



Transforming Grassroots Democracy: The Evolution and Impact of the 73rd and 74th Constitutional Amendments

Dr. Nagendrappa K.T.

Associate Professor,

Dept. of Political Science,

Y.D.D. Government First Grade College, Belur, Karnataka, India.

ABSTRACT

The 73rd and 74th Constitutional Amendment Acts of 1992 represent a watershed moment in India's democratic journey, fundamentally altering the country's federal structure from a two-tier system to a robust three-tier framework. By granting constitutional status to Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs), these amendments sought to institutionalize grassroots democracy and promote decentralized planning. This research paper evaluates the historical necessity, structural provisions, and subsequent impact of these amendments on local self-governance. Through a detailed analysis of secondary data, the study explores how mandatory reservations for women, Scheduled Castes, and Scheduled Tribes have fostered political inclusivity. However, it also highlights persistent challenges, including fiscal dependency on state governments, bureaucratic interference, and the uneven devolution of powers. The paper concludes that while the legal framework for empowerment exists, real transformation depends on enhancing the functional and financial autonomy of local bodies to achieve true "Gram Swaraj" and urban resilience.

KEYWORDS: Local Self-Governance, 73rd Amendment, 74th Amendment, Democratic Decentralization, Panchayati Raj, Urban Local Bodies.

1. INTRODUCTION

The concept of local self-governance in India is not a modern imposition but an evolution of ancient traditions. Historically, the village "Panchayat" served as a self-contained unit of administration. However, the colonial era and the subsequent centralization of power in post-independence India often left these grassroots institutions marginalized. Although Article 40 of the Indian Constitution urged states to organize village panchayats, these bodies remained weak and lacked uniform structure until the late 20th century.

The 73rd and 74th Constitutional Amendment Acts (1992) emerged as a transformative response to the failures of top-down developmental models. By mandating regular elections, fixed tenures, and reserved seats for marginalized groups, the amendments aimed to return power to the people. Today, with over 3 million elected representatives, India manages the largest experiment in local democracy globally. Yet, the transition from being "agencies of the state" to "institutions of self-government" remains an ongoing struggle, characterized by a tug-of-war between constitutional intent and political reality.

2. AIMS AND OBJECTIVES

The primary aim of this research paper is to critically examine the effectiveness of the 73rd and 74th Amendments in reshaping local governance in India. The specific objectives are:

- To analyse the historical and legislative evolution leading to the 1992 amendments.
- To examine the structural and functional provisions of the Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs).
- To assess the impact of these amendments on social inclusion, particularly regarding women and marginalized castes.
- To identify the core challenges fiscal, administrative, and political that hinder the effective functioning of local bodies.

3. SCOPE OF THE STUDY

This study focuses on the macro-level impact of the 1992 amendments across India. It encompasses the rural governance framework established by the 73rd Amendment (Part IX) and the urban governance framework introduced by the 74th Amendment (Part IX-A). The research delves into the 11th and 12th Schedules of the Constitution, evaluating the 29 rural and 18 urban subjects intended

for devolution. While the study covers the broad national landscape, it acknowledges the diversity in implementation across different states due to the "voluntary" nature of certain provisions.

4. RESEARCH METHODOLOGY

This research is based on a descriptive and analytical approach, utilizing secondary data. Information has been systematically gathered from government reports, legislative documents, academic journals, and publications by the Ministry of Panchayati Raj. Data analysis focuses on identifying trends in devolution, representation, and fiscal autonomy since 1993 to draw meaningful conclusions.

5. HISTORICAL CONTEXT: FROM COMMITTEES TO CONSTITUTION

The journey toward the 73rd and 74th Amendments was paved by several high-level committees. The Balwant Rai Mehta Committee (1957) first recommended a three-tier system of democratic decentralization. Later, the Ashok Mehta Committee (1977) emphasized the need for a two-tier system and the participation of political parties. By the 1980s, the G.V.K. Rao and L.M. Singhvi Committees argued that without constitutional status, local bodies would remain "beheaded" and ineffective. These recommendations culminated in the 1992 legislation, which finally gave local bodies a permanent place in the Indian constitutional fabric.

