

Samples of Public Administration

NEW PUBLIC ADMINISTRATION

NPA again was the outcome of compulsions posed by certain upheavals in the society during 1950s & 1960s. Theoretically, during this period, due to advancement in technology, there was a lot of emphasis on mathematisation/ quantification of each aspect of life. As the values/ emotions cannot be quantified, this aspect was largely dropped in most of the fields, public administration was no exception. Here it is reflected in the emergence of behavioral approach to public administration.

Practically, in USA, this period saw a lot of unemployment and youth agitation. Reversals of USA in Vietnam War added spark to the situation. These heightened tensions led a young group of scholars/ practitioners of public administration to come forward with a new thesis called "New Public Administration" having new vigour for the old field of administration.

The emergence of NPA can be traced back to the late 1960s. There were various reasons for the emergence of the NPA.

The world had witnessed **two Great Wars** by that time and after the wars a number of agencies were formed to alleviate human suffering e.g. UNO, WHO, UNICEF etc. However, these agencies **found it difficult to accomplish their tasks** in the absence of effective and efficient administration systems in various countries.

Unemployment, poverty, population etc were increasing very rapidly and it was considered that these problems were due to the **inefficiency of the administrators** and also due to the inadequacies in the perception about the scope of public administration to the needs of the people.

It was felt that the public administration is still used more as a **maintainer or status – quo** which benefits the elite classes.

Old Public Administration gave significance to „administration“ rather than „public“; emphasised „principles“ and „procedures“ rather than „values“ and „philosophy“; efficiency and economy rather than „effectiveness“ and „service efficiency.“

Scholars, therefore, opined that the machinery of the public administration should act as an **instrument of initiating and sustaining social change** in order to bring down the growing frustration among the people.

They also felt that in the eagerness to make public administration a science, the **value content of the public administration** has been missed i.e. the emphasis so far had been on a value-free administration which meant that rules are applied equally and no positive concession is given to the weakest of the weaker sections in the society. Hence there arose a need to rethink about the objectives and scope of public administration and the concept of NPA emerged as a result thereof.

The concept of NPA, in a nutshell, states that public administration does not function in vacuum and the administration should be responsive towards the needs of the society and address itself to the problems and malaise that afflict the society.

EMERGENCE AND GROWTH OF NPA

The rise and growth of the concept of NPA can be traced as follows:-

a) Honey Report on High Education for Public Services, 1967

It highlighted institutional shortcomings in the area of Public administration and lack of communication between the scholars of public administration and the practicing administrators. It also dealt with the question of uncertainties and confusion over the status of the discipline.

b) Philadelphia Conference on the Theory and Practice of Public Administration, 1967

The conference expressed the view point that with the progressive transformation of the concept of state from police state to welfare state, responsibilities of the administration have increased manifold. At present, the administrators are involved in both the policy formulation and policy implementation at various stages. In view of the great socio – eco disparities, public administration should pay increasing attention to social problems and should promote social equity.

c) The Minnow brook Conference, 1968: **Held under the chairmanship of Waldo**

This conference was called to critically review the study and practice of public administration in terms of the rapidly changing environment. The conference advocated a normative approach in place of the value – free approach and affirmed that the purpose of practice of public administration should be the reduction of economic, social and psychological sufferings.

The need for a public administration that was relevant to the public interest was the general theme of conference, but no one idea dominated the proceedings. The scholars who attended the Minnowbrook Conference were young scholars of public administration and they were more than eager to embrace new definitions of their discipline.

Minnowbrook-I marked the **beginning of the "New Public Administration"**. "New Public Administration" was markedly different from the existing perception of public administration. It put more **emphasis on a normative approach** in place of the value-free approach. There were **4 goals** and **3 anti-goals** of the "New Public Administration". In order to achieve the goals the authors put forth **4 solutions** which have been referred to as the **4 D's**.

NPA STANDS FOR FOUR IMPORTANT ASPECTS

1. **CHANGE:** It was stated that in eagerness to perform the status quo activities of the State (Law and order etc.), questions of change were not considered. Even in Weberian model, public administration system was to maintain status quo only. However, NPA stated that public administration should be change oriented and **respond to the various socio-eco-political changes** occurring in the society. Operational flexibility and organizational adaptability should be in built in the administrative system to meet these changes.
2. **RELEVANCE:** Every society has different set of problems. Therefore, public administration should consider only country-specific, area-specific, culture-specific, **ethno-centric changes, or only the socially relevant changes**. People should see changes as relevant, meaning thereby that, changes should be specific to the needs of the area and needs of the people. Earlier approaches to NPA considered relevance and rationality from the view point of administrators alone and hence relevance and rationality of the people was neglected. NPA suggests the inclusion of **rationality of the people too in the process of policy formulation**.
3. **EQUITY, FAIRNESS, and JUSTICE:** NPA found social equity as the most common vehicle for guiding human development. Social equity means administrators should

become the champions of the underprivileged sections of society. The distributive justice and goal of equity should be Public Administration's basic concern. A public administration system which fails to work for the changes and fails to redress the **grievances of the minorities** is likely to be eventually used to suppress those minorities. Hence the goal of administration should be to bring about social equity, fairness and justice thereby promoting **harmony and integration in the society**.

4. **VALUES:** To achieve all the above objectives, the ideology/ philosophy of public administration should be changed. In our **eagerness to make public administration scientific and rational**, we adhered to the concepts of value-freeness and neutrality. This must be changed. The administrative system should be value-oriented so that there is commitment to ideology and philosophy of the state. It openly **rejected the value-neutral position** taken by behavioural political science and management-oriented public administration. Value-neutrality in public administration is neither possible nor desirable. It stresses central role of **personal & organizational values** or ethics and **personal commitment** of administrators towards the goals.

Other basic ingredients of NPA included:-

1. There has to be greater **emphasis on morals and ethics** among administrations. They should not be seen as robots, with emphasis only on mechanical issues as efficient & economy.
2. Vis-à-vis citizens, it calls for client-loyalty, **citizen-participation** in administration neighbourhood control over street-level bureaucracy and pluralism.
3. By calling for decentralization, delegation, humanism, personal growth and individual dignity, it was calling for **democratizing the organisation**.
4. By calling for **programme-loyalty**, it was criticizing neutrality.
5. Administrators of the future should be trained in professional schools. Public Administration and business Administration **training** should not be combined. Training programmes in Public Administration should not only provide management abilities and technique skills but should also deepen the social sensitivity

Frank Marini summarizes the above themes of NPA under **5 heads:** relevance, values, social equity, change and client-focus. **Golembiewski** says that these 5 goals provide positive perspective to NPA: mankind is substantially malleable & potentially perfectible (people are in the process of becoming and growing)....its pervasive theme is the demand for relevance (stresses central role of personal and organizational values)....advocates social equity as the most common vehicle for guiding the task of human development (administrative value-neutrality is neither possible nor desirable)....it is determinedly relational....emphasises innovation and change.

It may be pointed out that in calling for the above new values **it was not for the classical values of administration as totally irrelevant**. It only said that merely an administration committed to efficiency, economy and neutrality can still perpetuate inequality, injustice and poverty. Thus, **trade-offs are called for** between the above – mentioned new values and the classical values.

Alongside the above, NPA advocates **3 ANTI-GOALS** and hence its literature is called "**anti – positivist**".

1. **Rejecting** a definition of public administration as **value-free**. Thus public administration should be value oriented.

2. **Rejecting a rationalist and perhaps deterministic view** of human kind since human behaviour is quite unpredictable. Public administration studies should focus on what administration should "become" instead of what administration should "be"
3. **Rejecting politics-administration dichotomy:** since administrators today are involved in policy formulation and policy implementation at all the stages. Also such a dichotomy takes administration away from values.

The overall focus in NPA movement seems to be to make administration to be less "generic" and more "**Public**", less "descriptive" and more "**Prescriptive**", less "Institution-oriented" and more "**client-oriented**", less "neutral" and more "**normative**", but it should be no less scientific all the same.

MINNOWBROOK – I & MINNOWBROOK – II

Minnowbrook-II (September 1988)

The **purpose of the second conference** was to reflect upon the impact of Minnowbrook-I. It brought together scholars (male and female) of 1980s and of the earlier generation to discuss the impact of NPA and to address progress on other issues important at Minnowbrook-I.

Similarities

1. Concern for social equity
2. Democratic values with special focus on ethics and accountability.
3. Centrality of public administration reaffirmed to strengthen society. Government is inevitable.
4. Continuity of the earlier debate on normative and behavioral perspectives
5. Public servants seen more as conservatives than change agents.
6. Shared concern for state of the discipline of public administration.
7. All of those who had attended the 1968 conference were invited.
8. Need for free interchange between „generalists“ and „specialists“

Dissimilarities

1. **Composition was wider.** While previously, most participants had a political science background, in M –II, all belonged to different policy sciences – history, economics, political science, sociology and law.
2. There were **age differences** – M-II had members of higher age group and with more **gender parity**. However minority groups were less represented. The latter reflects surge in popularity of the discipline due to which weaker groups cannot face the competition. Those who had entered the discipline in the 1960s had the dominant value of public interest while those of the 1980s, emphasized privatization.
3. **Mood, tone, temper & orientation** differed. M – I was contentious, confrontational and questioned the very foundations of the discipline like – Politics-Administration dichotomy, public-private similarity, administration being a science, hierarchical view of organisation etc. M –II was more civil, more practical (can be seen in recns), and more respectful to seniors in the discipline.
4. **Thematic focus** was different. Themes as leadership, constitutional & legal perspectives, technology policy and economic perspectives were new.

5. **M-I was anti-behavioural, more normative.** In fact, NPA emerged from the post-behavioural revolution in political science. M – II was more perceptive to contribution of behavioural sciences to public administration.
6. **Social, political and economic environments** were different. M-I met in an environment marked by strong cynicism toward government due to Vietnam Disaster. M-II did not see such a strong cynicism towards government even though bureaucracy was criticized. Positive state was yielding space to the retreating state. There was privatization taking place as was **Third Party Government**. There was less government and more governance.
7. **M-I was phenomenological** while M-II retreated from an action perspective.
8. M-I rejected **politics-administration dichotomy**. M – II accepted it.
9. **M-I was very optimistic** that NPA would solve all societal problems. M-II had constrained hopefulness, believed that state has come to stay but did not want to overload it.

MINNOWBROOK-III (September 2008)

The **purposes** of Minnowbrook III are:

1. To **Exchange Knowledge** of current and emerging public service challenges and solutions in a variety of settings and cultures. Focus on the international public sector, collaborative governance, & training of the next generation of public servants.
2. To **Develop a Network of scholars** to support future collaboration and the exchange of ideas concerning improvements in public service.
3. To **disseminate the best papers** presented at Minnowbrook-III as a specially edited reader for courses in schools of public policy & management around the world.

The **theme** for the third gathering, coordinated by **Rosemary O'Leary** at Syracuse University, was: The Future of Public Administration, Public Management, and Public Service Around the World. It consisted of **2 phases**.

Phase-1 was again held at Syracuse University's Minnowbrook Conference Center. This was a "preconference workshop" for emerging scholars nominated by senior scholars in the field. The 56 invited attendees were more diverse than previous Minnowbrook conferences in terms of race, gender and nationality, involving for the most part assistant professors but including several tenured associate professors of public administration.

The outcome of Phase-1 involved summaries of concerns and future directions representing a dozen focal areas. These included academic-practitioner relations; democratic performance management; financial management; globalization/comparative perspectives; information technology & management; law, politics & public administration management; leadership; methods/ interdisciplinary; networks; performance measurement; public administration values & theory; social equity & justice; and transparency & accountability.

It favoured encouraging **comparative studies** as the world has become increasingly interdependent. The essence of the comparative approach's context-sensitivity, that's, awareness that institutional and cultural context matters and should be incorporated into research. Contributions of this approach are practical for meeting curricular needs, and theoretical in making research more rigorous, revealing underlying, often US-oriented assumptions and exploring alternative contexts.

It proposed a statement of commitment or a manifesto, asking new scholars to serve as change agents regarding the use & teaching of **research methods** and responsiveness of the peer-review process. One element of this was more attention to the method of action research to increase engagement with issues & practice of public administration; another was a commitment to methodological pluralism.

The group interested in public administration values and theory offered a **reformulation of public administration**, defining public administration as: "a socially-embedded process of collective relationships, dialogue, and action to promote human flourishing for all". Questions arising from the reformulation included how public administration might recognize competing values and whether a critical consciousness regarding public administration should be encouraged.

A special issue of the **Journal of Public Administration Research and Theory** (JPART) was decided to be published presenting co-authored critiques of the field written by Minnowbrook New Scholars. This special issue, scheduled for publication in 2009, will be co-edited by **David Van Slyke** and **Beth Gazley**. Phase-1 also served as a catalyst for **new joint research projects** among Minnowbrook New Scholars.

Phase-2 was held at Lake Placid, New York as a more traditional academic conference to which scholars throughout the world were invited to submit proposals. 220 scholars and practitioners from 13 countries participated. Following the opening session presentation from Phase-1 participants, the emerging scholars and senior scholars met in roundtable format to discuss the specific ideas presented. A book reflecting the best of Minnowbrook-III is being edited by **Rosemary O'Leary, David Slyke, and Soonhee Kim**.

NPA'S CURRENT AND FUTURE VISION OF PUBLIC ADMINISTRATION

1. Accepted that currently (in the late 1980s) environment of public administration is very complex. Thus **long term futuristic policies** would neither be meaningful, nor feasible for the future. This is true as governmental policies today are not radical, only incremental.
2. Accepted the then current reality of **inter-disciplinary status of public administration**; however for the future they were keen not to lose disciplinary identity. Further, they wanted to rebuild the discipline de-novo.
3. Accepted the reality of privatization as then current; however, they had a strong adversarial attitude towards business. They believed capitalism had a tension with democracy. Thus, they felt public **administration should combine the best features of both public and private**. This vision is being achieved- NPM borrows from private sector while EG adopts managerial technology from the US local government.
4. They examined the then prevalent **public personnel practices**. Criticized them e.g.
 - i. Lack of contractual employment, hire & fire practices.
 - ii. Inadequate weightage to merit in promotion.
 - iii. No incentives for productivityFor the future, called for innovative personnel practices, to remove the above defects
5. Technology had by then started being used in administration e.g. computerization. M- II however said **technology should not be idolized** (Shun over reliance) as a tool to improve public policy.
6. They accepted the then current reality of administrators exercising control over policy agendas; however they said the **politics-administration dichotomy is alive and well**. Indeed today NPM and WB's concept of GG are based on this dichotomy.

7. They **confirmed the inevitability of government to strengthen society**. For this, they called upon public administration to renew its capacity to cope with problems of the emerging future. It would involve a linkage between theory and practice of public administration.

WHAT IS NEW IN NPA

The newness of the New Public Administration has been challenged by various critics. They say that anything remains new only for a limited period of time. When that time elapses, it no longer remains new. Thus NPA which was new at the time of its evolution, no longer remains new.

Additionally, critics have questioned whether there is really anything „new“ in NPA. They say that **ideal behind NPA concept had existed earlier**. The ideas of welfare – oriented administration, values in decision making etc. had been existing earlier. **Weber** had talked of normative aspects of administration. Similarly **Herbert Simon** had talked of values in decision making.

Even the 1968 Minnowbrook conference’s deliberations have been questioned by critics. The Minnowbrook conference had to be **reconvened in 1988 to discuss ways and means to operationalise the idea** of NPA discussed in the 1968 conference.

Critics say that NPA differs from older PA only in that **it is responsive to a different set of societal problems from those of other periods** e.g. **Weber’s** model of bureaucracy oriented to status quo was given to stabilize European society after modernizing change; it was a response to growing needs of a capitalist economy. For large organisations, **Taylor’s Scientific Management** responded to chaotic situation in the organisation of that time. The Marxists say **Human Relations Approach** was a response to soften the rigidities of the organisation in response to growing labour movement.

However, the concept of NPA has **lost its importance in present times**. Now it has been ideology replaced by concepts like **New Public Management and good governance** etc.

1. NPA is **not new in content, but is new in form**. Its ideas are old, but presented them in an integrated manner e.g. several of its ideas as change orientation, Client-orientation were earlier brought out by D.A. Organizational Development movement of the 1950s called for organizational democracy. Politics-administration dichotomy was rejected by F. M. Marx & Simon. NPA, however, brought them all together.
2. In the era of welfare state, public administration was always expected to solve people’s problems. However NPA **through is label „new“ made explicit what was earlier implicit**.
3. The very fact that NPA **raised issues that had been raised earlier means the latter had not succeeded in achieving them**. NPA however did succeed in several areas e.g. politics-administration dichotomy, though being criticized from 1946 was given up only in the 1970s after NPA. Similarly, hierarchical organizations were criticized earlier by human relationists, but waer achieved only in the 1980s and 1990s e.g. Next Steps Agencies of UK.
4. It was **new in the identity aspect**. Earlier public administration was merged into political science and Generic Management.

5. It was new in having **imparted a under perspective** to the discipline that was earlier focused only within the organisation e.g. Classical theory, human relations, behavioural approach, and linked it closer to society.

NPA has been **criticized** as **anti-theoretic, anti-positivist and anti-management**. However, its positive value lies in bringing public administration closer to political science. The client oriented, normative and socially conscious public administration is of direct relevance for the 3rd world countries, where public administration is in dire need of de-bureaucratization and basic qualitative transformation. **Raghviah** says that NPA makes a shift in focus from positivist-behavioural formalistic concerns, towards more basic, socially relevant issues.

In his "Enterprise of Public Administration (1980)", **Waldo** has identified **positive & negative features** of NPA. Positively, it is some sort of movement in the direction of normative theory, philosophy, social concern and activism. Negatively, it turns away from positivism and scientism. He pointed out NPA projects **3 perspectives** clearly- client-oriented bureaucracy, representative bureaucracy and people's participation.

Golembiewski considered NPA as a temporary and transitional phenomenon. For him, value free science positivist variety is a central target for proponents of the NPA. **Wallace Sayre** has summed up the sentiment; public administration is ultimately a problem in political theory. NPA marked a turning point in the growth of the discipline.

In the final analysis, NPA under exhortation of Waldo and **academic leadership** of Frank Marini, George Frederickson, Joseph Uvages, Charles Lindbloom, and Vincent Ostrom, represents **post-behavioural, post-positivist**, existentialism phenomenology based (value-fact mixed), inter-disciplinary, social equity-oriented, public policy based approach to the study of administration.

NEW PUBLIC MANAGEMENT

The problems in the response of which NPA had emerged continued in 1970s & beyond. This was the time when state failed on many fronts. At this time, Margaret Thatcher (PM of UK) and Ronald Reagan (President of USA) came forward with the idea of downsizing the role of governments and upsizing the role of private sector. The idea was that why should the government play a role in sectors like construction of roads etc. This can be contracted away to private sector. This new thought had two dimensions: one, more & more sectors in which government is playing a role be given under private hands, and two, the management of the public sector organizations must be more efficient with more powers in the hands of managers (just like private sector). The former came to be known as Public Choice approach while the latter as New Public Management, Entrepreneur government, New Taylorism etc.

New Public Management is the outcome of modern times and had a sweeping impact at the international level especially in post-1990 era. It was the result of various dysfunctionalities in the administration including:-

DYSFUNCTIONALITIES OF THE EXISTING PUBLIC ADMINISTRATION SYSTEM

The major dysfunctional ties found in the existing public administration system were: Politics administration **dichotomy is unrealized, irrelevant and unworkable**, as the actors on either side frequently change positions and the two activities intermesh in the practical world of governance.

- a) In public institutional life, **there is no such thing as purely rational decision making. Rather it is bounded** (limited) rationality" (as per SIMON). In real situations, people have certain degree of subjectivity. Moreover, the tendencies towards irrationality are not rare as many actors and forces impinge upon decisions and compete for accommodation.
- b) **Top-down policy implementation does not, in actually, work.** It is now well accepted that public administration is best looked after by self-steering groups rather than closely supervised group. Hierarchy is essentially power-oriented rather than work oriented.
- c) **Successful public administration is rarely rule bound. What matters is goal achievement** and effectiveness. In traditional public administration rules became the end rather than means to an end. It encourages a culture of non performance, and shirking taking initiative.
- d) **Centralization leads to rigidity. Hierarchy results in implementation deficit.** Free flow of communication is impeded by rigid hierarchy and centralization of power. Public institutions operate efficiently when decentralized, allowing lower level initiative, adjustment, adaptability, flexibility.
- e) **Public employees do not have any special type of motivation.** In real life, they have often been found to act to maximize self-interests like income, prestige and power, rather than public interest.

