

Issues of local government: Indian experience

GEORGE MATHEW

THE Union Parishads are not working satisfactorily in Bangladesh and people are concerned about it. The BNP led coalition government is keen to set things right below the central level by strengthening the local government system. It was evident from the International Workshop on "Local Government Issues and Way Forward" organized recently in Dhaka by the Ministry of Local Government in cooperation with the World Bank and several bilateral and multilateral aid agencies.

The two areas which attracted maximum discussion during the conference were (i) the desirability or otherwise of multiple local government institutions (LGIs) and (ii) the relationship between Members of Parliament (MPs) and LGIs. There were arguments for having several tiers below the State level and strong voice exactly opposite of it. So also, there was powerful opinion for MPs to be part of the local government system and equally powerful against it. This article highlights some issues on these two contentious areas from the Indian experience.

Presently, the local government in rural India (Panchayat) has a uniform three-tier system for the rural areas -- zilla parishad/panchayat at the district level, panchayat samiti at the block/taluka level and gram panchayat at the village level. However, if the population of a state is less than 20 lakh then it needs only two tiers.

Why this three-tier system was brought about uniformly all over India in 1992 through a constitution amendment regardless of state specifics? It has a history of conflicting ideological positions of two political parties -- Congress and

Socialists. The Congress governments based on Balwantrai Mehta committee (1957) recommendations went for a three-tier system. However, since the local government is a State subject some states stuck to their traditional system of one or two tiers.

However, the socialist thinking was for a four pillar state for the whole country -- the Centre, the State, the District and the Village.

Although it is very hard for MPs to curtail their spheres of influence, it will be better in the long run if the MPs stick to their role as law makers and leave the local development activities as well as administration and governance to the duly elected local bodies...The ground reality and experience of Bangladesh as far as MPs are concerned cannot be different.

The Asoka Mehta Committee appointed by the Janata government led by the Socialists in 1977 to review the working of the panchayat system recommended a two-tier system and Karnataka and Andhra Pradesh states (non-Congress governments) very effectively implemented it with zilla parishad at the district level and mandal panchayat at the village (or group of villages) level. The average population of mandal panchayat in Karnataka was about 15,000 and 2,250 in Andhra Pradesh. However, when the 73rd Constitution Amendment (1992) was passed, it was the Congress government in power at the Centre and they wanted to stick to their original three-tier dispensation in spite of the fact that several states were uncomfortable with the three-tier system.

Today, there is a big demand for reducing the number of tiers and making the village units bigger on the principle of viability and manageability.

One of the problems faced by the three-tier system is providing ade-

quate staff at the intermediate level because of the long administrative traditions. Problem of organic linkage between the three tiers is another. Today, the general feeling in India is that below the State level there should be only two tiers. And if a big state with big districts as administrative units would like to have three, they can have it. The move is to amend the Constitution to leave the question of intermedi-

ate level panchayats to the discretion of the individual states.

In India it is difficult to define a village. Some times the mouza, which is the lowest unit of land revenue administration, is referred to as a village. How small or big should a gram panchayat be? Since this was left to the States we have a wide population variation from 1,500 (Punjab) to 25,000 (Kerala).

In fact, States having very small gram panchayats (Andhra Pradesh, Maharashtra, Madhya Pradesh, Uttar Pradesh) are finding it difficult to deal with large number of governance units. Therefore, the principle today is that it should not be too small to pose problems of viability and too large to prohibit people's participation. Moreover, small units cannot be a viable unit for decentralised planning. Neither it can generate internal resources nor it can recruit staff of its own. State governments find it difficult to give them fulltime staff. It is said that smallness is more a curse than blessing for a gram panchayat. The gram sabhas (village assemblies) in relatively big gram panchayats are

being held in the wards for the population inhabiting the area and it is manageable. In West Bengal and Kerala this happens effectively. Several Local Government Acts in Bangladesh: Union Parishad Act (revision) 1983, Polly Parishad Act 1997, Upazila Parishad Act 1998, Zila Parishad Act 1999 and Paurashava Ordinance, 1977 were and are creating confusion and ineffectiveness. The Government

on the basis of the recommendations of the Local Government Commission of 1997 had decided to introduce four-tier local government in rural areas: Gram Parishad for Village, Union Parishad for Union, Upazila Parishad for Thana and Zila Parishad for District. The legal procedures for the Zila Parishad were yet to be completed.

In the Bangladesh context with 130 million population and 61 districts it would be ideal to have two directly elected tiers at the District and Union levels. The earlier Division tier should be abolished; Districts must have Councils, which is the ideal way of decentralised governance and as recommended by Rahmat Ali Commission. In this case the elected district President will be the "chief minister" of the district and Collector/Deputy Commissioner a chief executive officer (CEO). The Union Parishads which are historical and well established must continue, perhaps with delimitation of its boundaries with a view to increase efficiency and effective participation.