5.1. The Legislative Genesis and Ratification of the 73rd and 74th Amendments

The legislative journey toward the 73rd and 74th Amendments was a complex process characterized by years of political deliberation and multiple failed attempts before reaching a final consensus. The initial momentum began in 1989 under the government of Rajiv Gandhi, which introduced the 64th and 65th Amendment Bills. Although these bills secured a significant majority in the Lok Sabha, they ultimately failed to pass in the Rajya Sabha because opposition parties feared the legislation would undermine the federal structure by allowing the central government to bypass state authority. A subsequent attempt was made in 1990 by the V.P. Singh government, but the dissolution of the Lok Sabha led to the lapsing of that bill before it could be formalized into law.

The breakthrough occurred under the administration of P.V. Narasimha Rao, which introduced revamped versions of the bills in September 1991. To ensure a smoother passage and address lingering state concerns, the bills were referred to a Joint Parliamentary Committee for rigorous scrutiny and refinement. This collaborative approach successfully balanced the need for mandatory constitutional safeguards with the preservation of state legislative powers. Consequently, the 73rd Amendment Act was passed by the Lok Sabha on December 22, 1992, followed immediately by the Rajya Sabha the next day. The 74th Amendment Act followed an identical legislative trajectory, receiving approval from both houses during the same period.

Because these amendments touched upon subjects within the State List of the Seventh Schedule, they required ratification by at least half of the state legislatures as per the requirements of Article 368. After the necessary number of states provided their consent, the President of India granted formal assent on April 20, 1993. The 73rd Amendment, focused on rural Panchayati Raj Institutions, officially came into effect on April 24, 1993, a date now commemorated as National Panchayati Raj Day. The 74th Amendment, which reorganized urban governance, became operational shortly thereafter on June 1, 1993. Following these dates, all state governments were mandated to harmonize their local laws with the new constitutional framework within one year, marking the permanent institutionalization of a three-tier democratic system in India.

6. THE 73RD AMENDMENT: EMPOWERING RURAL INDIA

The 73rd Constitutional Amendment Act is often described as the "Magna Carta" of rural development in India. It didn't just suggest local governance; it mandated a uniform structure across the country to ensure that the village became the basic unit of political life.

Here is a deeper dive into the specific mechanisms that empower rural India:

6.1. The Power of the Gram Sabha

The most revolutionary aspect of the 73rd Amendment is the formalization of the Gram Sabha. Unlike the Three-Tier structure (which consists of elected representatives), the Gram Sabha consists of every adult registered as a voter in the village.

- **Direct Democracy:** It is the only forum in India where citizens can directly participate in decision-making, rather than just voting once every five years.
- **Accountability:** The Gram Sabha has the power to approve the village budget, identify beneficiaries for poverty alleviation schemes, and audit the performance of the elected Panchayat members.

6.2. The Three-Tier Institutional Hierarchy

To ensure administrative efficiency from the village to the district level, the amendment established a mandatory three-tier system:

- **Gram Panchayat (Village Level):** The primary executive body responsible for local administration.
- **Panchayat Samiti (Block/Intermediate Level):** Acts as a bridge between the village and the district, coordinating developmental plans for a cluster of villages.
- **Zila Parishad (District Level):** The apex body that oversees the entire district's rural development and manages large-scale funding.

6.3. The 11th Schedule: 29 Subjects of Empowerment

The amendment added the 11th Schedule to the Constitution, which lists 29 specific functional items that states are encouraged to devolve to the Panchayats. This list moves the Panchayat beyond "street lighting and sanitation" to core economic drivers:

- **Agriculture and Land Reforms:** Managing local irrigation and soil conservation.
- **Small Scale Industries:** Promoting khadi, village, and cottage industries.

- **Social Forestry:** Managing fuel and fodder resources.
- **Education and Health:** Overseeing primary schools, libraries, and primary health centers (PHCs).

6.4. Mandatory Reservations: Social Engineering

The 73rd Amendment acted as a tool for social justice by breaking the traditional monopoly of dominant castes and patriarchs in village leadership.

- **Women's Reservation:** By mandating that one-third (33%) of all seats and chairpersons' posts (Sarpanch) be reserved for women, the Act brought women into the public sphere in unprecedented numbers. Many states have since increased this to 50%.
- **SC/ST Reservation:** Seats are reserved in proportion to their population in the area, ensuring that marginalized communities have a seat at the table where resource allocation is decided.

6.5. Constitutional Continuity: The State Election Commission

Before 1992, elections to local bodies were often delayed for decades by state governments. The 73rd Amendment ended this by:

- Establishing an independent State Election Commission (SEC) to ensure elections are held every five years.
- Mandating that if a Panchayat is dissolved, elections must be held within six months, ensuring no "power vacuum" exists at the grassroots.