- f) Moreover, in traditional public administration there was no motivation for the employee to perform, because the salary structure was not linked to performance.
- g) **The principles of traditional public administration are lacking in descriptive accuracy.** As organizations differ in complexity and character, one shot enumeration of „principles“ in naïve and unrealistic.
- h) The classical view point of **strict division of labour and specialization has also attacked as being injurious to organizational health and productivity.** Organizational productivity does not automatically flow from a grand organizational design, narrow specialization and divisions work. In fact, organizational layout must provide opportunities for employees to work in multiple roles in much more flexible structures.
- i) Traditional public administration viewed government as the protector of the consumer interests. It assumed that the private sector takes care only of its profit – induced interests leaving consumers in the lurch. However, as the private sector has grown over the years, it is showing more and more concern for the private sector and even more than the public sector.

Because of these dysfunctionalities in the working of traditional public administration during the last decade or so, the simmering dissatisfaction of the people has led to new paradigm of public administration which is termed as NPM. **The term „New Public Management“ was coined by Christopher Hood** in 1991 in his paper entitled „A New Public Management for all seasons“. It is also termed as **„Managerialism“, „Post-Weberian Administration“, „Post-Wilsonian Administration“, „Market – based Public Administration“,** etc.

It has now been well accepted that a **decentralized strategy** is superior to centralized structure. The question has been raised **why the bureaucratic form of organization should have the monopoly** to provide public goods and services. There are various options available for the delivery of public goods and services, and society may benefit from the many suppliers syndrome. It is not necessary that government should always assume the **role of a direct provider** of goods and services; instead governments may operate indirectly, allowing non-government agencies to operate directly in a wide range of social activities. This has been forcefully argued by the Public Choice **New Rights Group.**

Margett Thatcher (UK) and **Reagan** (USA) were at the fore-front to bring about a synthesis of the public administration & business management. It takes „what“ and „why“ from public administration and „how“ from private administration. Infact, **UK** was the first country that initiated the privatization of public enterprises.

With their efforts, remarkable changes took place in public sector management practices in **most advanced countries: Structurally,** the change was from rigid, hierarchical and bureaucratic form of public administration to a flexible, market-based form of public management. There was change in the **role of government in society,** and government-citizenship relationship. These objective conditions created opportunities for the emergence of almost a new paradigm in public sector analysis.

MEANING OF NPM

NPM connotes organizing and running public organizations in a more management – oriented way as that of private organizations, so as to achieve more

citizen satisfaction and societal welfare. The basic theme of NPM is to allow public managers manage.

FACTORS THAT NECESSITATED THE EMERGENCE OF NPM

The years of late 1980s and early 1990s witnessed tremendous changes the world over necessitating changes even in the paradigm of public administration. The various factors behind the emergence of NPM are:-

1. **Knowledge** revolution
2. **Technological** revolution (IT or e – governance) and communication revolution.
3. Increased **competition** nationally and internationally in providing goods and services.
4. Aspirations of the people from government/ administration have increased. Now they **demand value for their money**. Hence quality and cost of services provide by state should be competitive.
5. **Reduced financial resources** of government led to managerial rethink to optimally utilize the scarce resources
6. **International dimension**
 - a) Increasing globalization
 - b) Increasing hold of WTO over national governments and their policies
 - c) Emergence of MNCs on the world scene on a huge scale.

Thus, the NPM philosophy was **basically triggered by a combination of economic issues and geopolitical changes resulting in reduced financial resources for governments**. This demanded efficient utilization of available resources. For coping up with these challenges, traditional bureaucratic administration was highly misfit. Managerial rethink, therefore, became imperative.

MILESTONES IN THE EVOLUTION OF NPM

1. **Entrepreneurial Government: Osborne & Gaebler** in their path-setting publication **Reinventing Government** in 1992 advocated a new model a government, which they termed as Entrepreneurial Government (EG). Osborne summed up: "we don't need more government; we need better government. To be more precise, we need better governance. Government is the instrument we use. The instrument is outdated, and it is time to remake it".
2. **Public Choice Approach:** Another major stream of thought during almost same time emerged in the form of the **Public Choice Approach (PCA)** to public administration which came into existence in the 1960s. PCA is application of economics to political science. **Vincent Ostrom** is the chief protagonist of this approach. In his book *The Intellectual Crisis in American Public Administration*, Ostrom writes "Bureaucratic structures are necessary, but not sufficient structures for a productive and responsive public service economy". He advocated for replacement of the traditional doctrine of „bureaucratic administration“ by the concept of „**democratic administration**“.
3. **Critical Theory:** expounded by Jurgen Habermas. The book entitled „The Essential Frankfurt School Reader“ edited by Andrew Arato & Eike Gebhardt contains major works on the critical perspective of public administration. The critical approach to public administration advocates humanization, debureaucratization and democratization of administration.

4. The Capam Conference: The conference of the Commonwealth Association for Public Administration and management was held in Charlott town, Canada, in 1994. There was a general consensus that **strong environmental forces** have been buffeting the public sector; and governments all over the world are being forced to cope with them. Some of the impinging forces are knowledge-based production, the communication revolution and a massive explosion in world trade (especially after WTO). In a multi-polar world, trade negotiations need to be worked out both bilaterally and multilaterally. The information technology revolution has led to shrinkage of distances among partners and facilitated almost instant electronic networking. **Globalization** has become a reality, setting the stage for professional networking and collaboration in the development and sustenance of a new public administration.

NPM philosophy was basically triggered by a combination of economic issues and geopolitical changes (e.g. collapse of the second world) resulting in reduced financial resources for governments. **Managerial rethink**, therefore, became an imperative necessity. NPM has common roots & combines the **public choice theory** and **Neo-Taylorism** (New-Taylorism because it introduces managerial methods and techniques of private sector into the public sector).

FEATURES OF NPM

The basic feature of NPM is to „Let Public Managers manage“. The main features are:-

- 1 **NPM aims at management and not policy.** It views public administration from the managerial angle and applies management solutions to problem, concerns and issues of public administration.
- 2 It deals with converting public bureaucracies into agencies which deal with each other on a **user pay basis**
- 3 **Re-adjusting the role of the government:** It uses quasi-market and contracting out to foster competition between public sector and private sector.
- 4 **Performance Improvement:** It **emphasizes on output** and providing monetary incentives for increased performance. It demands quick corrective measures, and rewards both organizational and individual performance. This can be done by performance contracting. Both UK and New Zealand are moving from a tenure system of fixed-term contracts. **In financial management**, public agencies are changing, from cash to accrual accounting, thus making them more cost-conscious and resources-saving.
- 5 **Client focus:** It emphasizes the role of public managers in providing high-quality services that citizen's value. The consumers are reconceptualized as active customers and not just passive recipients. Public sector organisations, as in UK, Singapore and some other nations are setting performance targets, measuring performance and publicizing results for the wider public. The most dramatic is **UK's citizen's charter**, a global statement of the government's service quality commitments, launched by PM John Major in 1991. **Singapore** has set up a **Service Improvement Unit** in PM office to keep a watch on departmental efforts.
- 6 **Greater devolution and decentralization:** To achieve better performance, the manager need increased autonomy. NPM allows it. In UK, Australia, New Zealand, and Singapore a distinct trend is noticeable toward shifting operating responsibilities from the central departments to specific agencies with clear performance targets and increased autonomy.

- 7 **Flexibility:** Greater flexibility in working conditions such as contractual appointments, work place bargaining etc. is being permitted to make use of more expertise, employee creativity and allowing exploration of more cost effective delivery systems.
- 8 In NPM, **organizational structures are simplified and hierarchies flattened** to create conditions for more positive and productive managerial leadership.
- 9 It recognizes the importance of **providing the human and technological resources that manager needs** to meet their performance targets. In the area of **human resource management**, recruitment policy has to be directed towards drawing the best available talent from the market and constantly exposing them to skill-improving training programmes. **Australia** is using competency-based training that starts by defining competencies relevant to a given organizational level. **UK and Mauritius** are tailoring training to the job-needs of rank. **Equity initiatives** are being taken up in some countries. For instance, **Australia** has drawn up a strategic plan targeted women, disabled, aboriginal and those with non-English backgrounds. This is expected to expand the pool of talent available to the government.
- 10 **Creating competitive environment:** The public organizations are made to work in competitive and market like environment. Their costs may be compared with the market costs and the costs of other Public Organizations. NPM **synergizes relationship** between public sector, private sector, NGOs, voluntary organizations, and civil society. Non-government organizations are taking up projects in many countries in the social sector (especially health, education, nutrition). In **Bangladesh**, the role of the Grameen Bank is providing micro-credit to the rural poor, particularly women, has attracted international attention.

FOCUS OF NPM

It is well established that efficiency is not a function of ownership but of management, system, methodology. We can have efficiency even without changing the ownership. If the private sector can do well, why can't the public sector can? So there is no need to change ownership from public to private but need to change the management, system of public organizations.

Thus **NPM focuses on:**

- 1 Achieving three essentials: **Efficiency, Economy and Effectiveness**- a triangle with three essential on each pillar.
- 2 It **focuses on management, not on administration**, because administration connotes certain degree of superiority, hierarchy, control etc. while management is more participative in nature. Thus there should be Public Management and not Public Administration.
- 3 **Consumers interests**, stakeholders" interest, quality of service.
- 4 **Entrepreneurial role of public organizations**. It means that the public organizations should work more like private organizations.
- 5 **Public choice approach**.
- 6 Converting inward looking organizations **to outward looking organizations**.
- 7 **Synergizing relationship between public sector, private sector, NGOs, voluntary organizations, civil society** etc now it moves from static to dynamic organizations.

DEFINING ATTRIBUTES OF NPM

LOCALIZATION---devolution and decentralization

EXTERNALIZATION----contracting out i.e. privatization.

DEBUREAUCRATISATION---alternative to public bureaucracy.

SCOPE OF CHANGES BROUGHT BY NPM

It is obvious that the NPM seeks to introduce far reaching changes in Public Administration. It is much more than piece meal administrative reforms undertaken earlier. The changes sought to be introduced under the new paradigm may be divided in two parts, **Macro and Micro changes.**

The macro changes seek to change the very functions and structures of Public Organizations. It includes contracting out, privatization etc. The Micro level changes seek to improve the performance of public organizations by bringing in more managerial content in their working. There is emphasis on:

- More effective programme e.g. through better targeting
- More efficient operations, economizing on staff and capital resources and
- Improved quality of services and service delivery.

TOOLS AND STRATEGIES OF NPM

NPM seeks to adopt various **techniques and practices used by private sector** management, e.g. zero based budgeting (**ZBB**). Total quality management (**TQM**), Human Resource Management (HRM), Networking, Human Resource Accounting (**HRA**), Social Accounting, Operational research technique (**OR**), Management by objective (**MBO**) etc. NPM has also common roots and combines the public choice theory and **Neo-Taylorism**. (New-Taylorism because it introduces the managerial methods and techniques of private sector into the public sector)

NPM, GOOD GOVERNANCE AND ENTREPRENEURIAL GOVERNMENT

All the three in NPM, Good Governance and entrepreneurial government aims to more and more citizen welfare and social interest. However, the ways of achieving this over all objectives are different for the three.

- 1 **NPM is more management oriented**
- 2 **Good governance is more politically oriented, while**
- 3 **Entrepreneurial government is more economically oriented**

However, in Operationalising Good Governance and entrepreneurial government NPM can be highly useful.

NPM AND TRADITIONAL PUBLIC ADMINISTRATION

Under the NPM, public sector decision making structures are so designed as to let managers manage. This was not so in traditional public administration. Under **traditional public administration, it was "Administration", in NPM, it is "Management"**.

NPM stipulates that public servants should have to accept **more personal accountability** for the actions of their agencies in return for enhanced autonomy and flexibility to them. This is clearly a significant departure from the concept of “anonymous” bureaucracy in traditional public administration.

Traditional public administration is **inward looking** focusing primarily on its own organization; however NPM is more **outward looking**. In the traditional public administration, **rules are ends in themselves** resulting into red-tapism and associated evils. However, in NPM, rules are considered a **means to an end**

TRADITIONAL PUBLIC ADMINISTRATION	New Public Management
Reliance on process accountability	Emphasises role of results accountability
Anonymity for actions taken	more personal accountability for actions of their agencies
Dictated by political leadership for macro and micro aspects	Political leadership concerned only with macro policies and goals. All other matters delegated to professional bureaucrats who would be deciding on the basis of economic rationality. Thus it involves reasserting Wilsonian separation of administration from politics with a vengeance.
Focus on organizational structure and process	Focus on performance
Focus on public bureaucracy only	Explore problem from many different disciplinary bases
Bureaucratic management	Professional management in public sector/ private sector management practices
Aggregation into a single central department	Disaggregation of units in the public sector
Inward looking organizations	Outward looking organizations
Focus on administration with attitude of superiority, hierarchy, control etc.	Focuses on management with participative nature
Irrational resource use	Greater discipline and parsimony in resource use

LIMITATIONS OF NPM

NPM accepts market as a model of govt and idealizes the values and techniques of pvt administration But **NPM fails to take account of real politic of government** The core of the modern govt lies in observance of rule of law not market driven mechanism. Major problems in public administration are basically political and NPM overlooks it.

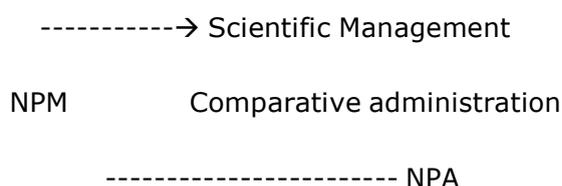
- 1 It is good to know how private management works, but at the same time the **unique policy role of the government** should not be diluted. Government especially at the higher echelons, has its peculiar ways of accommodating interests, feeling the pulse of the nation, intervening in conflictual situations and calculating pay-offs in difficult bargaining situations. This is not so in private organizations.
- 2 The „**public interest**“ lies at the heart of government operation, and it is irreplaceable by any market philosophy.

- 3 There is a lurking suspicion that the new paradigm might as well lead to **hijacking of the state** by the „private“ and the „powerful“.
- 4 It is alleged that the NPM is **centered on the core and almost oblivious of the periphery**. It means in addition to the public and private sectors, there are NGOs, voluntary organizations, civil society etc. The NPM may focus only on government. People’s efforts to organize themselves may be left over.
- 5 Sometimes it is alleged that NPM is a moral, **caring little for administrative ethics** which is cornerstone in the running of public affairs.
- 6 NPM may result into complete neglect of means, **insensitivity to social needs and unresponsiveness to public interest**.
- 7 It **revives dichotomy**.

WHAT’S NEW IN NEW PUBLIC MANAGEMENT?

NPM has provided a **new paradigm to the discipline of Public administration**. Earlier it was „administration“ now it is „management“. However, there is not much new in NPM, as would be clear from the followings:-

- a) It **advocates neo-Taylorism**. Earlier we discarded Taylor’s Scientific Management school of thought for various reasons primarily because it was alleged that it led to dehumanization. But after discarding Taylor’s scientific management, though we adopted a number of other views as shown in the diagram. We have **reverted back to the efficiency based scientific management advocated by Taylor’s** though with a different orientation.



- b) Since it emphasizes that the public managers be allowed to manage and political leadership be concerned only with macro policies, it essentially involves **reasserting the Wilsonian separation of administration from politics**.
- c) The NPM is **not so much as an all-together new „paradigm“ as a refreshing reconstruction of the evolving discipline of public administration**. It needs to be recalled that there has been a long traditions of „**implementation research**“ pioneered by academic stalwarts like Pressman and Wildavsky. The main issue raised by them has been: How public organization transform policies into results. No doubt, the NPM has symbolized something very new, sweeping the study of governance and public policy. Yet, both implementation research and traditional public administration had much to contribute to the new movement.

NPM – INTERNATIONAL EXPERIENCE

In the 1980s and early 1990s for a variety of reasons, remarkable changes took place in public sector management practices in most advanced countries. To operationalise good governance, NPM is being considered as a vital input. To achieve this, there have been a lot of **structural adjustment** and a new type of state invention

to seek cooperation and help from community organization and empowerment of citizens.

Most of the countries have attempted to **limit the role of the State**, including downsizing bureaucracy, devolution authority, cost reduction contracting out some of the operative functions of government, developing and designing result oriented appraisal system, and commercialization as well as market orientation of the government activities.

This has been supported by effective accountability moving from rule to result orientation, from systems to enterprises, obedience to reward, inaction to action, centralization to decentralization and from the duties of administrators to the rights of citizens.

- a) Structurally, the change was from rigid, hierarchical and bureaucratic from the public administration to a **flexible, market-based form the public management**.
- b) The change was not merely in form/ style. There was remarkable **change in the role of government in society**. Similarly, there was a change in government – citizenship relationship.

To be more specific, in **USA**, they are „**Reinventing Government**“ to meet the requirements of public management, „catalytic government“, „mission driven government“ and Market Oriented Government has been emphasizes.

In **New Zealand** the reform has mostly taken the form of **Corporatisation and privatization**. **UK** has introduced the concept of **citizen charter**. In **Canada** there has been increased focus on **client satisfaction**. In many **commonwealth countries**, there is currently more and more **private sector involvement** in activities that were formally reserved for the public sector. Also there have been attempts to develop transparent and open administrative structures, use IT etc.

In many **developing countries**, **NGOs** are taking up projects in many countries (e.g. India) in the social sector. In **Bangladesh**, the role of **Grameen Bank** in providing micro credit to rural poor, particularly women has attracted international attention. Moreover, to operationalise NPM a large number of **civil servants are being trained in modern concepts of management**.

From the foregoing discussion, it can be concluded that many of countries are modeling reforms in such a way whereby the traditional public administration approach is being replaced by public management approach. The new phase in governance reflects the **insertion of management perspective into public organizations**.

Now efficiency is considered more important than rule obedience, effectiveness comes before legality, flexibility and adoption are more vital than predictability and responsibility. If public organization can give profit, then profitability is highly relevant objective besides the public interests that are served. Contemporary reforms are reorienting governance towards management philosophy. It also implies that public organizations, even hospitals, schools and **social welfare departments be run as firms** and that public enterprises be made into joint stock companies operated as private firms.

Thus international experience of NPM clearly demonstrates that a number of countries have restructured their administrative system to fulfill the aspirations of citizens.

NPM INDIAN EXPERIENCE

Indian reforms towards introducing „New Public Management“ during the last 53 years have been rather adhoc and slow.

However, in the conference of the chief secretaries of state/ UTs of effective and responsive administration in November 1996 followed by a **conference of Chief Ministers in May 1997**, it was recognized that governance has to extend beyond conventional bureaucracies and to involve actively citizens and consumer groups.

Of late, in India, consensus has emerged on achieving the **goals of accountability, citizen friendly government, transparency, right to information and improving performance and integrity of public services** at the central and state levels. A large number of states, UTs and Central Government have already taken several steps in this direction. Achieving of the declared agenda for reforms towards good governance in India would require operationalisation of the concept of New Public Management. A number of steps have already been taken in this direction. The achievements are laudable. Still there are many promises which have remained unaccomplished.

CLASSIC EXAMPLES OF NPM IN India

CORPORATIZATION OF DEPARTMENT OF TELECOMMUNICATION INTO BSNL

BSNL then known as **Department of Telecom** had been a **near monopoly** during the socialist period of the Indian economy. During this period, BSNL was the only telecom service provider in the country (MTNL was present only in Mumbai and New Delhi). During this period BSNL operated as a typical state-run organization, **inefficient, slow, bureaucratic, and heavily unionised**. As a result subscribers had to wait for as long as five years to get a telephone connection.

The corporation tasted competition for the first time after the **liberalisation of Indian economy in 1991**. Faced with stiff competition from the private telecom service providers, BSNL has subsequently tried to increase efficiencies itself. DoT veterans, however, put the onus for the sorry state of affairs on the Government policies, where in all state-owned service providers were required to function as mediums for achieving egalitarian growth across all segments of the society. The corporation (then DoT), however, **failed miserably** to achieve this and India languished among the most poorly connected countries in the world.

BSNL was born in 2000 after the corporatisation of DoT. The efficiency of the company has since improved since then. BSNL is now **World's 7th largest** Telecommunications Company **providing comprehensive range of telecom services** in India: Wireline, CDMA mobile, GSM Mobile, Internet, Broadband, Carrier service, MPLS-VPN, VSAT, VoIP services, IN Services etc. Presently it is one of the **largest & leading public sector unit in India**.

UIDAI HEADED BY PROFESSIONAL FROM CORPORATE WORLD

The Unique Identification Authority of India (UIDAI) is an agency of the Government of India responsible for implementing the envisioned **AADHAAR** a Multipurpose National Identity Card or Unique Identification card (UID Card) project in

India. It was established in February 2009, and will own and operate the Unique Identification Number database.

Nandan Nilekani is appointed as **Chairman** of the Unique Identification Authority of India (UIDAI) with a rank and status of a Cabinet Minister. Nandan Nilekani was most **recently the co-chairman of the board of directors of Infosys Technologies** Limited, which he co-founded in 1981. Serving as director on the company's board since its inception to July 2009, he has held various posts at **Infosys**, including chief executive officer and managing director, president, and chief operating officer.

