such, the state will not part with any of its functions to district government, as it is supposed to do with the local governments. Similarly, local government in a district would operate independently of such a district government.
- v. *Mix of 'regulatory' and 'development' functions*: Mukarji rightly criticised the earlier separation of 'regulatory' and 'development' functions in the *panchayats*, without noticing that the municipalities have all along been dealing with both. With effective functional devolution to the *panchayats* in the future, such regulatory feature would be a part of their functional domain. What perhaps Mukarji had in mind was the control of district police. One could think of bringing police under district *panchayats*, like English county police outside state capitals, and even now it is possible for local government to have its own police for its own purposes; these are

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matters of state legislation. Moving the collector with all his responsibilities under 100-odd laws only weakens the state administration, without adding anything to local government basket.

vi. *Size of states and districts:* Mukarji would exempt the small state from the requirement of district government, although many of these have a functioning system of district government, by way of autonomous district councils. However, it is recognised that medium-sized states are both efficient and manageable and the future bouts of states' reorganisation might reduce the size of the mega-states. This will obviously be followed by smaller districts, but it is doubtful, if the average size of the districts in the major states would be below 1 million in the near future. Given this scenario, district government would always be a regional government that weakens both the state and the local governments.<sup>6</sup>

vii. *Future of the collector:* Mukarji would like to make the district officer to be the chief secretary of the district government, but if he becomes the chief secretary of the district *panchayat*, the district

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<sup>6</sup> *Op. cit.*, pp. 881-882

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officer would not be replaced; if his post is abolished then there would be a district coordination officer in his place, with reduced powers, but essentially doing the same job (as happened in Pakistan).

*viii. Unification of rural-urban governance:* Mukarji was rightly dissatisfied with the dual structure of the panchayats and municipalities under two separate, but identical, Amendments. Moreover, while he recognised the need for unification of local government in the rural and urban areas, he did not think through its institutional requirements. He also felt that metropolitan governments would need a different structure, but did not give it a serious thought.

*ix. District planning and the role of the Planning Commission:* Mukarji was also dissatisfied with the concept of planning without governance under the district planning committee that would produce only 'draft' plans. He also suggested that the Planning Commission should limit itself to policy planning and leave fiscal allocation to the Finance Commission. Only the Union and State Finance Commissions should allocate fiscal resources to the district governments.

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*Functional reallocation of the Union, States and Districts:*

Mukarji recognised the need to bring the central government in the decentralisation process starting with the states, without this the states might not have much to decentralise to local

- ix. government. In this context, he suggested a total reallocation of functions on the twin principles of subsidiarity and entitlements. Although justified, this suggestion presupposes a political consensus in this matter and redrafting the 1937 vintage of the operative parts of the Indian Constitution.

## **Indian Experiments**

The Indian experiments in DG were formulated in terms of three models:

- Replacing district administration by the district *panchayat* (Mukarji-Kerala model)
- DPC to coordinate district-level functions (Madhya Pradesh model)
- Federative district and unitary local governments (2<sup>nd</sup> ARC model)

The details of the Indian and Pakistan models are discussed in the next section.

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## II. DG Models in India and Pakistan

### Exclusive Model (Mukarji-Kerala models)

The Mukarji model: It envisaged an independent tier of DG in the Indian federal set-up. It is not entirely clear whether local governments below the district would continue to be its own creatures, or continue to be created by the state. It seems he was more concerned with devolution of all district-based state activities to the DG, including the police, land administration and other economic and social services. In such a case, this would only weaken the state administration and restrict the functional domain of local governments. If, after the 73<sup>rd</sup> Amendment, he thought of only replacing the district *panchayat* by the SG, then its relations with the sub-district *panchayats* would need some clarity *vis-à-vis* the state government. It was also not clear whether such a DG would be a unitary area-wide entity or a federation of *panchayats* at the intermediate and village levels. The Mukarji-variant was obviously inapplicable in the smaller states and autonomous (tribal) district councils (ADCs), while in the larger states, its feasibility depended on their ability to administer their functions vertically or coordinating through a Chief Commissioner at the divisional level.

An aspect of the Mukarji proposal to rename the chief executive of the district *panchayat* as the ‘chief secretary’ was implemented in Karnataka during the Janata party

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regime (1987-93), but this did not have any impact on the working of either the district administration or the district *panchayats*. The merger of the district administration with the district *panchayat* was also not in the reform agenda of the Janata party.

The Kerala model<sup>7</sup>: In 1957, the CPI (M) came into power in Kerala and an Administrative Reforms Committee (KARC) headed by E.M.S. Namboodiripad, the Chief Minister, was set up for suggesting measures for decentralisation of powers at various levels. The system of governance of panchayats recommended by the ARC was essentially a two-tier system, with both directly elected village panchayats at village level and district councils at the district level. The KARC wanted to have a district council with wide executive functions in the form of a DG. The gradual building up of a district council into a DG was conceived to happen in a phased manner. This was the basis of the Kerala Panchayat Bill and Kerala District Council Bill of 1958. However, the bills were not enacted, as the legislative assembly was dissolved.

The new Congress government that came to power largely ignored most of the recommendations of KARC, as it wanted the three-tier panchayat system to be introduced in the state. The CPI (M) government again came to power in 1967 and

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<sup>7</sup>‘Kerala District Council Bills’ (Wikipedia)

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reintroduced. with certain changes, as the Kerala District Administration Bill. 1971. This Bill also lapsed. The Kerala District Administration Bill was once again introduced in 1978 after removing reference to police functions and restricting the district administration to revenue functions, and was passed in 1979. The Congress government that came in 1982 wanted the Act to be modified. In 1987 the CPI (M) came to power and the new government appointed a civil servant, V. Ramachandran, to advise on measures needed for democratic decentralisation at district and lower levels. The report. (submitted in 1988) was a review of the provisions of the 1979 Act with a set of suggestions for rectifying the anomalies in the Act, complementary legislation and administrative changes to be undertaken. These were the forerunners of the 2<sup>nd</sup> ARC recommendations for DG.

### **Planning Model (Madhya Pradesh model)**

In 1999, Madhya Pradesh under the Congress party rule, introduced 'DGs' by amending its District Planning Committee Act. The district planning committees (DPCs) were used as the institutional agency for coordinating the state's own district-level functions. Fears have been expressed that this might marginalise the planning function of the DPCs.<sup>8</sup> The state functionaries argued "that within the given

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<sup>8</sup> Minocha, A. C. "District Government in Madhya Pradesh", *Economic and Political Weekly*, 1999, July 3-9

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constitutional framework, DPC is the most appropriate and the only institutional agency” for the purpose.<sup>9</sup> The amended Act had vested most of the powers of elected panchayats and municipal bodies in the district planning committees, which were to work under the directions from the state government. The system was abolished in 2003 with the change of government in the state under the Bharatiya Janata Party.<sup>10</sup>

### **Federative Model (Pakistan model)**

In Pakistan, the smaller municipalities in a *rural district* have been converted into intermediate-level (*tehsil* or *taluk*) councils called, *tehsil* municipal administration (TMA). The TMA includes the villages at the primary (union) level, but the rural-urban unification stops at the *tehsil* level. In Karachi, for instance, there is a three-tier system comprising the city DG, the municipal administration and the union administration.<sup>11</sup> In the Indian situation, unification of the panchayats and the municipalities could be achieved in the *rural districts* through functional integration at the intermediate-level urban panchayats. In the *urban districts*, such integration could take place through extending the

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<sup>9</sup> Behar, Amitabh. “District Governments in Madhya Pradesh: Innovative Initiatives for Decentralisation of Governance,”

*The Indian Journal of Public Administration*, 2000, October - December

<sup>10</sup> *The Tribune*, Chandigarh. 2003, December, 14

<sup>11</sup> Fahim, Mayraj. “Karachi’s federated structure has led to more responsive city government”, 2005, July 12 website: [http://www.citymayors.com/government/karachi\\_government.html](http://www.citymayors.com/government/karachi_government.html)



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jurisdiction of the municipalities to include the peri-urban areas, side by side with intermediate and village panchayats. The reforms undertaken in Pakistan involve replacement of the DC by a DCO, and making the DPO and the DCO accountable to both the elected district mayor (*nazim*) and the state government.

### **Mixed Federative and Unitary Model (2<sup>nd</sup> ARC model)**

Under the mixed federative and unitary model, the DG would be federative, but the panchayats and the municipalities would continue to be unitary. As in Pakistan, 96% of the Indian districts are rural, while the rest 4% are urban. In the predominantly rural districts, the problem is the denial of the civic services and tax base to the *panchayats* in the urban peripheries. There is also no unification of effective delivery of core civic services from the town panchayats to the adjoining village panchayats. A durable solution lies in converting these as intermediate panchayats, so that there could be both purely rural and urban panchayats. The village panchayats in the urban periphery could also be linked with stand-alone intermediate panchayats

Once the DG is conceived as a federative body of the panchayats and the municipalities, the need for liaison with the district administration and for monitoring state-local joint

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and regulatory tasks becomes important. In addition, the DG would have the duty to advice, coordinate and direct local governments in the district for efficient and effective discharge of their duties. Therefore, the secretary of the DG should be the DC until the 100-odd laws empowering him to exercise the regulatory powers are suitably amended to devolve the relevant powers to the DC to appoint a separate chief executive officer (CEO) to carry out the executive tasks of the DG, and the local police powers are transferred from the SP to a DC-appointed district police officer (DPO).