7. THE 74TH AMENDMENT: ORGANIZING URBAN GOVERNANCE

This amendment added Part IX-A to the Constitution, titled "The Municipalities." It aimed to create a uniform framework for urban administration, ensuring that as a town grows into a city, its governance structure evolves accordingly.

7.1 The Three Types of Municipalities

The Act recognizes that "urban" is not a one-size-fits-all category. It mandates three specific types of institutions based on population size and economic importance:

- **Nagar Panchayats:** Established for "transitional areas" small towns that are currently shifting from a rural to an urban character.
- **Municipal Councils (Nagar Palikas):** Formed for smaller urban areas or mid-sized towns.
- **Municipal Corporations (Nagar Nigams):** Created for large metropolitan areas (like Delhi, Mumbai, or Bengaluru). These bodies have higher degrees of autonomy and larger budgets to manage complex infrastructure.

7.2 The 12th Schedule: 18 Functional Pillars

Similar to the rural 11th Schedule, the **12th Schedule** was added, listing 18 specific functions for municipalities. These go beyond basic cleaning to include:

- **Urban Planning:** Including town planning and regulation of land-use.
- **Economic and Social Development:** Planning for the prosperity of the city.
- **Public Health and Sanitation:** Waste management, hospitals, and fire services.
- **Environmental Protection:** Promoting ecological aspects and urban forestry.
- **Infrastructure:** Roads, bridges, and providing water supply for domestic and industrial use.

7.3 Planning for the Future: DPCs and MPCs

One of the most visionary parts of the 74th Amendment is the mandate for integrated planning:

- **District Planning Committees (DPC):** At the district level, the DPC consolidates the plans prepared by both the Panchayats and the Municipalities. This prevents a "silo" approach where a city develops without considering the rural fringe surrounding it.
- **Metropolitan Planning Committees (MPC):** For million-plus cities, MPCs are tasked with creating a draft development plan for the entire metropolitan area, focusing on shared resources like water, transport, and electricity.

7.4 Structural Safeguards and Representation

To ensure these bodies remain democratic and inclusive, the Act mirrors the 73rd Amendment's safeguards:

- **Ward Committees:** In cities with a population of 3 lakh or more, Ward Committees are formed to bring governance closer to the neighborhood level, allowing residents to have a direct say in their immediate surroundings.
- **Mandatory Reservations:** One-third of seats are reserved for women, and seats for SC/ST communities are reserved in proportion to their urban population.
- **Electoral Certainty:** The **State Election Commission** ensures that municipal elections occur every five years, and the **State Finance Commission** ensures that the city gets its fair share of state taxes to fund its development.

8. CURRENT CHALLENGES: THE THREE "FS"

Despite the legal status, the effectiveness of local self-governance is often stifled by the lack of three critical components: Funds, Functions, and Functionaries.

8.1 Fiscal Dependency (Funds)

Most local bodies remain "financially crippled." While the State Finance Commissions (SFCs) make recommendations for revenue sharing, many state governments are reluctant to devolve significant taxing powers. Consequently, local bodies depend heavily on tied grants from the Union and State governments, limiting their ability to address local-specific needs.

8.2 Overlapping Jurisdictions (Functions)

While the 11th and 12th Schedules list subjects for devolution, the actual transfer of power is at the discretion of the state legislature. In many states, parallel agencies (like Development Authorities) continue to manage urban and rural infrastructure, bypassing elected local representatives and creating a "crisis of authority."

8.3 Administrative Capacity (Functionaries)

Many Panchayats and Municipalities lack skilled staff, such as urban planners, engineers, and accountants. Bureaucratic control often remains tight, with state-appointed officials (like the BDO or Municipal Commissioner) wielding more practical power than the elected chairpersons.

9. CONCLUSION

The 73rd and 74th Amendments have undoubtedly democratized the Indian landscape, bringing governance to the doorsteps of millions. They have created a new class of leadership and provided a voice to the voiceless. However, constitutional status is merely the beginning. To realize the vision of "Purna Swaraj," there must be a genuine political will at the state level to relinquish control. Strengthening the fiscal base of local bodies, minimizing bureaucratic interference, and investing in the capacity building of elected members are the necessary next steps. Only when local bodies can plan, fund, and execute their own development will India truly achieve the ideal of decentralized democracy.

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