

CHAPTER - II

PATTERN OF LOCAL-SELF-GOVERNMENTS AND STUDY APPROACH

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CHAPTER - II
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AND STUDY APPROACH

A) ORIGIN AND DEVELOPMENTS OF
LOCAL-SELF-GOVERNMENTS¹ :

Local-Self-Government is the body (Government) elected by the people and for the people, working as grass-root of democracy in the country at the local level (at the end level of Gram-Town-City). These Local Governments were given the responsibility for providing civic amenities to raise the standard of living of the people for this these bodies were also given the power to raise finance by levying tax.

1. M.J.K. Thavraj - On Financial Management of

Govt. - PP. 240-251.

Local Government is deeply rooted in Indian history. The excavations in Mohenjadaro and Harappa speak volumes of organised urban life in ancient times. Indian experience may not be comparable to the city states of ancient Greece or Sparta. But Local Governments flourished in ancient and medieval India while the Panchayat form of self-Governance was widely prevalent in rural areas. Within feudal and semi-feudal structures prevalent in those days. Local-Government offered a stable basis of organised life at local level.

These are grass-root systems of decision making in the matters affecting the lives of the people within their immediate environment. They had shown remarkable continuity and stability despite the frequent changes of power at Central and State level and redrawing of boundaries of the political map of India. In British Rule Local Government was the root for growing national consciousness. Local Government system introduced under the British Rule was not built on indigenous foundations. It was more in the nature of an attempt to transplant the British concepts and systems to Indian soil than a revival of Indian brand of local democracy.

Local Governments of today are a curious mixture of indigenous and western elements. Local Government was first introduced in the City of Madras when Sir Josia Childs

obtained a charter from the British Emperor, to set up a local town council on British lines in 1688. Bombay and Calcutta followed suit. In 1793, Local Government was given statutory backing. Comprehensive Legislation was passed in 1850 for administration of Local Government. Under this Local Governments were given responsibility for providing civic amenities and power for this to levy tax. According to Local Finance Enquiry Committee of 1951 Local Government as a conscious process of administrative devolution and political education dates from the financial reforms of Lord Mayo's Government of 1870. Lord Ripon's Resolution 1882 expanded the functions of Local Governments by including aspects of public health, medical relief and education. Sources of finance were also enlarged. Decentralization Commission of 1907-08, commented how inadequate were the resources placed at the disposal of the local bodies. Local-Self-Government became provincial subject under the Government of India Act 1919 which laid down schedule of taxes that could be levied only by or for local bodies. After 1956, many states attempted to modernize the Municipal Legislations. After Independence Central Government in India has been the major source of reforms in Urban Government.

B) PATTERN OF LOCAL GOVERNMENT¹ :

The pattern of Local Government has implications on the financing problems of local bodies, so the pattern is illustrated below.

Local Governments in India fall into two groups, viz., Rural Local-Self-Governments (Three Tier Panchayat Raj System) cover rural sector of India. In Urban Local-Self-Governments five different types of Governments are found depending on the magnitude of population.

- (a) Municipal Corporations - for big cities
- (b) Municipalities - for towns
- (c) Notified Area Committees - for special areas.
- (d) Town Area Committees
- (e) Cantonment Boards - for cantonment areas
of military/police.

First four are created under State Municipal Laws, while Cantonment Boards are created under Cantonment Act, 1924. All the five types are not found in every state except Uttar Pradesh. Structurally, these authorities follow more or less the same pattern in all the States of India.

1. M.J.K. Thavraj - On Financial Management of Govt.

P.P. 240-251.

Local-Self-Government for towns and cities are called Municipalities. After Independence the term 'Nagarpalika' or 'Nagarparishad' has been used as a body of elected persons from Wards (called Nagar Sevak or Nagar Councillors) for looking after the developmental and welfare activities of the concerned city or town. Hereinafter the terms 'Municipality' and 'Nagarparishad' are used synonymously.

C) CASE STUDY APPROACH :

From the reports of various financial and other commissions it can be seen that the position of the Local-Self-Government in Urban Areas is similar in all over India and specially in the State of Maharashtra. Investigator thinks that it is better to study everything about something, rather than something about everything.

Case study approach is rather a recent development in the instruments useful for enriching the reservoir of knowledge. It involves a deeper investigation of a single unit. It is the problem solving technique and is more intensive in nature. So case study approach is adopted to study the problem of finances of Local Bodies.

