Part I
Background

Service delivery, especially in urban areas, is a hot-button issue. Piles of garbage in city centres, blackouts in streets, patchy piped water – such realities have inspired activism, investigation and scholarly work. In India, public services are seen as the responsibility of the government but there is a widespread perception that it is heavy-handed, ineffective and unjust. Decentralisation is often seen as a mantra to address such problems: locating governance in local populations and reducing the distance between the 'government' and the 'governed'. Proponents hope that decentralisation will make public service provision – and governance, more broadly – responsive to local needs in general and particularly the well-being of those with precarious lives and livelihoods. Reduced distance between the government and the governed also deepens democracy so that people participate in governance. This is the double allure of decentralisation.

The ability of decentralised governance to pursue the common good, enhance public services and deepen democracy is hardly assured. Powerful national and global technologies of rule threaten local possibilities and local action. Authoritarianism and the dominance of big capital are important concerns. Local government can also be upended by locally dominant groups. Nevertheless, lurking authoritarianism, 'neoliberalism' and 'local capture' do not overwhelm the transformative potential of local government. For much of India, we see a reality in which strong local possibilities exist. The ability of local government to pursue the common good and enhance public services can be greatly strengthened by institutional features of government. Indeed, we already see instances of conducive institutional features – hardly perfect, but showing considerable possibilities for local government. The stakes for democracy are high: if local government does not 'work' effectively and justly, it can compromise people's belief in engaging with governance, thereby compromising democratic deepening.

The two chapters of Part I engage with governance and decentralisation. Chapter 1 introduces the main arguments by comparing two cities with very

different realities of decentralisation and patterns of urban governance. It raises the basic puzzle of why the cities are very different and why major nationwide reforms failed to substantially change these realities. Chapter 2 broadens the two-city comparison and advances systemic explanations for the difference, applicable more broadly across the country. It addresses these puzzles and presents answers arising primarily from the political-institutional features of the government rather than meta modes of governance or inequalities of social structure, important as these are.

1 Two Cities

The 1990s witnessed a deep change in India – a constitutional amendment, no less – that redefined decentralised governance. The reforms emphasised the democratic character of local governments and, in the case of cities, provided them many policy functions: infrastructural services such as water supply, sewerage, drainage, solid waste management and street lighting as well as education, public health, environmental management, poverty reduction and economic development. Together, these encompass wide possibilities for individual well-being and social justice. The beginning of the 1990s had already triggered a structural change in India's political economy and governance through a shift in the tectonic plates of *mandal*, *mandir* and market.[1] The decentralisation reforms added to these. The broad sweep of the reforms created considerable expectations about the new possibilities. We begin by trying to understand governance in two specific cities. From the thousands of city governments in India, this chapter presents contrasting narratives for two – Trivandrum[2] on the southern and Surat on the western coast.

Trivandrum is an erstwhile slow-paced city where pre-Independence royalty built progressive institutions and created public service systems. As the capital of the modern Kerala state, it houses public offices and, in recent post-liberalisation decades, also has thriving commercial and technological activity. Following the national decentralisation reforms, Kerala led India's states in efforts to operationalise it. Kerala's laws being particularly wide-ranging, Trivandrum too enjoyed a high degree of latitude in its decentralisation framework compared to cities in other states.

Surat is a bustling old commercial centre famous for specialised industries as diverse as textiles, diamonds and chemicals. The industrial landscape has attracted a considerable number of migrants. About a quarter-century ago, and soon after the decentralisation reforms, Surat experienced an outbreak of plague that suggested public health failure but also showed proactive response by the local government (Shah 1997b). Surat is located in the state of Gujarat, which, unlike Kerala, is seldom feted for decentralisation. However, under an old legislative provision, even prior to the decentralisation reforms, the city government had authority and responsibility over several local policy domains.

Table 1.1 Performance ranks for Trivandrum and Surat

	Governance Indicators		*Democracy Indicators*	
City	*Urban Capacities and Resources*	*Urban Planning and Design*	*Transparency, Accountability and Participation*	*Empowered and Legitimate Political Representation*
Trivandrum	17	12	1	1
Surat	3	4	14	5

Source: Annual Survey of India's City-Systems (ASICS), 2017. Indicator definitions and other details are on the website footnoted in the text.
Note: Ranks are out of 23 cities; in some cases, ranks were joint.

