LOK SATTA

People Power

Deepening Democracy

Hyderabad, 13th October, 2004
The purpose of a government is to make it easy for people to do good and difficult to do evil.

William Gladstone
System Caught in a Vicious Cycle

- Inexhaustible demand for illegitimate funds
- Most expenditure incurred for vote buying
- Rise of political fiefdoms
- Vote delinked from public good
- Taxes delinked from services
- Political survival and honesty incompatible
- Social divisions exacerbated
- Competence and integrity excluded
- National parties marginalized
## Key Reforms

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The Track Which Impedes

Players (drivers)

Democratic Institutions (Engine)

Railings / Track

(political system)
Key Systemic Reforms

- Proportional Representation
- Clear separation of powers
- Political party regulation
Proportional Representation

- Gives representation to scattered minorities and reform groups
- A party’s image and platform, not local clout and money power, matter
- Incentive to buy votes in a constituency will disappear
- Genuine competition among political groups and ideas

Contd..
Proportional Representation

- Fair reconciliation of social and political groups
- No ‘wasted’ votes
- Disenchanted sections will find ‘voice’
- Political fiefdoms will disappear
- Political process will get into a virtuous cycle
Problems of Proportional Representation

**Problem**

- Political fragmentation in a plural society
- Party bosses will be autocratic
- Link between voters and legislator is snapped

**Solution**

- Reasonable threshold level
- Democratization of parties and choice of candidates
- Mixed system combining Proportional Representation with FPTP
A Suggested Model for India

- Mixed, compensatory Proportional Representation
- A threshold of, say 10% vote in a major state for Proportional Representation
- State as a unit for representation
What will PR Address

- Illegitimate money power in elections (supply side)
- Voter seeks money and liquor (supply side)
- Political fiefdoms (marginal vote not critical)
- Representational distortions (Vote share, not local concentration, matters. No wasted votes)
- Competence and integrity excluded (decent candidates can win in list system)
- National parties/ reform parties marginalised (vote share gives representation - not constituency victory alone)
Separation of Powers

- Direct election of head of government at State and local levels
  - No one can buy a whole state electorate
  - Image and agenda of leader will be decisive
  - With separation of powers, there will be no incentive to overspend for legislative office
  - At state level, there is no fear of authoritarianism as Union government, Election Commission, Supreme Court etc., will act as checks
  - Honest leaders can survive in public office
  - There will be checks and balances to prevent abuse of office

contd..
What will Direct Election Address

- Illegitimate money power and corruption (supply side)
- Voter seeking money (demand side)
- Rise of political fiefdoms (Legislative office and local clout have no bearing on executive)
- Vote delinked from public good (executive unencumbered)
- Deepening fiscal crisis (free from vested interests)
- Political dynasties (term limitations)
- Honesty and survival incompatible (survival depends on people’s mandate alone)
- Competence and integrity excluded (State wide appeal matters. Cabinet from outside legislature)
Political party regulation

Membership
- Free, open and voluntary
- Uniform, objective conditions / no restrictions
- No arbitrary expulsion
- Due process for disciplinary action

Leadership choice
- By regular, periodic, free and secret ballot
- Opportunity to challenge leadership through formal procedures with no risk of being penalised

Choice of candidates
- By members at constituency level through secret ballot
- By elected delegates through secret ballot
- Central leadership cannot nominate candidates
What will Party Democracy Address

- Rise of political fiefdoms: Members decide candidates
- Honest and competent candidates will be able to win nomination
- Political dynasties will vanish
- Political process will gain legitimacy
How will Direct Election, PR and Party Democracy go together

- PR leads to fragmented legislature. Direct election will ensure stable executive independent of legislature.
- PR has the propensity to make party leadership more powerful. Party democracy gives power to members preventing arbitrary choices.
- Pure PR leads to small, caste-based parties. Reasonable vote threshold requirements will eliminate the danger.
What will the System Look Like?

- Citizens have two votes - one for a candidate in the constituency; one for the party of their choice.
- Party vote determines overall seat share. The party gets seats allocated from the list.
- In states, citizens directly elect the head of state, who forms a cabinet of his choice, and has a fixed term. There will be term limitations.
- Citizens vote for a party based on its image, platform and the slate of candidates presented in the local electoral district (say, 5-10 seats).
What will Decentralization Address?

