



Mains Practice Question

Q. “The states in India seem reluctant to empower urban local bodies both functionally as well as financially.” Comment. (150 Words, UPSC Mains 2023)

07 Nov, 2023 GS Paper 2 Polity & Governance

Approach

- Begin your answer with the Introduction that sets context to the question.
- Discuss how the states are showing a persistent reluctance to empower the Urban Local Bodies.
- Conclude with a positive note by providing your opinion.

Introduction

The lacklustre performance of the Urban Local Bodies (ULBs) like the municipalities is often talked about in the news. Despite constitutional provisions provided by the 74th Amendment Act, 1992, these bodies continue to face problem primarily of funds and functionaries.

Body

How states are reluctant?

- **Lack of Finance:** ULBs rely on state governments for grants, as their sources of income are inadequate, and taxes collected are not sufficient.
 - While ULBs are allowed to collect taxes, they tend to avoid it to not displease the electorate.
 - Instruments to raise capital such as municipal bonds, public-private partnerships and monetization of existing infrastructure are all arenas of raising capital that are currently untapped.
- **Functional Control:** Despite there being a constitutional mandate under Articles 243P to 243ZG, state governments show reluctance in devolving powers to the ULBs.
 - **Parallel Structures:** Bodies like water boards, and development authorities take away the responsibilities and powers from the ULBs.
 - **Bureaucratic Overpower:** Decision making power of the elected representatives is heavily curtailed by the state appointed bureaucracy.

Conclusion

Hence, there is a long way to go for liberalization of Urban Local Bodies and proper devolution of powers, so that they can realize their full potential.