A 2017 survey benchmarks city government performance in 23 cities, including Trivandrum and Surat.[3] It ranks both cities in the top five. However, Surat ranks better on 'governance' indicators while Trivandrum ranks better on 'democracy' indicators (Table 1.1). Relatedly, an index of public infrastructure by the Housing and Urban Development Corporation Limited/National Institute of Urban Affairs (HUDCO/NIUA 2017) ranks Surat much higher than Trivandrum.[4] Despite potential validity issues, such comparative exercises are nevertheless broadly suggestive of differences between the cities. This chapter examines what may lie behind such differences and, in doing so, elaborates our main arguments.

The following section examines street lighting and other public services provided by the Surat and Trivandrum governments and establishes that the two cities are indeed quite different. It traces this to different local 'capacities' for effective practices and for organising local action. This is followed by a section that provides an extended conversation with elected representatives and bureaucrats inside the Trivandrum city government. The vignette underlines the importance of state–local relations in shaping local capacity. The subsequent section explores this as well as the realities of public participation in the two cities – 'accountability' relationships with the state government and the citizenry, and how the strength and nature of these relations together explain observed patterns of local capacity. The last section presents the layout of the book.

What It Takes to Deliver Services Locally

Consider what appears to be an uncomplicated public service: street lighting, a basic responsibility of the city government and linked to livelihoods, gender and safety. Although lighting streets does not take sophisticated technology or massive resources, streets are poorly lit in much of urban India. But things are better in

Surat where the monthly failure rate of street bulbs is low (under 2 per cent) and failed bulbs are replaced within days. By contrast, Trivandrum's failure rate is much higher (about 9 per cent) and it can take months to replace a failed bulb (Table 1.2, Panel A). Both cities function under a common national decentralisation framework. In the same 'Indian conditions', what enables Surat to ensure better quality street lighting?

Indeed, what does it take for street lights to function effectively? Good quality bulbs have to be procured, stored and used quickly when the need arises. This implies efficient processes for procurement, storage and deployment. It further implies efficient communication, coordination and monitoring of multiple activities. In other words, an efficient system of procedures and skilled staff as well as organising and monitoring activities.

What are the systems in place in Surat and Trivandrum for street lighting? Table 1.2 (Panel B) summarises these. Surat has developed product specifications

Table 1.2 Street lighting performance

	Surat	*Trivandrum*
	Panel A: Service Delivery Outcome	
	Monthly failure rate ~ 1.4%; improvement over time; replacement interval for failed bulbs ~ three days	Monthly failure rate ~ 9%; no improvement over time; replacement interval for failed bulbs ~ two months
	Panel B: Capacity	
Procurement	Procurement Cell develops clear product specifications and supplier qualification criteria; continuous evaluation of previous procurement and revision of later contracts	Tender qualifications too generic for efficient procurement; procurement knowledge insufficient
Quality testing	Internal expertise available for random quality testing	Arrangements with testing centres incomplete and unworkable
Installation	Specialised staff	Installation through state government (Kerala State Electricity Board Limited) but no enforceable contract in place

Source: Compiled from field observations, interviews and documents.

and procedures that make procurement smooth and can spot poor quality supplies. An electrical engineering professional liaises with a well-organised procurement unit that also designs and implements contracts. The city government maintains an updated database for procurement and performance monitoring. There are continuous reviews to revise product specifications and contractor qualification requirements.[5] By contrast, similar systems are weaker in Trivandrum. There are several inadequacies in inviting bids (tenders) for lighting fixtures: technical descriptions are too general, supplier qualification thresholds are too low, quality testing arrangements are ad hoc, contract design is muddled and delivery schedules are not aligned with needs. These inadequacies reflect staff capacity: the ability to imagine appropriate specifications, clearly describe a purchase, design a contract, and monitor execution.[6] All this suggests that in Trivandrum, 'decentralisation' of policy functions and authority was not accompanied by appropriate capacity to organise activities and deliver services. The language of 'capacity' is sometimes dismissively associated with 'technocracy' and 'neoliberal governance', terms that are unpacked in Chapter 2. Unfortunately, the association has depoliticised it and discouraged serious efforts to understand what shapes capacity. We explore what 'capacity' is, how it is formed and what it means in the field of power relations.

