

LOK SATTA

People Power

Deepening Democracy

Hyderabad, 13th October, 2004

401 Nirmal Towers, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082; Tel: 91 40 23352487;
Fax: 91 40 23350783; email: loksatta@satyam.net.in; url: www.loksatta.org

The purpose of a government is to make it easy
for people to do good and difficult to do evil.

William Gladstone

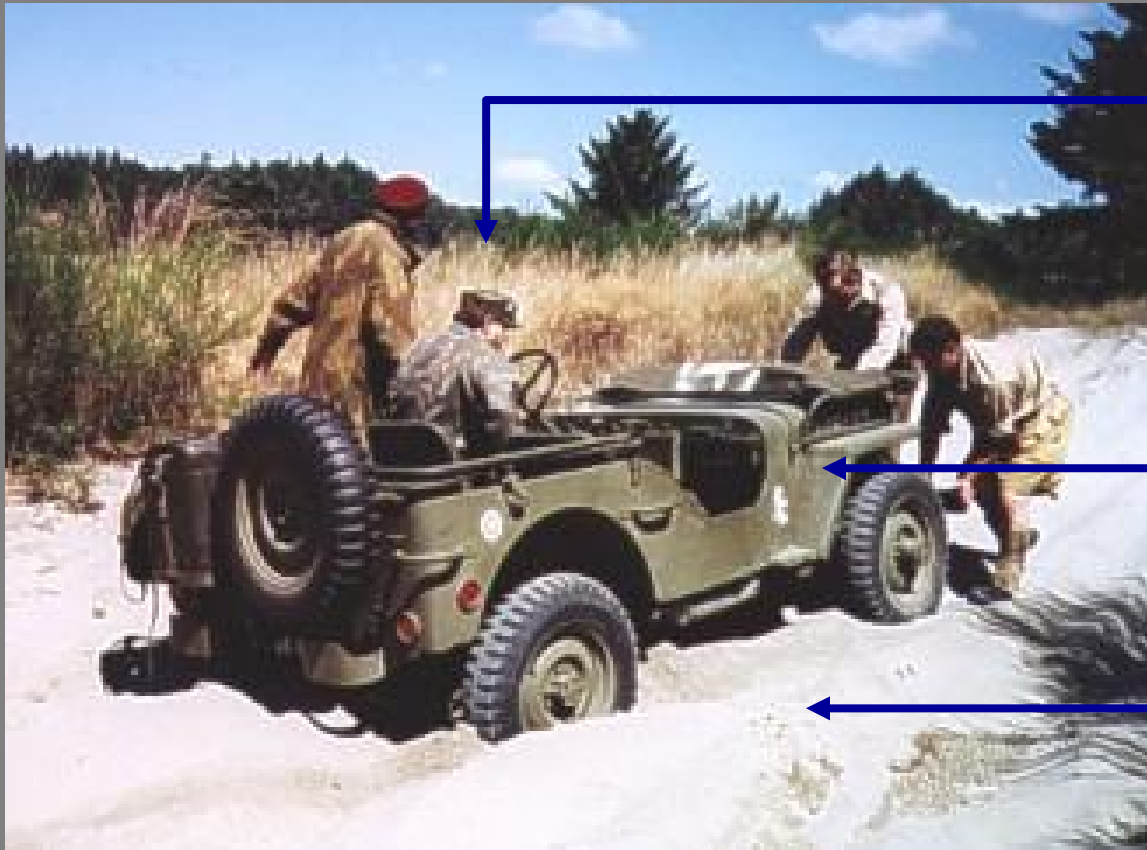
System Caught in a Vicious Cycle

- 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

| | |
|--------------------------|--|
| Electoral reforms | Funding |
| | Criminalization |
| | Voting irregularities |
| Electoral system | Proportional Representation |
| | Separation of Powers |
| Decentralization | Local Governments |
| Rule of Law | Judicial reforms |
| Accountability | Right to information |
| | Citizens' charters |
| | Independent crime investigation |

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..

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
-

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..

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

Contd..

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*