### **III. The Pakistan DG and the Proposed Indian DG**

Pakistan: At the start of the new millennium, Pakistan came out with a plan of reforming its district governance<sup>12</sup> in the form of Local Government Ordinances (LGOs), 2000, simultaneously issued by its four provinces on the heels of the 17<sup>th</sup> amendment of its 1973 Constitution.<sup>13</sup> Since then the reforms have taken place with remarkable speed, starting with the abolition of the post of the district officer and making the district police chief accountable to an elected district mayor (*nazim*), and establishing a system of three-tiered local

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<sup>12</sup> The devolution plan of Pakistan was drafted with clarity of objectives, in precise language, and with of coverage; in contrast, the twin Indian amendments were full of confusion and misdirection

<sup>13</sup> Pakistan National Reconstruction Bureau, “Brief on Local Government System and Fiscal Decentralization in Pakistan”, 2006

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government at the district, *tehsil* (urban sub-divisions), or *taluk* (rural sub-divisions), and union (police station) levels.

India: In India, the 2<sup>nd</sup> ARC has recommended creation of DG to expand the role of DPC to perform district level area-wide responsibilities.<sup>14</sup> The local government responsibilities were placed below the district and assigned to the intermediate (block) panchayats (average population: 110,000) placed below the sub-divisions, and the village (gram) panchayats (average population: 5,000) are below the erstwhile union level.<sup>15</sup>

### **Reform objectives**

Pakistan: The purpose of local government reform in Pakistan in 2001 was devolution of political power and decentralised administrative and financial authority to local government, institutional arrangement for integrating rural and urban areas, effective delivery of services, and decision-making through participation of the people at the grassroots level.<sup>16</sup> A secondary feature of local government reform in Pakistan

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<sup>14</sup> India (Second Administrative Reforms Commission), 6<sup>th</sup> Report- Local Governance, New Delhi, 2007

<sup>15</sup> While village panchayats could be for a group of villages, the population of intermediate panchayats is restricted to 200,000- this limit has exceeded in two states, Kerala and Maharashtra

<sup>16</sup> Pakistan (NRB), “Brief on Local Government System and Fiscal Decentralization in Pakistan“, 2006

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was to reserve a-third of the seats for women and also for other weaker sections of the population (agriculturists and workers, and religious groups).

India: The Indian objectives of local government reform were limited to ensure regularity of local bodies' elections<sup>17</sup>, and reservation of seats and chairpersons for the weaker sections and women. Empowering local government was left to the states; the idea of creating DG was mooted by the 2<sup>nd</sup> ARC for the rural districts and the urban districts and metropolitan areas were left out. Similarly, the 2<sup>nd</sup> ARC did not perceive that integration of rural and urban areas was an important issue; instead it opted for the DG to rescue the failed DPC/ MPC model of the 74<sup>th</sup> amendment. The states, on the other hand, did not decentralise the decision-making powers and functions to the local bodies, despite the 2<sup>nd</sup> ARC's faith in the ritualistic activity mapping exercises undertaken by the states; this proved fatal to the survival of the panchayats. The inherited 'perverse'<sup>18</sup> control powers of the states over local bodies also continued as before.

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<sup>17</sup> Datta, Abhijit. "The Second ARC Recommendations on Local Governance", 2009 (unpublished)

<sup>18</sup> See, Dillinger, William. *Decentralization and Its Implications for Urban Service Delivery*. World Bank for the UMP: Washington, DC, 1993

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## **Constitutional aspects**

Pakistan: Local governments in Pakistan were accorded constitutional protection under the 17<sup>th</sup> amendment in 2000, by identical Local Government Ordinances (LGOs) promulgated by the provinces under the 6<sup>th</sup> Schedule so that they cannot be changed for six years, except with the sanction of the President. Conferment of constitutional status to local governments in Pakistan had a few features, such as: (a) no central function or tax has been considered for reform or devolution; (b) local government functions and finance have only been deconcentrated in Pakistan, but not devolved,<sup>19</sup> and (c) devolution under federal direction has further weakened its provincial layer.

India: In India the twin 73<sup>rd</sup> and 74<sup>th</sup> amendments drafted in identical language for panchayats and municipalities were passed in 1992 and became effective in 1993 in April and June respectively that conferred the right of existence and quinquennial elections of the local bodies, reservation of seats and chairpersons for weaker sections and 33% reservation to women, creation of independent state election and finance commissions, specification of three levels of panchayats<sup>20</sup> and

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<sup>19</sup> In the developing countries constitutional empowerment of local government is now being preferred, e.g. Brazil, Nigeria and South Africa, see, Datta, Abhijit. "Municipal Governance in India in the 21<sup>st</sup> Century", in P.S.N. Rao, (Ed.), *Urban Governance and Management: Indian Initiatives*, New Delhi: IIPA, 2005

<sup>20</sup> Tiers (hierarchy) of panchayats was not mandated in the 73<sup>rd</sup> amendment in view of their disuse in practice

municipalities, and establishment of two planning committees for district and metropolitan areas. In addition, the amendments also made a set of optional<sup>21</sup> or ‘guidance’ provisions for the states to decentralise powers, functions and taxes to the local bodies.

## District administration reforms

Pakistan: The most significant reform of district administration in Pakistan is the abolition of the deputy commissioner (DC) and distributing his powers to the district police officer (DPO), district coordination officer (DCO; grade 20+), and the district revenue officer. Provincial field administrations at the divisions and sub-divisions (*taluks*), above and below the district, have also been abolished. DPO and the DCO are now accountable to the elected district mayor (*zila nazim*), although its actual working is yet to unfold.



Source: Pakistan, National Reconstruction Board (NRB)

<sup>21</sup> The use of optional provision that add to the bulk and not the substance in a constitution is unique on the history of jurisprudence and parallels the directive principles decorating the Indian constitution

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India: The 2<sup>nd</sup> ARC suggested eventual abolition of the post of district collector (DC); for the present it recommended a dual role for him as head of district administration and secretary of the DG, presumably to allow a breathing period to the DG to take roots.<sup>22</sup>

#### **IV. The Pakistan and the Indian Local Government Systems Council composition**

Pakistan: Each union council is composed of 21 directly elected members who elect the mayor and deputy mayor (*nazim* and *naib nazim*) on a joint ticket. They must be matriculate or its equivalent. The remaining 19 seats are nominated by the provincial government for:

- 12 Muslim seats (4 are reserved for women)
- 6 seats for peasants and workers (2 are reserved for women)
- 1 seat for minority communities.

The union mayor becomes *ex-officio* a member of the district council, and the union deputy mayor becomes *ex-officio* a member of the *tehsil* council. The union councillors select the district or *tehsil* (or *taluka* in urban districts) councillors,

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<sup>22</sup>Indian observers of Pakistan's creation of DG, while admitting its need, suggested caution in abandoning the 200-year-old system of district administration for creating the DG without adequate preparation

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who in turn elect the district and *tehsil* (or *taluka*) mayor and deputy mayor on a joint ticket, none of whom can be union councillors. The district and *tehsil* (or *taluka*) councils are made up of about two-thirds directly elected and one-third indirectly elected members. Each tier of local government has a four years' term, with a two-term limit for mayors (*nazimeen*) and deputy mayors (*naib nazimeen*) at all levels of government.<sup>23</sup> The deputy mayor acts as the speaker of the council and also deputises for the former in his absence.

India: The 2<sup>nd</sup> ARC did not suggest any change in the composition of directly elected members of the local bodies and their indirectly elected chairpersons, except that it recommended the removal of the state assembly and parliament members, with or without voting right, from the local councils.

### **Political executive**

Pakistan: The introduction of political executive in local government in Pakistan in the form of an indirectly elected executive-mayor (*nazim*) through direct election at the union level and by indirectly elected outsiders at the *tehsil* (or *taluka*) and district level is a continuation of the Zia and Ayub

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<sup>23</sup> Musharrafm Cyan. *et al. Devolution in Pakistan: An Assessment and Recommendations for Action*, 2004



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reforms, which violates the principle of accountability to the elected council.