Nilekani co-founded India's **National Association of Software and Service Companies (NASSCOM)** as well as the Bengaluru chapter of The India-US Entrepreneurs. He is a **member of the board of governors** of the Indian Council for Research on International Economic Relations (ICRIER) and the president of NCAER (the premier, independent, applied economics research institute in India).

RATAN TATA INVITED IN AIR INDIA"s ADVISORY BOARD

Government run **Air India**, which faced tough time recently has approached **country"s leading corporate personality** and head of diversified conglomerate group, **Rattan Tata** to head a high profile **advisory committee** set up to revive the sinking ship. Cabinet Minister for Civil Aviation in 2009 has decided to set up an **advisory committee** that will comprise head honchos of some of the leading names in the world of business including airline sector.

THE UN-ACCOMPLISHED AGENDA OF NPM IN INDIA

- 1 Rightsizing government functions
- 2 Greater use of IT and Management Techniques
- 3 Greater Delegation, ethics, participation and even level jumping leading to greater efficiency
- 4 Ensuring accountability
- 5 Reducing or even abolishing all unwarranted reports and returns.
- 6 Simplification of office procedures, standardization of job output and introduction of appraisal by result.
- 7 Reorganization work procedure
- 8 Good financial management, efficiency audit

CONCLUSION

The NPM has exposed the over protected „bureaucracy“ to models of management. NPM"s concern for the citizen is praise worthy. It is a bold measure of systematic administrative reform in the broadest term. If implemented in the right earnest, it can change the way the government govern.

WEBER'S BUREAUCRATIC MODEL

The subject of bureaucracy is of utmost importance for any student of public administration. However, it must be clarified in the beginning itself that bureaucracy should not be confused with the civil services. Bureaucracy refers to the sociological concept of rationalization of collective activities- whether in public or private sector. Max Weber's name became synonymous with bureaucracy, for he enjoys a unique place in the galaxy of social scientists who have attempted to explain the concept of bureaucracy.

Max Weber gave the **ideal-type model of bureaucracy**. It is not to be found in practice. For Weber, bureaucracy is a corollary to large organizations. Here, the over specialized division of labour means that some must have the right to control and direct the activities of others. In order for such control to be effective, it must be seen as legitimate. **Such a legitimate control is called authority by Weber.**

Weber distinguished between **three kinds of legitimacy or authority** – traditional, rational-legal & charismatic. The form of organization corresponding to rational-legal authority is called bureaucracy. Surprisingly, Weber **never defined the term bureaucracy**. However it is clear from his model that he meant it to be a form of organization, a design for conduct of public administration.

REASONS FOR RISE OF BUREAUCRACY

- To quote Weber, "The **development of the money economy**, in so far as a pecuniary compensation of the officials is concerned, is a presupposition of bureaucracy.....a **stable system of taxation** is the precondition for the permanent existence of bureaucratic administration."
- A second prerequisite of bureaucratic growth was the demand of a larger middle class for the benefits of **mass democracy**, especially for social and economic equality. To quote Weber, "Bureaucracy inevitably accompanies modern mass democracy....This result from the characteristic principle of bureaucracy: the abstract regularity of the execution of authority, which is a result of the demand for 'equality' before the law, and the principled rejection of doing business, 'from case to case'."
- But these, in Weber's view, were not the cause of bureaucratic ascendancy in the modern state. The real causes could be traced to the human motivations springing from what Weber called the **Protestant ethic** and the **spirit of capitalism**.
 - Protestant ethic was instrumental in bringing about a revolution in human existential condition.
 - Capitalism advanced on the principle of survival of the fittest in the market place. In the face of fierce economic competition, capitalist enterprises needed a highly efficient organizational form.
- Emergence of **complex administrative problems**, modern means of **communication**, Growth of **rationalism** and **population** were other reasons of growth of bureaucracy.

FEATURES OF BUREAUCRACY

1. The regular activities needed to achieve the goals of organizations are divided amongst the official as their formal duties. A complex task is thus subdivided into a number of smaller, manageable jobs. This also ensures **specialization**, and hence rationality.
2. The organization of offices follows the principle of **hierarchy**. A chain of command and responsibility is thus established.
3. Operations of the bureaucracy are governed by a set of **abstract rules**, and their application to particular cases. These rules define the manner in which each task is to be done, and thus limit discretion of officials.
4. A bureaucrat performs his functions in a spirit of formalistic **impersonality** without hatred or passion. All people (clients) are treated equally.
5. **Appointments are made on the basis of specialist knowledge**. Once appointed, the bureaucrat's occupation constitutes a career.
6. His job is the role, or at least his major source of income.
7. **Promotions** are based on seniority or merit, or both. The official is remunerated in cash, and is also entitled to a **pension**.
8. There is a **strict separation of official and personal lives** of bureaucrats. He does not own any part of the organisation, and does not use his official position to further his private business ends.
9. Bureaucratic work is conducted using a system of desks and files. This ensures that all records can be checked later.
10. Official is engaged in the performance of impersonal duties of his office. Personally, he is free.

Weber believed that such a bureaucracy is rational, efficient, stable and predictable.

THEORY OF DOMINATION/ TYPES OF AUTHORITY

Weber discussed on bureaucracy as a **sociological phenomenon**. His thoughts about bureaucracy need to be understood in the more general context of his **theory of domination**. Domination refers to a **power relationship** between the rulers & the ruled. **Power** is the probability that one will be in a position to carry out his own will despite resistance, while **authority** is the probability that a command will be obeyed by a group of people.

Thus, **authority is characterized by legitimacy**, that is, voluntary obedience by subordinates. It is synonymous to „authoritarian power of command“ and he called it „**domination**“. He stated that all administration means domination. Weber identified **3 types of legitimacy**, each corresponding to a particular type of domination:

1. **Charismatic domination**: Charisma means gift of grace. By virtue of possession of charisma or an exceptional quality, a hero or a leader casts a spell over his followers, who accept his domination because of their faith in the person. Here, the administrative apparatus is very loose and unstable. Administration consists of the most faithful followers. It breaks down when the leader dies or when the charismatic qualities of the leader decline. **Weber** suggested institutionalization of the charismatic authority.
2. **Traditional domination**: The legitimation in this form comes from the belief in the goodness of the past, in the appropriateness of traditional ways of doing things. This kind of patrimonial authority receives ready obedience because of a peculiar faith in

traditional status and personal loyalty to the dominant person. Here administration consists of the personal retainers, servants and relatives. Under feudal system, the feudal lords, interposed between the king and the people, constitute the administration.

3. **Legal domination:** Legitimation of legal type of domination is based on the belief in rightness of law. The administration corresponding to this kind of domination is bureaucracy. The position of the bureaucrat, his relations with the ruler, the ruled and his colleagues are regulated by impersonal rules. These rules delineate in a rational way the hierarchy, the rights and duties of every position and the methods of recruitment, promotion and other conditions of service. Weber believed that such a bureaucracy is rational, efficient, stable & predictable. This system is called „**rational**“ **because**, in it the means are expressly designed to achieve certain specific ends. It is „**legal**“ **because** authority is exercised by means of a system of rules and procedures.

Only the head of the bureaucratic organization occupies his position by virtue of **appropriation, election** or **succession**. The whole administrative staff under the head of the organization consists of **appointed individual officials**.

CONTROL OVER BUREAUCRACY

A fully developed bureaucracy, according to Weber, is among those social structures which are the **hardest to destroy**. As an instrument of 'societalizing' relations of power, bureaucracy is practically **un-shatterable**. The individual bureaucrat is reduced to "a single cog in an ever-moving mechanism which prescribes to him an essentially fixed route of march".

Weber admitted that normally the power position of a fully developed bureaucracy was everywhere overpowering. The political master is no match for the expert bureaucrat. The concept of the '**official secret**' is an invention of bureaucracy, as it tries to hide its knowledge and action from criticisms. "Bureaucracy naturally welcomes a poorly informed and hence a powerless parliament, at least in so far as ignorance somehow agrees with the bureaucracy's interests."

In his essay, *Parliament and Government in the Newly Organized Germany* (1918), Weber wrote explicitly on the problem of **beamtenherrschaft** or rule by officials which, in his view, was different from-bureaucracy. Weber was, therefore, considering a number of mechanisms for limiting the scope of bureaucracy. **5 mechanisms** suggested by Weber (identified by **Albrow** in Weber's writings) are:

1. **Collegiality:** involvement of more than one person in decision-making. Weber referred to several forms of collegiality- Roman consulate, British Cabinet, senates and parliaments. However, he also pointed out its disadvantages in terms of speed of decision and fixing of responsibility.
2. **Separation of powers** meant dividing responsibility for the same function between two or more bodies. Weber referred to the compromise over the budget which historically had to be reached by the British monarch and Parliament. Such a system, in Weber's view, is inherently unstable.
3. **Amateur administration:** a situation when the government does not pay its administrators and depends upon those who have the resources. This system is no match for administration by professionals & experts under conditions of modern society.

4. **Direct democracy** may take many forms such as short term of office, selection by lot and possibility of recall. Place the officials under the guidance of an assembly to ensure their accountability to the people.
5. **Representative bodies:** Their members are selected by vote and are free to make decisions and share in authority over those who elect them. It was through this medium that Weber saw the greatest possibility of a check on bureaucracy. He believed that **only strong parliamentary control can remove the demerits**. Bureaucrats should be made directly accountable to parliament, by means of parliamentary committees.

For a check on the usurpative role of bureaucracy, he relied on the **proper selection process of politicians** with the capacity for leadership and the control of the administrative apparatus.

Weber argued that "drawing in of economic interest groups or the establishment of local, inter-local, or central parliamentary or other representative bodies seem to run directly against the bureaucratic tendency". There are hints of possible debureaucratization in a polity that develops **countervailing institutions and associational groups**.

Clearly then, Weber's views on bureaucracy are ambivalent. On the one hand, he recognized it as technically superior and said it was essential for modern organization. On the other hand, he sees it as a threat to responsible government.

CRITICISM OF MAX WEBER

1. **MARXIAN ARGUMENT:** Specialized **diversion of labour** and the accompanying fragmentation of tasks result in **alienation** of the bureaucrat from his work. He is not able to express all facets of his personality in his work.
2. **ROBERT MICHELS** says that bureaucracy **subverts democracy**. It so complicates the affairs of organization that these become incomprehensible to the non-specialists. This results in **oligarchy** or rule by a small elite. It is status-quoits. Its primary concern is maintenance of its own power, even to the detriment of the goals of organization (**displacement of goals**).
3. **PHILLIP SELZNICK** says that the division of labour results ultimately in the **sub-units setting up goals of their own**. These goals may even conflict with the goals of the organization as a whole.
4. **TALCOTT PARSONS** has **questioned the internal consistency** of Weber's ideal type. Weber expects the administrative staff to be technically superior, as well as possess the right to direct and control the activities of others. But, it is not always possible that top administrators are also technically proficient. In India, the IAS system is founded on exactly an opposite premise.
5. **ALVIN GOULDNER** says that bureaucrats soon find out the **minimum behaviour acceptable under the rules**. Their performance then conforms to this minimum. The low performance ironically, increases the closeness of supervision, leading to promulgation of more rules. A vicious circle is thus set up with additional rules and low performance feeding each other.

6. **ROBERT K. MERTON** says that bureaucrats are **trained to strictly comply with rules**. When situations arise that are not covered by rules they become timid. They are not trained nor encouraged to innovate. Their career incentives are designed to reward discipline and conformity to regulations.

Conformity to official rules soon becomes an end in itself, rather than a means to attaining organizational objectives efficiently & with accountability. This is called **goal displacement**.

Emphasis on impersonality in their conduct may lead to friction with the public. They expect concern and sympathy for their particular problems. A business-only approach projects bureaucracy as cold and arrogant.

7. **PETER BLAU** has criticized Weber saying that any deviation from the formal organization is detrimental to organizational efficiency. His studies showed that individuals and groups in organization may act in ways not authorized, even banned by the formal organization. Yet they enhance efficiency and effectiveness.
8. **HUMAN RELATIONISTS** have criticized Weber for totally neglecting the human element in organization. Further, there is no scope for informal groups in his scheme.
9. **BEHAVIOURALISTS** like Simon and March are critical of his formal approach. Actual behavior is neglected. And with the unpredictability of human behavior not factored in, the model naturally calls bureaucracy as predictable.
10. **RIGGS** says it doesn't apply to developing countries. Here Sala Model is more relevant, atleast behaviourally.
11. **LA PALAMBORA** criticized Weber for his narrow empirical base.
12. **TRAINED INCAPACITY:** He is trained into that render him incapable of acting especially during changed circumstances
Thus bureaucracy trained to follow orders of superiors, observe rules & regulations, be objective, and treat all people equally and so on.

In actual operation, this leads to dysfunctions. He does not innovate, avoids initiative, no risk-taking, becomes non-committed to work, becomes cold towards public, control subordinates, and leads to delay.

APPRAISAL OF WEBER'S CRITIQUE

1. Weber had meant his model to be **only an ideal type**. As such it is not to be founded in actual practice. Its purpose is to **serve as a sign-post**, and a guide to what should the organisation be like, if it is to be rational.
2. Though Weber's model is predominantly structural, it **has certain behavioral implications**, for example impersonality, rationality, neutrality & rule-orientation. Thus, unless Weber's model is implemented fully, it would be unfair to criticize him.
3. Weber **developed his model in the context of the German society** of his times. As such, it is not directly applicable to every society without any modification. For example, developing countries may de-emphasize rule-orientation and emphasize technical specialization.

4. **Weber himself was aware of the demerits of bureaucracy** and has pointed them out e.g. its standardization leads to suppression of initiative; a single-minded pre-occupation with uniformity and order, bureaucrats being „specialists without spirit“ and so on. It was then incumbent on later-day public administrators to devise solutions for these problems. This they failed to do. On his part, Weber had **advocated strict parliamentary control** over the bureaucracy.
5. Finally it may be accepted that Weber’s model does have some deficiencies in today’s content. For example emphasis on hierarchy. At the same time, it has some strength as well. For example emphasis on separation of private from official spheres of life.

ADVANTAGES OF BUREAUCRACY

Weber was convinced of the technical superiority of bureaucracy as compared to other forms of organization. This was due to:-

1. Specialist skills developed to achieve organizational goals.
2. A set of rules designed to further those goals.
3. Exclusion of personal factors from work.

For these reasons, tasks in a bureaucracy were performed with greater precision, speed and efficiency, and at lower costs, with less friction.

At the same time he was also aware of its **DEMERITS:**

1. Its standardization led to **suppression of creativity and initiative.**
2. The impersonality of conduct produces **specialists without spirit.**
3. Bureaucrats soon became preoccupied with, and dependent on the security provided by, uniformity and order.
4. Bureaucrats soon get trapped in the **monotony** of their specialized routine with little awareness of the overall organization.
5. Since bureaucracy is trained to follow orders, it could be directed towards any ends.
6. Since they are trained to conduct routine of operations they would be **ineffective in times of crisis.**
7. Top bureaucrats are likely to be **swayed by pressures of capitalist interests.**
8. Vis-à-vis the layman, the practical master; bureaucrats are experts. So they can control the former.

Weber believed that **only strong parliamentary control can remove these demerits.** Bureaucrats should be made directly accountable to parliament, by means of parliamentary committees.

Clearly then, Weber’s views on bureaucracy are ambivalent. On the one hand, he recognized it as technically superior and said, it was essential for modern organization. On the other hand, he sees it as a threat to responsible government.

MARXIST VIEW OF BUREAUCRACY

Marx did not write extensively on bureaucracy. Yet, what he did write was not insignificant. He placed bureaucracy and studied it, in the context of his study of state of in the capitalist society. For him, it was the apparatus of the state i.e. civil service.

PERSPECTIVE ON ADMINISTRATIVE REALITY

Marx's assumptions are the following:

1. He saw the **individual human being as selfish** in nature, promoting his self interest. In particular, the bureaucrat is self-seeking and self-aggrandizing.
2. This was a **materialist conception of the state**, in contrast to Hegel's idealist view that regarded state as an ethical entity.

In regarding state as representing the interests of the capitalist class, there are 2 marxist positions:

1. **Fundamentalist model** – Aaronovitch sees bureaucracy as directly **manned and controlled by the ruling class**. Thus, given that top civil servants and members of government advisory bodies are directly connected to the capitalist class, it will naturally favour this class.
2. **Relative Autonomy Model** – Poulantzas says that bureaucracy need not necessarily be from the ruling class to serve the latter's interests. State as part of superstructure being conditioned by the base, **bureaucracy automatically represents the interests of capital**. This in fact, better serves the capitalist class as free from internal squabbles of groups within the class, bureaucracy serves the whole class and also it can easily portray that it serves the entire society.

HOW DOES THE BUREAUCRACY PROMOTE INTERESTS OF CAPITAL?

In explaining this, Marxists Westergaard & Resler are explaining the 20th century state, welfare state.

1. State makes laws to **safeguard private property**, the basis of exploitation of the subject class.
2. Bureaucracy is engaged in a large no of **activities that appear to benefit the subject class in particular** or society as a whole. These include regulatory legislation to improve health and safety in the workplace, direct provision through national health services and free education for all and also distribution i.e. security benefits as old-age pensions and unemployment and sickness insurance.
3. These it says are meant to act as **safety-valves to diffuse working class unrest** that might threaten ruling-class dominance. But these activities only smoothen the rough edges of insecurity while leaving the basic structure of inequality intact. Further, even these have been financed from the wages of those they are intended to benefit, resulting in little redistribution of wealth.
3. State's direct production role in economy is explained as establishing the **basic conditions for business prosperity and growth**. This objective explains

nationalization of basic industries as energy and transport. State also contributes financially to the private sector e.g. by public finance institutions.

BUREAUCRACY

1. Represents interests of the dominant class i.e. from the fundamentalist model, its own interests. It **only parades these interests as the public interest**, if the people get taken in by this; it is false-class consciousness.
2. The individual **bureaucrat is self-aggrandizing**, chasing after promotions, high posts and has excessive attachment to status and prestige.
3. Apart from being selfish, **bureaucracy is oppressive**. Thus it enmeshes and controls civil society in every aspect of existence – from the most important to the most trivial.
4. In turn, it **does not submit itself to any control by others**. This, it ensures through its secretive nature secured **internally by hierarchy and externally by its character as a closed corporation**. It keeps aloof from society, frowns upon any and complicates its political consciousness among people, its affairs to a degree that most people cannot comprehend it.
In fact, Lenin believed, contrary to Weber, parliaments are mere talking shops and cannot control bureaucracy which really conducts governmental work.
5. Not being directly or organically linked to the mode of production, bureaucracy **leads a parasitic existence**.
6. Bureaucracy is **inherently incompetent**. The superior does not know the specifics of the case, the subordinate does not know the general objectives and thus, none comprehends the totality of the situation. Hierarchy of structure thus means hierarchy of knowledge too- Vertical and functional differentiation.
7. A bureaucrat thinks he can do everything but in fact, **lacks initiative and imagination**. This leads to mere combination and mutual reinforcement of incompetence.
8. The **mentality of bureaucracy is idolatry of authority** and is passively obedient of authority. In other words, anyone who has authority can direct the bureaucracy to any end.
9. Bureaucracy is and **status-quoist**, believing in fixed principles, attitudes, behaviours and traditions.

FUTURE OF BUREAUCRACY

State, being an instrument of ruling class domination and exploitation of subject class, must be eliminated. This can only be ensured by changing the nature of economic base to which the state bureaucracy owes its position. In other words, **with social ownership of means of production, bureaucracy will disappear**. While recognizing the need for some form of administrative organization in the socialist society, Weber's ideal typical model was rejected both by Lenin and Mao.

Thus, administrators would be **directly appointed by the people and subject to recall** any time. Their wages would not exceed those of any worker. They would only lead, not command. Division of labour and technical specialization and the professional administrator are replaced by a system where **everyone can take care of everything in the organization**. Administrative tasks are simplified to the point that only basic literacy and numeracy are sufficient skills to perform them.

Thus, everybody in the community would have the skills necessary to directly administer the organization as also directly control and supervise it. Thus, **all can become bureaucrats for a time and so no one can become a bureaucrat.** Administrative leaders would also spend some time in actual production, in field and factories.

The rigid hierarchy will be abolished as it stifles the energy and initiative of the masses. Fixed rules and regulations only repress the masses and so will be changed as the masses see fit. Thus the repressive state bureaucracies of the capitalist society will be replaced by a truly democratic system. **The organization would be directly controlled and administered by masses.**

However these prophecies have not come true. In the former USSR, under Lenin himself, there was expansion, than dismantling of state bureaucracy. Even accounting for the transitional dictatorship of the proletariat, **a mature USSR did not reverse trend of bureaucratization.** In fact Alfred Meyer says bureaucracy is the **organizing principle of the soviet Society** which may be seen as a large, complex bureaucracy just like any large organization of the west. As to its exact nature, opinions are divided.

