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The Role of the 74th Constitutional Amendment Act in Urban Governance

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Abstract:

The 74th Constitutional Amendment Act, enacted in 1992, marked a pivotal moment in India's urban governance reform, aimed at decentralizing decision-making and empowering Urban Local Bodies (ULBs). This amendment institutionalized local self-government in urban areas by establishing municipal bodies, ensuring regular elections, and allocating responsibilities for urban planning, infrastructure, and public services. While it democratized urban administration and increased citizen participation through Ward Committees, its implementation faces significant challenges. Financial dependence on state governments, limited administrative capacity, and political interference often hinder ULBs from fulfilling their potential. Despite these barriers, success stories from cities like Bengaluru and Pune demonstrate the amendment's transformative power. However, many smaller municipalities struggle with resources and governance issues. This paper highlights the successes, challenges, and future directions for urban governance in India, focusing on the need for greater financial autonomy, capacity building, and technological integration to fully realize the amendment's potential. Strengthening ULBs is essential to addressing urbanization challenges and fostering sustainable development in India's cities.

Keywords: 74th Constitutional Amendment Act, Urban Local Bodies (ULBs), Urban Governance, Decentralization.

Introduction

Inclusive Urban governance in India has undergone significant transformation with the enactment of the 74th Constitutional Amendment Act in 1992. This amendment was a landmark step toward decentralizing governance,

empowering local bodies, and addressing the challenges of urbanization in a rapidly growing country. The primary aim of the 74th Amendment Act was to create a democratic structure for local self-government in urban areas, known as

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Urban Local Bodies (ULBs), and to promote effective urban planning, service delivery, and infrastructure development. This article delves into the historical background, key provisions, impact, challenges, and future directions of the 74th Constitutional Amendment Act in reshaping urban governance.

Historical Context

Before 1992, urban governance in India was marked by inefficiency, lack of accountability, and poor service delivery. Urban local bodies, though in existence, were weak in structure, function, and autonomy. They were largely dependent on state governments for finances, and their decision-making power was limited. This situation worsened as cities and towns expanded rapidly due to economic growth, leading to an urban governance crisis marked by inadequate infrastructure, unplanned development, and poor management of public services.

The 74th Amendment Act emerged as a response to these challenges. The Indian government recognized the need to decentralize governance and empower local institutions to plan, implement, and manage urban development independently. Inspired by the 73rd Amendment, which empowered rural local bodies (Panchayats), the 74th Amendment Act aimed to create a similar framework for urban areas, thus formalizing the role of ULBs in the Indian Constitution.

Provisions of the 74th Constitutional Amendment Act

The 74th Constitutional Amendment Act introduced several critical reforms designed to strengthen urban governance by empowering ULBs. The key provisions of the amendment include:

Creation of Urban Local Bodies (ULBs):

The 74th Constitutional Amendment Act mandated the establishment of Urban Local Bodies (ULBs) across urban areas in India, creating a formal structure for local self-governance. It categorized ULBs into three types based on the size and developmental stage of urban settlements. Municipal Corporations were established for large urban areas, often cities with significant populations and complex infrastructure needs. Municipalities were designated for smaller towns, which required more localized governance but did not have the scale of larger cities. Lastly, Nagar Panchayats were introduced for transitional areas that were in the process of shifting from rural to urban status, allowing for governance structures that could adapt to the changing needs of these growing regions. This classification ensured that urban governance was tailored to the specific requirements of different types of settlements, fostering more effective and inclusive local administration.

Decentralization of Functions: The 74th Amendment Act to the Indian Constitution significantly advanced the decentralization of functions by empowering Urban Local Bodies (ULBs)

to operate as institutions of self-government. This constitutional change entrusted ULBs with a diverse range of responsibilities, as delineated in the 12th Schedule. Key functions assigned to these local bodies encompass urban planning, water supply, public health, sanitation, roads, and public transport, among others. By decentralizing these crucial functions, the amendment aimed to enhance local governance and ensure that the administration of urban areas is more responsive to the specific needs and challenges faced by their communities.

Mandatory Elections: The 74th Amendment Act established a framework for mandatory elections in Urban Local Bodies (ULBs), requiring them to conduct regular elections every five years. This provision ensures that citizens have democratic representation in local governance, allowing them to elect their representatives and participate actively in the decision-making processes that affect their communities. By institutionalizing this electoral mechanism, the amendment reinforces the principles of accountability and transparency in local governance, fostering a sense of ownership and engagement among the electorate in shaping the development and administration of their urban areas.