India: For the DG, the 2<sup>nd</sup> ARC has recommended a directly elected mayor with his chosen council members to form his executive cabinet. In India, during the initial phase of panchayats (1959-64) a party-less democracy was tried, but was abandoned after the Asoka Mehta committee recommended against it on grounds of (a) increase of factionalism and parochial interests, and (b) increase of power to people with means and position bordering on malpractices.<sup>24</sup>

### **Organisation of three tiers**

Pakistan: Pakistan's local government has three tiers: (i) union council (common for both rural and urban areas); (ii) *tehsil* councils for both rural and small urban areas, or *taluka* councils for town areas; and (iii) rural DGs for both rural or small urban areas, and urban DGs for city and town areas. Therefore, district level rural-urban integration takes place only at the *tehsil*-linked rural districts (which are about 96% of the districts, as in India); the *taluka*-linked urban districts, however, are exclusively urban. One gain of this limited unification is the utilisation of the tax potential and the extension of municipal services in the peri-urban areas. One

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<sup>24</sup> India (Ministry of Agriculture and Irrigation), *Report of the Committee on Panchayati Raj Institutions* (Chairman: Asoka Mehta), 1978, p. 50-51

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problem overlooked is the role of the DG in a local government system. It is too large in terms of area and population to function as local government by international standards<sup>25</sup>, as Shah observes: “The district level is typically unsuited as a local government unit because of the size of the area and population to be served”<sup>26</sup>. There is some justification for a two-tier arrangement between the districts and *tehsils/taluks* in Pakistan.

**India:** Indian local government represents a duality between the panchayats with a functionally-linked system (wrongly called ‘tiers’), and a separate sets (called levels) of municipalities divided by size- large (municipal corporations), small (municipal councils), and transitional (nagar panchayats). The 2<sup>nd</sup> ARC has retained this institutional separation of the rural DGs below the district level. What is unclear is the linkage of the large municipalities in this arrangement; in the case of future urban DGs, the panchayats would stop at the intermediate level, as the earlier Delhi arrangement did.<sup>27</sup> The point to emphasise is that Indian policy on local government has not come to grips with the

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<sup>25</sup> Datta, Abhijit. “Whither District Government”, *op. cit.*

<sup>26</sup> Shah, Anwar. “Pakistan in the Millennium: Federalism Reform Imperatives, Restructuring Principles and Lessons.”, Pakistan Society of Development Economics, 13th Annual General Meeting, Islamabad, Pakistan, December 15-17, 1997.

<sup>27</sup> Datta, Abhijit and Gangadhar Jha, “Local Self Government”, in U. P. Thapliyal (Ed.), *Gazetteer of Rural Delhi*, Chapter VIII, Delhi: Delhi Administration (Gazetteer Unit), 1987

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institutional separation between the urban and rural local governments as yet.

### **Local functions**

Pakistan: The important functional transfers to DG were education, health and agriculture. Some of the functions transferred could be transferred to the *tehsils/taluks*. The major functional drawback lies in not locating the area-wide (trunk) services to the rural DGs and city councils within urban DGs. In other words, the Pakistan DGs were structured primarily for the rural districts and the structural arrangements for the urban DGs evolved over time. The following changes in local functions took place in Pakistan:

- Municipal committees could constitute *mohalla* (neighbourhood) committees;
- Market committees were merged with municipal committees;
- Improvement trusts were entrusted to municipal committees;
- Management of cattle pounds was transferred to local councils;
- Judicial powers were conferred on the rural and urban local councils;
- Municipal committees were authorised to establish municipal police.

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India: Municipal functions are listed in state laws that allow larger functional domain and autonomy to the municipal corporations. These include:

- Water supply
- Drainage and sewerage
- Sanitation and street cleaning
- Roads, bridges and culverts
- Street lighting
- Other public amenities and conveniences

The 2<sup>nd</sup> ARC suggested crime prevention, local intelligence and traffic policing in large cities to be transferred to the local bodies; this, however, can not be done unless the 7<sup>th</sup> schedule of the constitution is amended accordingly.

In contrast, panchayat functions are not mentioned in the respective state laws on panchayats, resulting in a good deal of confusion about their role and justification for giving grants. Since about 96% of their activities relate to agency tasks for implementing central plan schemes, the SFCs face the poser: tax transfers to do what?

### **Local finances**

Pakistan: (a) *Own Revenues*: Local councils have powers to levy certain taxes; they may increase, reduce, suspend, abolish or exempt the levy of any tax; and levy of tax can require inviting public objections. Except local tax on services, property tax, and tax on immovable properties in the *tehsil*

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and *taluks* (town) councils, other taxes are minor and insignificant. The fees for professions and vocations belong to the union councils, while health and education taxes (cesses) belong to the district councils. Local governments may adopt any mechanism for the collection of these taxes, i.e. by contracting or by their own staff. Two new local taxes – health tax and education tax – are assigned to the district and city- district councils; presumably these are cesses on the urban immovable property tax (UIPT) and are dependent on the efficiency of its utilisation. Property tax, or UIPT, is levied and collected by the *tehsil* TMA/*taluk* councils. Efforts are made for efficient management of UIPT. The long list of fees and service charges could have been avoided as any authority has the inherent power to levy charges for services rendered. Two taxes - entertainment and service taxes (including profession tax and vocation fees) - are utilised both by the provincial and local governments in Pakistan.

India: (a) *Own Revenues*: Municipal tax powers contain the following items:

- Property taxes
- *Octroi*<sup>28</sup>
- Entertainment tax
- Professions tax
- Advertisement tax (excluding advertisement in print or electronic media)

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<sup>28</sup> Despite its abolition in most states, the item is used to impose state-wide ‘entry taxes’ in place of *octroi*

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- A miscellany of nuisance taxes, e.g., tolls, taxes on animals and boats, taxes on non motorised vehicles, capitation fee etc.

Panchayats enjoy all the municipal taxes except *octroi* and advertisement tax; instead they are authorised to levy a cess on land revenue assessment (also called a local rate). Panchayats mainly subsist on local rate, ‘circumstances’<sup>29</sup> and property tax, and nuisance taxes. In addition, panchayats have income from non-tax revenues.

Pakistan: (b) *Tax Compensation (octroi and zila tax- OTZ)*<sup>30</sup> was abolished in 2000 and by adding 2.5% to the federal sales tax is distributed to the local bodies (city councils and *taluks* which were levying the tax); there are, however, disputes over the adequacy of such compensation.

India: (b) *Tax Compensation and Sharing*: Municipalities from states where *octroi* was abolished receive compensation from the respective states on revenues foregone in the year of its abolition plus an assumed growth rate. The compensation is regarded by the municipalities as inadequate, at the same time they have not made enough efforts to effectively utilise property tax to make up for the revenue loss on *octroi* abolition. The state motor vehicles tax is shared with the municipalities

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<sup>29</sup> A crude form of wealth tax assessed on eye estimation, imposed in northern and eastern India

<sup>30</sup> *Octroi* is a local import tax and *zila* tax is a district export tax; these are called *octroi* and *zila* tax (OZT)

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on a fixed percentage, usually 25%, and distributed on road length. In some states, taxes on professions and entertainment are shared by the state with the municipalities.

Pakistan: (c) *Fiscal Transfers*: In Pakistan a Provincial Finance Commission (PFC) has been established in 2002 by each province. The PFC is to recommend distribution of allocable funds, according to a formula to the district, *tehsil* and *taluka* (towns) and union councils. The PFCs are to recommend a system of unconditional formula-driven grants to the local bodies for a medium term. The PFC grants constitute about 40% of local revenue, of which about 31% is passed on to the local bodies as non-lapsing transfers. Population is the most important indicator, followed by a backwardness index (Punjab, Sindh and NWFP), and also tax efforts (Punjab and Sindh).

India: (c) *Fiscal Transfers*: There is a two-tiered system of fiscal transfers to the local bodies by the central finance commission (CFC) as general grants out of central tax revenue for the local bodies that are passed through the states, and similar grants from the states out of their tax revenue (global sharing) or from specific taxes (tax-sharing). Global sharing is preferred by the states as this allows freedom to decide the sharable percentage depending on their budgetary situation and other pull factors, while specific tax-sharing percentages and distribution methods are fixed by law. In addition, the states

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dole out specific grants for local works, and ‘merit’ functions to smaller local bodies. Thus the grant system to local bodies is heavily weighted in favour of general grants, while specific grants are *ad hoc*, or based on subjective considerations.

### **Local staffing**

Pakistan: District level staff belongs to provincial cadres and it is proposed to transfer them fully to the districts. Problems of their dual relations with the DCO for reporting and the provincial departments for career advancement have not been fully resolved. In future, it is proposed that at the district councils there would be two types of bureaucracy: (i) provincial local government service (covering grades 17+) with performance agreements, where the staff members could return to the province or the district *nazeem* could terminate the district posting; and (ii) district service (covering grades 1-16), where the recruitment would be at the departmental level and the Provincial Public Service Commissions would oversee the recruitment process. Transfer between districts and from districts to provincial or federal government would entail resignation from one and appointment by another.<sup>31</sup> In future, with improvement in local financial position, it is expected that outsourcing and ownership would gradually unify the dual staffing of Pakistan’s DG.