Milovan Djilas says Soviet **bureaucrats have directed the polity and economy for their benefit**, exploiting the masses and allowing the latter no opportunity to participate in or control administration. In fact, bureaucracy has itself emerged as an elite – **a „power elite“ as Bottommore and Raymond Aron see it** – controlling political, economic and military power, using this absolute and unbounded power for self-enrichment than for the society as a whole.

David Lane agrees that bureaucratization in USSR is opposed to democracy but it does not take away from the fact that the **industrialization and the social change brought about by the centralized bureaucracy has benefited all members of society.**

An attempt to remove the bureau was made in China during **Mao's Cultural Revolution.** One, there was „role shifting“ i.e. leaders moved to the base of the organization to **empathize with the workers** and minimize status differences. Secondly, there was **group-based decision-making** i.e. workers directly participate in decision making in the factory. The impact of these however was as short as the revolution itself. **Yeo-Chi King** saw Mao's intervention as a kind of **charismatic break from bureaucratic routine.** Weber proved correct and this charismatic authority was rapidly routinized back to bureaucracy.

MARX VS WEBER

In general, **Weber's work is seen as providing a corrective to Marx's mono-causal determination of events.** Weber thus responded to most themes touched upon by Marx insisting the comment that he was having a dialogue with the ghost of Marx. In particular, both studied bureaucracy.

To Marx, bureaucracy meant only the **bureaucratic apparatus of the state** i.e. the civil service. For Weber however, it had a wider meaning. It meant a **form of organization** – public or private. Weber's view was correct till 1950s when both public and private sector organizations were bureaucratic. Since then, private sector has started abandoning bureaucracy.

For Marx, bureaucracy was a **specific creation of the capitalist society.** Bureaucracy serves interests of ruling class. For Weber, bureaucracy is a more **general phenomenon – a manifestation of rationalization** i.e. rise of industrial

society. It is found in all industrial societies, capitalist or socialist. Studies of Milovan Djilas, David Lane, Raymond Aron and T.B. Bottommore confirm Weber's view.

Weber believed **Parliament can effectively control bureaucracy**. Marxists as Lenin have rejected this view. They say parliaments are mere talking shops; while bureaucracy, away from parliament, really conducts work of government.

The nature of administrative organization prophesied by Marxists for socialist society is the **antithesis of Weberian ideal type**.

Weber rejects Marx's view that bureaucracy is a **parasitic entity**.

Marx believed bureaucracy is **inherently incompetent and non-rational** while Weber believed, it is the most competent.

POST-WEBERIAN DEVELOPMENTS

Weber (1864-1920) formulated his model of bureaucracy in a particular socio (German society had industrialized) – intellectual (e.g. Northcote-Trevelyan, Wilson) context. Since then, several developments have taken place, rendering Weber's model severely inadequate:-

1. At **societal level**, society has changed since Weber's time and so has role of bureaucracy in it.
2. At the **intellectual level**, new concepts, theoretical propositions have been formulated, at variance with the very pillars of Weberian model.

These two streams are mutually related and constitute the post-Weberian developments. They call for adaptation of Weber's model through **judicious supplementing and even supplanting**.

EXISTENTIAL DEVELOPMENTS

At Weber's times, industrial society was still in its youth, society was still relatively simple & stable, and public administration was still largely laissez-faire, with increasing regulation of economic & social life; traces of welfare state too emerging. These conditions no longer obtain today.

1. Due to the entry of multiple forces, science and technology, industrialization, spread of education, mass-media and democratization, **the complexity of the society has increased** manifold. This is being compounded today by **globalization and information revolution**. Not only is the society complex, but it is also changing very fast. This has changed the organizational scene radically.
2. Weber saw bureaucracy as a corollary of large organization; but today, the post-Fordist or **post-bureaucratic or networked organization has emerged**. This calls for super-specialist skills than being well-versed in rules and regulations, and **innovative and multi-dimensional response patterns**, than structured ways of behaving.

Its major features are small-size, flexibility, flattered hierarchies, decentralization, collegiality of decision making than monocracy, multi-skilling, job enrichment and enlargement, multi functional teams, bounded rationality, **organizational democracy including empowerment and a diversified workforce**. In fact the organization has gone virtual, with **telecommuting and home office emerging** too. Change towards such organization took place on the private sector first in the 1950s and 1960s. Thus Weber's view that one factor of bureaucratization was rise of capitalism and that bureaucracy can be used in all administration has been reversed.

3. Since, a **new category of nations emerged**. These are today called the developing countries. They embarked on a path to socio-economic progress and nation-building. Bureaucracy of the Weberian type was unsuited to this task. A new model of administration- action-, change- and goal- oriented has emerged. This was **development administration**. It continues to be relevant with emergence of East European states out of socialism, new states in central Asia from USSR and today Afghanistan and East Timor.

4. **Horizontal and vertical spread of democracy led to rise of welfare state.** Public administration became a **provider and distributor** than mere regulator. This called for positive orientation and values as justice, representation and participation. Bureaucracy based on impersonality and specialized administration was totally unsuited to it as pointed out by **Claus Offe**. He said that organizational rationality of bureaucratic action under welfare state, conflicts with rationality of the political system (systemic).
5. Further, Welfare state started declining **from the 1970s** in the west. The **new role of public administration was policy making**, than implementation. In many ways policy making is similar to regulation. Thus, instead of following „given“ means to achieve given ends, public administration has to formulate them. This exposes it to the politics of negotiation, reconciliation and compromise. **Rationality that Weber spoke of and neutrality are irrelevant in this new role.**
6. There has been, in the **80s and 90s, increasing criticism of bureaucracy by people.** They are now calling for choice than command, transparency and information than secrecy, efficiency than inefficiency, and responsibility & accountability of those spending their money than anonymity. As a result of this, there has been growing **introduction of marketing mechanism** in public administration.
7. **Form of organization is drastically changing.** Multifunctional teams, multi-skilling, job enlargement & job enrichment have been increasingly done. Centralization is giving way to **decentralization & delegation**. No more emphasis on permanent employees with assured salary & pension linked to public administration. Size of organization is falling. Use of rigid authority is being replaced by **expert power and personal influence**. The **idea of capital** is changing from physical resources to intangibles as knowledge, skills and experience. **Composition of workforce** getting diversified making it difficult to having uniform rules. **Organizational democracy** with empowerment of employees is being emphasized. With **information revolution** due to IT, the very organization is being replaced by the virtual firm. A monolithic organization is being replaced by a **globe-wide web of small, flexible decentralized organizations.**

INTELLECTUAL DEVELOPMENTS

In many ways these are a response to the development as cited above and at times, have led them.

1. **Fred Riggs** has said that **ecological approach** is a must to study public administration. Thus, developing countries while structurally abide by Weber model, deviate from it behaviorally for the model's reductionist approach- that is, treating bureaucracy as autonomous of socio-cultural context. It is now realized that if the theory of administrative convergence has some merit, **public administration is culture-bound.** So do **Delaney, la Palombara & Prethus** agree.
2. The policies-administration **dichotomy has been discarded** now. **Ferrel Heady** says that public administration functions in a political environment. **Appleby** says all administration is basically politics. Thus, such related dichotomies as value-fact, professionalism-amateurism too have been rejected.
3. The concept of **neutrality has been reoriented** to exclude just party-commitment; **commitment to the welfare of the weak, to the country's constitution** and professional commitment to programmes and projects were considered a virtue in

development administration. **Party commitment at senior levels** has been too incorporated in NPM.

4. From the **political-economy perspective**, have come two attacks on Weber's assertion that the (public) bureaucracy is the most efficient form of organization for all large scale tasks. **The Public Choice Approach** believes that motivated by its own interest, bureaucracy goes on expanding itself. Thus it can not be called rational in the sense of being the most efficient mean to achieve laid down ends (public interest). All its decisions and action are based on its own interests (that is, goal displacement) by **Vincent Ostrom**.
5. **Democratic Administration** says that bureaucracy by itself is not sufficient for a productive and responsive public service economy. It needs to be fine tuned and attractive forms of organization too need to be introduced.
6. **Thompson says bureaucracy is fundamentally opposed to democracy**. While the latter calls for equality, participation, transparency and personal treatment; bureaucracy stands for hierarchy, centralization and uniformity. Michels supports this view in his Iron Law of Oligarchy thesis.
7. Unlike Weber, **Claus off does not regard bureaucracy as an inevitable feature of modernity** for all time to come. He sees it melting away, in favour of non-bureaucratic organizations. So do Bennis, Burns and Stalker, and Toffler agree.
8. The **Critical Theory** says that the **techno-administrative nature of bureaucracy stifles and impersonalizes human beings**, and so calls for debureaucratization and democratization of administration. So does **Mc Gregor** agreed in 1950s.
9. The **Phenomenological approach rejects the role-specificity & rule orientation** implicit in the weberian scheme. It sees each administration situation as an interaction situation in which meanings and thereby action (administrative behaviour) are constantly negotiated.
10. Finally, **NPM and Entrepreneurial Government** are new perspectives that seek to make the functioning of bureaucratic organizations efficient, cost effective and pro-active. They are an attempt at introducing private sector or managerial structures, processes & behaviours into bureaucracy.
11. **Post modernist Perspective** has rejected Weber's view of rationality – calculability and precision. Today rationality lies in human values and environmental compatibility of development.

MOTIVATION THEORIES

CONTENT, PROCESS & CONTEMPORARY

Organisation consists of Structure, Process and Human beings.

Structure is the mechanical aspect of the organisation, while Process involves the use of this Structure by men to achieve organizational goals. Human beings involve sentiments, emotions, attitudes, values. Therefore, efficiency of achieving organizational goals within an existing structure depends upon the motivation levels of the team working in it.

Michael Jucius describes motivation as "the act of stimulating someone to get a desired course of action, to push the right button to get a desired reaction". **Dubin** describes motivation as the complex of forces starting and keeping a person at work in an organisation. **Likert** views motivation as "the core of management".

Different theories at different points of time came to say „**what**“ **motivates a person (content theories)** and „**how**“ **is he motivated (process theories)**. Luthans Observes that content theories (by Maslow, McGregor, Herzberg and Alderfer) are concerned with identifying the needs/drives that people have and how these needs/drives are prioritized; process theories (by Victor-Vroom, Porter-Lawler, Stacy-Adams and Kelley) are concerned with cognitive antecedents that go into motivation and the way they relate to one another.

Taylor and other classical theorists say that each worker is an „Economic man“ interested in maximizing his monetary income. Thus giving him material rewards will make them work harder and they will produce more and vice-versa. These are also known as: Monistic Theory, Economic Theory and Carrot and Stick Approach. Taylor was the **first major exponent** of this approach. Approach was criticised on the ground that it has over-simplified and underestimated human motivation by neglecting the non-economic factors, that is, socio-psychological factors.

Human Relationists like Mayo, and **Behaviouralists** like Barnard, Maslow, and Herzberg etc. say that material rewards are ineffective beyond subsistence level excepting a small proportion of men (Barnard). Men don't work harder for more material things. Motivation is the **willingness** to exert high levels of effort to reach organizational goals, conditioned by effort's ability to satisfy some individual need. **Peter Drucker** says, "Satisfaction with monetary rewards is not a sufficient motivation."

People work for incentives in the form of **4 Ps of motivation**: praise, prestige, promotion and pay cheque. In the words of **Dubin**, "non-financial incentives are the psychic rewards or the rewards of enhanced position that can be secured in the work organisation. Some of the most commonly used non-financial motivations are: 1. Job enlargement 2. Job rotation 3 Job loading 4. Reinforcement

There are 3 **early theories of motivation**, namely: Maslow's Hierarchy of Needs, McGregor's Theories X and Y, and Herzberg's motivation-hygiene theory.

MASLOW'S HIERARCHY OF NEEDS THEORY

His theory is the **first systematic conceptual model** of human motivation. It says that human needs influence human behaviour and thus conducts a **psycho analysis** of men in organisation. His theory was the most widely known need

hierarchy theory (propounded in his paper A Theory of Human Motivation 1943). His book Motivation and Personality was published in 1954.

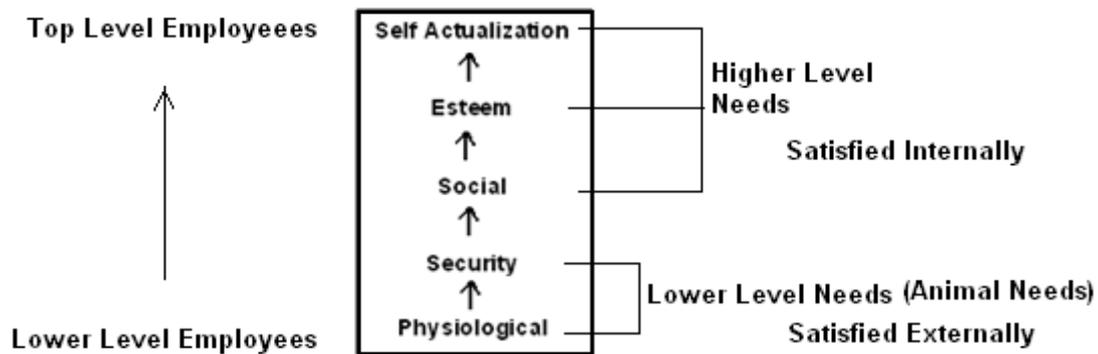
For Maslow, "Motivation theory is not synonymous with behaviour theory. The motivations are only one class of determinants of behaviour. While behaviour is almost always motivated, it is also almost always biologically, culturally and situationally determined as well". Maslow's theory is based on the idea of **prepotency of needs**. He proposed that within every person is a **hierarchy of 5 needs**:

1. **Physiological needs:** Biological like hunger, sex, sleep etc. The Physiological and Security Needs are also called **Animal Needs**. The grip of these needs on humans is so strong that unless these needs are satisfied there is no room for other needs. For a person who has missed most of the needs in his life, physiological are the main motivating forces.
2. **Safety Needs:** Security and protection from physical and emotional harm, as well as assurance that physical needs will continue to be met. It is better observed in infants and children; people's preferences for a job with tenure, savings bank account, insurance, need to have a male child etc.
3. **Social needs:** Affection, belongingness, acceptance, love.
4. **Esteem needs:** ego needs: basically 2 categories: **internal** esteem factors such as self-respect, autonomy, and achievement also called **Achievement Needs** and **external** esteem factors such as status, recognition and attention **also called Recognition Needs**. Satisfaction of esteem needs makes a person confident, adequate and useful. Non-fulfillment of these needs makes one feel inferior, weak and helpless
5. **Self-actualization needs:** Self-actualization (the term was first coined by **Kurt Goldstein**) is considered to be the highest need in the hierarchy. It includes growth, achieving one's potential, and self-fulfillment; the drive to become what one is capable of becoming. Maslow narrated an exhaustive list of **characteristics of a self-actualised person**. He possesses an unusual ability to detect the spurious, the fake, and the dishonest in the personality, and in general, to judge people correctly and efficiently.

To motivate **a person who is self-actualized**, one might be able to predict what such people do, but such a prediction is not possible on the basis of motivation theory. As Maslow emphasised, "they work, they try and they are ambitious even though in an unusual sense. For them, motivation is just character growth, character expression, motivation, and development, is a word self-actualization."

In terms of motivation, Maslow argued that each level in the hierarchy must be substantially satisfied before the next is activated and that **once a need is substantially satisfied** it no longer motivates behavior. In other words, as each need is substantially satisfied, the next need becomes dominant. If one wants to motivate someone, he needs to **understand what level that person is on in the hierarchy** and focus on satisfying needs at or above that level.

Maslow separated the 5 needs into **higher and lower levels**. The natural conclusion from Maslow's classification is that, in times of economic prosperity, almost all permanently employed workers have their lower-order needs substantially met.



- Satisfaction is a relative term i.e. emergence of needs **gradual phenomenon** not sudden. **Hierarchy** is **not rigid**, not water tight.
- Human beings strive to satisfy their needs in the **sequential order** & in a **step-by-step manner**.
- Needs: inter-dependent, inter related, overlapping; therefore **behaviour is multi – motivated**
- In an average person, need areas are more often **unconscious** than conscious. The basic human needs are the same **irrespective of societies & cultures** they live in.
- Maslow's need theory received wide recognition, especially among practicing managers during the 1960s and 1970s. This recognition can be attributed to the theory's **intuitive logic and ease of understanding**.

HERZBERG'S MOTIVATION-HYGIENE THEORY

He believed that all individuals have **two sets of needs**: (i) to avoid pain; (ii) to grow psychologically. Herzberg's two-factor theory identifies **5 strong determinants** of the satisfaction and 5 of job dissatisfaction which are a totally different set of factors:

Satisfiers

1. **Achievement**: The personal satisfaction of solving problems independently, completing a task, and seeing the results of one's effort.
2. **Recognition**: Positive acknowledgement of the task completed
3. **Work Itself**: task content of job & relative interest, variety, challenge, and freedom from boredom.
4. **Responsibility**: Being entrusted with full responsibility and accountability for certain tasks and when tasks are to be done.
5. **Advancement and growth**: Advancement to a higher order of task to perform; sense of the possibility for growth; new learning; being able to do new things.

supervisory attention. Hygiene needs, however, are related to things for which our appetites are never satisfied completely. Hygiene must always be replenished.

CHARACTERISTICS OF HYGIENE AND MOTIVATION SEEKERS

Hygiene Seeker	Motivation Seeker
Motivated by nature of the environment	By the nature of the task
Chronic & heightened dissatisfaction with aspect of job context- Salary job security, fellow employee.	Higher tolerance for poor hygiene factors.
Over reaction with dissatisfaction when HF are not improved	Milder discontent when HF need improvement
Overreaction with satisfaction in improvement in HF	Less reaction to improvement in HF
Short duration of satisfaction	Similar
Little satisfaction from accomplishment	Greater satisfaction
Shows little interest in the kind and quality of work he does	Shows capacity to enjoy the kind of work he does
Cynicism regarding positive virtues of work and life in general	Positive feelings toward work and life in general
Does not profit professionally from experience	Profits professionally from experience
Prove to cultural noises : (a) Ultra-liberal (b) Ultra conservative Parrots most philosophy (c) Acts more like topmost	Belief systems sincere and considered
May be successful on the job because of talent	May be an over achiever
<ul style="list-style-type: none"> ▪ Hygiene seekers will have two types of impact on the organisation. <ol style="list-style-type: none"> 1. They will lead the organisation to 'as is where is' as they are more motivated to external reward than internal. 2. They instill their own motivational attitudes into their subordinates and set extrinsic reward atmosphere in the organisation. ▪ Inadequate pay contributes to dissatisfaction but more pay is no guarantee for more productivity. ▪ Emphasis on HF leads to: impeding creativity, absenteeism, frequent occurrence of failures & elimination of opportunity for initiative and achievement. ▪ It is easy to motivate through fear of hygiene deprivation than to motivate in terms of achievement and actualizing the goals. Such a policy would be injurious to the long-term interests of the organisation. For motivating the people, Herzberg suggests job enrichment, vertical overloading as the important means. 	

Job Enrichment means maximizing in individual workers the internal motivation to work, which is the true source of job satisfaction. Founded on the work of Herzberg, it has been significantly augmented by **Richard Hackman**. He suggested job enrichment instead of job enlargement. It is based upon the premise that people develop **lasting motivation** only through their experience with the **content of their jobs**- the work itself.

To enrich an employee's job, Herzberg advocates "**vertical job loading**" instead of "horizontal job loading". Horizontal loading means enlarging employee's existing job or adding another job which is of the level of existing job or subordinate to it. Vertical loading is giving him a better or higher level job than the existing one which motivates him. For him, "If the job is already zero in motivation, multiplying zero by anything still equals zero."

Differences between Maslow's and Herzberg's Theories

Maslow's Need Hierarchy Theory	Herzberg's Two-Factor Theory
Descriptive; doesn't suggest anything	Prescriptive; suggested job enrichment
Emphasises: „unsatisfied need motivates“	Emphasises: „only higher order needs motivate“
universal applicability: to all kinds of employees	limited applicability: white-collar & professionals
general motivation: for all people in society	work-related motivation: people in organizations
Believes: financial reward can motivate	Believes: financial reward cannot motivate

MASLOW'S CRITICISM

Hierarchy of Needs: Needs from a lower order to a higher order do not necessarily operate in the same order all the time. **Lawler, Suttle & Porter** found that human needs do not conform to a hierarchy. Hall & Nougaim also agreed to this. **Wabha & Birdwell** concluded that there are two primary clusters of needs viz. deficiency needs and growth needs, instead of five as suggested by Maslow. They also found no support for 'the contention that satisfaction of one level of need will be positively associated with the activation of the next higher level of needs'.

