

**Institutional Innovation: New Forms of Participatory Democracy at
Sub-National Level in IBSA Members**

**Dr. Aprajita Kashyap, Assistant Professor, USLLS, GGS Indraprastha University, New Delhi ,India*

Abstract

The UN Secretary-General's High-Level Panel on the Post-2015 agenda wrote in its report: "Local authorities form a vital bridge between national governments, communities and citizens and will have a critical role in setting priorities, executing plans, monitoring results and engaging with local firms and communities." As a prelude to this conviction, democratic decentralization has spread in most countries which have elected sub-national governments as a first step towards devolving political, fiscal, and administrative powers to this third tier of governance. Alternatively termed the principle of subsidiarity, it ensures that local issues are best decided closest to the concerned citizens. Empowerment of local political bodies create institutions that are more accountable to local citizens and take into consideration the local needs and preferences. The benefits of participatory democracy are numerous: reduces regional, linguistic, religious and ethnic conflicts by accommodating diverse aspirations; makes easier the demands for transparency and accountability when leaders work close to the people; deepening of democracy ensues when people participate in decision making, recognize and demand their rights; results in effective public services delivery due to easing of logistical challenges to providing access to health, education and public safety; and importantly empowers women and marginalized groups.

It would be worthwhile to examine India and Brazil as cases to help improve the South African decentralization process. In Brazil the municipal governments as an alternative to state and federal governments caters to crucial sectors as preferred by the constitution. Direct participation of citizens and municipal leaders in participatory budgeting aims at the inclusion of all possible social actors in the public budget preparation. By enhancing citizen participation, government corruption and the diversion of public funds is avoided. In India the amendments to the Constitution in 1993 established local governments in rural and urban areas and clearly gave the local self government greater political and fiscal authority. Local plan preparation under the leadership of local governments has been encouraged by the Planning Commission of

India and the Ministry of Panchayati Raj .The system of local planning is designed to improve public participation by enabling citizens to be able to earmark funds and their utilisation.The innovative institution in India and Brazil are autonomous research and training bodies that provide inputs to strengthen urban local governance, share best practices, and provide capacity building and training. In addition, there are internet-based redressal and monitoring system for improving public service delivery and enabling citizens to provide feedbacks and lodge grievances from remote locations.

Background

The objective of participatory democracy has been to create opportunities for all citizenry to make meaningful contributions to decision making. In Ancient Greece during the 7th and 8th century, the informal distributed power structure of the villages and minor towns began to be displaced with oligarchs seizing power as the villages and towns coalesced into city states. This bottom-up vision was refined in Catholic social teaching Pius XI in 1931 into the principle of subsidiarity that conforms to the fact that it is an injustice and at the same time a grave evil and a disturbance of right order to transfer to the larger and higher collectivity functions which can be performed and provided for by lesser and subordinate bodies.ⁱ Much later the principle of subsidiarity was clearly defined in Article 5 of the Treaty on European Union (EU, 1992) and it ensures that decisions are taken as closely as possible to the citizen. A brief period where a region was governed almost totally by participatory democracy was during the Spanish civil war, from 1936-1938, in those parts of Spain controlled by anarchist Republicans. In the 1960s, the promotion and use of participatory democracy was a major theme for elements of the American Left. In 2011, participatory democracy became a notable feature of the Occupy movement.ⁱⁱ

In most countries the key motivations for decentralization are (i) Diffusing regional differences: a decentralized system can reduce regional, language, religious and ethnic conflicts by effective response to diverse regional aspirations. (ii) Social accountability: When leaders live close to the people, it is convenient, accessible and far easier for people to demand transparency and accountability. (iii) Deepening democracy: When meaningful decisions occur at the local level, people are more inclined to participate, to willingly contribute, and to recognize and demand their rights due to the feeling of inclusion.(iv)Effectively providing public services: The logistical challenges of providing access to primary health, primary education, water, sanitation

and public safety can best be solved locally.(v) Community mobilization: Participatory local government can best mobilize mass action campaigns for road repairs, sanitation, behavior change and other “people-power” solutions to achieving community priorities. (vi) Empowering women and marginalized groups: The simple logic is that it is far more convenient for women and marginalized groups to organize and express their demands at the local level that does not take them away from the comforts of their familiar environs.