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<sup>31</sup> Cyan, Musharraf et al. “Devolution in Pakistan” (power point presentation), 2003, Available in: [info.worldbank.org/etools/bSPAN/Presentation/Print.asp?PID=1156&EID=593-15k-](http://info.worldbank.org/etools/bSPAN/Presentation/Print.asp?PID=1156&EID=593-15k-)



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India: Local government staffing arrangement is a confused situation with a mixed staffing system consisting of deputed state employees, encadred municipal staff, and locally-recruited staff- all rotating within their own sphere of recruitment and control. In the panchayats; the DPs and IPs are manned by deputed state employees, while the village panchayat secretary, where there is one, is a state employee. In Maharashtra there is a district cadre of panchayat staff occupying the subordinate positions, while in Kerala all local government staff are state employees. The 2<sup>nd</sup> ARC suggested that local bodies should be free to make their own staff appointments from their funds following statutory procedures and conditions; and the existing state directorates of municipal administration that control municipal staff size and salary, should be abolished.

## **V. Conclusions**

### **Pakistan DG**

The first conclusion of the paper is that the roadmap of sub-provincial governance reform outlined in the LGO, 2000 and the speed of its execution, starting with the major thrusts and then moving to the secondary tasks of institution and capacity building, was awe inspiring.

This is a tribute to its architect, General Musharraf and the NRB for working out the implementation details. However, its vulnerability lies in the lack of wider public participation in the design and implementation of devolution.

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The second point to flag out is the identification of the main obstacle to local government in the Indian sub-continent, which is certainly the existence of the district officer foisted by the alien rulers. It is not clear whether the consequence of this on the longevity of the appointed generalist civil servant was considered in the Pakistan context. More specifically, is Pakistan preparing for a change in the structure of its bureaucracy on the American pattern of vertical movement ending at the policy level where political appointees take over?

The third point relates to a realignment of the powers and responsibilities of the existing two-level federation in Pakistan to accommodate a third local level, which seems necessary in an age of localisation and citizen-centric governance. Whatever might be the function-tax package in a multi-level system of governments, a co-ordinate constitutional status for local governments cannot be avoided for long. In terms of citizens' needs hierarchy, water supply and basic health care might be more important than defence and foreign affairs. In other words, countries need to be citizen-oriented first before becoming a successful nation.

The last point concerns the interface between local government and public participation – these go together. Indian experience suggests that promotion of public participation for local service delivery survives only under democratic local government. Whether Pakistan would take

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a cue from the experience of its neighbour is for its leaders to decide.

### **Proposed Indian DG**

The approach of the 2<sup>nd</sup> ARC on district government (DG) originated from the failure of the DPCs (and MPCs) and it attempted to create a general purpose regional government on top of local governments at the intermediate and village levels to undertake their regional functions. Therefore, it was sought to be linked to the panchayats and smaller municipalities and nagar panchayats in a district. The weakness of this approach is that by including weak panchayats and weak municipalities, the DG also is weak from the start, unless it can simultaneously absorb the district level state functions and their budgets.

The second problem with the 2<sup>nd</sup> ARC's DG is the inadequate integration between its main report on DG (# 6. Local Governance) with its other related reports (e.g. # 5. Public Order, # 12. Citizen Centric Administration, and # 15. State and District Administration).

Lastly, the problem with the 2<sup>nd</sup> ARC's DG is that it does not fit into a grand design of restructuring governance in India for which the political parties are not yet ready. Therefore, without a clear political mandate the 2<sup>nd</sup> ARC's DG is no more than a kite flying exercise which might eventually trigger a movement for a second Republic in India.

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## Part 2

### INVITED COMMENTS

#### (i) Joy Elamon\*

##### Relevance of Comparison

It is nowadays a norm to look upon India as the role model in governance practices. This is all the more important when it comes to local governments, especially after the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments. Thus, this article is a laudable effort as it finds parallel and even model in the district governments of Pakistan.

##### Different Contexts

But, the district governments in the two countries are placed in different settings contextually. The Pakistan model was set up arguably to legitimize the military rule. In fact, previous initiatives in local governments in Pakistan as well as in Bangladesh have been under the military rulers. In India, the constitutional amendments and the 2<sup>nd</sup> ARC report were initiated under democratically elected governments and they vouch on deepening democracy. These two entirely different contexts and objectives provide the strengths and weaknesses of both the experiments.

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\* Joy Elamon: Moderator and Resource Person of the Decentralization Community of UN Solution Exchange.

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## **2<sup>nd</sup> ARC and the District Government**

While appreciating the 2<sup>nd</sup> ARC for bringing the District Government agenda again, it is to be noted that the agenda did not become the ‘face’ of the ARC report. It is yet another chapter. Thus the DG does not become integrated with the entire governance structure. This is what happened with the 73<sup>rd</sup> and 74<sup>th</sup> amendments too. If ARC was serious about the DG, all other chapters should have considered the role and space of DG. Unfortunately, that is not the case.

### **State vs. Centre**

It is important to redefine the roles and relations of the centre and the state too while instituting a local government system. The argument for a strong state for strong federal base is justifiable and to be considered while promoting DG and local government system in general.

### **Defining/conceptualizing Government**

But, more than all these, what was important for the ARC was to define what they meant by government, district government, local government and decentralization. 73<sup>rd</sup> and 74<sup>th</sup> amendments failed to define (or did not want to) local governments in the true sense of governments. The plight of them in the country is the real proof for that. What type of government do we envisage in DG is to be clearly spelt out. It is also to be probed whether we should have the same type of district government everywhere in the country?

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## **Principles**

This leads to the need for principles for such decentralization. Though ARC chapter on Local Governments mentions about these principles, since they are not applied in other chapters, they become irrelevant. For example, all the reforms in administration need to be reworked on the basis of subsidiarity principle. It is also same in the case of role clarity.

## **Lists**

For an effective DG system, this brings us to the need for a Local list or District list along with restructured Central, State and Concurrent Lists.

## **Redefining the Roles**

Redefining the roles of MLAs and MPs, state ministries and departments become all the more important in the DG context. The experiences of role clashes with ZPs and MLAs (and in some cases MPs) in smaller states warrant the need for such an action.

## **Indian Thinking on District Government**

Why should we be so DC-centric? Why are we worried about the future of DCs? Is DC the real issue? Rather I would consider that DCs are not by themselves the issue where as the forces who hold on to power would like to have DC and similar institutions to stay. We have seen this in DRDA where even in states where it was abolished or integrated

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with the ZPs, similar institutions/officers sprung up out of various centrally sponsored schemes, including NREGS. So, the need of the hour is to address the power structure at the higher level where the principle of subsidiarity becomes handy.

### **Pakistan System and the Indian 2<sup>nd</sup> ARC Model**

The ARC model envisages only the expansion of the DPC roles where as the Pakistan model talks about a stronger DG with functions akin to other governments. Even the law and order functions to some extent came under the DG.

The roles of the state governments and the central government in local government reform are not comparable. While one could argue that the central government washed its hands off in empowering local governments by transferring that responsibility to the states, it is also important to consider the norms to be adopted in a federal system. In fact, the Indian local government reforms did not consider the centre-state relations and did not take states into confidence in legislating an Act which has a larger stake for the latter. This also contributed to the present predicament of the Panchayats.

The provision of 'breathing period to the DG to take roots' to abolish the post of DC in India is a proof of the lack of political will in instituting DG. The experiences in having the DC as head of district administration and secretary of the DPC or the BDO as the head of CD Block and secretary of the Block

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Panchayat in Kerala are good examples of how these officers finally call the shots and disempower the local government system.

While the suggestion to remove the MLAs and MPs from DGs is welcome, it also needs to redefine their roles in local development and governance. In this context, MP and MLA LADs become totally unjustifiable.

In the case of political executive, there is no point in bringing in artificial systems. One has to go by the system followed in the elections to higher levels of governments, which are multi party elections and the formation of cabinet. But, in this context, the role of the state cabinet and departments need to be clearly redefined.

District government without both urban and rural will be a farcical exercise as has been observed over the last one and a half decade. But, clarity needs to be brought in on the role of Panchayats at various levels.

#### Four Models of District Government

In 1987, Kerala went in for District Councils, which are the typical District governments inclusive of both the urban and rural areas under their domain. Though it did not last long due to change in government, the system could be looked into while defining the character and structure of a proposed DG.



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Mixed federative and Unitary Model as suggested by the 2<sup>nd</sup> ARC brings mixed reactions as it is very vague at the moment. 'Direct' local governments could prove detrimental to the concept of local governance but need for working together and coordination requires a similar role for the DG. This leads to the need for better role clarity based on the principle of subsidiary.

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**(ii) Meenakshi Sundaram \***

Let me confess that I am not entirely familiar with the Pakistan model of decentralization as I was briefly exposed to it only once, when I visited Pakistan as a member of the Indian delegation a couple of years ago. My comments are therefore from the point of view of an interested reader / practitioner who has a general interest in the decentralization models.

