



“A STUDY OF URBAN ECONOMIC DEVELOPMENT AND KALABURAGI MUNICIPAL CORPORATION”

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ABSTRACT :

The economic concepts relevant to urban development are collectively known as urban economics. These urban economic concepts are modified tools of analysis developed to help in identifying urban problems before they assume proportions and become untraceable and to devise solutions and evaluate their likely effects for consideration by government, politicians, experts and general public. The urban economic analysis also pays due attention to physical environment, social, political and legal considerations. In Karnataka, Hyderabad-Karnataka region is considered as backward region According to D.M.Nanjundappa committee report. The Kalaburagi city comes under Hyderabad Karnataka region. So the researcher has felt the Kalaburagi city is economically backward. Hence the researcher undertook the study on “Role of Local Self-Government in Urban Economic Development Kalaburagi Municipal Corporation.”

KEYWORDS : Municipal Corporation, urban development, metropolitan city etc.

INTRODUCTION

Local government or Local Self-Government is the government of a locality. It is not the area of the state government. It is an autonomous unit like the State or Central Government. It is the local will, not the will of the Centre or State, which is reflected through the Local Government. National Government is for the whole nation; hence it is big Government. By contrast, Local Government looks after the ‘local’ functions like water supply, local streets, garbage collection and disposal and similar other local needs. It is small but important Government for a local area, which can be a town or a group of villages.

The adjective ‘local’ stands for a small geographical area. Also, it means intimate social relations of the people in a limited geographical space. The other word Government stands for a public authority. In a democracy, Government may be at national level, state level and the regional government at the regional level. Below the regional level, there is the ‘local’ level where ‘Government’ can be legally constituted. This means, there are many Local Government units below the National and Regional Governments, which exercise authority and discharge a number of important local functions on the basis of statutory decentralization.

There are two common forms of local self-government that is urban local self-government and rural local self-government. In the urban areas in the cities and towns there are Municipal Corporation and municipalities. According to the 74th constitutional amendment the urban local-self-government has been classified into three types, that is, municipal corporation, municipal council and municipal committee.

In India, numerous initiatives have been undertaken to strengthen local governments and to improve service levels in urban areas, importance among these are the enactment of a set of constitutional provisions, implementation of numerous urban development programmers' and adoption of various innovative practices. Economic development implies the attainment of a higher standard of living for the common people. Local self-government plays a important role in process of economic development in so many ways. It provides both social and economic services. It also serves as the best agency for executing the development plans of its own area.

The economic concepts relevant to urban development are collectively known as urban economics. These urban economic concepts are modified tools of analysis developed to help in identifying urban problems before they assume proportions and become untraceable and to devise solutions and evacuate their likely effects for consideration by government, politicians, experts and general public. This body of knowledge known as urban economics also helps in increasing one's own understanding of how an urban economy, i.e. major city or metropolitan city or any smaller urban area works and how it is likely to react to various endogenous and exogenous forces. The urban economic analysis also pays due attention to physical environment, social, political and legal considerations.

The world is witnessing increasing urbanization and there is growing importance of cities in national economy and development. With urbanization, conventional methods of governing the city with top down approaches have proved to be restrictive and inadequate. There has been an increasing demand for avenues for participation, to increase transparency, modernize administration and improve service delivery. The need to adopt new systems and methods of governing the cities that are inclusive and facilitate active and effective participation of stakeholders is being increasingly released. There is also a realisation that the existing capacity of the urban local bodies is limited and needs to be substantially enhanced.

The proposed work is an attempt to study urban governance in Karnataka with special reference to the Bangalore Municipal Corporation. The preliminary chapter consists of two parts. Part – A offers a general discussion on the concept of urban governance in India and the working of the 74th Constitution Amendment Act, its implications and features.

1.1.1 Meaning and Importance of Urban Governance

The term 'Governance' has wider meaning and implications than those of the term 'Government'. Government refers to the machinery and institutional arrangements of exercising the sovereign power for serving the internal and external interests of the political community, whereas governance means the process as well as the result of making authoritative decisions for the benefit of the society.

Government as the most powerful institutional society is the major element of any system of governance. However in recent times, government position is being narrowed for deriving advantages from free market, privatization, structural adjustments, deregulation and decentralisation. Non-governmental organisations are being given wider role in the development process. The corporate sector plays a significant role in ensuring good governance and promoting well being of the people.