As the title indicated 'An Analytical Study of Municipal Revenues with Special Reference to Gadhinglaj Nagar Parishad, District Kolhapur (1980-81 to 1984-85)..'.

is a comprehensive study of a social unit. It involves complete observation of a financing problems of - Gadhinglaj Municipality (Nagar Parishad).

Findings and Suggestions are expected to be useful in future for strengthening the grass-roots (local bodies) of our Indian Democracy.

D) OBJECTIVES OF THE STUDY :

"An analytical study of municipal revenues with special reference to Gadhinglaj Nagar Parishad, Gadhinglaj, District Kolhapur (1980-81 to 1984-85)," - is a study project conducted having following objectives in a view.

1. To know the sources of revenues created by the Nagar Parishad.
2. To study the procedure of revenue collection, rate-fixation, recovery of arrears.
3. To study the difficulties in raising the revenues from these sources.
4. To throw light on the possibility of raising the municipal revenues.

E) SCOPE OF THE STUDY :

The analysis of municipal revenues with special reference to Gadhinglaj Nagar Parishad, includes the study of internal sources of revenues specially created by the Nagar Parishad. The study excludes the revenues from various fees, penalties, grants, interest on investments, loans etc. The study covers the analysis of taxes and rates levied by the Nagar Parishad under its Jurisdiction. Sources of revenues covered by the study includes only those created by Nagar Parishad independently and excludes external aid as grants, fees, penalties. The study covers the period of five years from 1980-81 to 1984-85.

F) METHODOLOGY :

(1) RESEARCH METHOD :

Case study approach is used by the investigator in the analysis of municipal revenues. It is useful method of investigation because it involves basic unit as a 'case'. Cases can be studied in depth. Case study method is employed in studying 'problem-cases'. Problem of strengthening municipal revenues is really a 'problem-case'. The study is based on primary as well as secondary data.

In this study attempt is made to recount some aspects of post life by adopting method of historical approach.

Investigator expects to find out what is situation at present relating to collection procedure, difficulties in raising revenues. For this sometimes normative survey is taken to qualify the sound suggestions.

(2) SAMPLING :

Data, opinion and information is obtained from traders, house-owners, employees, truck-drivers, municipal officials, Nagar Sevak selected at random. Number of each type of interviewee above was taken as ten.

(3) DATA-COLLECTION :

Data, opinion and information was collected by using following tools.

(A) QUESTION SCHEDULES :

Separate schedule for each of the above persons in sample is used. Schedules are given in 'Appendix'.

(B) INTERVIEWS :

Interviews with persons selected in sample have proved useful in finding out hidden, unrecorded facts which otherwise are not available.

(C) OBSERVATIONS :

Observations have been made at Octroi places, use of water supply, office work in Municipal Office, Meetings of Nagar Councillors.

(D) ANNUAL ACCOUNTS AND BUDGET FIGURES :

(FOR LAST FIVE YEARS)

This documentary source is utilized in analysing the trends, ~~fluct~~ fluctuations and for comparative analysis.

G) DIFFICULTIES IN DATA COLLECTION :

Investigator was exposed to several difficulties during his field work particularly in course of interview with traders and house owners. The difficulties were nothing new and extra-ordinary, because collection of data in the social sciences is in itself a difficult task, requiring, as it does, a considerable extent of patience and courage on the part of the investigator. Many house-owners declined to give their annual rental value of properties and original vouchers, value of goods brought

in municipal area by some traders. Some house-owners denied to tell the actual use of water and wastages made by them.

Alternatively, investigator had to resort to observation of external appearance of water use, prevalent market rates of rents and had to resort to discussion with truck-drivers (in private) about the problems involved in octroi payment at entrance in city.

The establishment of rapport was most difficult aspect of the interview as the traders or house-owners were suspicious about investigator's identity and very often mistook him to be a person connected with different Government Departments relating to inspection. Contacting with interviewees was equally difficult due to time engagement not obeyed. However, the interviews were quite successful.

All possible efforts have been made by investigator to maintain the validity and reliability of the facts required for analysis.

H) PLAN OF THE STUDY :

The present study is divided into three parts. Part one relates to an introduction in which three chapters are included. First Chapter deals with the subject orientation. Second Chapter deals with the pattern of Local Governments and study approach. Third Chapter is about the Gadhinglaj Nagar Parishad.

Second Part covers all the selected sources of revenue and for every source separate chapter is devoted.

Third Part includes one chapter on conclusions and second on the suggestions. Appendix and Bibliography is stated at the end.

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