Polity & Governance · GS - II

"The states in India seem reluctant to empower urban local bodies both functionally as well as financially." Comment.

EXAM YEAR	PAPER	SUBJECT
2023	GS - II	Polity & Governance

MARKS	WORD LIMIT
10	~150 words

Answer Hint

The 74th Constitutional Amendment envisaged empowered urban self-government, but incomplete devolution of functions, funds and functionaries has left municipalities dependent on state governments, weakening participatory urban governance.

Model Answer

Introduction

The 74th Constitutional Amendment Act, 1992 gave constitutional status to Urban Local Bodies (ULBs) and envisaged them as institutions of self-government. Yet their actual empowerment remains limited.

Body

Evidence of Reluctance

Functional dependence: Although the Twelfth Schedule lists 18 functions, many important responsibilities remain with parastatal agencies and state departments.

Financial weakness: Municipalities have limited own-source revenues and remain dependent on State grants and transfers.

Limited taxation powers: Property taxation, user charges and other municipal revenues often remain politically and administratively constrained.

State control: State governments exercise considerable control through legislation, approvals, personnel decisions and administrative structures.

Weak fiscal devolution: State Finance Commissions have often suffered from delayed constitution, inadequate implementation and weak follow-up.

Consequences

Such dependence weakens local accountability, compromises service delivery and makes cities less capable of responding to urbanisation, housing, sanitation, transport and climate-related challenges.

Way Forward

States should genuinely devolve the **3Fs—functions, funds and functionaries**. Regular and effective State Finance Commissions, predictable transfers, stronger municipal revenue systems, professional municipal cadres and greater citizen participation are essential.

Conclusion

Constitutional recognition alone cannot create effective urban self-government. **Empowered municipalities require genuine political, administrative and fiscal decentralisation from the States.**

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