Reservation of Seats: The 74th Amendment Act to the Indian Constitution introduced the reservation of seats for Scheduled Castes (SCs), Scheduled Tribes (STs), and women in Urban Local Bodies (ULBs), aiming to

promote inclusivity and ensure that marginalized communities are adequately represented in local governance. This provision not only empowers these groups by giving them a voice in decision-making processes but also fosters diversity within the governing bodies. By mandating this reservation, the amendment seeks to address historical injustices and create a more equitable framework for participation in urban governance, ultimately contributing to the social and political empowerment of underrepresented communities.

Constitution of Ward Committees: The 74th Amendment Act mandated the establishment of Ward Committees in cities with populations exceeding 300,000, aiming to facilitate more localized decision-making and enhance citizen participation in urban governance. These committees serve as vital forums for residents to engage directly with local representatives, voice their concerns, and contribute to the planning and implementation of municipal services. By decentralizing governance at the ward level, the amendment empowers communities to take an active role in addressing their unique challenges and priorities, thereby fostering a stronger sense of ownership and accountability within the local administrative framework. This approach not only enhances the responsiveness of local governance but also strengthens the democratic fabric of urban areas.

Financial Powers and Revenue Generation: The 74th Amendment Act granted Urban Local Bodies (ULBs) the authority to raise revenue through various means, including taxes, duties, and tolls, thereby enhancing their financial autonomy. This provision empowers ULBs to generate the necessary funds to deliver essential services and undertake developmental projects tailored to local needs. Additionally, the amendment established State Finance Commissions, tasked with recommending measures to ensure the financial stability and viability of ULBs. This framework not only fosters fiscal responsibility but also promotes sustainable urban development by enabling local bodies to effectively manage their finances and allocate resources in a manner that best serves their communities.

Metropolitan and District Planning Committees: The 74th Amendment Act mandated the establishment of Metropolitan Planning Committees (MPCs) and District Planning Committees (DPCs) to facilitate coordinated urban and regional development across different administrative jurisdictions. These committees play a crucial role in integrating planning efforts among various levels of government, ensuring that urban growth and resource allocation are harmonized within metropolitan and district contexts. By fostering collaboration among local authorities, state governments, and other stakeholders, MPCs and DPCs aim to address the

multifaceted challenges of urbanization and regional development, promoting sustainable growth and enhancing the quality of life for residents. This structured approach to planning is essential for creating cohesive strategies that respond effectively to the diverse needs of urban and rural populations alike.

Impact on Urban Governance

The 74th Constitutional Amendment Act has had a profound impact on urban governance in India, fundamentally democratizing urban administration by institutionalizing Urban Local Bodies (ULBs) as the third tier of government alongside the central and state governments. This amendment empowered ULBs to take charge of local development, urban planning, and service delivery, thereby enhancing their accountability to citizens. One significant outcome is the decentralization of decision-making, as ULBs have gained greater control over planning and implementation, making them focal points for urban development. This shift has fostered more responsive governance, enabling local issues to be addressed more efficiently. Furthermore, the establishment of Ward Committees has facilitated greater citizen participation in local governance, providing residents with a platform to voice their concerns and engage in decision-making processes affecting their neighborhoods. The increased autonomy of ULBs has also led to noticeable improvements in urban services, including waste management,

water supply, and road maintenance, as they can now raise local taxes and generate revenue for infrastructure development. Additionally, the amendment has strengthened local democracy through regular elections and the reservation of seats for marginalized groups, ensuring that women, Scheduled Castes (SCs), and Scheduled Tribes (STs) are represented in local decision-making bodies. This inclusivity contributes to a more balanced approach to urban development, reflecting the diverse needs of the community.

Challenges in Implementation

Despite the significant strides made in empowering Urban Local Bodies (ULBs) through the 74th Constitutional Amendment Act, the implementation of its provisions has encountered several challenges. One major issue is the financial dependence of many ULBs on state governments for funds. Although the amendment granted ULBs the authority to generate revenue, the reluctance of state governments to fully devolve financial powers has limited the autonomy of these local bodies, constraining their ability to undertake significant urban projects. Additionally, many ULBs, especially in smaller towns and cities, face capacity constraints, lacking the necessary administrative capacity and technical expertise to effectively manage urban challenges. This deficiency often results in inefficient service delivery and inadequate urban planning.

Moreover, political interference poses another significant challenge to the autonomy of ULBs. State governments sometimes undermine local governance by delaying elections, dissolving local bodies, or interfering in their functioning, thereby weakening the democratic spirit intended by the amendment. Furthermore, while the amendment called for the establishment of Metropolitan Planning Committees (MPCs) and District Planning Committees (DPCs) to ensure coordinated urban development, many of these bodies have not been fully operationalized across various states. This failure has resulted in fragmented urban planning and a lack of coordination among different administrative units, hindering comprehensive development strategies. Overall, addressing these challenges is crucial for realizing the full potential of the 74th Amendment Act and ensuring effective urban governance in India.