Not only does the Trivandrum city government have weaker systems for providing services such as street lighting, but it also depends on the state government for street light installation. The city government hands over procured bulbs to the electricity utility of the state government (Kerala State Electricity Board Limited, or KSEB) which makes its own contract arrangements for installation. The KSEB does not prioritise the city government's needs and in general has only weak accountability to it, leading to delays and inefficiencies. The elected representative overseeing these matters in the city government says:[7] 'We buy bulbs and give them to the KSEB. We also pay the tariff. But they will not do it on time.' Compare this with the following categorical statement from an administrative leader in Surat:[8]

> We have a rate analysis cell [which functions] under the commissioner. We keep information from previous procurements. And we review our bid document [for procedures] frequently. Our procurement [system] is good. We get good local competition and local contractors have reduced their rates. The state government does not interfere [in our procurement system].

The example of street lighting can be extended to other public services. Take the case of water supply. Surat's water supply (including treatment weir) is managed by the city government through a team of technical staff led by an Additional Chief Engineer. The city government has developed internal skills and procedures

for treating and supplying water. In Trivandrum, too, the responsibility for water supply was formally transferred to the city government following the 1990s reforms. Accordingly, the city government should have developed the relevant knowledge and skill base, developed corresponding staff cadres and set in place new procurement and works contracts. None of this happened. As a consequence, water supply in Trivandrum – a quintessential 'decentralised service' – is still provided by the state government's water utility (Kerala Water Authority, or KWA). Consistent with this, Chattopadhyay and Harilal (2017, 16) note that the city government's role is 'limited to supply of water through tankers in some of the stressed areas during emergency situations'. Unlike Trivandrum, Surat also runs its own crèches, schools, hospitals and even a medical college (Trivedi 2017; Shah 2019), functions which are performed by the state but not the local government in Trivandrum.[9] Surat also manages a dedicated roadway with buses for public transport (Mahadevia, Joshi and Datey 2013).

In the specific comparison of Surat and Trivandrum, another possible explanation could be that of scale. Surat has over four times the population of Trivandrum and a larger, more industrialised economy. However, the capacity-autonomy argument largely works independently of scale. Much of the description of Surat in this chapter also applies to Rajkot city in Gujarat, which has a population and economy closer to that of Trivandrum. Indeed, Navsari city in Gujarat, with only a fifth of Trivandrum's population, has a city government whose organisational form has more detailed functional specialisation than Trivandrum.

The description of street lighting and water supply suggests that the city government in Surat functions differently from that in Trivandrum. Surat has the capacity to effectively deliver services. This does not necessarily mean that these services are worse or missing in Trivandrum. It simply means that these services are provided by the state government, not the local government. The first set of arguments in the book establishes whether or not cities have decentralised services and traces decentralised services to local capacity.[10] The second set of arguments locates such capacity in state–local relations and public participation. When the state government interferes in local government functioning, even with good intentions, local capacity is compromised despite potentially strong public participation. Under such circumstances, we find that not only is service provision not decentralised but its quality is also compromised. The third set of arguments connects state–local relations to institutional features of government (laws, rule-making authority and operational rules).

The above description produces a fundamental empirical question: even as the Constitution endows local government with local public service responsibilities, who controls service delivery? Kerala's local governments are feted for decentralisation (Heller 2012), unlike those of Gujarat. Soon after the constitutional reforms, Kerala enacted legislation to move an elaborate list of municipal functions to city governments as well as 'transfer all institutions, schemes, buildings, other properties, assets and liabilities'.[11] One naturally assumes that these services were now in fact handled by city governments – and yet this was far from the case. Core public services such as street lighting, water supply, sewerage, drainage, and roads and bridges remain the responsibility of state government utilities and departments in Trivandrum while Surat's city government has complete control over these services (Table 1.3).[12] Importantly, urban planning – a key, overarching element of local governance – is also within the control of city government in Surat but not in Trivandrum.

The capacity argument demystifies the puzzle of local action: compared to Trivandrum, the Surat city government has the organisation and people for key functions and has developed the procedures to follow through. The Surat government's capacity is influenced by its administrative relationship with the Gujarat state government, what we term 'state–local relations'. Trivandrum's mayor felt that decentralisation was mostly in the rhetoric of 'people's planning',[13]

Table 1.3 Which government delivers urban services in Trivandrum and Surat?

