



ISSN Print: 2394-7500  
ISSN Online: 2394-5869  
Impact Factor: 8.4  
IJAR 2020; 6(12): 150-154  
[www.allresearchjournal.com](http://www.allresearchjournal.com)  
Received: 15-10-2020  
Accepted: 21-11-2020

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## **An economic development and municipal corporation: A case study of Raichur city**

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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 evacuate 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 Raichur city comes under Hyderabad Karnataka region. So the researcher has felt the Raichur city is economically backward. Hence the researcher undertook the study on "Role of Local Self-Government in Urban Economic Development Raichur 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 74<sup>th</sup> constitutional amendment the urban local-self-government has been classified into three types, that is, Municipal Corporation, municipal council and municipal committee.

### **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 decentralization.

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: 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 time's 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.

### **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.

### **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.

### **Scope of the Study**

The proposed researches aim at examining the structure and role of the Raichur 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 74<sup>th</sup> 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 "Raichur City" this comes under Raichur Municipal Corporation.
3. To point out socio-economic problems in development of Raichur City and to suggest remedies

### **Research Methodology**

#### **a) Primary data:**

The researcher has to be analyzed the functions of Raichur Municipal Corporation in context of economic development of Raichur 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 Raichur Municipal Corporation.

### **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**

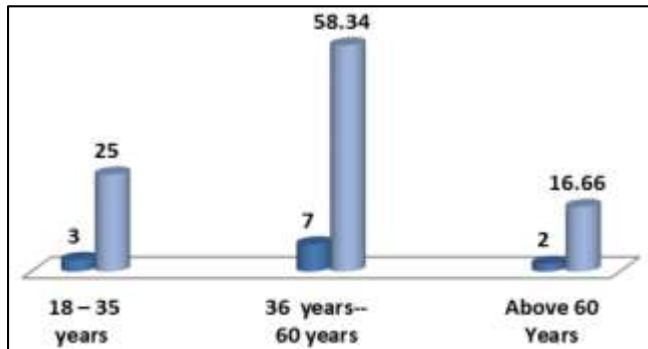
The age composition of the corporators is given in Table 1.4. It is observed that the 18 – 25 years of corporators found 3 i.e 25.00%, the maximum number of 7 corporators (58.34%) are from 26-60 years of age. Out of them 2 corporators (16.66%) are from above 60 years.

**Table 1:** 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 – 2020.

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



**Fig 1:** Age composition wise classification of beneficiaries

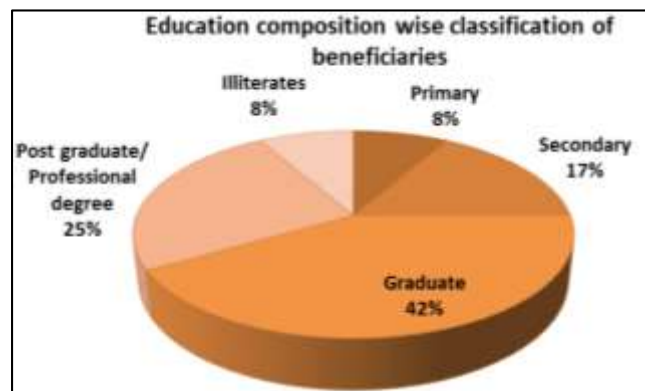
**Educational Level**

The educational levels of the corporators are given in the table 1.2 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 2:** 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 – 2020.



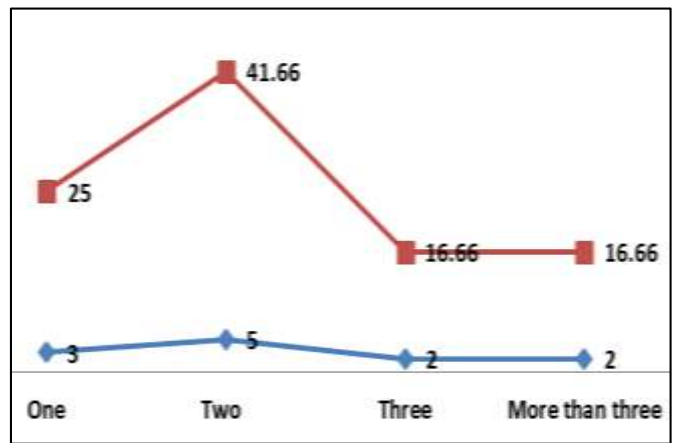
**Fig 2:** Education composition wise classification of beneficiaries

**Table 3:** 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 – 2020.

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.