Regarding the MPs and the local

bodies, the Indian Constitution has given the freedom to the states to make provision for ex-officio membership of the members of both the houses of parliament in the intermediate and district levels of panchayat. Many state Acts have this provision. The Madhya Pradesh State Act has even gone to the extent of enabling an MP or Member of the Legislative Assembly (MLA) to have his nomi-

nee on the panchayats. In the last ten years, protests have been mounting against this provision saying that this is arbitrary and unconstitutional.

In fact, there is hardly any rationale behind the provision on ex-officio membership of MPs and MLAs in the panchayats. The argument that as representatives of the people they have the responsibility to highlight the critical problems of the local areas at the state or national level and, as such, they should have membership in the panchayats, does not hold water because it is not necessary to be a member of the panchayat to get acquainted with the local needs and problems. An MP or an MLA is not required to represent his constituency in the panchayats. For this, people have their separate set of representatives. The presence of MPs/MLAs in panchayats quite often creates negative effect, because, they tend to dwarf the panchayat members who are invariably less powerful politically. They may, thus, stand in the way of encouraging the growth of grass-

roots level leaders.

Therefore major states in India -- Maharashtra and Kerala -- do not permit MPs and MLAs to participate in the panchayat proceedings.

A proposal before the Constitution Review Commission is that the enabling provision relating to the ex-officio membership of MPs and MLAs should be deleted. They may, however, be members of the District Planning Committee to be constituted by the Zilla Parishad.

Another major issue agitating the minds of pro panchayat citizens is the MPs' Local Area Development Scheme (MPLADS) by which each MP gets two crores rupees a year for about 23 development schemes. The general feeling is that it assaults the Constitution, as these are the subjects assigned to the rural and urban local bodies. Several reports suggest that MPLADS funds are misused as they develop their own priorities for expanding their own vote bank.

Although it is very hard for MPs to curtail their spheres of influence, it will be better in the long run if the MPs stick to their role as law makers and leave the local development activities as well as administration and governance to the duly elected local bodies. Of course, the MPs have an important role in terms of educating their constituencies in terms of national priorities, perspectives and their own party programmes.

The ground reality and experience of Bangladesh as far as MPs are concerned cannot be different.

(George Mathew is Director, Institute of Social Sciences, New Delhi who recently participated in an international seminar on local government, held in Dhaka)



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For your information

Most commonly used antacids contain aluminium and magnesium compounds. Magnesium salts are highly toxic to the kidneys and can further damage them. If antacids are to be used by patients with chronic renal failure, they should avoid magnesium-containing antacids.

An aluminium hydroxide antacid does not contain magnesium and is, therefore, safe for such patients.

A nasal block is quite common due to a variety of reasons including allergy, infection and a deviated nasal septum. It has been observed that some people tend to use nasal decongestants for months and years together to control their running noses. This is a very dangerous practice as it can damage the inner lining of the nose.

Never use nasal drops for decongesting your nose for over 7 to 10 days. These drops are only an emergency remedy. It is wiser to visit your doctor who will try and get to the root cause of the problem and not just the symptoms.

Next: Around the world

Of response to political criticism

ABUL M AHMAD

THE way political parties criticise each other here is not at all educative. The invisible bond in the society cracks, as tolerance is not cultivated, nor expected. There is no give and take. Coexistence is not recognised. This negative attitude reflects adversely on the pace of national development. There is a difference between focussed criticism, and general criticism. The latter's credibility depends on the right approach to the issue under review. After getting

inside the forest, examining the branches and leaves is a separate exercise. At the recent general election, majority of the voters sent a strong signal to the insensitive and lazy politicians as to what they expect of the government during the coming five years. Evasive replies won't do, nor creating alibis. During the last decade, the major opposition political parties indulged in boycotting the parliament for almost eight years. How long the citizens are to endure this sort of evasive politics, and that too outside the parliament?

Are we going to have another parliament without the Opposition? We had to invent the neutral caretaker government to appease the politicians, so now let us invent a new type of politics, acceptable to the politicians, but not to the voters!

If the politicians think they can continue to sideline the practice of democratic practices, then they are taking a huge risk with the electorate. The verdict on the previous regime had been shattering to the major party, in spite of the fortress erected by the halo of the father of the nation. The public will be watching with deep interest how this party revives itself for future tall tale service to the nation.

It is interesting to note that the political institutions and culture failed to take roots since the partition of British India, as also after the emergence of Bangladesh. The critics and analysts have to address the civil society with more awareness of the background reasons, so that the political players may pay

some heed (there is none to control these firebrands with a blank fire output). The political leaders talk about everything except the state of politics, and the remedies thereof. Why live off others' kills?