The chosen three IBSA forum countries within a span of eight years gave constitutional protection to the local self governments(LSG) although the strength and role varies in them. Brazil’s return to civilian rule was also marked by the extensive protection of local self-government in the Constitution of 1988. The entrenchment of local government in the 73rd and 74th amendments to the Indian Constitution in 1992 was prompted by developmental concerns, while the extensive protection of local self-government in the South African Constitution of 1996 was the result of both democratic and developmental goals. The research question guiding this paper would then clearly revolve around three important issues- (a) is there enough commonality in local governance to utilize common resources; (b) what are the ways of strengthening instruments of participatory democracy; and (c) how could India, Brazil and South Africa mutually benefit from each other by sharing their best practices?

South Africa

In moving from a racially defined local government system, South Africa went through three major phases clearly giving considerable attention to local government mentioning detailed provisions on local government in the Constitution of 1994 . The constitution recognises three spheres of institutional action national, provincial and local governments as separate and autonomous within the framework of a unitary arrangement. The relationship is cooperative not hierarchical and it establishes the principle of subsidiarity. In addition to the functions of local government, national and provincial governments were to transfer functions and revenues to local governments. The local municipalities within South Africa have council where decisions are made but there are another set of officials who implement the work of the municipality. The Council is an elected body that approves policies and by-laws for their respective area and has to pass a budget while keeping in mind development plans and service delivery. The elected Mayor assisted by the Executive or Mayoral Committee oversees the work of the departments.ⁱⁱⁱ Local

governments have access to revenues and also manage their own personnel. It is significant that like in Brazil, a country with extensive decentralist constitutions—fiscal flows from the South African national government does not go through the provincial governments. In addition, the South African constitution empowers organized local government bodies. For instance, it recognises that South African Local Government and their provincial representatives are nominated to the National Council of Provinces in the national parliament.^{iv} SALGA is an association of 278 municipalities in South Africa. It is the Voice of local government which lobbies and advocates on behalf of municipalities. SALGA also can nominate two members of the Financial and Fiscal Commission which advises the ministry of Finance on Budget issues. There are also a number of intergovernmental institutions for assisting the facilitation of intergovernmental relations at different tiers. Most of these are located in the President's office of South Africa.^v

The word 'sphere' was a deliberate deviation from the term 'tier' used in the 1993 Constitution, in an attempt to move away from the notion of hierarchy. In a lengthy chapter on local government, the Constitution provides that the local sphere consists of municipalities covering the entire country and that a municipality 'has the right to govern, on its own initiative, the local government affairs of its community, as provided for in the Constitution'.^{vi} The flipside of this right is that 'the national and provincial government may not compromise or impede a municipality's ability or right to exercise its powers or perform its duties'.^{vii}

The amended text, adopted on 11 October 1996, contained three categories of municipalities – A, B and C. Category A comprised self-standing municipalities, later referred to as metropolitan municipalities. Categories B and C municipalities have 'shared' authority over areas falling outside the metropolitan areas. The basic unit is a local municipality (Category B), with a number of these constituting a district municipality (Category C). A metro exercises all local government powers, while these powers are divided among a district and its local municipalities. The Constitution further required local government for the entire area of the country – establishing the principle of wall-to-wall local government.^{viii}

Brazil

Brazil was one of the countries to go for the constitutionalization of local governments in the developing world. Local authorities in that country had been used by politicians as tool of control and in fact presidents used to appoint the mayors of the cities and states, as in most other Latin American countries. In 1946 Brazil undertook a major reform of the local government system which had some outstanding elements. It defined a municipality, *município* in Portuguese or (local government) in terms of population and area size. It assigned them with responsibilities and autonomous financial and human resources and codified all of these in the constitution. Finally, local governments were accorded a third tier status, to complement federal and state governments. Several other countries followed this lead many years later. In October 1988, Brazil further deepened her commitment to constitutional decentralization when the constituent assembly drafted and passed a new constitution that granted far greater autonomy to states and municipalities (local governments). This became the basis for redemocratization after 20 years of military rule. Article 18 of this constitution designated municipal government as the third tier of government of the Brazilian federation that share the same status as state governments. These municipalities enjoy autonomy in terms of their elite recruitment—they hold direct elections for the municipal mayor as well as the council.