In many countries the democratic form of government is facing several problems like lack of transparency, misuse of power, embezzlement of funds and corruption. The concept of good urban governance becomes attractive as a remedy against this state of affairs. Governance recognises that power exists inside and outside the formal authority and institutions of government, emphasizing in the process where decisions are made based on complex relationships between many actors with different priorities.

Urban governance is defined as "the sum of the many ways individuals and institutions, public and private, plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizens. The concept of governance has assumed a lot of significance in public administration all over the world. In all sectors of public interventions and service delivery, it is now agreed that until and unless the state of governance

is 'good', service or product delivery will not be proper. Governance is defined differently in terms of the context. P.S.N. Rao defines public governance "as the ways in which stakeholders interact with each other in order to influence the outcome of public policies".

1.1.2 Urban Governance: Concept and Theories

Apart from historical perspective, there is a need to examine the conceptual and theoretical framework of urban governance. Some studies throw light on various phases of history and different types of civilizations. Mention may be made of Arnold Toynber, Lewis Mumford, Gibson, Max Weber and others who consider city as the base for growth of civilization. From the view point of economic growth, development is looked in terms of generation, distribution of income and its consumption. Scholarly works of Adam Smith Ricardo, Keynes, Karl Marx, Schumpeter and others belong to this category. In recent times poverty, hunger and development in developing countries has gained attention of thinkers like Sunnan Myrdal, Amartya Sen, Jean Dreze and Arthur Lewis. Urban growth and expansion of cities in developing and less developed countries is gaining increasing attention. Theories and concepts have been put forth to explain the trends in their growth.

1.1.3 Local Governance: Concept and Theories

The local government jurisdiction is limited to a specific area and its functions relates to the provision of civic amenities to the population within the provision of statute, which has created it. It is subordinate to the state or provincial government which exercises control on it. Local government has been undertaking new activities, which either regulate the conduct of the citizens or are in the nature of services. In fact local government is much more important in the daily life of a citizen than the state or central government.

Local government has been defined as "an authority to determine and execute measures within restricted area inside and smaller than the whole state".⁴ Robson defines local government as a "territorial non-sovereign community possessing the legal rights and necessary organisation to regulate its own affairs".

According to Byrne, "Local government is marked out as a distinctive form of public administration by five features. It is elected, multi-purpose, operates on a local scale, has a clearly defined structure and is subordinate to Parliament".

The conventional view of local democracy was highlighted by the writings of J.S. Mill. Mill considered local government to be "the prime element in democracy". Other scholars pointed out that Mill' arguments are somewhat misplaced with regard to purpose of local government. They argue that as a secondary form of government, instead of primary form of government, it is erroneous to regard local government as the basis of democracy.

1.2 Review of Literature

Shri. P. S. Palande in his thesis "The Fiscal System and Problems of municipal corporations: A case study of the finances of the Pune Municipal Corporation" has studied the problems thrown up in the wake up industrialization and urbanization and the relevant financial responsibilities of the municipal corporations. A clear understanding of the administrative set up, trends of income and expenditures, suggestions for augmenting the financial resources, and better financial discipline.

Prof. S.Y. Patil in his thesis, "Dynamics of urban development : A case study of Jalgaon City. " has studied the dynamics of urbanization, the theoretical framework on urban development, historical overview of urbanization in India, development of urban infra-structure of Jalgaon City, development of trade and commerce in the city, role of Jalgaon city in economic development of Jalgaon district.

M.P.Mangudkar in his thesis, "Municipal Government in Poona-(1882-1947): A case study". Covers the history of municipal government in Poona, constitutional development of Poona Municipality, composition of Pune municipality, functions of Poona Municipality, municipal finance, municipal revenue, municipal administration and Municipal-State relations.

Prof. A. H. Marshall has stated the organization of the financial work of local authorities. It describes the ways in which elected members ensure that proper respect is paid to finance and budgeting. The budget has long been the focal point of financial procedure of public authorities. Public authorities, pioneers in budgeting, traditionally, regarded budgets primarily as plans of expenditure.