Case Study of Mysore City Corporation of Karnataka

The 74th Constitutional Amendment Act has significantly transformed urban governance in India by institutionalizing Urban Local Bodies (ULBs) as essential components of the democratic structure. Karnataka, a progressive state in this regard, has embraced this amendment to enhance local self-governance. The Mysore City Corporation serves as a notable example of how the principles enshrined in the amendment have been implemented and the challenges that persist despite these advancements.

Karnataka was one of the first states to adopt the provisions of the 74th Amendment Act by enacting the Karnataka Municipalities Act in 1976. This act aimed to establish a robust framework for local self-governance in urban areas. Mysore City, known for its rich cultural heritage and historical significance, was designated as a Municipal Corporation under this act, marking a significant step towards decentralizing power and enhancing local governance.

The establishment of the Mysore City Corporation has empowered local governance by facilitating democratic representation through regular elections. The corporation holds elections every five years, allowing residents to choose their representatives, thereby fostering a sense of ownership and accountability. The incorporation of Ward Committees has further enhanced citizen participation in governance. Each ward has a committee that enables residents to voice their concerns, discuss local issues, and influence decision-making processes affecting their neighborhoods. For instance, local issues such as road maintenance, waste management, and community health initiatives can be directly addressed through these committees, enhancing the responsiveness of local governance.

The Mysore City Corporation has made notable strides in improving urban services, which is a key function outlined in the 12th Schedule of the Constitution.

The corporation has implemented efficient waste management systems, improved public health services, and upgraded infrastructure facilities. By leveraging local revenue sources, such as property taxes and user charges for services, Mysore has been able to invest in projects that enhance the quality of life for its residents. For example, the introduction of a door-to-door waste collection system has significantly improved sanitation and hygiene in the city, reflecting the corporation's commitment to effective service delivery.

Despite these successes, the Mysore City Corporation faces ongoing challenges, particularly regarding financial dependence on the state government. Although the 74th Amendment Act empowered ULBs to generate their own revenue, many local bodies, including Mysore, still rely heavily on state funds for substantial projects. This dependence limits the corporation's autonomy and hinders its ability to undertake independent urban development initiatives. Additionally, smaller towns and cities in Karnataka often face capacity constraints, lacking the necessary administrative and technical expertise to effectively manage urban challenges. This limitation can result in inefficiencies in service delivery and inadequate urban planning, impacting residents' quality of life.

Political interference poses another significant challenge to the functioning of the Mysore City Corporation. Instances of

state government intervention, such as delays in elections or the dissolution of local bodies, undermine the autonomy and democratic spirit that the 74th Amendment Act sought to establish. Such political dynamics can disrupt local governance and hinder the effectiveness of elected representatives in addressing community needs. Furthermore, while the amendment mandated the creation of Metropolitan Planning Committees (MPCs) and District Planning Committees (DPCs) to ensure coordinated urban development, these bodies have not been fully operationalized in many parts of Karnataka, including Mysore. This lack of coordination leads to fragmented urban planning and inhibits the effective integration of various development initiatives.

Future Directions for Urban Governance

To further strengthen urban governance in India, several key steps must be undertaken. First and foremost, enhancing financial autonomy for Urban Local Bodies (ULBs) is essential. This can be achieved through reforms that ensure ULBs have greater control over their finances, allowing state governments to devolve more revenue-raising powers and guarantee timely transfers of funds. Additionally, investing in capacity building is crucial for ULBs to function effectively; implementing training programs for local officials and recruiting skilled professionals can significantly improve the planning and execution of

urban projects. Strengthening Metropolitan Planning Committees (MPCs) and District Planning Committees (DPCs) is also vital for promoting integrated urban and regional development. Empowering these committees to coordinate development efforts across different administrative regions will help avoid unplanned urban sprawl and ensure cohesive growth. Finally, leveraging technology for governance can play a transformative role; adopting technological innovations such as e-governance platforms, smart city initiatives, and GIS-based planning tools can enhance transparency, efficiency, and citizen engagement in urban governance. By focusing on these areas, India can move towards a more effective, inclusive, and responsive urban governance framework that meets the needs of its rapidly growing urban populations.

Conclusion

The 74th Constitutional Amendment Act has played a pivotal role in reshaping urban governance in India by empowering ULBs and promoting decentralized decision-making. While the amendment has led to notable improvements in public service delivery, citizen participation, and local democracy, challenges related to financial dependence, capacity constraints, and political interference remain. To fully realize the potential of this landmark reform, it is imperative to address these challenges through further legislative and administrative reforms. Strengthening ULBs will be key to

meeting the growing demands of urbanization and ensuring sustainable development in India's cities and towns.

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