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Mains Practice Questions

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Q. The strength sustenance of local institutions in India has shifted from their formative phase of 'Functions, Functionaries and Funds' to the contemporary stage of 'Functionality'. Highlight the critical challenges faced by local institutions in terms of their functionality in recent times. (UPSC Mains 2020)

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Approach

- Start the answer by briefly mentioning the establishment of local bodies in India.
- Discuss the various challenges faced by local institutions with respect to its functionality.
- Discuss some remedial measures.
- Conclude suitably.

Introduction

Panchayati Raj Institutions and Urban Local Governments, as units of local government, have been in existence in India for a long time. However, they were granted constitutional status as the third tier of India's federal democracy through the 73rd & 74th Amendment Act.

The primary objective of establishing the third tier of the government is to increase democratic decentralization. However, there are many issues which have rendered the 3rd tier of government in a state where it has more responsibility but less power and resources. While traditional challenges in terms of funds, functions and functionaries (3Fs) remain quite relevant even today, we cannot lose sight of challenges being phase in terms of "functionality".

Body

Challenges Which Affects Functionality of Local Institutions

- **Emergence of Parallel Governance:** Smart Cities Mission aims to establish a Special purpose vehicle for the execution of the city development. This has created a parallel institution vis-a-vis Urban local government. This functional overlapping may eventually lead to weakening of local bodies.
- **Top-Down Approach:** NITI Aayog's Aspirational District plan envisages top-down development of these districts, which not only undermines the role of local governments but also goes against the spirit of Democratic decentralization. Further, this one-size-fits-all approach also affects the functionality of local governments.
- **Lack of Effective Devolution:** Local government is a state subject in the Constitution, and consequently, the devolution of power and authority to panchayats and urban local governments has been left to the discretion of states.
Most states in India are yet to provide adequate functional autonomy to the local bodies.

- **Structural Issues:** Some of the Gram panchayats or urban local governments do not have their own building or they exist but without basic facilities like toilets, drinking water, and electricity connection.
Moreover, there is a lack of support staff and personnel in local bodies such as secretaries, junior engineers, computer operators, and data entry operators. This affects their functioning and delivery of services.
- **Corruption:** Local bodies are marred by corruption. Due to this, local bodies are not able to function properly and subsequently affect the development process.

Way Forward

- **Activity Mapping:** The 2nd ARC had recommended that there should be a clear-cut demarcation of functions of each tier of the government.
- **Ensuring Principle of Subsidiarity:** According to the 2nd ARC, the principle of subsidiarity should be followed while deciding on the implementation machinery for any programme, i.e. central authority should have a subsidiary function, performing only those tasks which cannot be performed effectively at a more immediate or local level
- **Ensuring Fiscal Federalism:** As functionality also depends on finances, fiscal autonomy accompanied by fiscal accountability can provide a long term solution to the problems faced by local bodies.
- **Effective Auditing:** Audit committees may be constituted by the State Governments at the district level to exercise oversight of the integrity of financial information, adequacy of internal controls, compliance with the applicable laws and ethical conduct of all persons involved in local bodies.
In this pursuit, the initiative of the Meghalaya government to make social auditing mandatory is worth emulating by other states.
- **Convergence of Various Government Programmes:** There is a need for convergence of various development programs of the Centre and state governments. In this context, Mission Antyodaya is a step in the right direction.

Conclusion

The governments should make adequate efforts to devolve funds, functions, and functionaries to local bodies so that they can effectively plan economic development and social justice schemes.