Smiti S R Maheshwari has given a complete gamut of local government regarding the history, administration frame work, community development programs, trends in urbanization, and finance of urban government, control and supervision. History as such ranges from pre British to the present scenario. Administration framework deals with the three-tier system of government inclusive or personnel administration. Community development program deals with implementation of town and rural planning in the provision of necessary utilities and basic amenities to the local people in their respective areas. Trends in urbanization is concerned with dimensions like population, land, occupational structure, provision of infrastructure faults and the growing competitive needs of local governments.

H. D Kopardekar and S. M Y Sastry in their article, "The role of local government in development in India, have stressed the necessity of redefining the role of local government that local government bodies from being merely regulatory and maintenance bodies performing a few basic, elementary functions, the local bodies must assume a dynamic role in development. And they should be considered as fit institutions for being involved in the development process has been the theme of a number of recent studies and conferences.

STATEMENT OF THE PROBLEM:

India is a large country with sub-continental proportions. It has 28 states and 6 union territories and 1 national capital territory. About a third of country is urbanized. However in future, it is believed that urbanization will increase. The prediction is that in a few decades, half of India's population will reside in urban areas. This is going to have implications on the manner in which cities are governed in the country. With urban population on the increase, the system of urban governance would become increasingly important in the days to come.

Local self-government is a system under which the people of locality possess a certain responsibility of public local affairs. A beginning of local self government in modern India may be said to have been made in 1687 when for the first time a local self governing body was set up for the city of Madras. With the advent of democracy, in 1947, local self-government institutions attained remarkable status and importance.

Although there was a growth in the number of local self government bodies and appreciation of their plan in the system of administration, there was no corresponding development of the usefulness and effectiveness of local bodies. The main factor was the inadequacy of functional resources available to them. As a result post independence era witnessed numerous impressive attempts to reform urban government. One such reform introduced in the year 1993, was the 74th Constitution Amendment Act. According to this act constitutional status has been accorded to urban local bodies. With this local government is state subject and the state legislature is left within their powers to define the details of the powers and functions of different units of urban government institutions whose broad outline only has been drawn by the parliament.

In Karnataka, Hyderabad-Karnataka region is considered as backward region According to D.M.Nanjundappa committee report. The Kalaburagi city comes under Hyderabad Karnataka region. So the researcher has felt the Kalaburagi city is economically backward. Hence the researcher undertook the study on "**Role of Local Self-Government in Urban Economic Development with Special Reference to Kalaburagi Municipal Corporation.**"

SCOPE OF THE STUDY:

The proposed researches aim at examining the structure and role of the Kalaburagi Municipal Corporation and identify its powers and functions. It also proposes to examine the people's involvement and the role of civil society in establishing participatory democracy. The present study tries to

understand the working of Kalaburgi Municipal Corporation in the light of the 74th Constitutional Amendment Act of 1992.

OBJECTIVES

1. To study the growth of urban local bodies in India in general and Karnataka in particular.
2. To analyse the socio-economic aspects of the development of "Kalaburagi City" this comes under Kalaburagi Municipal Corporation.
3. To point out socio-economic problems in development of Kalaburagi City and to suggest remedies

RESEARCH METHODOLOGY:

a) Primary data:

The researcher has to be analyzed the functions of Kalaburagi Municipal Corporation in context of economic development of Kalaburagi city and for the same the researcher has to collect the primary data through field work.

b) Secondary data:

Secondary data has been collected from Journals, Research articles, Magazines, Books, News papers and through internet and Annual reports, Budget copy, of Kalaburagi Municipal Corporation.

c) Statistical Tools:

Statistical tools have been used to analysis the socio-economic information. Statistical tools are Tables, graphs, simple bar diagram, and also ratio analysis.

Time Budgeting:

The researcher concentrated on her study of role of PMC economic development for the period of 10 years from 2007-08. To 2017- 18

Table 1.1
Selection of zones

Sl.No.	Name of the zone	Geographical Location	Sample Size	Basis
1	Maktanpur	East	1	Residential
2	Brahmpur	West	1	Residential
3	Shahabazaar Ganj	North	1	Industrial
4	Station Bazaar	South	1	Commercial
			04	

Source: KMC

Selection of Corporators:

The researcher has to undertake the research in respect of the role of KMC in Urban Development in Kalaburagi for the period of 10 year from 2007-08 to 2017-18 considering this time limit researcher has obtained the list of corporators from the selected Wards/Prabhags. The researcher has contacted twelve corporators as shown in table.