Concept of Self-Actualisation: is criticised as vague, imprecise and too general. **Cofer & Appley** explained that the emphasis on self-actualisation suffers, from the vagueness of its concepts, looseness of its languages and the inadequacy of evidence related to its major contentions.

Validity of Concept: criticised on the grounds of sophistication and validity of his research data. **Bass** and **Barrett** felt that Maslow's theory has been most interesting and most popular than true. **Nash** opines that Maslow's theory is interesting but not valid. Nash characterised the theories of Herzberg and Maslow as "**Major Wrong Theories**". He observes that the problem with Maslow's need hierarchy is that it cannot be turned into a practical guideline for managers who are trying to make people productive.

FREDRICK HERZBERG EVALUATION

Herzberg was criticised for adopting an industrial engineering approach though from the opposite way than that of Taylor. **Hinton** also questions Herzberg's research methodology. **Myers** research findings support Herzberg's theory only partially. **Donald Schewab** obtained different results when he applied Herzberg's methodology. His ideas are applicable more to management than the supervisors and much less to shop floor.

A given factor can cause job satisfaction for one and job dissatisfaction for

others and vice versa; a given factor can cause both Job satisfaction and job dissatisfaction in the same people; intrinsic job factors are more important to both satisfying and dissatisfying job events.

The theory is **methodologically egg-bound** that is, by the critical incident method of research and data collection. When things are all right, that put themselves in the best light, but when things go wrong they blame the environmental factors. **Rater bias**: there was no control to maintain consistent evaluation by the raters. No overall measure of satisfaction was used in Pittsburgh's study as it measured only extreme happiness and unhappiness, respectively.

Its **research methodology** looked only at satisfaction, not at productivity. It is inconsistent with previous research as it ignored the situational variable. It interpreted **job and company employment factors** to be totally distinct & separate entities. Today it is recognized that these factors at times can be both "motivators" & "hygienic" in nature.

CONTEMPORARY THEORIES OF MOTIVATION

THREE-NEEDS THEORY/ ACHIEVEMENT-MOTIVE THEORY (1953)

- Proposed by **David McClelland**
- It says, there are 3 needs that are major motives in work:
 1. Need for **achievement** (nAch) - drive to excel, to achieve in relation to a set of standards, and to strive to succeed; it has been researched most extensively.
 2. Need for **power** (nPow) - to make others behave in a way that they would not have behaved otherwise; best managers tend to be high in need for power and low in the need for affiliation.
 3. Need for **affiliation** (nAff) - desire for friendly & close interpersonal relationships
- People with high need for achievement strive for **personal achievement** rather than for trappings and rewards; have desire to do something more efficiently than it's been done before; prefer jobs that offer **personal responsibility** for finding solutions to problems.
- All 3 motives are measured using a projective test (known as the **Thematic Apperception Test or TAT**) in which respondents react to a set of pictures. Each picture is shown to a subject who then writes a story based on the picture.

REINFORCEMENT THEORY (1953)

- Given by **B.F. Skinner**, also called Positive Reinforcement / Behaviour Modification or Operant Conditioning Theory.
- Individuals can be motivated by proper design of their work environment and praise for their performance. Punishment for poor performance produces negative results.
- It says that **behavior is a function of its consequences**. Behavior is externally caused. It ignores factors like goals, expectations, and needs. Instead, it focuses solely on what happens to a person when he takes some action.
- It emphasizes **positive reinforcement**, not punishment; managers should ignore, not punish unfavorable behavior.
- The strength of Approach is that it is so closely akin to the requirements of good managing. It emphasizes removal of obstructions to performance, careful planning and organizing, control through feedback, and the expansion of communication.

EXPECTANCY THEORY/ VIE THEORY (1964)

- **Most comprehensive & widely accepted** explanation of employee motivation
- Proposed by **Victor Vroom**.
- It states that an individual tends to act in a certain way based on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. It includes 3 relationships:
 1. **Expectancy or effort-performance linkage:** probability perceived by individual that exerting a given amount of effort will lead to a certain level of performance.
 2. **Instrumentality or performance-reward linkage:** degree to which individual believes that performing at a particular level is instrumental in attaining the desired outcome.
 3. **Valence or attractiveness of reward:** importance that individual places on the potential outcome or reward that can be achieved on the job. Valence considers both the goals and needs of the individual.

$$\text{Force} = \text{Valence} \times \text{Expectancy}$$

- Where **force** is the strength of a person's motivation, **valence** is the strength of an individual's preference for an outcome and **expectancy** is the probability that a particular action will lead to a desired outcome.
- Motivation is not a simple concept; instead, motivation pertains to various drives, desires, needs, wishes, and other forces.
- Expectancy theory recognizes that there is **no universal principle for explaining** what motivates individuals and, thus stresses that managers must understand why employees view certain outcomes as attractive or unattractive.

EQUITY THEORY (1965)

- Developed by **J. Stacey Adams**
- It proposes that employees perceive what they get from a job situation (outcomes) in relation to what they put into it (inputs) and then compare their **inputs-outcomes ratios**.

$$\frac{\text{Outcomes A}}{\text{Inputs A}} < \frac{\text{Outcomes B}}{\text{Inputs B}} \quad \text{Inequity (under-rewarded)}$$

$$\frac{\text{Outcomes A}}{\text{Inputs A}} = \frac{\text{Outcomes B}}{\text{Inputs B}} \quad \text{Equity}$$

$$\frac{\text{Outcomes A}}{\text{Inputs A}} > \frac{\text{Outcomes B}}{\text{Inputs B}} \quad \text{Inequity (over-rewarded)}$$

Person A is the employee and Person B is a relevant other or referent

- When inequities occur, employees attempt to do something about it. They will act to correct the situation. The result might be lower or higher productivity improved or reduced quality of output, increased absenteeism, or voluntary resignation.
- One of the problems is that people may overestimate their own contributions, and the rewards others receive.

GOAL-SETTING THEORY (1968)

- Propounded by **Edwin Locke**
- **Specific goals** (rather than generalized goal like “do your best”) **increase performance** and that **difficult goals**, when accepted, result in higher performance than do easy goals. This proposition is known as goal-setting theory.
- Completely unrealistic objectives that cannot be achieved are demotivating. To gain commitment to achieving the goals, true participation in setting them is essential.
- **Intention to work toward a goal** is major source of job motivation.
- People do better when they get **feedback**. Self-generated feedback– where the employee is able to monitor his own progress is more powerful motivator than externally generated.
- **Goal commitment, adequate self-efficacy & rational culture** also influence goals-performance relationship.
- Commitment occurs when **goals are made public**, when the individual has an **internal locus of control**, and when the **goals are self-set** rather than assigned.
- Goal-setting theory is **culture bound**. It is well adapted to countries like US & Canada as its main ideas align reasonably well with North American Cultures.

PERFORMANCE SATISFACTION THEORY (1968)

- Given by **Porter and Lawler**
- A more complete model of motivation, built in large part on expectancy theory.
- The **amount of effort** (the strength of motivation and energy exerted) depends on the value of a reward plus the amount of energy a person believes is required and the probability of receiving the reward.
- The probability of getting a reward is influenced by the record of actual performance.
- While being more complex than other theories, is certainly a more adequate portrayal of the system of motivation.

ERG NEEDS THEORY (1972)

- Proposed by **Clayton Alderfer**
- It is similar to Maslow’s hierarchy of need. However, it has only 3 categories:
 1. **Existence needs** (similar to Maslow’s basic needs)
 2. **Relatedness needs** (pertaining to satisfactorily relating to others)
 3. **Growth needs** (referring to self-development, creativity, growth, & competence)
- One may be motivated by needs on several levels at the same time. For example, one may go to work to make a living (existence need satisfaction) and at the same time the person may be motivated by good relations with co-workers.

▪ **ATTRIBUTION THEORY given by Kelley in 1973**

THEORY Z (1978)

- Developed by **William Ouchi** after making a comparative study of Japanese and American management practices.
- Theory Z is an **integrated model** of motivation. It focuses attention on organisational and behavioural aspects of management.

- Large complex organisations are **human systems** and their effectiveness depends on the quality of humanism used.
- A type Z organisation has **3 major features**-trust, subtlety and intimacy.
- According to Ouchi, trust, integrity and openness are **essential ingredients** of an effective organisation.
- Theory Z suggests that **involvement of employees** in related matters improves their commitment and performance. The leader's role should be to co-ordinate the efforts of human beings in order to develop common culture and class feeling in the organisation.
- Organisation **control system** should be made informal. For this purpose emphasis should be on mutual trust and co-operation rather than on superior-subordinate relationships.

CPA: EVOLUTION, OBJECTIVES, CONTRIBUTION, FAILURE & RELEVANCE

*CPA Started evolving during 1940s & 1950s though its traces can be seen in the Wilson's thoughts. CPA evolved because 1) **Theoretically**, there was a need felt to expand the boundaries of public administration as a discipline and 2) **Practically**, UNO was founded which started many developmental programmes across the world, and these programmes could not field desired results, thus a need was felt to study administrative systems & deficiencies of different countries.*

Need for a comparative study of the administrative systems of different countries has been felt very since the discipline of public administration was born. **Woodrow Wilson**, the father of public administration, was the **first American scholar** to stress the need for more data on administration of other countries by using the comparative method. He is known as the **first comparativist** who compared American government system to cabinet system in UK to show that USA lacked unified authority.

The need for comparative studies re-erupted and was re-stressed during 1940s. **Robert Dahl** (in 1947) while discussing **3 major obstacles** in the way of public administration to become a science and have any conceptual validity (he was criticizing the universal validity of principles approach), also stressed the need for comparative studies. These obstacles include:

- a. the inherent normative implication of Public Administration
- b. science of Public Administration must be based upon a study of human behaviour
- c. as long as the study of Public Administration is not **comparative**, claims for a science of Public Administration sound rather hollow

CPA is the study of Public Administration in a **cross national, cross cultural perspective**. According to CAG (Comparative Administrative Group) in USA, CPA is the **theory of Public Administration** applied to diverse cultures and national settings, and a body of factual data by which it can be examined and tested. **It has 2 aspects:**

1. **Cross national:** It compares administrative system of different countries. Cross cultural as Ecological approach studies administrative sub-systems.
2. **Test theory** on empirical data, thereby providing an opportunity to develop interface between theory and practice.

Academically, CPA was a response to the **growing dissatisfaction with Traditional Public Administration**. It was criticized for being culture bound and not respondent to the emerging international problems. Thus a cross-cultural study became the need of the time. The spurt was added by the **rise of Behavioural approach** in Public Administration as well as other disciplines of study. This approach emphasized on the empirical and testable aspects of administration, and on the development of a universal theory of administration.

Many factors had contributed in the rise of CPA in America. One of the most important factors in its rise was the **establishment of UNO**. The United Nations came up as a **broad-based international body**, and provided a common platform to various countries of the world to come together and discuss international problems including the administrative ones. There were two reasons for the rise of CPA: one that the problems of various countries came to the limelight and forced the social scientists to find out solutions for them; two, UNO facilitated the movement of intellectuals across nations to study their administrative systems.

Post WW-II period saw the **reconstruction of Europe**, whose politic-economic system was shattered by the war. Marshall Plan was devised to provide economic aid along with the technology transfer and administrative modernization. This facilitated the free movement of social scientists from America to study their administrations.

Emergence of newly independent III world countries was another important factor contributing to the growth of CPA. These countries provided an exposure of American scholars to features of administrative system of developing countries. Furthermore, an important concern was that the **programmes initiated by UNO** in these countries were now showing the results as expected. This compelled the international planners to initiate scientific investigation into the administrative systems of these countries.

An important characteristic of CPA is that it places **parallel emphasis on scientific rigour and normative considerations**. CPA has high concern for theory building: i.e. to Organize knowledge and Make empirical data meaningful. Also, CPA is **Multidisciplinary** in approach. The Focus of CPA is on **Development Administration** (i.e. administration of developing countries). Development Administration has emerged as an important subfield of CPA. It studies administrative system playing a transformational role in the society.

In response to these developments, the **First Conference on Comparative Administration** was held in 1952 at Princeton University under the auspices of Public Administration Clearing House. **Raphaeli** identified this conference as starting point of the study of CPA in USA.

The **establishment of CAG** (Comparative Administrative Group) in 1960 as a Committee of the American Society for Public Administration (ASPA) with the help of Ford Foundation was a milestone in the annals of Public Administration. CAG had a programme with 3 objectives: to encourage research & teaching in CPA; and to contribute to more effective public policy formulation in the field of DA.

Period between **1963 and 1976** was the **golden era** of CPA. **Ferrel Heady** describes the period of late 1960s as the **heyday** of CPA movement. Late 1970s saw a downturn in the development of CPA. However, a **revival movement** of Comparative Administration was initiated in 1980s by scholars like Ferrel Heady and Charles T. Goodsell. The '**new**' CPA proposed by **Goodsell** widened the scope of the study to cover comparisons at supra-national and sub-national levels of analysis. Ferrel Heady said that -comparative perspective will become more prominent, enriching general public administration by widening the horizon of interestll.

Riggs identified **3 broad trends** in the study of comparative public administration. These include viz., 1. **Normative to empirical**, that is, to arrive at inferences on the basis of extensive field study instead of normative descriptions, 2. **Ideographic to Nomothetic**, that is, to seek generalization, laws, hypotheses that assert regularity of behaviour, than to concentrate on the unique case study of a single country; 3. **Non-ecological to ecological**, that is, need to study administrative systems in the ecological perspective so as to gain a comprehensive and in-depth understanding of the administrative dynamics.

OBJECTIVE AND GOALS

1. To develop **more scientific public administration** by building theory of Public Administration.
2. In the words of **Dahl**, its primary goal is the development of **universal theory** of administration.
3. It also concerns itself with **devising strategies for administrative reforms** and improvements as visualized by Wilson.
4. **Explain the cross cultural differences** in administrative system. It tries to explain why certain administrative systems are better performing than others.
5. It also studies the **causes for failure/ success of particular administrative features** in a particular administrative setting.
6. It goals to make **Traditional Public Administration broader and richer** in content through the comparative studies of different systems.

ASSUMPTIONS OF CPA

1. To **develop a science of public administration**; even if not fully achievable, it is worth seeking. Administrative systems have patterns capable of being drawn into generalization.
2. Scientific study requires **cross-national** and **cross-cultural** contexts.
3. **Empirical** findings should be compared.
4. Comparisons would lead to **generalization** about administrative system integrated into general theory of Public Administration.
5. Administration should be seen in **particular cultural settings**. It is not independent of the society.
6. **Principles** of Public Administration are inadequate and value loaded. There is a need to isolate these values while drawing generalizations in administration.
7. Any discipline should have **complementary pure and applied aspects**.

CHARACTERISTICS OF CPA

- CPA emphasizes **2 motivational concerns**: theory building and development administration (DA). DA emerged as an important subfield of CPA. Concern for theory building has been recognised by most scholars like Heady, Heaphey and Raphaeli.
- **Theory building** in CPA concentrated on 2 types of theories:
 1. **General theories**: like Rigg's models of Agraria, Industria and his theory of Prismatic Society.
 2. **Middle-range theories**: like Max Weber's ideal type bureaucracy; critically reviewed by Alfred Diamant, and tested in Egypt by Morroe Berger; in Turkey by Robert Presthus. In recent years, there has been a shift in emphasis from general theories to middle-range theories in CPA.
- Parallel emphasis is on **scientific rigour** and **normative considerations** (especially with the emergence of NPA).
- CPA is **Multidisciplinary** in approach. **Henderson** gave 3-fold classification of approaches in CPA viz. 1. Bureaucratic System Approach 2. Input-Output System Approach and 3. Component Approach
- The **major areas of research** are bureaucracy, public policies, motivation, finance, developmental aspects of administration, administrative set up, etc. **Ecological perspective** is the **main concern** of comparative administration scholars.
- CPA is a young field of study. It is in a **'pre-paradigmatic stage'** (Thomas S. Kuhan), characterised by a diversity of approaches and the absence of a dominant paradigm.

MAJOR APPROACHES AND MODELS OF CPA STUDY

- **Bureaucratic system approach**: The **most popular** approach is Max Weber's ideal type bureaucratic model. It is the single most influential and most useful. **Waldo** views Weber's bureaucratic models as a 'paradigm of Public Administration'. **Weber** is considered mentor of CPA. The approach was adopted by Diamant, Robert Presthus, Crozier, Berger and Ferrel Heady. There are **2 levels of comparison**:
 1. **Administrative systems of different countries** are studied and compared;
 2. Comparing administrative system of a country to **Weber's ideal model**. Deviations in a particular administrative system are due to environment. Thus this approach moves from non-ecological (i.e. comparison with ideal bureaucratic model of Weber) to ecological (i.e. deviations) aspects.
- **Ecological Approach**: examines interactions between an administrative system and its external environment. This approach in public administration was **initiated by Gaus** (1947), Dahl (1947), Roscoe Martin (1952), and Riggs (1961). **Riggs** is its **foremost exponent**. **Dahl** (1947) & **Waldo** (1948) pointed out that **cultural factors** make public administration on one part of the globe quite a different animal from the other part. **Dahl** suggested that there cannot be a **'science of public**

administration' in the sense of a body of generalized principles independent of their peculiar national setting and cross-cultural studies. **Golembiewski** commented that organizations must be viewed as embedded in specific cultures and political settings. Both the study and practice of administration are pervasively value-loaded.

- **Structural-functional Approach:** envisages that in every society certain important functions have to be carried out a number of structures with the application of certain specified methods. **Rigg's prismatic society model** is based on this approach- in every society 5 important types of functions are discharged viz., economic, social, communication, symbolic & political.
- **Development Approach:** focuses on government influenced change towards progressive political, economic and social objectives. **Edward Weidner**, its **foremost proponent** used a goal-oriented model to study developmental administration. This approach wields great respect in public administration. Cross-cultural study is possible only by this approach.

BUREAUCRATIC MODEL/ BUREAUCRATIC SYSTEM APPROACH

Weber is considered mentor of CPA. **There are 2 levels of comparison:**

1. **Administrative system of different countries are studied and compared;** Bureaucracy is considered for such a comparison because it is the universal common denominator.
2. At the other level, **comparing administrative system of a country to Weber's ideal model.** Deviations in a particular administrative system are due to environment. Thus this approach moves from non-ecological (i.e. comparison with ideal bureaucratic model of Weber) to ecological (i.e. deviations) aspects. This is important considering that administration does not operate in vacuum but operates in a particular environment.

Dimensions for Comparison

1. One important aspect of comparison among various bureaucracies is the **Interaction between political and administrative sub-systems**. This is because, bureaucrats and political leaders encroach each other's domain. This results in Politicized/ semi-politicized/ non-politicized bureaucracies depending on the level of their interactions.
2. Another dimension for the comparison of bureaucracy in a cross-cultural context in the **extent of bureaucratic power** vis-à-vis its control over (a) public policy (b) society in general
3. **Size of public bureaucracy** is another dimension of comparison. There are two extremes of it. On the one hand, the welfare state approach calls for high intervention of public bureaucracy and therefore, its big size. On the other hand, the proponents of Public Choice Approach call for the minimalist role played by the bureaucracy.
4. On the basis of the development level and hence the role of bureaucracy, it can be compared as **Developing bureaucracy vs. developed ones**.
5. The bureaucracy can also be compared based on the extent to which **personal loyalty, ideological pressures and cultural traits influence bureaucratic functioning**. The difference in bureaucracies on this dimension can be seen in the roles that they play differently in capitalist and socialist set-ups.
6. To what **extent bureaucracy contribute to economic development** makes yet another important dimension for comparison. Their role is all encompassing in developing countries while a limited one, restricted primarily to regulation in a developed one.

Weakness of Bureaucratic model

It gives greater attention to external environment
Impact of social system studied on bureaucracy but not converse studies.
There is a need to define efficiency ecologically.

It does not tell whether intra organizational rationality lead to rationality in its functioning with reference to society.

CONTRIBUTION OF CPA

The most important contribution to the discipline of Traditional Public Administration was that it **widened its horizons**. It extended its scope beyond from a culture-bound administration to multi-disciplinary and cross-cultural. It **opened doors of discipline to all kinds** of social scientists, making public administration multi-disciplinary; thereby fulfilling vision of the father of discipline: Woodrow Wilson.

It made the study of Public Administration **more realistic and relevant** by studying administration in its ecological setting. In a way, it opened the study from a closed ideal model of Weber to a more ecological and society oriented. It stimulated interest in **development administration**. In fact, CPA is considered as a precursor to the Development Administration. In a way, CPA through the studies of Rigs and others concentrated more on developing countries' study.

Through its empirical approach, it led to greater **scientific vigour in theory building**, in which the discipline of public administration was highly inadequate. It **brought politics and public administration closer** to each other. The ecological approach linked Public Administration to social and political sub-systems; thereby making more sense of the study of public administration. This helped to eliminate narrowness and regionalism in the practice of public administration.