At the outset, let me congratulate the author for the painstaking analysis of the comparable provisions between the district governments (DG) in Pakistan and the model recommended by the Second Administrative Reforms Commission (ARC) in India. However, the task of compiling them in a brief article of ten to twelve pages has unfortunately resulted in some amount of confusion and lack of clarity in the mind of an ordinary reader. Frankly after going through the paper rather carefully, I am still left with several doubts which require specific clarifications. For instance:

What is the geographical size of a union council in Pakistan? Does it compare with a Gram Panchayat in Kerala (covering a population of about 25-30 thousand) or in Karnataka (with an average population of around 5 thousand) or a Mandal in Andhra Pradesh? Is the composition uniform throughout the country irrespective of the size of the Union?

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\* Dr. S.S. Meenakshisundaram, Executive Vice Chairman, MYRADA

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It is stated that, “each Union Council is composed of 21 directly elected members who elect the mayor and deputy mayor (nazim and naib nazim) on a joint ticket. They must be matriculate or its equivalent”. Is the educational qualification applicable to only the Mayor and Dy. Mayor or is it for every elected member of the council? Does this rule also apply to the nominated members?

What is meant by “an indirectly elected executive mayor through direct election at the union level and by indirectly elected outsiders at the tehsil (or taluka) and district level”?

While at one place in the paper, it is stated that the actual working of the DG system in Pakistan is yet to unfold, in another place the speed of its execution starting with the major thrusts and then moving to the secondary tasks of institution and capacity building are commended and reported to be awe inspiring. What is the present status? What are we comparing – two theoretical designs, one approved but not fully implemented and the other at the proposal stage or one performing design and the other just proposed.

Of the four models of the DGs indicated in the paper, the exclusive model and the planning model are lucid and can be understood without much difficulty. However the same cannot be said about the other two models. Whether the Karachi model is the rule or an exception is not clear. Since most of the readers would like to first understand the models and then appreciate a comparison between them, I would

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suggest that the monograph may perhaps be expanded with five key sections as indicated below:

The first section comprising the district government pattern prescribed (and implemented?) in Pakistan giving as much details as possible; the second section explaining the key ingredients of the organizations established in accordance with the Constitution Amendments in India both in the rural and urban sectors and also the DG now proposed by the second ARC; the third section comparing the Pakistan system and the suggested Indian model (this has been largely covered in Chapter II of this paper already); the fourth section dealing with the models summarized by the author of DGs duly explaining the federative and the mixed models, if possible by diagrams; and the last section detailing the conclusions (as already available in the paper). In my opinion this would make the paper eminently readable.

A small factual error needs correction. The 73<sup>rd</sup> and 74<sup>th</sup> amendments in India were passed during December, 1992 and not in 1991 as stated in the paper.

Finally I must add that the conclusions drawn by the author are unexceptionable-except perhaps the assertion that the existence of a district officer is the main obstacle to the local government in the Indian subcontinent. While I would agree that the existence of a district officer did constitute an obstacle to the local governments in India, it is a matter of

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opinion whether that could be identified as the main obstacle or the blame should lie at the doors of the political leaders at higher levels. Examples in India do show that with adequate political will, strong local governments can exist even in the presence of the district officer and his establishment.

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### **(iii) Prof Mishra\***

Prof. Abhijit Datta paper on “District Government in Pakistan and proposed Model for India” has scholarly compared the concept of District Government in India and Pakistan. He has briefly touched upon the initiative taken by India profoundly known as 73<sup>rd</sup> & 74<sup>th</sup> CAA 1992, to deepen the democracy i.e from representative to participative democracy. He has analyzed it in the light of initiative taken by Government of Pakistan in 2001 by promulgating Local Government by an Ordinance in 2001.

However, the history of the local government in Pakistan reveals that democratic decentralized institutions at village level, favouring participation in development could not be established despite frequent reforms by the military rulers. Again Pakistan took steps to provide a legal framework for local governance by constituting a committee to revisit the Local Government by an Ordinance in 2001, Police Order, 2002 and the Code of Criminal Procedures, 1898. These attempts were made in order to remove weaknesses and improve the Local Government System. Prof. Datta has rightly observed in the paper that it has provided an institutional arrangement for integrating rural and urban areas, effective delivery of services, and decision-making through

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\*Prof. H.M. Mishra: Professor Social Management, Lal Bhadur Shastri National Academy of Administration, Mussoorie.

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participation of the people at the grassroots level in Pakistan. To make it inclusive, local government reform in Pakistan has reserved one third of the seats for women and also for other weaker sections of the population similar to the provision made in India but the distinct feature in Pakistan is to make reservation for agriculturists and workers, and religious groups.

Reflecting upon District Government in Pakistan, he has dwelled upon the process of devolution as per the requirements of new local government system. The offices of District Magistrates and Executive Magistrates in Pakistan ceased to function with effect from 14<sup>th</sup> August, 2001. Necessary amendments in the Code of Criminal Procedure 1898 to this effect were made. With this, the constitutional obligation of separation of Judiciary from Executive has been achieved. He has also discussed India's initiatives and made reference of 2<sup>nd</sup> ARC of India which did not perceive the integration of rural and urban areas and suggested for the District Government to rescue the failed DPC/MPC model of the 74<sup>th</sup> amendment. India's 2<sup>nd</sup> ARC recommended a dual role for District Magistrate as head of district administration and Secretary of the District Government, presumably to allow breathing period and allowing the system to take roots in the country.

Prof. Datta has also comprehensively analyzed the local council, finance, functions, functionaries etc. of local

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government of both the countries but probably missed to mention that in Pakistan, clearly indicated financial position allows the Nazim to politically defend the interests of their Districts at a time when the Provincial Finance Commission determines financial allocations. This also makes transparent the Provincial share of the total budget as compared to the Districts. But the flip side of it is that local government participation in development programs of the federal and provincial government is minimal.

The potential barriers of decentralization in both the countries are perhaps similar - poor financial base, a dependence on provincial/central governments for resources, lack of motivation, democratic deficit, lack of peoples' participation and political interference - which have abated the development capacity of local government. In India, continuity and political participation and developmental decision at local level is constitutional obligation of the government but a few studies conducted in Pakistan have revealed that the impact of decentralized government on development and participation has not been altogether effective. Despite this, villagers have a strong confidence in district government as they perceived it a more effective means for participation in development. Due to a variety of internal limitations and externally imposed obstacles, the development initiatives of local government have made only limited impact.



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A comparative analysis of role and responsibility of ARC in India and NRB (National Reconstruction Bureau) of Pakistan would also throw some light on thinking process going on in both the nations. Civil Service Think Tank (CSTT) is one of the several Think Tanks working in the NRB and has been assigned the work of Reconstruction of the Public Services at various levels of the Government i.e. District, Provincial and Federal.

While discussing District Government, Prof. Datta has discussed exclusive model of Kerala, planning model of Madhyapradesh, federative model of Pakistan and mixed federative model suggested by Indian 2<sup>nd</sup> ARC model. While in Pakistan, local councils since its independence in 1947, have been functioning as two distinct types of local government – the elected councils and the appointed councils. The local government in Pakistan are developed and reformed mostly in Martial Law regime where the entire council was a democratically elected body. But still district/tehsil/town councils are not in any respect microcosm of society as a whole. The councils in Pakistan are rubbing along with DDC because latter have got money and former have to get money. Anti-council policy of central and provincial governments, where elected councils are dissolved without any reasons for years has seized the opportunity available to council to frame their work in the context of village development and council ceased to play a major role in the developmental

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programme. ( Ref: Rural Development, The case study of District Government in North W Pakistan” by Shadiullah Khan, Department of Public Administration/Gomal University, Dera Ismail Khan). It has been observed by a major professional body that local government legislation had been approached in a very piece meal fashion spurred on by political stimuli in Pakistan rather than reasoned research and consultation (PARD).

Unlike India, there is no reservation or positive discrimination provisions which might have helped disadvantaged group to access to the new councils. Only at the sub-district level, there is a provision for the appointment of three women, who did not have voting rights, provision which virtually guaranteed their political irrelevance.

The paper deserves wider sharing to promote academics to undertake studies as well to promote the emancipation of poor through a potent instrument like democracy and decentralization in the region.

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**(iv) Rajalaxmi Kamat \***

The need for such a paper is imperative – since decentralization is a much discussed panacea for the problems plaguing developing economies, and there is very little literature on the different trajectories towards decentralization followed by various developing economies. The case of Pakistan is even more interesting since our two countries do share a common administrative past.

However, I did have problems understanding the main thrust of the paper – especially in getting through to (a) its focus and (b) its structure.

The author needs to rework on the paper on the following issues:

The Introduction needs to state the aim of the paper very clearly. What are the common problems that the two countries are facing as regards district governance? Why do we need to look at the Pakistan model? The information given about South Africa in the introductions seems out of context.

Having done that, a figure / diagram giving the district administrative structures as they are at present both in India and Pakistan would definitely help. It takes a while to understand that from the present structure of the paper. The author can then go on with the reforms proposed in both

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\* Rajlakshmi Kamat, Assistant Professor, Centre for Public Policy, Indian Institute of Management, Bangalore.