Moreover, they enjoy broad autonomy in levying taxes and other forms of incomes, approving expenditures and hiring employees and even contracting debts. Total revenue for municipal governments was 7.4% of GDP and expenditures was 15% of total national expenditures in 2004 because they are also beneficiaries of substantial transfers from national and state governments. Since most of these funds are spent on primary or basic education (24%) and health (22%), general public and urban and community services (12%) the impact on service delivery has been considerable. This has also stimulated participation of the masses of the citizens although the constitution also made deliberate provision for greater citizenship participation through community councils and participatory budgeting.^{ix}

The important capacity building institutions in Brazil are :The Brazilian Institute of Municipal Administration (IBAM) which addresses local issues through working groups and local networks. IBAM trains community leaders, policy-makers and public officials to strengthen their capacity to lead and develop successful development projects as well as solid political structures;

the Brazilian Association of Municipalities (ABM) promotes cooperation between municipalities, institutions, states and the international community; the National Confederation of Municipalities (CNM) works toward strengthening the autonomy of municipalities and promote citizen participation; and the National Front of Mayors (FNP) promotes the participation of the local community and exclusive mayoral leadership within the municipalities.^x

India

A well designated structure of decentralised governance and formal processes have existed in India since the ancient times and are described in detail in Vedic scriptures (Singh, 1999). India in the past boasted of village autonomy through the strengthened institutions of *Gram Sabha* and *Gram Panchayat*. The modern nation-state that emerged on the edifice of colonial structure had weakened during the post-colonial experience, the bottom-up approach and subsequently the base of the local governments. Mahatma Gandhi in his arduous campaigns would talk about Gram Swaraj or village autonomy and had no qualms in calling them the building blocks of administration. In due course of time, the nation adopted the top-down, bureaucratic structures that mirrored their colonial past. A former Indian chief minister who championed decentralization once said, “The British created a system to enslave us, and we have carefully preserved it ever since.”^{xi}

When the constitution was enacted in 1950, it was silent on the issues of decentralisation at the grassroots level. Ostensibly the Article 40 of the Indian Constitution mandated that the states were supposed to take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self government.(UCLG, 2007). In 1959, a series of committees spearheaded the requirements of India’s social reality to be reflected within an institutional framework for local government. This eventually led to the 73rd and 74th constitutional amendments aimed at governance of rural decentralization and addressing urban decentralization (UCLG, 2007).In 1992, the 73rd and 74th amendments warranted the creation of the three tier structure of local government, direct elections in urban and rural areas, greater political and fiscal authority for panchayats, the creation of an independent state election commission, and the reservation of seats of Scheduled Castes and Scheduled Tribes (UCLG, 2007; World Bank, 2013).

There has not been abundance of literature and information about the source of panchayats' finances. According to different sources, local governments can impose taxes, user fees, and other charges. Municipalities' property taxes account for nearly 60% of their revenue and some cities also levy taxes on incoming goods. Panchayats also receive intergovernmental transfers, which account for approximately 90% of rural panchayat revenue (UCLG, 2007; Rao and Raghunandan et al., 2011). Most urban infrastructure projects undertaken by municipal local governments depend primarily on funds from state governments and other agencies (CLGF, 2013). According to the Central Finance Commission "less than half of municipal expenditure is financed through own sources and the size of municipal expenditure as part of GDP has declined from 1.7% in 1998/99 to 1.5% in 2007/08".

The innovative institutions furthering the governance at the grassroots level are-All India Institute of Local Self--Government (AIIILSG) is an autonomous research and training institution to strengthen urban local governance, share best practices, and provide capacity building and training (AIIILSG, 2014). The Accountability Initiative (AI) seeks to provide research and innovation for governance through exploring issues of accountability, access to information, and citizen empowerment tools. In addition there are a number of capacity building institutions like the Decentralization Community of Practice (CoP) is hosted by UNDP's Democratic Governance unit. Created in 2007, it brings together individuals focused on strengthening local governance. Foci include political, functional, administrative and financial decentralization for urban and rural areas as well as service delivery and access to justice (CoP, 2011). The National Council of Applied Economic Research (NCAER) focuses on "Decentralization, Rural Governance and Inclusive Growth: Linkage and Implications." The research analyzes aspects of rural governance to determine if the decentralization of government and its institutions can effectively achieve inclusive and poverty--alleviating growth (NCAER, 2012).

In 2010, India implemented the Centralized Public Grievance Redress and Monitoring System for citizen complaints through which citizens could submit their grievances and subsequently track progress toward them. The Ministry of Panchayati Raj assesses states' devolution and publishes rankings on their the website. Kerala has had great success pursuing a 'big bang' decentralization approach, implementing significant fiscal decentralization and then building local government capacity. Kerala has developed a high degree of citizen participation in the

decentralization process and implemented resource themed committees to divide discussions and lead to consensual decisions regarding the designated resource (World Bank, 2013).