REASONS FOR FAILURE

The failure of CPA was an outcome of various **strategic, methodological and operational factors**. The most important one among these is the **over ambitious goal** that it set for itself i.e. building a universal theory. It must be noted that in Physics, it took 400 years for a reliable theory to develop. However, the study of Public Administration is just 100 years old. This becomes all more important in the light of the fact that **public administration is not a natural science**, but a social science. Social sciences have a great role played by human behaviour which is highly dynamic and unpredictable.

Another reason for the failure of CPA was its **inability to develop scientific methodology** for the study. There were many reasons for it; one, it lacked a framework which could locate **deviant culture and behaviour**. Two, there was **no basic agreement on meaning** of concept. Different scholars of CPA interpreted it differently. In the light of lack of unity of object/meaning, CPA was bound to fail. Third, **no common weightage was given to different variables** (cultural, social & economic). This acquired all more importance because of the dynamics of society.

At the operational level too, CPA failed to develop a common theme. With the decrease in its popularity, **Ford foundation withdrew assistance** without financial help, its wings were cut. Further, it is accused that studies conducted by CPA **do not understand history**. They are generally peripheral rather than having an in-depth analysis of the phenomenon.

Golembiewski said, ".....that comparative administration's failure rests substantially on a self-imposed failure experience.....set an unattainable goal, that is, in its early and persisting choice to seek a comprehensive theory or model in terms of which to define itself". For **Peter Savage**, "comparative administration started with no paradigm of its own and developed none."

However, CPA has not failed altogether. It has brought to **many new perspectives** to Public Administration in which the subject lacked earlier. In fact, the **CPA has only eclipsed**; and did not vanish. With ever growing interdependence among countries, it has certainly to play an important role in administrative studies.

CONTEMPORARY RELEVANCE

Increased inter-state interaction due to globalization has a profound impact on the **performance of States**, which could be fruitfully compared by CPA. Increasing **International interdependence of bureaucracies** e.g. for security needs comparative studies.

Action groups related to human rights, child labour, environment, gender, justice & disabled are coming together- leading to comparative studies e.g. for environment, Green peace is having global appeal. So is case with human right organizations having global interlinking (Amnesty).

Trends toward **co-production of results** – public, private and III rd Sector are coming together for **networked governance**. Their broad strategies and institutional involvement especially in civil sector and effectiveness can be compared e.g. IRC in USA and TRAI in India.

Disaster Management by different countries can be compared to benefit all.

Structural reforms in context of LPG- how accepted or rejected in I and III world-makes comparative studies very imp. What is the **nature of state** on the first and third world – How does it affect/ influence the contextual relevance of state and market has encouraged CPA.

Good Governance calls for adopting the best practices from other countries for the general welfare of the society. This makes CPA highly important. **Community management of biodiversity** in III world needs to be scientific and rational. Comparative studies benefit all. Sharing developmental experience is highly important in this context. Overall today, there is optimistic climate for CPA. So it is poised for renunciation.

CONCEPT OF DEVELOPMENT & CHANGING PROFILE OF DEVELOPMENT ADMINISTRATION

DA was the natural outcome of CPA. When under CPA, the administrative systems of different countries were studied, many deficiencies were found in them. The focus was turned towards them and their characteristics to bring development there. However as time passed decade by decade, different developmental models were prescribed (as no single model proved to be successful) to suit the conditions of a particular country. Riggs emerged as a major proponent of CPA and DA.

Development Administration (DA) emerged with the emerging problem of how to combine skills which exist in developing countries & bring them to bear more effectively in action programmes. This is the **essence of DA**. It emerged when Public Administration was in its **political science paradigm** and was intimately connected with **CPA**. DA may be termed as the '**applied side**' of CPA. **Waldo** says that DA though related to & overlapping with CPA, is a somewhat independent and competing.

Wiedner defined DA as -an action-oriented, goal-oriented administrative system.... process of guiding towards the achievement of progressive political, economic & social objectives....concerned with maximizing innovation.....process of planned or intended change in the direction of modernity or nation-buildingll.

Riggs defined DA as -organized efforts to carry out programmes or projects.....ll **Martin Landau** defines it as the -engineering of social changell. **Panandiker** defines DA as -administration of planned changell. According to **Stone**, DA is concerned with process of formulating & implementing **4Ps**- plans, policies, programmes & projects. **Gerald Caiden** identifies DA as an 'area' of public administration and not just a concept. It is a sub-discipline.

DA is **more management than administration**, as contrasted with Public Administration in traditional sense, which is more administration than management. DA is that branch of Public Administration which **studies structures, processes & behaviours** engaged in the activity of managing public affairs, in pursuit of progressive social, economic and political goals.

ORIGIN OF DEVELOPMENT ADMINISTRATION

The western countries were using their public administration for development and reconstruction in the aftermath of the Great depression and WW II. Guided by **Keynesian economics**, the role of state in the developed countries had radically changed, as a response to the Great Depression. In fact by the mid- 1930s, state interventionism in the economy had become an accepted fact e.g. several schemes of economic recovery; Tennessee Valley Corporation in the USA under new deal and development corporations in Europe.

The state was now seen to have a role in preventing undesirable effects of the economic cycle i.e. **ensuring sustained economic progress and full employment** through furthering industrialization. Besides providing leadership in areas where private sector had proven ineffective, public and private sectors joined hands in a **mixed economy model**. The above trend was reinforced by **expansion in the role of state** during and after WW II. The best example of this is the European rebuilding under the **Marshall plan**. State was now seen to have a role in promoting education, scientific research, welfare and social security.

Several **countries in Asia, Africa and Latin America gained independence** after WW II. Their primary goal was nation building and socio-economic progress. The developed countries gave them such a prescription under **Colombo plan and Truman's four point program**. The developing countries also **lacked a viable private sector** and civil society to take up the challenge of development. The **rapid strides made by USSR** under state-led model of development inspired them further.

Academically too, it was **conceptual & thought-propelled** as Comparative public administrators were studying administrative systems of developing countries because of the absence of any studies in this area led to intellectual curiosity, and aid-givers wanted to know if these administrative systems had the capacity to use their financial and technical assistance. However, they found that traditional Public Administration did not describe the reality of these countries. In particular, **Riggs** said it was non-ecological and static; **Weidner** said it glorified the means, but neglected the ends. This was clearly seen in scientific management and administrative reform movements that had started in early 20th century. **Diamant** said it had a steady-state bias.

A synthesis of the above two streams led to development administration. The term development administration was coined by an Indian scholar **Goswami** in 1955. However, its conceptualization has been largely done by western scholars as **Wiedner and Riggs**, in the 1960s.

CHARACTERISTICS OF DEVELOPMENT ADMINISTRATION

1. **Goal-orientation/ result-orientation:** achieving progress in social, economic, political and cultural goals.
2. **Content Orientation:** traditionally, development referred to economic growth. However it was realized that economic development without social equity, political stability and administrative capability is meaningless. Thus, development is multidimensional in content.
3. **Commitment:** passion for one's work for development; high morale and motivation in work situation to achieve the developmental goals.
4. **Change Orientation:** Development means change. It is anti-status-quoist. It is induced and planned change.
5. **Progress-Oriented:** Development means a desirable and forward movement.
6. **Time Orientation:** Development has reference to the future. The envisioned future is to be attained in a definite time frame. It brings in the need for planning.
7. **Attitudinal Orientation:** Development necessitates an optimistic, empathetic, entrepreneurial and democratic personality.
8. **Effective coordination:** achieving coordination between the multiple specialised units and programmes involved in the developmental tasks.
9. **Freedom or capability Orientation:** Amartya Sen believes development is indexed by growing freedom or capability of people to participate in the economy; freedom of political expression and participation; freedom of access to education and health; freedom to information and security.
10. **Interface Orientation:** It is the latest approach to development. It believes development is integration of economic development and human development. The two should not be seen as mutually exclusive.
11. **Client orientation:** meeting the needs of the specific target groups like small farmers, children and so on.
12. **Citizen-participative orientation:** enlisting popular support and involvement in the formulation and implementation of development programmes.
13. **Innovativeness:** devising new structures and processes to achieve goals.
14. **Ecological perspective:** interaction between bureaucracy and its social, economic and political environment.
15. **Responsiveness:** responding to popular needs and demands, satisfaction of people is yardstick of performance

In DA, apart from the emphasis on 'programmatic goals', 'innovating values' or 'holistic change', there is also the '**developmental design strategy**' with focus on institution building.

GOALS/ PURPOSES/ OBJECTIVES/ SCOPE OF D.A

The goals of development administration are broadly 2 fold:-

1. **Administration of development:** Public administration in developing countries is playing a transformative role. It is engaged in formulating and implementing plans, policies, progress and projects to achieve the twin goals of 1. Nation-building and 2. Socio-economic progress. Under the traditional development administration, the model of development was based on the western model. Today however, development administration is engaged in searching a model of development more relevant to their conditions. This has the following features:
 - a. It is **holistic** e.g. economic and social development, than merely economic. Emphasizes equity in distribution of benefits.
 - b. It is **sustainable** i.e. environment friendly.
 - c. **Self-reliance** i.e. use of local solutions and local resources for development.
 - d. The emphasis shifts from production and product-centricity to **people-centricity**.
 - e. It is **participative**.
 - f. **Integration** of big techniques and small scale techniques.
 - g. **Learning process** rather than blue print approach.

2. **Development of administration:** It is a natural corollary of the previous goal. When developing countries became independent, they used their administrative systems as their instruments of development as they lacked a viable private sector and civil society, geared toward regularly and extractive tasks. However, administration was incapable of fulfilling demands of developmental tasks. Thus, **building-up of administrative capacity** was the 2nd goal of development administration. This meant imbibing following features in public administration.
 - a. **Structural capacity-building:** Less formalized i.e. **Goal-oriented structure**- focus has to be on achieving goals, than ritualistically following rules and regulation e.g. use of performance budgeting. It emphasizes **Specialized, coordinated** and **decentralized** structure. The structure must be **Open structure** that is in tune with its ecology.
 - b. **Procedural capacity-building:** There must be quick decision making, proper planning and coordination.
 - c. **Behavioral capacity-building:** The behaviour of the administration must have **Change-orientation, Action-orientation; Commitment-** passion for one's work for development; **Client-orientation**-responsiveness, satisfaction of people as yardstick of performance; **Innovative** orientation-devising new structures and processes to achieve goals. It must have **normative dimension**- equity, participation and representation.

Today however, development administration is shifting away from relying solely on public administration as the instrument of development. There is emphasis on:-

1. **People's participation** in development. But beyond merely that, people's empowerment for self development.
2. Administration giving way to **private sector** and **civil society** wherever the latter have a comparative advantage in a performance
3. **Partnership model:** Administration to focus on physical and social infrastructure, welfare, environment and law and order.
4. Administration to **facilitate and regulate**, then directly produce and provide.

It has been called **De-Administered Development**. This correspondingly calls for a new type of capacity building:-

1. **Participatory** orientation vis-à-vis people
2. **Contract based management** i.e. formulation and enforcement and approval of contract.

3. **Facilitatory** or participatory orientation vis-à-vis private sector and civil society.

EVOLUTION OF DEVELOPMENT ADMINISTRATION

1950s AND 1960s

1. **A period of optimism** about efficacy of development administration.
2. Instrument of development were: The Colombo plan, Truman's four point programme and U.N. sponsored programme.
3. Economic conceptualization of development (rise in GNP, PCI), socio-political development was to come later. The focus was that **Quantitative changes** would accumulate to a qualitative change.
4. Ethnocentric in its cultural orientation. Development was equated to **modernization**, which effectively meant **westernization**.
5. Development was **production and product centered**, than people-centered. Emphasis was on technology.
6. Development was seen largely as **adaptation and systems' maintenance**, than change.
7. There was a **Blueprint approach** to development and development for the people.
8. Top-down and trickle down approach adopted, that is, development had to come from top than the bottom up approach.
9. Lead role was assigned to state, and other players like private sector and the civil society were put on the back foot.
10. Imperative planning was adopted as the major role was that of state than any other actor.

The nature of administrative machinery prescribed for this was adapting indigenous bureaucracy along **professional-technical lines**. The bureaucracy had to be **politically and ideologically neutral**. Bureaucracy was expected to be **adapter of the existing system** than an innovator to solve the emerging and new problems of the developing societies. Further it also emphasised political neutrality of the bureaucracy and thus reinforced **politically-administration dichotomy**. The traditional approach to administration with **hierarchy and Unity of Command** was an accepted principle.

It was to be attained through **training by foreign experts**. The result of this phase was an **administration unrelated to local needs and traditions**; imitative and incapable of attaining developmental goals. However, such technical and administrative solutions were also preferred by the local elites. They were easier to carry through than the substantive political decisions needed to bring about real socio-economic change.

1970s

There was a **rethinking on development administration** as underdevelopment persisted and even worsened e.g. poverty, hunger and disease were widespread. Socio-economic inequalities widened within and between the countries. In place of orderly change, there was **turmoil and fragmentation** in Asia, Africa and Latin America. Western style of economic progress was not forthcoming. There started arising **doubts in the third world about the invincibility of the western model**. It was felt that development should be in tune with each country's requirement. Several developing countries, as China and South East Asia started changing their developing strategy in the late 1970s. **Reasons for failure of development in the third world were:**

1. **Ethnocentrism:** Non-Western contributions to development e.g. of Gandhi and Mao were not incorporated by western scholars. The Western scholars thought that not only did the developing countries have a problem; but that they were the problem and the west had and was the solution.

2. Relevance of **local factors** as, local traditions, values, customs were neglected, which played a significant role in these countries, thus aloofing the people from the very process of development.
3. Though the developing countries attained independence, there was a continuation of **colonial administrative culture**. The elitist and top-down authoritative nature of bureaucracy as it prevailed during colonial rule continued, thus hijacking the very process of new-development with new values and new goals.
4. There was a large-scale **political interference** in developmental tasks. In an attempt to moot their political ends, the political interference to the extent of compromising on development.
5. The implicit western goal of modernizing without uprooting the existing structures was like a new wine in old bottle. As such it could not meet the aspirations of the people after independence of the developing countries.

1980s

The critique of development administration that started in the 1970s continued during the 1980s. Its usefulness for the third world countries was further questioned. Development administration had proven ineffective. The **search for indigenous models** of development continued. The western solution to the weaknesses of Development Administration was more administrative development along lines as already seen. What were actually attained were two parallel administrative systems- western model and the local one. There were **two other developments in the field in the 1980s**:

1. The **idea of a NIEO** posited by the developing countries. It called for a **basic realignment of the world economy** to enable meeting the essential social needs of people, away from the traditional GNP-based indices of development. Special focus on needs of women, children, old, disabled and poor (social development). However, it was neglected by the developed countries.
2. **End of communism in Eastern European states** and their entry into the league of developing countries. It broadened the scope of problems of the third world.

The pessimism of developing countries was complete after they realized that there was towards the end of the 1980's, a net outflow of funds taking place.

1990s

There was no substantial improvement in development administration. Several inadequacies persisted. There have been broadly 2 responses to inadequacies of development administration:

1. **Traditional approach:** Administrative development i.e. restructuring of administrative organizations; creation of new agencies; use of control mechanisms; anti-corruption mechanisms; training and streamlining of procedures.
2. **Newer approach of De-bureaucratization:**
 - **Indicative** than imperative planning wherein the goals and objectives of planning are indicated to different players of economy including private sector, civil society and various governmental organizations. They are provided infrastructural support including physical infrastructure and regulated to achieve these goals.
 - **Decentralization**, especially of political decision making e.g. panchayati raj institutions in India.
 - **Deregulation**
 - Reduction in scope of government including privatization of PSUs i.e. **De-administered Development** or Market Friendly development administration, it includes 1. It brought a new role for development administration and 2. Find areas from where to exit in favour of private sector and Civil Society Organisations. Thus, administered development would coexist with market based and community based approaches
 - This is the **performance partnership model**.

- A natural corollary of the above is; **rightsizing of bureaucracy.**
 - Facilitative role of government- enlightened regulations that make it easier for entrepreneurs to do business; providing infrastructure, use of IT in administration.
3. The model of development was **Sustainable Development**. It had **2 dimensions** namely, 1. Development should be environment friendly and 2. Interest of future generations should be protected. Globalization was seen as the engine of economic growth. However, it was a universal, that local-specific strategy.

2000s

The model of development today may be called **integrated development with these components:-**

- Human needs centered development
- Sustainable development

The above two are reflected in UN's MDG of 2000 and WSSD of 2002

Engine of economic-growth is to be globalization. However as shown by various conferences world over, there are efforts by developing countries to make it responsive and relevant.

Search for **indigenous models** of development continues e.g. at the World Social Forum at Porto Allegre. It is also finding international acceptance e.g. Gandhi model has included in the comprehensive development framework of the World Bank in 2000.

The means to achieve development is a balance between administrated development and market based and community based approaches. **Planning with rather than for people.**

Its board features are:-

- Participation
- Equity distribution, earlier it was growth first and distribution later.
- Self reliance or local solutions and local resources.
- Integration of big technology with appropriate technology.
- People than production centered.
- Learning process approach emphasizing flexibility and bottom-up approach.

As these features are logically opposite of earlier model (1950-60), Robert chamber called it **Policy of Reversals**

NORMATIVE MODELS OF DEVELOPMENT

These were developed in the third world in the 1970s as the Western model proved ineffective. Underlying belief: Development should be in tune with each country's requirements. Each country should have the freedom to choose. **Four such models developed:**

1. **Sarvodaya model:** Actually suggested by Gandhi but implemented only for a brief period in the late 1970's. A grass-root approach to development recognizing the harmonious relationship between individual, family, village and the environment. This would be continuous with indigenous tradition. Development should be bottom-up and not imposed from outside (government or international agencies). Livelihood strategies of poor should be protected.
2. **Mao's model:** It too was broadly the same as above. Implemented for a brief period in China in late 1950s.
3. **Islamic model:** Adopted in the Middle East. State took on itself the responsibility for socio-economic transformation. Deserts were turned into oases of wealth. Health facilitates are very good and standard of life of the poor improved. However, it had negative features as absence of democracy and gender equality.

4. **Liberation theology-** Especially found in the **'banana republics'** of Latin America. Unorganized labour working in Western-owned plantation was led by the church. It provided them education and health and mobilized them to fight against authoritarian rule and improve their conditions.

DEVELOPMENT ADMINISTRATION VS REGULARLY ADMINISTRATION

The debate involves **2 related issues**: Whether the activities of development and regulation can be separated? And can there be a regulating bureaucracy and separately a developmental bureaucracy? This is the attitudinal dimension of the debate i.e. need to separate coercive and persuasive attitudes.

George Gant has differentiated between the two based on purpose, attitude and loyalty. **Wood** said that the difference is of degree and not of kind. However, even then they cannot be neatly separated for that reason. Superstructure of development can be built and sustained only when there is firm foundation of regulation.

In the absence of law and order and revenue collection, development will not take place e.g. FDI doesn't go in states where law and order is a problem. In developing countries, though development has been initiated, regulation needs strengthening. Deputy Commissioner in India is not only the enforcer of law but also development manager.

Thus, **what is needed is a blend of both**. They are **inter-dependent, not independent**. Two sides of the same coin called governance and Good Governance calls for both order and progress to maintain the administrative progress. One is not possible without the other. An administrator needs to combine firmness with flexibility, Coercion with persuasion.

Another dimension was pointed out by **Irving Swerdlow**. He differentiated between the two based on 1. Degree of difficulty encountered and 2. Degree of pioneering required. **Both are greater in development administration** i.e. difference in degree than kind. However, here too it has been said that what is regulatory in developed countries, based on the above criteria, and may be development in a developing country. Thus, the essence is the ecological context, any activity per se. Indeed **Hanumantha Rao** favoured a combination of two (regulatory, developmental) activities under D.C. Similarly, French Perfect combines both roles under him.

In India, in the **Maharashtra and Gujarat** pattern of PRIs in the late 80s, the two bureaucracies were separated. Regulatory Bureaucracy was put under the collector while developmental bureaucracy under District Development Officer. G.V.K. Rao committee favoured such a separation. In the 1970s recruitment exam for the IAS (developmental bureaucracy) and the IPS (regulatory bureaucracy) were separate.

TRADITIONAL ADMINISTRATION	DEVELOPMENT ADMINISTRATION
It is status quo-oriented.	It is change-oriented.
It is hierarchical and rigid.	It is dynamic and flexible.
It emphasizes on economy and efficiency.	Emphasizes on effectiveness in goal-achievement.
Its objectives are simple.	Its objectives are complex and multiple.
It is concerned with routine operations.	It is concerned with new tasks.
It believes in centralization.	It believes in decentralization.
It does not rely as much on planning.	It relies heavily on planning.
It resists organizational change.	It is creative and innovative.
It practices authoritative and directive style of administration.	It practices democratic and participative style of administration.
Its scope of operations is limited.	Its scope of operations is very wide.
It has no time-orientation.	It has temporal dimension.
It is inward looking.	It is outward looking.