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the countries – the LGOs in Pakistan and the 2<sup>nd</sup> Administrative Reforms in India – the reasons for the reforms and the objectives of the reforms. The main issue that needs to be discussed is whether the stated objectives of the reforms are meeting the underlying reasons – and it is here the author needs to state his judgement cogently. The rest of the paper should lay down the details of the author's arguments in support of his judgement.

It is in this context that the details of the reforms have to be discussed – constitutional aspects, administrative, organizational, managerial, and financial and the rest. The main thread weaving these details is to (a) defend the author's judgement about the efficacy of these reforms in the two countries and (b) to sharply get the differences between the Indian and the Pakistani reforms. In the present structure, both these points are not brought out very clearly. A mere listing of these details makes the reading tedious.

The author's division of paragraphs titled India and Pakistan also appear disjointed. The paragraphing style needs to be changed.

Point III of the paper (Four Models of District Government) needs to be integrated into the main theme (of the story of Pakistani reforms and the lessons India can learn from them) – as of now, it appears more as an appendix.

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In conclusion, I would say that there is a lot of relevant information in this paper, which needs to be structured in a proper fashion. This information will carry meaning only when it is backed by cogent arguments supporting the viewpoints that the author lays down regarding the issues he is discussing.

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**(v) Varadachary \***

The proposals made in the article are without doubt of much merit and interest. They show a certain pervasive idealism which is highly essential when one thinks of putting in place institutions or administrative structures; and for political structures more so. While in general what is proposed is unexceptionable, if one looks at the contexts, as one inevitably has to do, there can be serious reservations.

It is of some interest that in the proposals the emphasis on local democracy is so much that the regional and national aspects of democracy do tend to get ignored. It may be necessary to fit all three into a more cohesive pattern. But, while this is necessary, it may take time and will depend on the local contexts. Such compromises one hopes will get worked out.

One gets the impression that Prof.Datta's proposed structures are not entirely based on historic experience. In India, one may be forgiven if one thinks that the British were keen on local governments being strengthened for two reasons. The first is the replication with some changes of the British local government structures. This is true of idealists like Lord.Ripon who were quite involved in doing this. The other somewhat less charitable explanation is that by giving scope to democratic aspirations at the local level, the then colonial

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\*S. Varadachary, IAS (Retd) Former Finance Secretary of Kerala.

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government might have felt that this would reduce national political aspirations especially the deeply felt desire for freedom.

Another important aspect is the somewhat light treatment given to the raising of revenues and quality of expenditure. This is in fact a very serious issue in local government. The demand for greater devolution of powers as well as funds is often legitimate but, the effort to raise revenues by the local government is certainly insufficient. In this context, it may be recalled that after the first Municipal Bond in India was floated in 1971 there was a lapse of two decades before, Bangalore and Ahmedabad did float bonds. And there has been little after that. Municipal Bonds could become major instruments of investment but it is not yet. Even in schemes of Government of India, there is no condition that Municipal governments should raise a certain amount of revenue for the purpose for which Government of India will be providing funds. Say for instance, a large drainage programme which very few municipalities can do on their own. The quality of expenditures is a serious problem because the councillors tend to ignore the larger and long term need of the area and confine themselves to more ward based issues, which are certainly important but larger issues do often merit greater attention.

There is some praise for the efforts of Gen. Musharaff and his attempts at strengthening local government. One wonders how serious his commitment was to self government in principle.

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It would not be wrong to say that the concept of local governments for him was a sop to western countries which insisted on greater democracy and participation. After all, at the national level, there was very little democracy and participation and the local military satraps were not devoid of powers over the local government. In any event, with the kind of feudal system prevailing in Pakistan (large zamindaris and feudatory local practices). To talk of local self government being encouraged by the government. makes little sense.

Lastly, the role of specialists versus generalists at the local level. It is not particularly germane in this context. However, it may be noted that in the US , for example there was a tremendous change in the local governments. In the 70s when large number of young system analysts lost their jobs with major Federal Government and found jobs in municipalities' where their contribution in terms of budgeting techniques and system analyses made a marked contribution to the municipal government. They were not specialists in municipal government; the general analytical techniques they used could be used in many sectors. It may also be noted that it was in Calicut Municipality that the first Municipal Bond was floated by a generalist administrator. When he left the job on transfer, the Municipal Corporation passed a warm resolution of thanks and demanded that the government post a similar generalist administrator in his place!



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## **Author's Response to Comments**

### **1. Joy Elamon**

#### **i. Relevance of Comparison**

It is nowadays a norm to look upon India as the role model in governance practices. This is all the more important when it comes to local governments, especially after the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments. Thus, this article is a laudable effort as it finds parallel and even model in the district governments of Pakistan.

#### **ii. Different Contexts**

But, the district governments in the two countries are placed in different settings contextually. The Pakistan model was set up arguably to legitimize the military rule. In India, the constitutional amendments were initiated under elected government that vouched on deepening democracy. These two entirely different contexts and objectives provide the strengths and weaknesses of both the experiments.

The motive for central government to create or strengthen local government is invariably to ward off challenges to its authority by the provinces/states or the freedom fighters.

#### **iii. 2nd ARC and the District Government**

While appreciating the 2<sup>nd</sup> ARC for bringing the District Government agenda, it is to be noted that the agenda did not become the 'face' of the ARC reports.

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#### **iv. - The approach of the 2<sup>nd</sup> ARC on District Government**

(DG) originated from the failure of the DPCs (and MPCs) and it attempted to create a general purpose regional government on top of local governments at the intermediate and village levels. The weakness of this approach is that by including weak panchayats and weak municipalities, the DG also becomes weak from the start unless it can absorb the district level state functions and their budget.

#### **v. Defining/conceptualizing Government**

Both the twin amendments and the ARC failed to define local government and decentralization. Their present plight is proof for that. What type of government do we envisage in DG is to be clearly spelt out. It is also to be probed whether we should have the same type of district government everywhere in the country,

This is quite true. DG is relevant only in large and medium-size states and not for small and tiny states. Districts below 1 million populations would have to be excluded; otherwise these states would lose their relevance.

#### **vi. Principles**

This leads to the need for principles for such decentralization. Though ARC chapter on local governments mentions about these principles, since they are not applied in other chapters,

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they become irrelevant. For example, all the reforms in administration need to be reworked on the basis of subsidiarity principle. It is also same in the case of role clarity.

Subsidiarity principle was not applied to reorganize the three levels of panchayats; what was needed was to apply it first to the centre and the states as well to give substance to local government; because power sharing among governments is decided by their bargaining power.

### **vii. Lists**

For an effective DG system, this brings us to the need for a Local list or District list along with restructured Central, State and Concurrent Lists.

The state list of functions has been transferred a number of times to the concurrent list in the past, but there is no instance of any transfer of central function downwards. The main obstacle of creating a Local List is the recent political power of the states is resisting a further erosion of their domain.

### **viii. Redefining the Roles**

Redefining the roles of MLAs and MPs, state ministries and departments become all the more important in the DG context. The experiences of role clashes with ZPs and MLAs (and in some cases MPs) in smaller states warrant the need for such an action.

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The 2<sup>nd</sup> ARC has recommended removal of the MLAs and MPs from local governments, but it did not consider the problems of district-sized small and tiny states.

### **ix. Indian Thinking on District Government**

Why should we be so DC-centric? Why are we worried about the future of DCs? Is DC the real issue? Rather I would consider that DCs are not by themselves the issue where as the forces who hold on to power would like to have DC and similar institutions to stay.

The reason for DC-centricity comes because there cannot be two power centres in a single area.

### **x. Pakistan System and the Indian 2<sup>nd</sup> ARC Model**

(a) The ARC model envisages only the expansion of the DPC roles whereas the Pakistan model talks about a stronger DG with functions akin to other governments. Even the law and order functions to some extent came under the DG.

The ostensible reason was the Pakistan DG would weaken the provinces, while the 2<sup>nd</sup> ARC hoped to introduce it with the cooperation of the states, which seems unlikely to happen.

(b) The roles of the state governments and the central government in local government reform are not comparable.

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In India the centre has always been supportive of local government more than the states. Once the objectives of the 73rd/74th amendment were achieved, the centre did not have any handle to empower local governments, except through the grants route.

(c) The provision of 'breathing period to the DG to take roots' to abolish the post of DC in India is a proof of the lack of political will in instituting DG.

This is probably due to two reasons: (a) Even in Pakistan DG has not replaced district administration, and (b) the 2<sup>nd</sup> ARC was not sure that its proposed DG would be politically accepted.

(d) While the suggestion to remove the MLAs and MPs from DGs is welcome, it also needs to redefine their roles in local development and governance. In this context, MP and MLA LADs become totally unjustifiable.

The 2nd ARC has recommended abolition of all the LADs.

(e) In the case of political executive, there is no point in bringing in artificial systems. One has to go by the system followed in the elections to higher levels of governments, which are multi party elections and the formation of cabinet. But, in this context, the role of the state cabinet and departments need to be clearly redefined.