V. The Selection of Beneficiaries

The selection of the sample followed the population proportion to sample size for each of the wards. Based on the random sampling method, in each ward, the specific addresses were traced and interviews were conducted at a ward.

Table 1.2
Selection of corporators

Sl.No.	Name of the zone	Selected wards	Name of the wards
1	Maktanpur	3	Sheik Roza
			Bapunagar
			Vijayanagar
2	Brahmpur	3	Brahmpur
			Indiranagar
			Basavanagar
3	Shahabazaar Ganj	3	Sanjeevnagar
			Ganganagar
			Shantinagar
4	Station Bazaar	3	Trafile
			Hirapur
			Panchsheelnagar

Source: KMC

Table 1.3
Selection of beneficiaries

Sl.No.	Name of the zone	Name of the wards	Total beneficiaries	Sample selected
1	Maktanpur	Sheik Roza	1517	30
		Bapunagar	1625	32
		Vijayanagar	1827	36
2	Brahmpur	Brahmpur	2025	40
		Indiranagar	1925	38
		Basavanagar	1758	35
3	Shahabazaar Ganj	Sanjeevnagar	1003	20
		Ganganagar	1503	30
		Shantinagar	1747	34
4	Station Bazaar	Trafile	2045	41
		Hirapur	1625	32
		Panchsheelnagar	955	19
04 zones		12 wards	19555	387

Source: KMC

A. Elected Representatives

The researcher has selected Four Zones for the purpose of study viz. Maktanpur,

Brahmpur, Shahabazaar Ganj and Station Bazaar and also selected three wards each from these four zones. Hence total number of selected Corporators is twelve.

The objective of the research is to analyze the trends in development activities in Kalaburgi Municipal Corporation and public involvement in them. This chapter is developed on these lines moreover an attempt is also made to test. One of the hypotheses of this research study viz., is "Political governance has a positive relation with economic development. Keeping the objective in mind, the

researcher has taken the interviews of the selected twelve corporators, Mayor, Deputy Mayor and eight Office bearers including the Municipal Commissioner. Their perceptions are studied in this chapter.

Perceptions of the Corporators:

The researcher has interviewed the selected 12 corporators. The primary data on this aspect are collected with the help of questionnaire. These questions were mainly related to their personal background, their perception of the election process, their role as the elected representatives, development issues and planning for development.

Personal background of the Corporators:

This section highlights on the age composition, educational level of the corporators.

Age Composition:

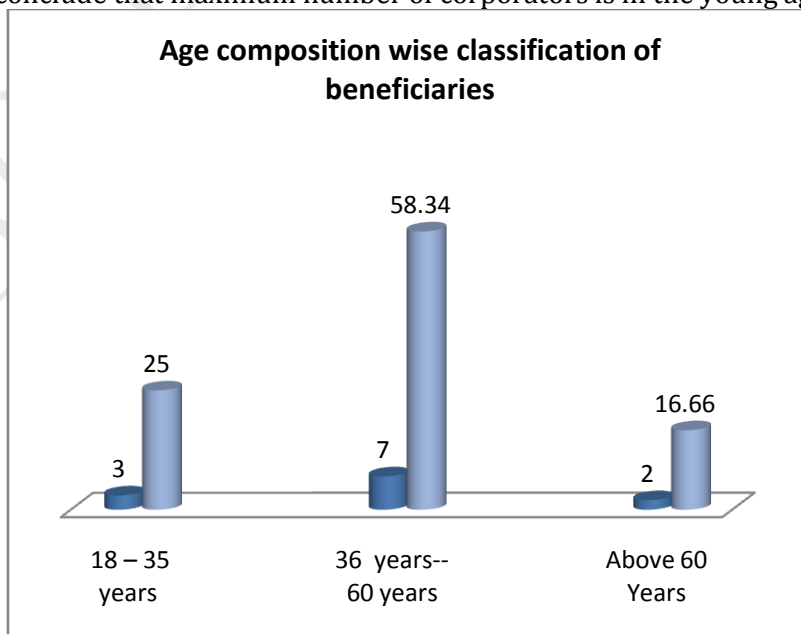
The age composition of the corporators is given in Table 1.4. It is observed that the 18 – 25 years of corporators found 3 i.e 25.00%, the maximum number of 7 corporators (58.34%) are from 26-60 years of age. Out of them 2 corporators (16.66%) are from above 60 years.