MODELS OF POLICY-MAKING AND THEIR CRITIQUE

Public policy is a **composite of goals and objectives** to be achieved by public administration, and strategies to achieve them. Naturally therefore, it tells administration, what it should do and how to do it. In other words a public policy greatly **simplifies** the task of administration. Making the public-policy however, is not such simple; but a complex process, having several stages. Models or logical abstractions of reality are then used to understand this process.

There are **several models of policy making** of which the systems model is the most general. We first describe the general policy-making process in its terms and then use it as an ordering framework is help analytically describe the various other policy-making models.

THE SYSTEMS MODEL

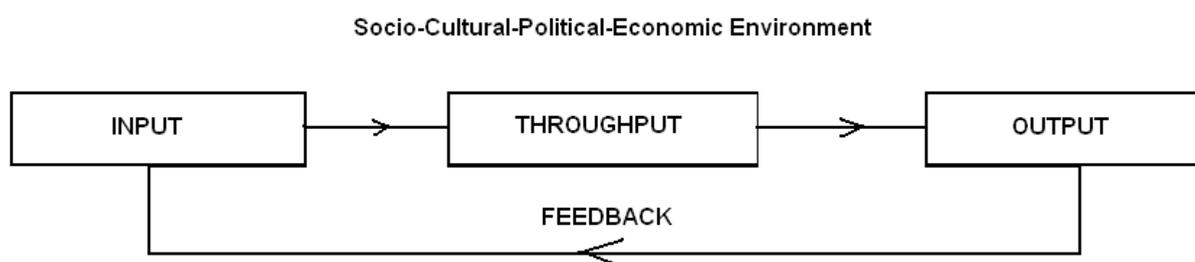
The systems model sees policy **making structures, processes & behaviour** as embedded in a definite cultural, economic and political context or Environment.

Input: Needs, aspirations and concerns of people in this environment form the input into the policy making process. It is on them that policies are made.

Throughput: The input is processed in the system i.e. real nature of problems is diagnosed. Alternatives are generated and analyzed. One is chosen in terms of pre-determined criteria.

Output: The public-policy is delivered to the environment as the output (i.e. implemented).

Feedback: The impact of the policy on the environment is evaluated, and is fed-back to system as the input. In terms of this model we analyze rest of the models.



PROCESS OF POLICY FORMULATION

Public policy provides the **direction and strategies for administrative activities**. In other words, it greatly simplifies conduct of administration. But formulation of the public policy itself is not simple; it is in fact a complex process, comprising several steps.

A number of models have been put forth to explain the policy formation process. A few of these are **the elite model; the rational model and the systems model**. All of them may be analyzed in terms of the of the systems model framework:

Input

The first requirement in the policy making process is to **identify the subject matter** which calls for a policy response. This is the input and consists in needs, aspirations and concerns of the people. At any given time, all those matters that merit government attention constitute the systematic agenda. The **Institutional Model** says that these are conveyed to the policy formulating agency by political parties, interest groups, peoples, representatives and so on. The **Organised Anarchy Model** called it problem stream.

However, not all items on the systemic agenda get the serious consideration of policy formulators. The latter constitute the policy agenda and it is on them, that public policies are made. The Organised Anarchy Model called it the political stream. The **Group Model** sees the society composed of a plurality of competing interest groups. At any time, a dynamic equilibrium exists between them. That group, which is powerful enough to tip the equilibrium in its favour, manages to push its interests on to the policy agenda.

The **Elite Model** says that the interests of the dominant group in society reach the institutional agenda. Unlike the group model, it sees no competing interests and sees the masses as passive. The **Rational Model** believes the policy maker chooses that subject matter by making a policy, on which a net gain to society maximized. The **incremental Model** says those items are selected which place the least demand on the policy maker, in term, of intellectual and material resources.

Throughput

The **institutional model** says that an item on the policy agenda is fed to the policy making structure. This is usually the executive branch of government in both the presidential, as also due is complexity of modern governance, the Parliamentary form of government. This structure then analyzes the problem and generates alternative courses of action. Each of latter is potentially a public policy. The **Organized Anarchy Model** called it the policy stream.

The **Rational Model** believes that the policy-maker generates all possible alternatives. He then carefully weighs all the pros and cons of each of these alternatives. That alternative is chosen which maximizes net gain to the society.

In contrast, the **Incremental Model** believes that policy-makers do not consider all alternatives due to constraints of time, cost, intelligence and political repercussions of the alternatives being considered. Only a few consequences are weighed. That alternative is chosen which just satisfies the end in view. Usually it varies only marginally from prevailing policy.

The **Elite Group Model** believes that alternative is chosen which best furthers the interests of the Elite/ Dominant group. The **Institutional Model** sees the above process as a complex interaction between different structures e.g. HQ & Field, planning and executive, line & staff etc.

The **Organized Anarchy Model** says that a policy alternative is chosen when a 'window' is created by meeting of the problem, politics and policy streams. One such window could be emergence of a particularly pressing problem or a change in executive and so on.

The **chosen alternative is legally enacted by the legislature** or it may simply remain an executive creation. In either case, it is the product of the above process and is **a public policy**. It consists of the goal to be achieved i.e. the direction in which the input problem to be solved direction the strategy to do it.

The above policy is called the output. It is put into action by the concerned administrative agency (institutional model). Frequently, a number of institutions are involved. However, policy formulation has not ended. Even as the administration the policy, it has considerable discretion in the matter.

Monitoring, Evaluation and Feedback

The policy formulating agency constantly watches the administration agency as the latter executes the policy. The results are constantly evaluated with reference to set goals. The results of this evaluation are fed-back to the input-stages. Policy may be modified in their light to improve its effectiveness. Clearly then, policy making is a **dynamic process**.

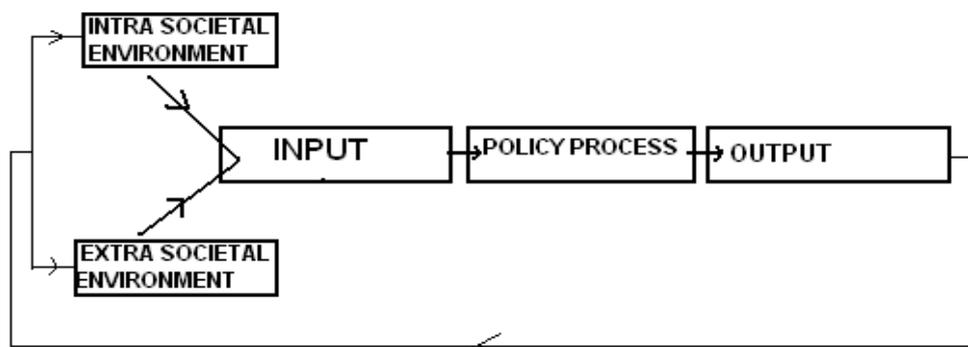
NEW DIRECTION IS POLICY FORMULATION

1. The **use of Information Technology** is drastically simplifying the policy making process.
2. Philosophy of **Good Governance** calls for broad basing the policy formation process. Regular involvement of professionals, NGOs & voluntary organizations in civil society is being advocated.
3. Philosophy of **Entrepreneurial Government** says the government should not wait for problem to arise. It should rather become proactive & formulates policies to prevent problems from arising.
4. **NPM** calls for **simplifying** and expediting the policy formation process. It says that administrative departments need to be disaggregated with policy formulation remaining with the department and implementation being handed over to specialized public and private agencies.

MODELS OF POLICY - MAKING

SYSTEMS MODEL

The policy-making process has been regarded by **David Easton** as a '**black box**', which converts the demands of the society into policies. Political system is that part of the society, which is engaged in the authoritative allocation of values.



The **intra-societal environment** includes the ecological, biological, personality and social systems. The **extra-societal environment** includes the international political systems and international ecological systems and international social systems

Here **Inputs** are seen as the physical, social, economic and political products of the environment. They are received into the political system in the form of both **demands and supports**. Demands are the claims made on the political system by individuals and groups to alter some aspect of the environment. The supports consist of the rules, laws and customs that provide a basis for the existence of a political community and the authorities.

At the heart of the political system are the **institutions and personnel** for policy-making. These include the chief executive, legislators, judges and bureaucrats. They **translate inputs into outputs**. Outputs are authoritative value allocations of the political system, and these allocations constitute public policy. Systems theory portrays public policy as an **output of the political system**.

The **concept of feedback** indicates that public policies may have a modifying effect on the environment, and may also have an effect upon the character of the political system. Policy

outputs may generate new demands and new supports, or withdrawal of the old supports for the system. Feedback plays an important role in generating suitable environment for future policy.

Critique of System's Model

1. It is argued that this input-output model appears to be **too simplistic** to serve as useful aid to understanding the policy-making process.
2. This model is accused of **employing the value-laden techniques** of welfare economics, which are based on the maximization of a clearly defined social welfare function.
3. Another shortcoming of the traditional input-output model is that it **ignores the fragmentary nature of the 'black box'**. The missing ingredients in the systems approach are the "power, personnel, and institutions" of policy-making. **Lineberry** observes that in examining these political decision-makers are strongly constrained by economic factors in the environment.
4. The Estonian model also ignores an important element of the policy process, namely, that the policy makers (including institutions) have also a considerable potential in influencing the environment within which they operate. The traditional input-output model would see the **decision-making system as "facilitative" and value-free rather than causative** i.e., as a completely neutral structure. In other words, structural variations in the systems are found to be having no direct causal effect on public policy.
5. Further, it is argued that both the political and bureaucratic elite fashion mass opinion more than masses shape the leadership's views. Thus, policy changes may be attributed more to the **political and administrative elite's redefinition of their own views** than as a product of the demands and support from the environment.

Quite often, policy initiation does emerge from the bureaucracy. Under certain situations, the bureaucracy becomes a powerful institution in formulating and legitimizing policy. In the **Western democracies**, the bureaucracy's role in the shaping of policy direction is largely technical and fairly minimal. The policy direction remains, still largely, in the traditional domain of the political elite. On the other hand, in a developing country like India where the state objectives are not fully articulated and clear, the bureaucracy easily capitalizes on the process of policy selection out of alternative policy strategies. It does participate in the formulation of public policy in addition to performing purely technical tasks.

6. Finally, the extent to which the environment, both internal and external, is said to have an influence on the policy-making process is influenced by the **values and ideologies held by the decision-makers in the system**. The values held by the policy-makers are fundamentally assumed to be crucial in understanding the policy alternatives that are made.

INSTITUTIONAL APPROACH

According to the institutional approach, there is a **close relationship between public policy and governmental institutions**. Thus it emphasizes the institutional study for public policy. It depends on the interactions of those institutions created by the constitution, government or legislature for the policy analysis. Institutionalism, with its focus on the **legal and structural aspects of institutions** can be applied in policy analysis. The structures and institutions and their arrangement and interactions can have a significant impact on policy making.

In policy-making; different individuals and groups, such as, Cabinet, Prime Minister, Members of Parliament, bureaucrats, or leaders of interested groups exercise power. **Each exercise of power constitutes one of the influences**, which go to make up the policy-making process. The process generally comprises a sequence of related decisions often made under the influence of powerful individuals and groups, which together form what is known as **state institutions**.

In the pluralist society, the activities of individuals and groups are generally directed toward governmental institutions, such as, the legislature, executive, judiciary, bureaucracy, etc. **Public policy is formulated, implemented and enforced by governmental institutions**. In other

words, a policy does not take the shape of a public policy unless it is adopted and implemented by the governmental institutions. The government institutions give public policy **3 different characteristics**;

1. The government gives **legal authority** to policies. It is regarded as a legal obligation, which commands the obedience of people.
2. The application of public policy is **universal**. Only public policies extend to all citizens in the state.
3. Public policies **involve coercion**. Only the government can legally impose sanctions on violators of its policies. Since the government has the ability to command the obedience of its entire people, individuals and groups generally work for the enactment of their preferences into policies.

According to **Thomas Dye**, governmental institutions are structured pattern of behaviour of individuals and groups, which persist over a period of time. Traditionally, the focus of study was the description of governmental structures and institutions. The approach did not, however, devote adequate attention to linkages between government structures and content of public policy.

The institutional approach has been **criticized** for that it was **not backed by any systematic enquiry** about the impact of these institutional characteristics on public policy decisions. The study of **linkage between government structures and policy outcomes**, therefore, remained largely unanalyzed and neglected.

Despite its narrow focus, the approach is not outdated. Government institutions are, in fact, a set of patterns of behaviour of individuals and groups. These affect both the decision making and the content of public policy. The value of the institutional approach to policy analysis lies in asking what relationships exist between institutional arrangements and the content of public policy, and also in investigating these relationships in a comparative fashion. According to Thomas Dye says, both structure and policy are largely determined by environmental forces, and that tinkering with institutional arrangements will have little independent impact on public policy if underlying environmental forces - social, economic, and political - remain constant.

RATIONAL POLICY-MAKING MODEL

This approach emphasises that policy-making is making a **choice among policy alternatives on rational grounds**. **Robert Haveman** observes that a rational policy is one, which is designed to **maximize "net value achievement"**. **Thomas Dye** equates rationality with **efficiency**, that is, a policy is rational when it is most efficient, that is, if the ratio between the values it achieves and the values it sacrifices is positive and higher than any other policy alternative. He further says that the idea of efficiency involves the calculation of all social, political, and economic values sacrificed or achieved by a public policy, not just those that can be measured in monetary terms.

However, to be rational it is not easy. **In order to be rational**, it is desirable that there should be: 1. Identification and determination of the goals; 2. Ranking of goals in order of importance; 3. Identification of possible policy alternatives for achieving those goals; and 4. Cost-benefit analysis of policy alternatives. A policy-maker wedded to **rational policy-maker must know** all the society's value preferences and their relative weights; clarify the goals and objectives and rank them; know all the policy alternatives available; compare the consequences of each policy alternative; calculate the ratio of 'achieved to sacrificed societal values for each policy alternative; and select the most efficient policy alternative that matches with the goals.

In a rational decision-making process, instead of making an 'ideal' decision as **Simon** observes, policy-makers will break the complexity of problems into small and understandable parts; choose the one option, that is, best and satisfactory; and avoid unnecessary uncertainty. Herbert Simon further notes that although individuals are intendedly rational, their rationality is bounded by limited cognitive and emotional capacities. Rational policy-making, thus, requires **making hard choices among policy alternatives**.

Once a policy choice is implemented, the rational policy-maker is required to monitor this implementation systematically to find out the accuracy of the expectations and estimates. If necessary, the policy-maker may modify the policy or give it up altogether. This is called **'the**

feedback stage' of rational policy-making. If decision-makers make use of feedback to monitor and adapt policy, the policy system becomes self-correcting or cybernetic.

Critique of Rational Model

1. **Accomplishing Goals:** Rational policy-making is a very difficult exercise. The expectation that a rational policy will emerge is small. By the time the policy-maker recommends a rational policy, the problem in question may, at times, become so complex that the prescriptions become decisions that are made on the basis of other goals. Instead, decision makers may try to maximize their own rewards, such as, power, status, money and re-election. Therefore, rational policy-making might turn out to be more an exercise than the actual realization of a set a goals.
2. **Securing Optimization:** The rational policy-making model is expected to produce optimal results. But in reality, it does not always happen. The public interest is considered to be more important than being merely the sum of individual interests in the policy. If air pollution control is a public interest, because all share in its benefit, then the strategy might require that every automobile sold is to be fitted with an expensive set of anti-pollution-emission control devices making it to cost more. Yet, few citizens are willing to pay more of their own money to reduce automobile emissions. If pollution control is a public good, which is individual's own decision, in fact, too often, others should also be guided by the same rational perspective while taking individual decisions.
3. **Conflict between Rational Choice and Need for Action:** There is a conflict between the search for rational behaviour and the need for action. As already stated, policy-makers are not motivated to make decisions on the basis of rationality, but try instead to **maximize their own rewards**, such as, power, status, money. Secondly, the **time** for a thorough analysis of impending legislation may be short. There is also **no consensus** on the societal values themselves. The prevalence of many conflicting values among specific groups and individuals make it difficult for the policy-maker to compare and weigh them.
4. **Dilemma of Political Feasibility:** By political feasibility is meant "the probability that, however rational and desirable, a policy option would actually be adopted and implemented by the political system". Uncertainty about the consequences of different policy alternatives may force politicians to stick to previous policies. Elected officials do not want to sacrifice their chance of re-election at the cost of rationality in policy-making. **Patton and Sawicki** argue that if rational model were to be allowed, many rational decisions have to be compromised as they were not politically feasible.
5. **Problem of Cost-Benefit Analysis:** It is difficult for the policy-makers to calculate the cost-benefit ratios accurately when many diverse social, economic, political and cultural values are at stake. Apart from these, policy-makers have personal needs, inhibitions and inadequacies, which render them incapable of assessing the alternatives to arrive at rational decisions.
6. **Nature and Environment of Bureaucracy:** Thomas Dye observes that the segmentalised nature of policy-making in large bureaucracies makes it difficult to coordinate decision-making so that the input of all of the various specialists is brought to bear at the point of decision. Fragmentation of authority, satisfying personal gods, conflicting values, limited technology, uncertainty about the possible policy alternatives and consequences thereof, and other factors limit the capacity of bureaucracies and other public organisations to make rational policies.
7. Following the rational model by analysis of facts, setting out alternatives and choosing the alternative with the highest utility weight, would often be **undemocratic**. **Denhardt** observes that policy analysts typically apply technical solutions to the immediate problems and under such circumstances, technical concerns would displace political and ethical concerns as the basis for public decision making, thereby transforming normative issues into technical problems. Even a small issue, such as, the **shifting of a small-scale industry from the capital, New Delhi**, can rarely be decided, as the people involved would not accept a technical solution. Politicians and pressure groups do intervene unless the decision is imposed, which would often be undemocratic.

It stands to reason that the rational policy-making model sets up goals and procedures that are both **naive and utopian**. It seems that rational policy-making is a very difficult

exercise. Some decision-making theorists, and perhaps most decision-makers, believe that rational policy-making is impossible. Yet, this model remains of critical importance for analytic purposes as it helps to identify the constraints to rationality. Herbert Simon observes that policy-makers do not really "optimize", but rather "satisfy". To him, a "good" decision will do even if it is not the best decision.

LINDBLOM'S INCREMENTAL APPROACH

In criticising the rational model as advocated by Simon and others, Lindblom rejects the idea that decision-making is essentially something which is about defining goals, selecting alternatives, and comparing alternatives. Lindblom says that rational decision-making is simply **not workable for complex policy questions. Constraints of time, intelligence, cost and politics** prevent policy-makers from identifying societal goals and their consequences in a rational manner. He drew the distinction in terms of **comprehensive (or root) rationality** advocated by Simon and his own **'successive limited comparisons' (or branch decision-making)**.

The incremental approach (branch method) of decision-making involves a process of **continually building out from the current situation, step-by-step and by small degrees**. In contrast, the 'root' approach, as favoured by the policy analysts, was to start from fundamentals anew each time, building on the past only as experience embodied in a theory, and always prepared to start from the ground up.

It proceeds through a succession of incremental changes. Policy-makers accept the legitimacy of existing policies because of the uncertainty about the consequences of new or different policies. It involves **mutual adjustment and negotiation**. Agreement arrived at is easier in policy-making when the item in dispute increases or decreases in budgets or modifications to existing programmes. Thus, incrementalism is significant in reducing political tension and maintaining stability.

Lindblom argues that decision-making is a process of adjustment and compromise which facilitates agreement and coordination. He says that policy evolves through complex and reciprocal relations among all the bureaucrats, elected functionaries, representatives of interest groups, and other participants. **Partisan Mutual adjustment** is the democratic and practical alternative to centralised hierarchical controls.

The incremental approach involves **trial and terror method**. Human beings rarely act to maximise all their values; on the contrary, they act to satisfy particular demands. They seldom search for "one best way", but instead search to find "a way that will work". Incrementalism is, thus, more satisfactory from an atheoretical point as it scores high on criteria like coherence & simplicity.

Critique of Incremental Model

1. **Strategic Policy-Making: Etzioni** was a critic of both the rational and incremental approaches. He advanced the **'mixed scanning'** approach, a third one. According to Etzioni, models based on pluralist decision-making were biased because not all interests and participants in incrementalist politics are equal; some have considerably more power than others. Business and large corporations occupy a predominant position in the policy-making process.

Conceding to this criticism, Lindblom proposed the need to improve mutual partisan adjustment by improving strategic policy-making. Lindblom makes clear that the core idea in an incrementalist approach is the belief in solving complex problems. To do this he draws a distinction between: i) incrementalism as a political pattern, with step-by-step changes, and ii) incrementalism as policy analysis. In this article he makes the case for **'analytical incrementalism'** as a method of securing the balance of power in a pluralist polity in which business and large corporations tend to exercise a powerful influence over the policy-making process. He argues that there are three main forms to incremental analysis, as mentioned below:

- i) **Simple Incremental Analysis:** It is a form of analysis in which only those alternative policies, which are marginally different to the existing policy are analysed.