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The reasons for the 2nd ARC to introduce a directly elected mayor/chairperson in local government seem to be two- (i) to ward off frequent changes of the political executive, and (ii) to empower the mayor/chairperson to choose his team. The first objective could be realized by limiting the number of no-confidence motion during the five years' term, and allowing him to choose the team from outside; and the second objective was to improve the quality of its executive team, but the Commission did not have enough courage to suggest outsider induction.

(f) District government without both urban and rural will be a farcical exercise as has been observed over the last one and a half decade. But, clarity needs to be brought in on the role of Panchayats at various levels. In 1987, Kerala went in for District Councils, inclusive of both the urban and rural areas under their domain. The system could be looked into while defining the character and structure of a proposed DG.

In Kerala the dual role of BDO has ended by appointing a separate secretary for the block panchayat; this could be replicated by other states.

(g) But, clarity needs to be brought in on the role of Panchayats at various levels.

Clarity needs to be brought in not only between the roles of the block and village levels, but also in the roles of municipal

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councils and nagar panchayats in the rural DG, and the block and village panchayats in a future urban DG. Pakistan has done it reasonably well.

#### **Four Models of District Government**

(a) In 1987, Kerala went in for District Councils, which are the typical District governments inclusive of both the urban and rural areas under their domain. Though it did not last long due to change in government, the system could be looked into while defining the character and structure of a proposed DG.

- Yes.

(b) Mixed federative and Unitary Model as suggested by the 2nd ARC brings mixed reactions as it is very vague at the moment. 'Direct' local governments could prove detrimental to the concept of local governance, but the need for working together and coordination requires a similar role for the DG. This leads to the need for better role clarity based on the principle of subsidiarity.

- Yes.

#### **2. Meenakshi Sundaram**

(a) What is the geographical size of a union council in Pakistan?

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It corresponds the area and population of a police station both in Pakistan and in India

(b) Is the educational qualification applicable to only the Mayor and Deputy Mayor or is it for every elected member of the council? Does this rule also apply to the nominated members?

The educational qualification is applicable to only the Mayor and Deputy Mayor.

(c) What is meant by “an indirectly elected executive mayor through direct election at the union level and by indirectly elected outsiders at the tehsil (or taluka) and district level”?

This means that only the Mayor and Deputy Mayor are directly elected, other DG councillors are elected indirectly from the tehsil (or taluka) and district levels

(d) While at one place in the paper it is stated that the actual working of the DG system in Pakistan is yet to unfold, in another place the speed of its execution starting with the major thrusts and then moving to the secondary tasks of institution and capacity building are commended and reported to be awe inspiring. What is the present status? What are we comparing – two theoretical designs, one approved but not fully implemented and the other at the proposal stage or one performing design and the other just proposed.



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There is no contradiction here; the basic design was executed and elections took place, and staff was transferred with remarkable speed; what remained to be seen was how the *nazim* exercises his accountability powers over the DGO and the district functional officers through the DPO.

(e) Whether the Karachi model is the rule or an exception is not clear.

The Karachi model is a two-tiered system of metro-government. It is reported that all the provincial capitals would have this; in that situation the need to have a separate urban DG might disappear.

(f) While I would agree that the existence of a district officer did constitute an obstacle to the local governments in India, it is a matter of opinion whether that could be identified as the main obstacle or the blame should lie at the doors of the political leaders at higher levels.

In India since Lord Ripon's reform, municipalities were freed from the control of the DC, but the rural councils remained attached, thereby stifling the growth of genuine local government. Since then votaries of local government in the subcontinent have argued for replacing the French system of rural local administration by the English system of local government. In India after Independence, the French model was replaced by the Yugoslav model by the Balwantray Mehta

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committee. This was not opposed by the Asoka Mehta committee that shaped the original Karnataka model.

(g) Examples in India do show that with adequate political will, strong local governments can exist even in the presence of the district officer and his establishment.

State support to strengthen local government cannot substitute the autonomous will of local governments.

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## **Part 3.**

### **Epilogue**

Over the last decade and half, there has seen much discussion and debate on the local self governing bodies in India and all of these invariably refer to the Constitutional Amendments passed in the early nineties. The 73<sup>rd</sup> and 74<sup>th</sup> Amendments have become land mark legislations- a starting point to discuss the important issue of ensuring and strengthening the local governments. The debate in neighbouring Pakistan on decentralisation similarly refers to the Devolution of Power Reforms of 2000 ushered during the regime of General Musharaf. The highlight of this reform is the devolution of expenditure and administrative responsibilities to local governments, the accountability of the decision making authority to the people and the nature and amount of fiscal resources that are made available. Heterogeneity in the extent of decentralisation across administrative departments and across services within a department is also a major highlight. What is also eye catching is the devolution plan that created a new elected government at the district level headed by an elected nazim (Mayor) and the district administration head, the District Coordination Officer reporting directly to the Nazim. The Indian Amendments did not propose anything as dramatic as this, especially in terms of setting up district as the unit of

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governance. Even Kerala, which is said to be the forerunner in decentralisation, did not bring in such radical changes. Karnataka took a few progressive steps forward in the eighties by transferring development functions from the District Collector to an officer of a higher rank who was placed at the Zilla (District) Panchayat. The officer designated as the Chief Secretary was accountable to the locally elected Zilla Panchayat President. The Mukherji Model in parts fits Karnataka but Karnataka soon backtracked.

As in the Indian context, which has had a history of local governments prior to the passing of the Amendments, the reform of 2000 was not born in a vacuum in Pakistan but was preceded by two earlier sets of reforms, both under the Rules of Generals- one in 1958 and the other between 1979-85. The efforts by General Ayub Khan during 1958 to decentralise- called as the first bold experiment with local governments- revived local governments as the only representative tier of government. The Basic Democracies Ordinance, 1959 and the Municipal Administration Ordinance 1960 were introduced which specified formation of four tiers which linked to each other. All the tiers were under the bureaucracy which played a powerful role by being the controlling authority, the bureaucracy had the power to quash the proceedings, suspend resolutions passed or orders made by the local body. Though many of the functions- both development and regulatory- were assigned to the local governments, lack of funds curtailed all

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the activities<sup>32</sup>. Critics say that the local governments came to be used by Ayub to legitimize his unitary Presidential Constitution that gave state power to the armed forces through the office of the President. The legitimization strategy instituted electoral representation at the local level combined with political centralisation at the federal and provincial levels. This was during 1962.

A similar trend was followed under the regime of Zia ul Haq, Local Government Ordinance was promulgated and local bodies were elected during 1980, this was preceded by imposition of martial law (1977-85) and the 8<sup>th</sup> Constitutional Amendment which established military rule through a quasi-Presidential form of government ( late eighties). In between the rule/s of Ayub and Zia, there was a short stint played by Zulfikar Ali Bhutto.<sup>33</sup> By forming local bodies, local level politicians and local control was established. Since funds did not match functions, the whim of the province which retained suspension powers threatened the existence of the local bodies. Zia's reforms were better compared to Ayub's as he did not allow direct representation of the bureaucracy in local governments as members and /or as Chairman. He also insisted on holding of elections on non party basis, which

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<sup>32</sup> Many of the tenets of this reform bear similarity to those explored by Balawantarai Mehta Committee - the first of the Committees in India, constituted in 1958, to provide guidance to decentralisation.

<sup>33</sup>For an excellent explanation on **Local Government Reforms in Pakistan: Context, Content and Causes** by Ali Cheema, Asim Ijaz Khwaja and Adnan Qadir see [ksghome.harvard.edu/~akhwaja/papers/Chapter8.pdf](http://ksghome.harvard.edu/~akhwaja/papers/Chapter8.pdf) -

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some say weakened his regime/rule as he could not neutralise the influence of the political parties at the local level. Despite many efforts, Pakistan could not ensure people's participation in governance.

Whatever that may be, in both the countries, decentralisation has not been the result of a struggle or a demand from the grass roots but more as an initiative from the centre, a top-down approach perpetuating the bureaucratic control. The British rule that preceded the Independence of both the countries ensured that the local governments were never substantively empowered, they were basically designed to further the interests and control of the centre. The Government of India 1935 Act which was considered as a major move that granted a large measure of autonomy to the provinces, helped in providing momentum to the growth of local institutions. Introduction of direct elections and provision for the establishment of a Federation of India are some of the significant aspects of the Act. The autonomy given to the provinces was however subject to limitations. The provincial governors retained important reserve powers and the British authorities retained the right to suspend responsible government.<sup>34</sup>

The attention of the colonial rulers was on maintaining the political viability of the local institutions as they served the

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<sup>34</sup>Details in [en.wikipedia.org/wiki/Government\\_of\\_India\\_Act\\_1935](https://en.wikipedia.org/wiki/Government_of_India_Act_1935)

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dual purposes of mentoring native political leadership but more importantly on reinforcing the structure of the colonial rule. It is said that the growth of the politicians at the local level, in stature and power, which emerged during the National Movement, allowed for an interesting and dynamic concept of 'us' and 'them'- the locally elected municipal leaders represented Indian aspirations and became 'us' and the District Collectors and provincial governments which were colonial were -'them'.<sup>35</sup>

Though Independent India (and Pakistan) lost this dimension/s of 'us' and 'them', the new national leaders in India happily continued to use this division to curb the competitive political aspirations that would emerge from the urban local bodies, thus maintaining the 'us' and 'them'. This demarcation resulted in creating weak local bodies which were given limited powers. The control of the local governments by the centre/union and the state/province has continued in both the countries in various degrees and has been much debated and discussed elsewhere.