Table 1.4
Age composition wise classification of beneficiaries

Sl. No.	Age composition	No. of beneficiaries	Percentage
1	18 – 35 years	3	25.00
2	36 years-- 60 years	7	58.34
3	Above 60 Years	2	16.66
	Total	12	100.00

Source: Compiled from field survey – 2018.

It leads us to conclude that maximum number of corporators is in the young age group.



Educational Level

The educational levels of the corporators are given in the table 1.5 It is observed that the 1 corporator has primary level education, Out of them 2 corporators (16.66%) are secondary education; the maximum numbers of 5 corporators (41.66%) are graduates. There are 3 corporators had Post graduate/ Professional degree i.e (25.00). And only 1 corporator has no education.

Table 1.5
Education composition wise classification of beneficiaries

Sl.No.	Education	No. of beneficiaries	Percentage
1	Primary	1	8.33
2	Secondary	2	16.66
3	Graduate	5	41.66
4	Post graduate/ Professional degree	3	25.00
5	Illiterates	1	8.33
	Total	12	100.00

Source: Compiled from field survey – 2018.

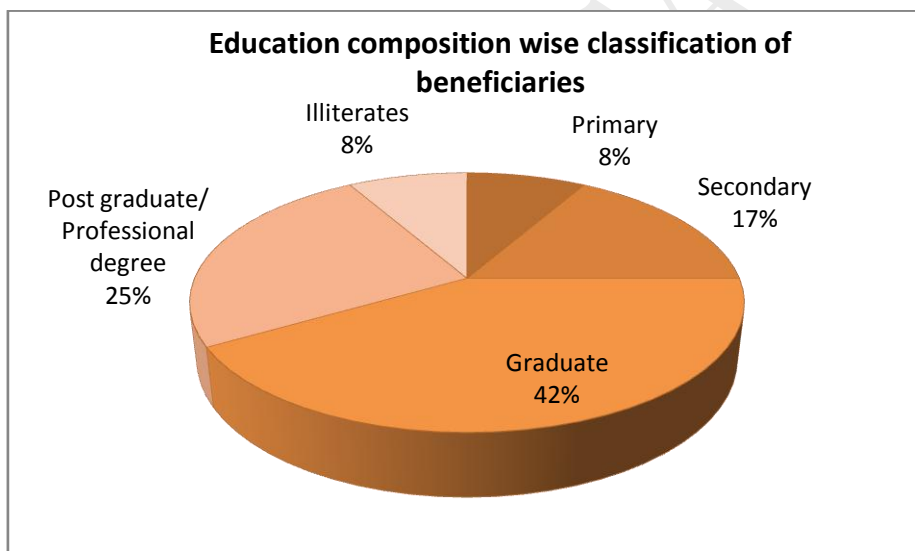
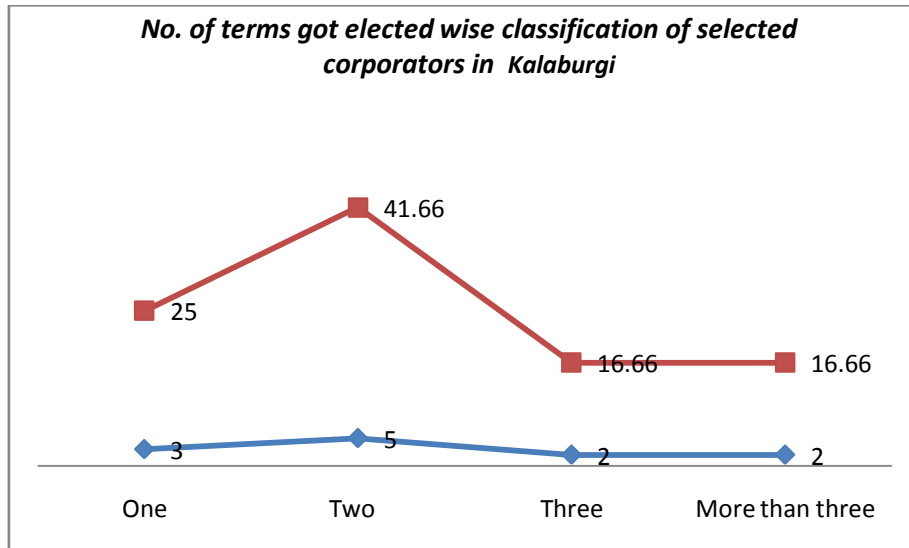


Table 1.6
No. of terms got elected wise classification of selected corporators in Kalaburgi

Sl.No.	No. of terms	No. s of respondents	Percentage
1	One	3	25.00
2	Two	5	41.66
3	Three	2	16.66
4	More than three	2	16.66
	Total	12	100.00

Source: Compiled from field survey – 2018.