- Illegitimate money power in elections
- Vote buying
- Vote delinked from public good
- Fiscal crisis
Principles of Devolution

- The guiding principle of devolution shall be that whatever could be handled at the local level practically shall be devolved to that tier of government – Principle of Subsidiarity

- Only parts of those functions which cannot be handled by the local government shall vest with the state

- For all the functions that are transferred to the local government, the funds and functionaries shall also be transferred completely.
Functional Devolution

- All the functions, funds and functionaries pertaining to the subjects enumerated in the Eleventh and Twelfth Schedules should be transferred to local governments with immediate effect.

- Functional delineation among the three tiers of local governments should mark any such devolution.

- What can be handled at the local level should be done at that level and only those that cannot be done locally should be passed on to a higher level i.e., from the Gram Panchayat to the Mandal Parishad and Zilla Parishad
Finances

- The state budget under each head should be divided into: 1. State wide, 2. District-wise
- Allocating 50% of the total state government plan budget to the local governments
- Savings under non-recurring (capital) items shall not be diverted by local governments for recurring expenditure.
- Savings on recurring expenditure can and should be diverted to non-recurring expenditure. This encourages fiscal prudence and savings.

Contd..
Finances

- The Zilla Parishad should have the powers for re-appropriating amounts from one item to another within the budgetary allocations for the district, subject to the conditions that savings under non-recurring or capital items shall not be diverted by local governments for recurring expenditure.

- Make the recommendations of the SFC binding on the state government and making amendments to Article 243-I to introduce the words “or at such earlier times as the governor considers necessary.”
Functionaries

- Local governments shall be the appointing authority – in respect of the officials transferred to the control of local governments.
- In respect of senior functionaries – on deputation to local governments for a fixed tenure.
- Powers of Head of the department should be transferred to the Zilla Parishads
- All new staff appointing authority will be the local governments

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Contd..

**Functionaries**

- All new staff appointing authority will be the local governments.
- All wages and service conditions of such transferable employees will be protected by the state government.
- A Staff Review Commission can be constituted to go into the details of transferring functionaries to the local governments.
- Statutory District Staff Committees to attend to the administrative appeals and grievances of various functionaries working with local government can also be constituted.
District Government

- There is no single, undivided government representing all sections at the district level.

- There is a need to provide for a single elected district council that will function as a true government for the entire district.
Structure

- Empower the state legislatures to decide the structure of local governments, subject to the overall constitutional provisions.

Panchayat restructuring:
- The size of a Panchayat in Andhra Pradesh varies from 500 to 25000. As a consequence some of the Gram Panchayats are not financially viable. Hence Gram Panchayats should be constituted with a population of 3,0000 – 4,0000 in the plain areas and 15000 – 20000 in the tribal areas.
Reservation of Seats in Local Governments:

- The seats in local governments should be reserved for two-terms

- Making the Legislative Council, a council of local governments
Accountability

- Citizens Charters
- Right to Information
- Ombudsman – for each district with powers to initiate disciplinary proceedings on any employee including elected head of local governments
- District Audit Units
Empowerment of LSGs - Lok Satta’s Effort

- Formation of Federation For Empowerment of Local Governments (FELG)
- One Crore-Signature Campaign
- Cabinet Committee invites Lok Satta
- Dialogue with Union Government
- Training for Elected Representatives of LSGs
Approaches to National Campaign

- Identify reform groups and support
- Focus on key goals and mobilize public opinion and bring pressure
  
  eg: disclosure; funding; alternative model for women’s representation; Post Office as nodal agency

- National communication campaign
National Communication Campaign

- What are the reforms needed and why
- What is there in it for me as a citizen
- How can I participate
- In all major languages
- Taking advantage of Radio and Cable TV penetration
Two Paths - Choice is Ours

German example vs USSR example

- Freedom enhancing
- Democratic
- Orderly
- Integrating
- Growth-oriented

- Tyrannical
- Chaotic
- Disintegrating
- Debilitating
“Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat”

– Sun Tzu