Fault-finding is not analysis, and defamation is not a cure or solution. Passing on the buck is still an active culture. Now the very ingredients of political soup have been adulterated with black money and terrorism, and lateral entries at the top by business persons and the bureaucracy.

A country cannot be governed when politics becomes a business.

Then the dead personalities are creating too much interference through over-zealousness of the subjective supporters. The merits and demerits of the dynasty rule has to be laid open for public opinion.

The only hope now is that the new regime will take a note of the changed perception of the millions of voters, and be more pragmatic in approach (the nation first). The goods and services have to be delivered in different forms of packages. Why the political parties always presume that they were working over slippery ground, and self-survival was the first priority, above the national interest? Get anchored, then drop the bridge at the landing.

The world is changing fast after September 11, and we cannot afford to waste national energy in local political bickering. When the voters can live together side by side, why the politicians cannot? The opposition is a part of the governing process, like a ball which ceases to be a ball when split into two. The politicians are not learning their lessons for three decades. At this election, the voters lost their patience, and gave a clear verdict. The meaning of this has to be explained by the leaders of the society.

After all, it is all our fault -- we get the leaders we deserve. If it is otherwise, who will demonstrate it?

Some tips to handle the ailing power sector

ENGR. MASUD ALAM ZAHANGIR

IF challenge is there, an area in power sector can be explored where solution stands. Rural Electrification Board (REB) can be placed as a unique example. REB, established in 1977, has shown an excellent performance in power sector of Bangladesh because it has got the lowest system loss with highest bill collection. It is true that REB is getting a strong support from a U.S. consultant, National Rural Electric Cooperative Association (NRECA). In fact NRECA built REB on U.S. model, which is operating through Palli Biddut Samity (PBS). This model constantly helped REB to achieve this significant success. Apart from REB, the other distribution sectors are PDB, DESA and DESCO. All big loads in Divisions, districts, and industries including municipal areas are connected to PDB. PDB has got central division including three more divisions. These are known as northern, southern and western divisions. Now these divisions have been divided in eight zones. All the zones are connected with significant load. From reform concept, government decided to create Dhaka Electricity Supply Authority (DESA) to gear up power infrastructure for Dhaka city and incorporated private sector. As pilot case Dhaka Electric Supply Company (DESCO) was created in September 1998 to cover Mirpur area, a portion of Dhaka. Government decided to set up Rural Power Company (RPC) the concept of success story of REB. With time REB is penetrating rural areas and helping to eradicate poverty. REB is

performing this job through 68 Palli Biddut Samity (PBS). Customers' participation in this activity is also projecting positive signal and favouring to boost PBS policy in order to run the PBS on right track.

PDB's and DESA's operational performance has deteriorated extremely due to huge system loss, and huge outstanding bills. Gradually distribution sector is losing its functionality in the event of trust and coming under large challenge and the economy itself is put to hurdle in its move forward. Donor countries

The government needs to review the PDB act. At present the act itself appears as a hindrance. Government has to be ensured of the return against sold energy. Private companies' innovation should be there to guarantee the return of sold energy.

are gradually showing their reluctance to help this sector and imposing stricter terms and conditions. Under this scenario there is no alternative except improvement of distribution system including performance to save the power infrastructure, which will ultimately give a favourable impact on the country's economy and to achieve this huge task it has become prime need to get rid of the main vice, corruption.

Unfortunately power sector has gradually been gripped by corruption since long and no significant sign for improvement is in sight so far. Due to this poor performance and corruption in different energy sub-sectors of Bangladesh, the World Bank is asking the government to improve the performance of power sector, particularly lowering

more than any other organization. So we do not have any option except reorganization of the power sector. To execute this huge task in practice, a massive arrangement in PDB itself has to be placed to make the sector financially viable.

To get access to standard performance of distribution sector the following indicators have to be processed under proper guidance:

- Consumers per kilometre.
- Revenue per kilometre per annum.
- Cost against operation and maintenance per kilometre.
- Administrative cost per kilometre.
- Administrative cost per consumer.
- Investment per consumer.
- Technical loss.

- Non-technical loss.
- Load factor.
- Power factor.
- Cost against operation and maintenance per consumer.
- Working force per kilometre.
- Working force per sold MWH per month.
- Consumer's type.
- Consumed energy by large, medium industries and monitor metering every month.
- Outstanding bill.
- Outage in hours per month.
- Outage in MWH per month.

Energy used by consumers per month.

Present penetration rate.

Maximum penetration rate.

A task force can be an important step in preparing features that can help main components like distribution, generation and protection and finally the other components. Indeed task force will work as main projector and recorder to endorse reform technology. Since the task force will write the main chapter of the system, it is extremely important to identify the capable members and they should be technically sound especially in power sector. Any bad formula can put this sector in further crisis. Task force has to look at all nooks and corners of this sector carefully and then only a proper answer to problems can be sorted out. It will be necessary to develop a detailed scope of work that needs to have demographic as well as historical data in order to develop an economic model for future projections with proper coordination within REB, DESA, DESCO and PDB. It needs to start from grassroots approach to every individual entity; load growth, detailed analysis of future loads and comprehensive plan to meet these needs which correspond transmission line, grid substation projecting viability issues including long range financial forecasts are core policies in power sector.