Above the table depicts that the number of terms got elected wise classification of selected corporators in Kalaburgi. Out of the 12 corporators 3 corporators are one time elected, and maximum 5 corporators are two times elected. Each of the 2 corporators is elected 3 times and more than 3 times in the study area.



Political Party:

There are three corporators each from four zones, selected for the purpose of study.

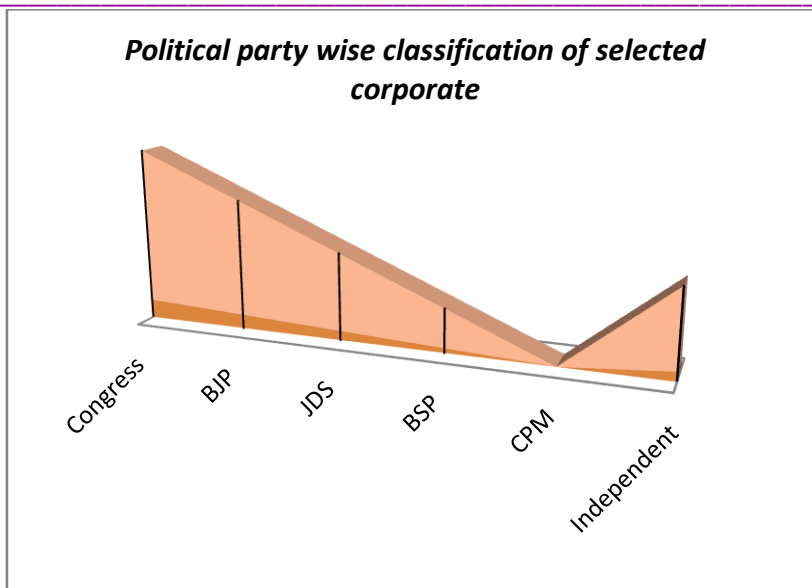
Table 1.5 explains political party-wise classification of selected corporators in Kalaburagi city. It is observed from Table 6.4 that out of 12 corporators, there are four corporators (33.33%) belong to Congress; it is followed by three corporators (25.0%) who belong to Bartiya Janata Party.

Other two corporators belong to JDS Party and out of them one corporator (8.34%) from BSP. Other corporators (16.66%) belong to independent Party. It leads us to conclude that congress and BJP Party have their strength in Kalaburagi city.

Table - 1.6
Political party wise classification of selected corporate

Sl.No.	Political party	No. s of respondents	Percentage
1	Congress	4	33.34
2	BJP	3	25.00
3	JDS	2	16.66
4	BSP	1	8.34
5	CPM	0	00
6	Independent	2	16.66
	Total	12	100.00

Source: Compiled from field survey - 2018.



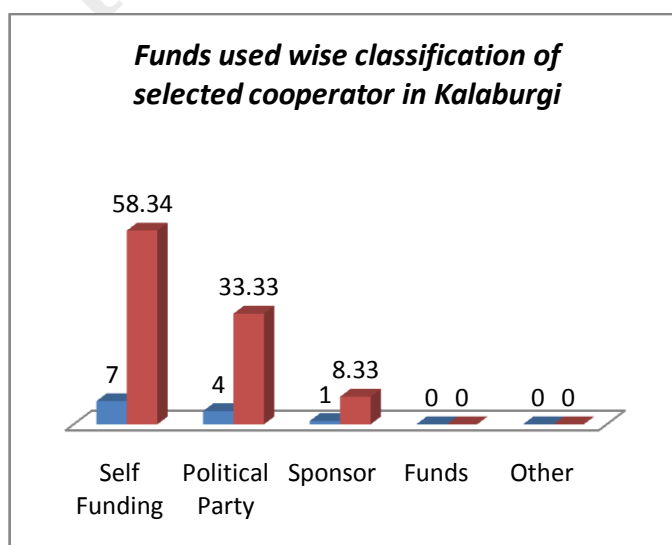
Funds raised to contest the election

The corporators had to raise funds in different ways such as own funds, political party support, sponsor, public funds etc. Details are given in Table 6.6.