	Brazil	India	South Africa
Form of Government	Federal	Federal	Unitary
No of Local Units	26 states, which are divided into 5,560 municipalities and one Federal District- the capital city Brasilia.	28 states and the 7 union territories have nearly 6,45,000 local governments. In the rural regions termed as the Panchayats and in the urban areas referred to as municipalities.	There are 278 municipalities in South Africa, comprising eight metropolitan, 44 district and 226 local municipalities.
Status	Local government rights incorporated in the 1988 constitution	Through the 73rd Constitution Amendment Act and the 74th Constitution Amendment Act of 1992 constitutional status was granted	Chapter 7 of Constitution of the Republic of South Africa, 1996.
Election	Municipal elections held every five years.	Tenure of 5 years for Panchayats	Municipal elections held every five years.

Conclusion

In recent years, remarkable innovations have emerged, and many countries have passed legislation designed to move government closer to the people. Yet, in many countries, there is a big gap between the policy and the implementation. Too often, local government lacks the financial and human resources, decision-making autonomy, and mechanisms for social accountability to fulfill their responsibilities. The key findings are: (a) laws are in place in many countries to move government closer to the people, (b) implementation is widely perceived to be lagging, and (c) decentralization faces significant challenges that must be addressed for local governance to play its vital role as a vehicle for sustainable, people-centered development. Most governments have some form of decentralization of its bureaucratic administration going back to colonial times. Establishing directly elected political bodies at the local level is also quite common, although in many countries the powers and resources of these bodies are highly restricted. Fiscal decentralization—allowing local governments to independently raise and spend a meaningful share of public revenues—is rarer still, but is vital to meaningful participatory local democracy.

Mobilizing people at a grassroots level to achieve self-reliance. Hunger Project strategies build people's capacities, leadership and confidence, equipping them with the skills, methods and knowledge needed to organize themselves and to take independent, self-reliant actions to improve their lives and conditions in their communities. 2. Empowering women as key change agents. Women carry out the bulk of the work needed to meet basic needs. THP readies and supports women to step into leadership roles, and shift their community's priorities toward issues of sanitation, nutrition, health and education. 3. Forging effective partnerships with local government. Local government is uniquely positioned to remove fundamental barriers and open essential opportunities for sustainable development. The Hunger Project partners with local government bodies to ensure they are effective, include women's leadership, and answer to the people.

The problems faced in the IBSA Forum members are similar -a sizeable gap between the policy and their implementation; lack of financial and human resources, decision-making autonomy, and mechanisms to discharge responsibilities with the local government. The paper within the theme of the conference would aim to explore whether institutional innovations in decentralized governance can achieve sustainable, inclusive and poverty-alleviating growth; probe if the

governments have been performing in accordance with their constitutional mandates; whether innovations and new forms of participatory democracy within India and Brazil can proffer valuable lessons for South Africa.

ⁱ Oswald von Nell-Breuning in S.J. Review of Social Economy (1951) pp.90-91 had mentioned how the Quadragesimo anno (Latin for “In the 40th Year”) an encyclical issued by Pope Pius XI on 15 May 1931 calls for the reconstruction of the social order based on the principle of solidarity and subsidiarity.

ⁱⁱ Boundless. “Participatory Democracy.” Boundless Sociology. Boundless, 21 Jul. 2015. Retrieved 09 Aug. 2015 from <https://www.boundless.com/sociology/textbooks/boundless-sociology-textbook/government-15/democracy-115/participatory-democracy-637-3330/>

ⁱⁱⁱ The Occupy Movement embodies a new pattern of development and underscores the need for new thinking on how public spaces can facilitate participatory democracy.

^{iv} AssociaCopyright © 2012 SciRes. BLR The Constitutionalization of Local Government in Developing Countries—Analysis of African Experiences in Global Perspective 47 tion (SALGA)

^v Dele Olowu Beijing Law Review, 2012, 3, 42-50 <http://dx.doi.org/10.4236/blr.2012.32006> Published Online June 2012 (<http://www.SciRP.org/journal/blr>) The Constitutionalization of Local Government in Developing Countries—Analysis of African Experiences in Global Perspective

^{vi} Nico Styler , The place and role of local government in federal systems, Konrad-Adenauer-Stiftung, Occasional Papers(Johannesburg) November,p.184

^{vii}Constitution of the Republic of South Africa 1996, S 151(3) and 151(4)

^{viii} Styler p.188

^{ix} Beijing Law Review, 2012, 3, 42-50 <http://dx.doi.org/10.4236/blr.2012.32006> Published Online June 2012 (<http://www.SciRP.org/journal/blr>) The Constitutionalization of Local Government in Developing Countries—Analysis of African Experiences in Global Perspective Dele Olowu

^x The Hunger Project: Participatory Local democracy: Gender focussed Community-led Development for all.

^{xi} Ramakrishna Hegde , the chief minister of Karnataka emphasised in a personal communication in 1994.