One of the legacies left behind by the British has been the District Collector. Pakistan chose to do away with it by implementing the 2000 Reforms. In India, as per the 2nd ARC report, the post would be eventually abolished- as Datta point's out- after the 100 and odd laws are amended. The

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<sup>35</sup> Arkaja Singh has highlighted this while tracing the history of urban local governments in India for a CBPS working paper ( forthcoming publication)

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District Collectors, Meenakshi Sundram says in his feedback, are not to be blamed but the political leaders at the higher level, for perpetuating their reign.

In Pakistan the Reforms of 2000, brought into effect from 14th August 2001, simultaneously issued by the four provinces, makes the bureaucrats subservient to the elected representative at the district. Many would argue that this is impossible to be introduced effectively in India at present due to various reasons. People in power do not intend this either. As pointed out by Joy Elamon in the earlier section of this paper, may be India has not been very serious about strengthening local bodies. Karnataka's once – such-bold experiment is to this day is remembered, despite the fact that it whimpered, with changing political bandwagon. Optimists, looking at the present trend, say that it may not be easy for Karnataka to retrogress now, as the elected representatives are more aware, have constitutional backing and are organising themselves into collectives by forming federations.

The example cited is the stalling of the Karnataka Panchayati Raj Bill, 2007 by - Grama Panchayat Hakkottaya Andolana (movement started by the network of Federation of Grama Panchayat members). The movement convened by the Concerned for Working Children drew support from various institutions and individuals. People united ignoring party



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affiliations; they held peaceful demonstrations in several districts. Massive rallies, one day closure of GP offices across the State, hoisting of black flag on Grama Panchayat office buildings, meeting the various representatives of the government, contacting legislators and enlisting their support, approaching the national government and submitting a petition to the Governor were some of the steps that marked the movement. The Bill proposed for the selection of beneficiaries for housing and other governmental programmes by “any Committee or authority of the Government constituted on its behalf”,<sup>36</sup> thus demeaning the powers and functions of the Grama Sabhas and Grama Panchayats.

In 2007, the Bill was returned to the Legislature by the Governor with elaborate comments.<sup>37</sup> The possibility of the Bill being taken up again in 2008 was met with a warning by the members of the Panchayat Raj Hakkottaya Andolana, who put the Government of Karnataka on notice and *“warned that any action to subvert the process of democratic decentralisation for short term benefits or vested interests would be opposed in the*

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<sup>36</sup> Source: The Karnataka Panchayat Raj (Amendment) Bill, 2007 (LA Bill No 29 of 2007)

<sup>37</sup> Governor’s comment pointed to the Statement of Objects and Reasons of the Bill which did not spell adequate justification except to make sweeping statements and comments on the inability of GPs to function effectively. The statements were not supported with adequate documents.

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*strongest terms and defeated*".<sup>38</sup> Nothing more was heard until the 2009 session of the legislature. The processes (of stalling the Bill) were restarted again, and the Bill was not taken up for discussion and this by itself has been considered an achievement. The proponents of the movement say that the entire process has been effective in placing a warning signal on the government, in future it would be difficult for the higher authorities to subvert local self governments<sup>39</sup>.

Critiques point out that the Reforms in Pakistan have not been fully effective, that the measure of devolution have not been fully met in terms of functionaries matching the agreed functions at all levels, appropriate revenue sharing arrangements have not been defined and so on. The proponents of Pakistan's decentralisation model point to its unique features which are not comparable at all to other models of decentralisation in the world. Prof Datta has recognised both of these and has presented an interesting comparison between the two and has highlighted certain important issues.<sup>40</sup>

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<sup>38</sup>“ Move to Diminish the Panchayats” in Deccan Herald, July 15<sup>th</sup> 2008.

<sup>39</sup>As expressed by Kavita Ratna, state Convener of the Grama Panchayat Hakkottaya Andolana, Banaglore

<sup>40</sup> Datta's has also worked out a detailed comparison of the entire decentralisation process . See [www.solutionexchange.un.net.in/decn/cr/res01040801.pdf](http://www.solutionexchange.un.net.in/decn/cr/res01040801.pdf)

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Is it correct to compare deepening democracy process- which is what decentralisation in India is said to be all about, with that of legitimising the military rule as in Pakistan- is the first question that is posed by many. One has to view the Pakistan Model by keeping such scepticism aside as the Model is an interesting one and poses a number of challenges to India.

The declared key concepts in ushering in decentralisation in both the countries seem to be the same - public participation in decision making and making governments more accountable. But the underlying tone behind the decentralisation efforts in the two countries are diverged- in Pakistan it was to devolve political powers and decentralise administrative and financial authority to local governments and integrate rural and urban areas. But the Indian government limited itself to ensure regularising elections and reserving seats to women and weaker sections. The positive aspect of this, in favour of India, has been the inclusion of women and weaker sections of society into decision making processes. Pakistan has appointed three women at the sub district level who do not have the voting rights, this has been pointed out by Prof Mishra as politically irrelevant.

Pakistan has removed the rural-urban divide. India has two separate and identical Amendments. The dual structure is

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commented upon by Datta. The percentage of rural and urban districts are said to be the same in both the countries. This (the difference) is unlike the Federative Model of Pakistan where the rural-urban differences stops at the Taluks (Tehsils)

Many of the articles on the 2000 Reforms in Pakistan speak of the speed with which the country implemented the Reforms. Datta calls this “awe inspiring”. More than 15 years have passed in India since the twin amendments were envisaged, the interest in district government is said to be older- more than a quarter century old as said by Datta, but they still remain in their nascent stages. This is due to lack of seriousness and lack of clarity with which they have been implemented.

The word local self government itself has been spelt out differently in different literature. Joy Elamon points to expecting ARC to define what is meant by government, district government, local government and decentralisation. These are not jugglery of words but have serious connotation for the very way in which the entire concept of decentralisation is looked at and implemented. V Ramachanaran, while suggesting measures to be taken for democratic decentralisation at the district and lower levels as a Special Advisor to Kerala Government, has pointed out that the term local authorities is used in statutes and in common parlance

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to refer to the Local Government Institutions. All Local Government Institutions are local authorities but all local authorities are not Local Government Institutions. He prefers to use the term 'local government' to denote Local Government Institutions (District Councils, Urban Local Bodies, Taluk Samithies and Panchayats) as they form an important and distinct group of local authorities.<sup>41</sup> Datta, while presenting a paper at the recently held International Conference pointed to the fact that the twin Constitutional Amendments in India have deliberately left out 'local ' and refer to self-governments.<sup>42</sup>

That the Ordinances do not substitute for an amendment to the constitution is also a major argument against Pakistan's efforts. It seems to be the most comforting one for India considering that the local governments are backed by the Constitutional Amendments and therefore are here to stay- so what if elections have been delayed for more three years as in the case of Bruhat Bangalore Mahanagara Pallikhe (Greater Bangalore City Corporation), they have to be held some day. That seems to be a major consolation!

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<sup>41</sup> V. Ramachandran, July 1988: Report on the measures to be taken for democratic decentralisation at the district and lower levels, Reprinted by Kerala Institute of Local Administration, Thrissur.

<sup>42</sup> Local Government Planning in the District: An Assessment" unpublished paper prepared for and presented at the Conference on " District Planning: Methodology and Agenda for Action" held at Kollam, Kerala, 27-29<sup>th</sup> August.

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As Datta points out- the actual working in Pakistan is yet to unfold .Pakistan itself is said to be preparing to follow the American Model- that of vertical movement in the structure of the bureaucracy where political appointees take over..Pakistan Model is in an experimental stage and need not be cloned by India or other South Asian countries. But yes India needs to take cognizance of various experiments of this kind and move forward.

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## **About the Author**

Abhijit Datta (b. 1934 ) was educated in Calcutta and London Universities. He started his academic career in Calcutta (now Kolkata) in 1962 in a research project with the Institute of Public Administration, New York. In 1964 he joined the Indian Institute of Public Administration, New Delhi (IIPA) where he held various academic positions till 1994 and retired as Professor of Urban Administration and Development and Municipal Finance. Afterwards he worked as an independent consultant on local governance and finance from Kolkata. In 2009 he was appointed as Malcolm Adiseshiah Chair Professor of Development Economics and Decentralised Planning at the Institute of Social Sciences, New Delhi - a post that he currently holds.

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