Table- 1.7
Funds used wise classification of selected cooperator in Kalaburgi

Sl.No.	Funds	No. s of respondents	Percentage
1	Self Funding	7	58.34
2	Political Party	4	33.33
3	Sponsor	1	8.33
4	Funds	00	0.00
5	Other	00	0.00
	Total	12	100.00

Source: Compiled from field survey – 2018.



It is observed from Table 17 that maximum number of 7 (58.34%) have contested the election by using their own funds. Further, there are 4 corporators (33.33%) who had funds from political party. Moreover, 1 corporator (8.33%) has got sponsorship in the study area. It leads us to conclude that these 12 corporators have opted more than one source to raise the funds maximum of them rely on their own funds.

Promises given to voters

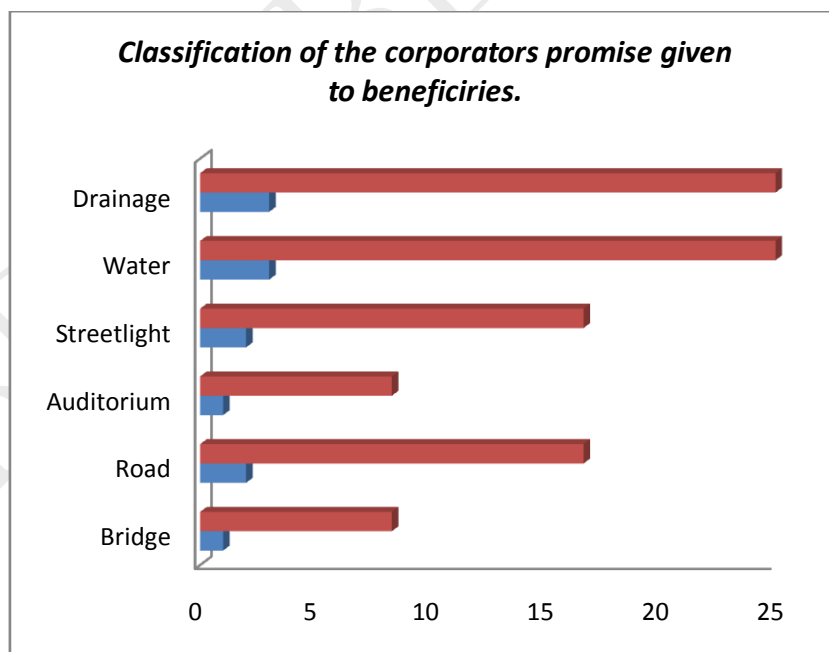
Table 6.7 indicates the promise given to the voter-wise classification of the corporators.

It is observed from Table 6.7 that the minimum number of 1 corporator (8.33%) has promised the voters about the construction of over-bridge. 2 corporators has promised to construct or to maintain the road. 1 corporator (8.33%) has promised for auditorium and out of them two corporators (16.66%) have promised regular water facility. Three corporators (25.00%) have promised drainage in the study area.

Table 1.8
Classification of the corporators promise given to beneficiaries.

Sl.No.	Promise given	No. s of respondents	Percentage
1	Bridge	1	8.33
2	Road	2	16.66
3	Auditorium	1	8.33
4	Streetlight	2	16.66
5	Water	3	25.00
6	Drainage	3	25.00
	Total	12	100.00

Source: Compiled from field survey – 2018.



CONCLUSION:

Economic development aims at rise in per capita income, reduction in the rate and magnitude in the unemployment and reduction of population below the poverty line. The study found that co-

efficient of correlation between the urban ration and per capita income was +0.75 which was significant. However, there is near absence of a correlation between urbanization and unemployment (Co-efficient of correlation - 0.11, negative though very mild) and urbanization and reduction of population below poverty line (Co-efficient of correlation -0.39, negative but mild) ULBs are governing urban area are Municipal Corporations for large cities having population more than 3,00,000, Municipal Councils to cities having population between 20,000 to 2,99,999 and Nagarpanchyats for the cities having population less than 20,000. Cantonment Boards are working for the township that is belong to defense department of GOI.

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