Service	*Surat*	*Trivandrum*
Street lighting	City	City and state
Water supply	City	State
Sewerage	City	State
Drainage	City	State
Solid waste management	City	City
Roads and bridges	City	State*
Urban planning	City	State

Source: Information compiled from field observations, interviews and documents.
Note: In Kerala, the following state government utilities or departments are involved: Kerala State Electricity Board Limited (KSEB, street lighting), Kerala Water Authority (KWA, water supply and sewerage), state government Irrigation Department (drainage), state government Public Works Department (PWD, drainage and roads and bridges), state government Town Planning Department (urban planning).
*Except very minor roads which are handled by the city government.

and the deputy mayor averred that it is the state government bureaucracy that actually decides local government matters.[14] Noted a former mayor of Trivandrum:[15]

> All responsibility for staff placement is kept with the state government, which spares no role for us. Most of our purchases and work contracts need its approval. We have no authority for any action. We look up to the state government for everything, we are 'yours obediently' to it.[16]

The above account may suggest that Surat has 'good' urban governance. But a major missing factor is the relative absence of people's participation in the governance process, which is a constitutionally mandated, basic element of the self-governing structure. In its absence, Kamath and Zachariah (2015) report that slum-dwellers and the poor were forcibly moved from city lands and river banks. In a study of one relocation site on the periphery, Kosad, they note that those who were resettled had poor connection with the city and faced rupture of livelihoods. Tragedies have been documented in detail for Ahmedabad, Gujarat's megacity. I. Chatterjee (2013, 160) contrasts the privileged classes and castes of Ahmedabad's West, 'replete with state-of-the-art hotels, glossy malls, gated apartments, tree-lined wide roads', with the poor of the East, themselves fragmented on religious and caste lines. Literature for the city has documented how the West has pursued non-inclusive programmes that immiserise the East. One such project was the Sabarmati River Front Development project (SRFD). It reclaimed parts of the riverbed by evicting thousands of poor families and dispossessing the livelihoods of several tens of thousands and sold the land to private developers (Desai 2012; Patel, Sliuzas and Mathur 2015). Loss of homes and livelihoods fell largely on *dalit*s, Other Backward Classes (OBCs) and Muslims with little initial thought given to their security and well-being – in the case of Muslims, many were already living insecurely after years of communal tension and violence (Chandhoke et al. 2007). Navdeep Mathur (2012) recounts the tale of subsequent contestation through community organisations mobilising against the injustice, complicated by fragmentation within the community (I. Chatterjee 2013).[17]

Such dispossession is less likely to occur in Trivandrum, where equity considerations are more salient.[18] For instance, in planning public housing for the poor, a key role was given to Kudumbashree, the women-centred State Poverty Alleviation Mission, thereby substantively and symbolically ensuring pro-poor, participatory intent (Williams et al. 2018). Local women affiliated with Kudumbashree conducted surveys to generate lists of those who qualified for housing. For Trivandrum housing projects, Ganga (2019, 90) observes:

> ... compared to what is indicated by similar studies conducted in other cities ..., in Kerala, the process of slum rehabilitation has been transparent. For example, the beneficiaries were fully aware of the inclusions and exclusions in the beneficiary list. Local politicians actively campaigned for the project and spread awareness among the beneficiaries.... [T]he absence of attempts to acquire slum land for real estate development or beautification demonstrate the state's continuing commitment to the welfare of its citizens. The local government also pooled nearby state-owned unoccupied land to build houses for the landless. This contrasts with ... many other cities.

One strand of the argument is from autonomy to local capacity to local action. But this does not ensure that local action is inclusive and just; indeed, local capacity can even become an instrument of dispossession of those at the socio-economic margins. When local capacity is tempered by vibrant community participation – and where needed, contestation – outcomes are likely to be more just. Therefore, a second strand of the argument goes from community participation to justice in local action.

A Field Vignette

Prior to abstracting into arguments and analysis, in the spirit of Grindle (2007, 1) who 'ventures inside town hall' in Mexico, we start with a textured understanding of city government from within. Box 1.1 presents the transcript of a freewheeling conversation in the mayor's chamber with elected representatives and bureaucrats of the Trivandrum Municipal Corporation.[19] The conversation covered a range of domains that rose organically in the discussion, with participants often responding to each other conversationally rather than answering specific questions put by the researcher.

Box 1.1 Transcript of conversation in the office of the Trivandrum Municipal Corporation[a]

Babu Jacob: Why is the [Trivandrum Municipal] Corporation not handling water supply, sewerage, etc.?

Mayor: The corporation is ready but the KWA [Kerala Water Authority, state utility] doesn't hand it [authority] over to us.

Deputy Mayor: Water supply has not been transferred to us. Power has been delegated, but not handed over by them.

If we supply water using water tankers, the [state] government will be against it. The biggest difficulty is with electricity and water supply.[b] One and a half years ago,

(*Contd.*)