**Fig 3:** No. of terms got elected wise classification of selected corporators in Kalaburgi

**Political Party**

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

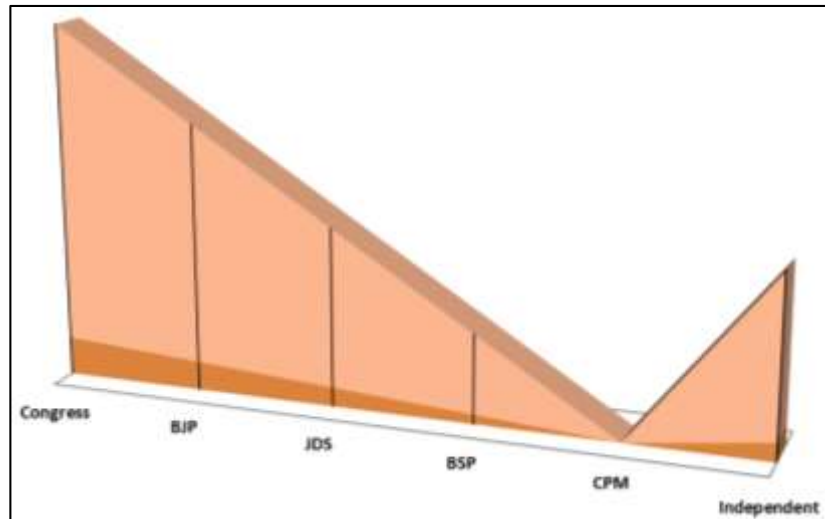
Table 1.3 explains political party-wise classification of selected corporators in Raichur city. It is observed from Table 6.4 that out of 12 corporators, there are four corporators (33.33%) belong to Congress; it is followed by three corporators (25.0%) who belong to Bartiya Janata Party.

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 Kalaburgi city.

**Table 4:** 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 – 2020.



**Fig 4:** Political wise classification of selected corporate

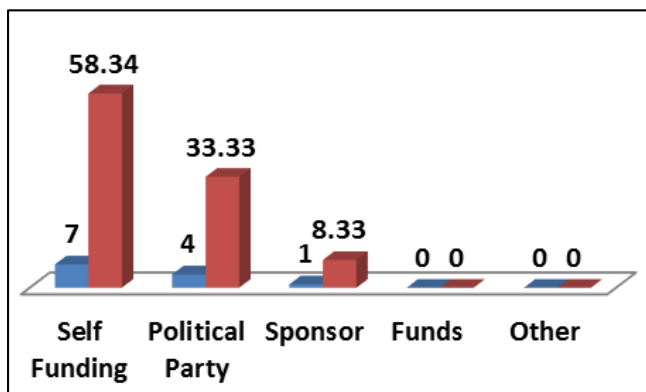
**Funds raised to contest the election**

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 1.4.

**Table 4:** 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 – 2020.



**Fig 5:** Funds Used wise classification of selected cooperator in Kalaburgi

It is observed from Table 1.4 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 1.5 indicates the promise given to the voter-wise classification of the corporators.

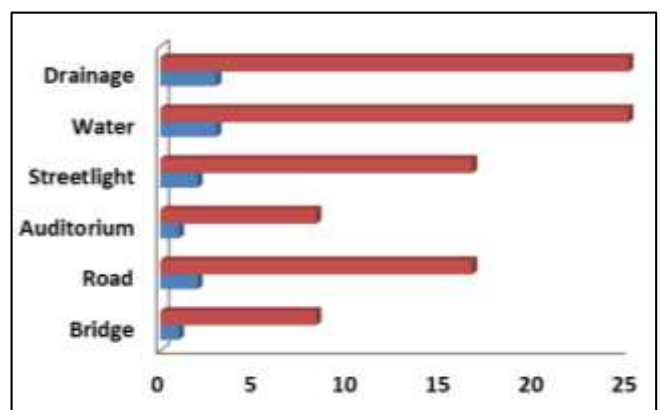
It is observed from Table 6.5 that the minimum number of 1 corporator (8.33%) has promised the voters about the

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 5:** 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 – 2020.



**Fig 6:** classification of the corporators promise given to beneficiaries

**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 Nagarpanchayats 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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