Task force needs to handle the job in two areas: one at present level and the other for long-range level in a broad base case, which should forecast a master plan for next twenty years. This long-range level needs to cover: transmission needs at national level; grid substation with proper location and numbers at national level; distribution needs at national level; generation needs at national level.

Technology transfer impact can drive power sector into a new area. Task force has to process this part of the task on priority basis. Bangladesh is still far from advanced technology in power sector. A partnership is important here. Donor community assistance will be required to develop this sector by identifying its depth of importance. A few good softwares can solve most of the engineering analysis.

Based on analysis, it is recommended that PDB, DESA, DESCO, REB and the PBSs need to purchase engineering software package which can handle extensive number of functions for analysis and planning that offers a very user-friendly graphical interface for both the creation and editing of the engineering database as well as the execution of the engineering func-

tions featured in the software.

Task force has to find a few extra logistic supports at present level by reducing expenditure against transportation cost. At the end of the year this sector faces a huge expenditure only on this count. Some kind of way has to be explored to reduce bulk expenditure against transportation. No doubt transportation is mandatory to keep the system alive. As model we can go for the system of developed countries in this area: the employees are buying transport with their own money and getting a

driving allowance. But it will be quite difficult to implement this system unless the employees are encouraged with interest free loan. With this system bulk amount of money can be saved in this area, on the other hand employees will have ownership of vehicle and will be encouraged to work forward.

Task force shall have to execute field jobs as well with the help of local staff, viz. level of performance with evaluation; record and comparison of financial card against expenditure; voltage, load current and energy recording; programmable meters for H.T. customers for both 11KV and 33KV; removal of illegal connection, ensuring immediate connection of legal consumers; running computerized billing system; going for 100 per cent collection; going for consumers database; ensuring replacement of faulty service drops and meters; survey of lines, utilities consumers with the help of genuine consultants; digitizing of maps (distribution area) with GIS technology.

No doubt financial support will be required for task force to adopt policy of value. An expenditure is already being incurred even without task force. Now if we compare existing scenario of system loss against 10 per cent loss then we can secure a huge saving provided task force could walk on right track.

PDB imported 5922 million units (electric supply units) in fiscal year 1999-2000 and its sold quantity was 4031 million units to own customers. Therefore system loss is 1891 million units, which is equivalent to 31.93 per cent system loss. So considering 10 per cent system loss we could save 1298 million units. From these 1298 million units extra revenue could be earned which is almost 3700 million taka, if average tariff is taken at 2.85 taka in the fiscal year 1999-2000. If we consider maximum expenditure for task force for one fiscal year should not exceed 20 million taka then net savings becomes 3680 million taka.

It is possible to reduce peak hours' demand in the distribution part by load management, staggering of holidays and reducing non-technical losses. Through load management in peak hour a bulk load can be saved. In 1998-99 fiscal year commercial consumption was 359 million units, which is almost 68 MW and the industrial consumption was almost 1700 million units, which is almost 121 MW, considering the load factor as 0.6. With the help of proper load management at least 25 per cent load can be saved at peak hour, which is almost 110 MW.

If we focus on non-technical loss

in standard format it will also project a huge saving. PDB imported 5922 million units (electric supply units) in fiscal year 1999-2000. In standard case the system loss should not exceed 10 per cent distribution loss. As such the technical loss should be 592.2 million units. But the sold quantity was 4031 million units. Therefore total demand stands at (4031+592.2) = 4623.2 million units which is almost 880 MW with 60 per cent load factor. On the contrary 5922 million imported units the demand becomes 1126 MW. So 246 MW non-technical loss could be saved.

By staggering holidays peak-load can be saved in PDB if zones are split in seven divisions based on commercial and industrial load. If all seven days in the week are used carefully by imposing holidays in seven divisions then at least 40MW load can be saved in peak hour. Therefore a total load which is almost (110+246+40) MW =396 MW, say 400MW can be saved in peak period. Broadly, by incorporating REB, DESA, DESCO with PDB in this regulation, the saving will be as much as twice compared to PBS's saving.

And finally, the government needs to review the PDB act. At present the act itself appears as a hindrance. Because this act has given a boundary. But we have to think beyond boundary. Government has to be ensured of the return against sold energy. I feel private companies' innovation should be there to guarantee the return of sold energy. To execute this, Government has to review PDB Act. Reviewing of job rules is also important. Success of any sector depends on initiative and sincerity of employees. Hire and fire both are equally important to keep the sector professional.

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