- ii) **Strategic Analysis:** Lindblom argues that since completeness of analysis is not possible because of many constraints, an analyst should take a middle position: informed, thoughtful and uses methods to make better choices.
 - iii) **Disjointed Incrementalism:** Disjointed Incrementalism is an analytical strategy, which involves simplifying and focusing on problems using different methods. In this method, the comparison takes place between policies, which are only 'marginally' different from one another. Objectives are set in terms of existing resources, and policy-making takes place by a 'trial and error' method. It is disjointed because decisions are not subject to some kind of control or coordination. This work places incrementalism in a **continuum of understanding and scale of change**.
2. In his earlier writings, Lindblom was a staunch advocate of incremental decision-making as the most effective mode of policy-making. Yet, Lindblom of the 1970s through 1990s is indeed a more radical critic of incrementalism as a 'political ideology'. He has developed his ideas about the policy-making process as moving slowly, but has continued to maintain that it can be improved.
 3. Both **Y. Dror and A. Etzioni**, however, are not convinced that incremental model is either a realistic or a satisfactory normative account of decision-making. To Dror, this model is **profoundly conservative** and is suitable in those situations where policy is deemed to be working or is satisfactory, where problems are quite stable over time, and where there are resources available.
 4. Critics note that its deductive power is constrained by the **difficulty in specifying what an increment** is whilst its degree of confirmation is reduced by the typical occurrence of shift-points in policy-making which defy the interpretation of the incrementalist equations as stable linear growth models. For all its simplicity this model seems to be **too crude in the context of the complexity of policy process**.

DROR'S NORMATIVE-OPTIMUM MODEL

Dror finds Lindblom's 'Incrementalist Model' of decision-making quite conservative and unsatisfactory. He believes that incremental approach is unjust as it creates a gap between those who have more power and those who have little power. The latter category of people will find it difficult to bring about change.

In place of incremental and rational models, Dror offers an alternative model which seeks to accept the need for **rationality**; need for introduction of **management techniques** for enhancing rationality of decision-making at low levels; **policy science approach** for dealing with complex problems requiring decisions at the higher levels; and need to take account of **values and irrational elements** in decision making.

Dror's aim is to increase the **rational content of government** and build into his model the **'extra-rational' dimensions** of decision-making. Dror calls it **'normative-optimism'**, which combines core elements of the rational model with extra-rational factors that are excluded from the 'pure rationality' model. Thus, Dror presents a modified form of rational model, which can move policy-making in a more rational direction. He argues that the aim of analysis is to induce decision-makers to expand their thinking to deal better with a complex world. Thus in place of a purely rational model, Dror puts forward a more complex **model of about 18 stages** which include Meta-policy-making stage, Policy-making stage and Post-policy-making stage.

In this 'normative-optimism' combine **both descriptive** (in the real world decision-making is driven by rational and extra-rational factors) **and prescriptive** (improving both the rational and extra-rational aspects) is followed. Thus, his model aims to analyse the real world, which involves values and different perceptions of reality, and creates an approach that combines core elements of the rational model with extra-rational factors.

POLITICAL PUBLIC POLICY APPROACH

Writers such as **Laurence Lynn & Peter de Leon** have advocated this approach. In this approach, public policy-making is viewed as a '**political process**' instead of a 'technical process'. The approach emphasises the political interaction from which policy derives. Lynn sees public policy as the output of government. According to him, public policy can be characterised as the output of a diffuse process made up of individuals who interact with each other in small groups in a framework dominated by formal organisations. Those organisations function in a system of **political institutions, rules and practices, all subject to societal and cultural influences.**

According to Lynn, individuals in organisations function under a variety of influences, and to understand policy-making it is necessary to understand the behaviour of and interactions among these structures, individuals holding particular positions, groups, organisations, the political system, and the wider society of which they are all a part. Therefore, instead of involving particular methodologies, policy-making in this approach is a matter of adapting to and learning to influence political and organisational environments.

Lynn uses '**managers of public policy**' who operate under a variety of influences. Public executives pursue their goals within **three kinds of limits**: those imposed by their external political environments; those imposed by their organisations; and those imposed by their own personalities and cognitive styles. Under this approach, managers use appropriate means to achieve their goals. They work in this way because their own positions are at stake.

MIXED APPROACH BY HOGWOOD AND GUNN

In addition to the above approach, there is another approach described by **Hogwood and Gunn** which is mixed and concerned both with the application of techniques and with political process. Hogwood and Gunn set out a 9-step approach to policy process, which they say is 'mixed', that is, can be used for both description and prescription. This policy process model is a typical one. While its roots may be in the rational model, it does deal with the political aspects of policy process. They argue for a process-focused rather than a technique-oriented approach to policy analysis.

E-GOVERNANCE AND INFORMATION TECHNOLOGY

Reinventing government has been a dominant theme since 1990s, wherein governments world over are attempting to improve the systems of public service delivery. Rapid strides made in the field of **Information and Communication Technology (ICT)** have facilitated the reinvention of governments and prepared them to serve the needs of a diverse society. The information age has **redefined the fundamentals and transformed the institutions and mechanisms** of service delivery forever. The vision is the articulation of a desire to transform the way government functions and the way it relates to its constituents. The concept of electronic governance, popularly called e-governance, is derived from this concern. Democracies in the world share a vision of the day when e-governance will become a way of life. India has been at the forefront of the IT revolution and has had its effect on the public administration systems. In fact, if the potential of ICTs are harnessed properly, it has a lot of opportunities, especially, in the social and economic growth of the developing world.

CONCEPT OF E-GOVERNANCE

E-governance is the application of ICT to the processes of government functioning for good governance. In other words, e-governance is the public sector's use of ICTs with the aim to improve information and service delivery, encourage citizen participation in decision-making and make government more accountable, transparent and efficient. E-governance goes far beyond mere computerization of stand alone back office operations. It implies fundamental changes in government operations; new set of responsibilities for legislature, executive, judiciary & citizens.

According to the Comptroller and Auditor General, UK, e-governance means providing public access to information via the internet by government departments and their agencies. So in essence, e-governance is the application of ICT in government functioning to bring in **SMART** governance implying: simple, moral, accountable, responsive and transparent governance.

Simple- meaning simplification of rules, regulations and processes of government through the use of ICT and thereby providing for a user-friendly government

Moral- connoting emergence of an entirely new system of ethical values in the political and administrative machinery. Technology interventions improve the efficiency of anticorruption agencies, police, judiciary, etc.

Accountable- facilitating design, development and implementation of effective Management Information System and performance measurement mechanisms and thereby ensuring accountability of public service functionaries.

Responsive streamlining processes to speed up service delivery; make system more responsive

Transparent-bringing information hitherto confined in the government documents to the public domain and making processes and functions transparent, which in turn would bring equity and rule of law in responses of the administrative agencies.

SMART governance, thus, helps in

improving the internal organisational processes of governments;
providing better information and service delivery;
increasing government transparency in order to reduce corruption;
reinforcing political credibility and accountability; and
Promoting democratic practices through public participation and consultation.

STAGES OF E-GOVERNANCE

Simple information dissemination (one-way communication)- is considered as the most basic form, as it is used for merely disseminating information;

Two-way communication (request and response)- is characterised with e-mail system and information and data-transfer technologies in the form of website;

Service and financial transactions- is online services and financial transactions leading to web based self-services;

Integration (both vertical and horizontal)- in this stage the government would attempt inter and intra-governmental integration; and

Political participation- this stage means online voting, online public forums and opinion surveys for more direct and wider interaction with the government.

Another classification of e-governance has **six stages** of which the first two are similar to that of the above classification. The remaining four are:

Third stage- refers to multi-purpose portals, which allow customers to use a single point of entry to send and receive information and to process transactions across multiple departments;

Fourth stage- consists of portal personalisation, wherein customers are allowed to customize portals with their desired features;

Fifth stage- is when government departments cluster services along common lines to accelerate the delivery of shared services and clustering of common services; and

Sixth and final stage- technology is integrated further to bridge the gap between the front and back office.

MODELS OF E-GOVERNANCE

Five important models of e-governance have been identified, which can be used as a guide in designing e-government initiatives depending on the local situation and governance activities that are expected to be performed. These models are:

The Broadcasting Model

The model is based on dissemination/ broadcasting of useful governance information, which is in the public domain into the wider public domain with ICT and convergent media. The strength of the model rests upon the fact that a **more informed citizenry is better able to judge the functioning of existing governance mechanisms and make an informed opinion** about them. Consequently, they become more empowered to exercise their rights and responsibilities. Widespread application of this model corrects 'information failure situations' by providing people with the relevant information relating to the governance sphere to make informed opinion and impact governance processes.

The Critical Flow Model

The model is based on disseminating/ channeling information of critical value to the targeted audience or into the wider public domain with ICT and convergent media. The strength of this model is that ICT **makes the concept of 'distance' and 'time' redundant** when information is hosted on a digital network, and this could be used advantageously by instantly transferring the critical information to its strategic user group located anywhere or by making it freely available in the wider public domain.

The Comparative Analysis Model

This model is highly **significant model for developing countries** and can be used for empowering people. Essentially, the model continuously assimilates best practices in the areas of

governance and then uses them as benchmarks to evaluate other governance practices. It then uses the result to advocate positive changes or to influence 'public' opinion on these governance practices. The comparison could be made over a time scale to get a snapshot of the past and present situation or could be used to compare the effectiveness of an intervention by comparing two similar situations. The strength of this model lie in the infinite capacity of digital networks to store varied information and retrieve and transmit it instantly across all geographical and hierarchal barriers.

E-Advocacy/ Mobilisation and Lobbying Model

This model builds the momentum of real-world processes by adding the opinions and concerns expressed by virtual communities. This model **helps the global civil society to impact on global decision-making processes**. It is based on setting up a planned, directed flow of information to build strong virtual allies to complement actions in the real world. Virtual communities are formed which share similar values and concerns and these communities in turn link up with or support real-life groups/ activities for concerted action. Hence, it creates a diversity of virtual community and the ideas, expertise and resources are accumulated through this virtual form of networking. In addition, it is able to mobilise and leverage human resources and information beyond geographical, institutional and bureaucratic barriers and use it for concerted action.

The Interactive-Service Model

It opens avenues for direct participation of individuals in governance processes and brings in greater objectivity and transparency in decision-making processes through ICT. Fundamentally, ICT has the potential to bring in every individual in a digital network and enable **interactive (two-way) flows of information** among them. Under this model, the various services offered by the Government become directly available to its citizens in an interactive manner. It does so by opening up an interactive Government to Consumer to Government (**G2C2G**) channel in various aspects of governance, such as election of government officials (e-ballots); redressing online of specific grievances; sharing of concerns & providing expertise; opinion polls on various issues; etc.

E-GOVERNMENT vs. E-GOVERNANCE

The terms -governmentll and -governancell are currently in widespread use, sometimes interchangeably. It is important to develop a distinction between the two. Government is an **institutional superstructure** that society uses to translate politics into policies and legislation. Governance is the **outcome** of the interaction of government, the public service, and citizens throughout the political process, policy development, program design, and service delivery.

Governments are specialized institutions that contribute to governance. Representative governments seek and receive citizen support, but they also need the active cooperation of their public servants. Governance is the outcome of politics, policies, and programs.

GOVERNMENT	GOVERNANCE
superstructure	functionality
decisions	processes
rules	goals
roles	performance
implementation	coordination
outputs	outcomes
E-GOVERNMENT	E-GOVERNANCE
electronic service delivery	electronic consultation
electronic workflow	electronic controllership

electronic voting	electronic engagement
electronic productivity	networked societal guidance

The primary delivery models of e-Government can be divided into:

- Government-to-Citizen or Government-to-Customer (G2C)
- Government-to-Business (G2B)
- Government-to-Government (G2G)
- Government-to-Employees (G2E)

LEGAL AND POLICY FRAMEWORK

The following provisions have laid down the legal and policy framework for ICT and e-governance in India:

Information Technology Act 2000

The Action Plan endorsed by the **Conference of Chief Ministers in 1987** had already addressed the pertinent issues of accountable and citizen friendly administration; and transparency and right to information. In pursuance of these issues, the Information Technology Act was promulgated in 2000. The **objective of the Act** is -to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as 'electronic methods of communication and storage of information'; to facilitate electronic filing of documents with the Government agencies; and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Banker's Book Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto.

Both **e-commerce and e-governance transactions** are covered under the ambit of this Act, which facilitates acceptance of electronic records and digital signatures. The Act, thus, stipulates numerous provisions. It aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means.

Chapter III of the Act details about 'Electronic Governance' and provides inter-alia amongst others that where any law provides that information or any other matter shall be in writing or in the typewritten or printed form, then, notwithstanding anything contained in such law, such requirement shall be deemed to have been satisfied if such information or matter is:

1. rendered or made available in an electronic form; and
2. Accessible so as to be usable for a subsequent reference.

Report of the Working Group on Convergence and E-governance 2002-07

Report of the Working Group on Convergence and E-governance proposed the need for administration to transform itself from a passive information and service provider to a platform/forum for the active involvement of citizens. This Report primarily concerned itself with public investments. It could not visualise the extent of private initiative that could be expected to come forth in the convergence area or in e-commerce or allied segments. It felt the need to set up a central body for taking stock of the total IT picture in the country. This central body could be a '**Council for E-governance**' or an adhoc '**Commission on Reengineering Administrative Procedures for E-governance.**' Another alternative it suggested was to set up a National Institute of Smart Governance.

The National E-Governance Plan

The National e-Governance Plan (2003-2007) of Indian Government seeks to lay the foundation and provide the impetus for long-term growth of e-Governance within the country. The plan

seeks to create the right governance and institutional mechanisms, set up the core infrastructure and policies and implements a number of Mission Mode Projects at the center, state and integrated service levels to create a citizen-centric and business-centric environment for governance.

NeGP Visions all Government services accessible to the common man in his locality through a One-stop-shop (integrated service delivery) ensuring convenience, efficiency, transparency & reliability. NeGP also envisages significant investments in areas such as government process re-engineering, capacity building, training, assessment and awareness. An apex committee under the Cabinet Secretary is already in place for providing the strategic direction and management oversight.

In 2005, the **World Bank** signaled its willingness to increase funding further (if required) for a range of e-governance initiatives in India as part of the first phase of the country's National e-Governance Plan (NeGP).

Right to Information Act 2005

The Right to Information Act 2005 confers on the citizens the right to:

1. Inspect works, documents and records of the government and its agencies;
2. Take notes, extracts or certified copies of documents or records;
3. Take certified samples of material; and
4. Obtain information in form of printouts, diskettes, floppies, tapes, video cassettes or in any other electronic mode.

This has ensured a transparent and accountable government to the people. It has also established a **two-way dialogue between the citizens and the government**. It has enabled citizens to make well-informed decisions. Further, it is an important step towards tackling corruption and has ensured better monitoring of services provided by the government.

UN E-GOVERNMENT READINESS INDEX

There are several international rankings of e-government maturity. The Eurostat rankings and the UN e-Government Readiness Index are among the most frequently cited. The United Nations conduct an annual e-Government survey which includes a section titled e-Government Readiness. It is a comparative ranking of the countries of the world according to two primary indicators: i) the state of e-government readiness; and ii) the extent of e-participation. Constructing a model for the measurement of digitized services, the Survey assesses the 191 member states of the UN according to a quantitative composite index of e-government readiness based on website assessment; telecommunication infrastructure and human resource endowment.

SIGNIFICANCE OF E-GOVERNANCE

ICT applications impact upon the structures of public administration systems. Technological advancements facilitate the administrative systems by enabling:

Administrative Development

Administrative reforms, often, have focused on procedural details and restructuring of systems and processes of government organisations. The basic objective of these reforms is to enhance capacities of the systems. ICTs can be used and are being used now to give further impetus to the process. They help in the following manners:

1. **Automation of Administrative Processes:** A truly e-governed system would require minimal human intervention and would rather be system driven. While initially the solutions that were offered were quite primitive with poor information layout, inadequate navigation provisions, occasional disruption in services, periodic outdated content and little or no 'back office' support.

However, technological advancements and increased pressure from citizenry have prompted improvements in these areas. Now administrative departments are computerised and connected through network. Software has been built and designed around government departments ensuring efficiency in operations. The departments have launched individual websites carrying information of their respective departments. This has enabled online carrying of operations and file movements. Budgeting, accounting, data flow, etc. has become easy. This has increased the efficiency of office operations and processes and has reduced unnecessary delays.

- 2. Paper Work Reduction:** An immediate impact of automation would be on the paperwork. Paperwork is reduced to a greater extent with communication being enabled via electronic route and storage and retrieval of information in the electronic form. All this has led to emergence of 'less paper office'. This concept is defined as an office situation where all the information (file and mail) amongst various functionaries is distributed online.

Less paper office is the implementation of effective electronic communication processes that enable elimination of reproductive works and unnecessary papers. The concept is where files and mails (information) are transmitted over wires to small computers at each employee's desk. Office work, such as, file movements, notings, etc. is computerised and documentation, report preparation, databases are now maintained in computers. Due to interconnectivity through LAN, transfer of information and files take place online, thus reducing the physical movements and consumption and storage of huge piles of paper.

- 3. Quality of Services:** ICT helps governments to deliver services to the citizens with greater accountability, responsiveness and sensitivity. Quality of services improves, as now the people are able to get services efficiently and instantaneously. As volumes of transactions and information can be electronically handled and delivered over a wider area through the net and web, qualitative services become possible in least time, in least cost, in least difficulty and in greater convenience. By ensuring online redressal of grievances the accountability of officials is ensured. They have become sensitive to the issues affecting people. Monitoring by way of video teleconferencing has further facilitated central monitoring, reporting and face to face communication that has assured effective service delivery by the officials.
- 4. Elimination of Hierarchy:** ICT has reduced procedural delays caused by hierarchical processes in the organisation. Through Intranet and LAN, it has become possible to send information and data across various levels in the organisation at the same time. Computerisation and communication patterns facilitated by ICT have increased efficiency and have led to the involvement of all levels in decision-making.
- 5. Change in Administrative Culture:** Bureaucratic structures have been plagued by characteristics aptly described by Victor Thompson as 'bureau-pathology'. From the days of New Public Administration, efforts have been made to find ways to deal with the pathological or dysfunctional aspects of bureaucratic behaviour and to make delivery of public services effective and efficient. With e-governance, public actions coming under public glare would certainly induce norms and values of accountability, openness, integrity, fairness, equity, responsibility and justice in the administrative culture. Rather, administration would become efficient and responsive.

Effective Service Delivery

ICTs play an important role in effectively delivering services to the people. ICTs ensure:

- 1. Transparency** by dissemination and publication of information on the web. This provides easy access to information and subsequently makes the system publicly accountable. Also as web enables free flow of information, it can be easily accessed by all without any discrimination.
- 2. Economic Development:** The deployment of ICTs reduces the transaction costs, which makes services cheaper. For example, rural areas suffer on account of lack of information regarding markets, products, agriculture, health, education, weather, etc. and if all this could be accessed online would lead to better and more opportunities and thereby prosperity in these areas.

3. **Social Development:** The access to information empowers the citizens. Informed citizenry can participate and voice their concerns, which can be accommodated in the programme/ project formulation, implementation, monitoring and service delivery. Web enabled participation will counter the discriminatory factors affecting our societal behaviour.
4. **Strategic Information System:** Changing organisational environment and increasing competitiveness have put pressures on the performance of the functionaries. Information regarding all aspects needs to be made available to the management at every point to make routine as well as strategic decisions. ICT effectively enable putting such strategic information systems in place.
5. **Environmental bonuses: Paperless office:** Proponents of e-government argue that online government services would lessen the need for hard copy forms. Due to recent pressures from environmentalist groups, the media, and the public, some governments and organizations have turned to the Internet to reduce this paper use.

E-GOVERNANCE CHALLENGES

"E-governance is not really the use of IT in governance but as **a tool to ensure good governance**. E-governance does not mean proliferation of computers and accessories; it is basically a political decision which calls for discipline, attitudinal change in officers and employees, and massive government process re-engineering.

All implementers and drivers of e-governance initiatives agree that the **biggest challenge** of deploying e-governance is not technology but **change management**. Change management is important not only in terms of cultural change but also in terms of changing operations and processes workflow that the automated environment will introduce.

It's important to educate people at all levels about the benefits of technology. The various benefits and advantages of e-enabling the system should be communicated clearly. It is important to explain to people that the introduction of IT will not take away existing jobs but will make them easier, and if less manpower is required for operations the staff can be re-deployed elsewhere with no threat to their career growth path.

The key challenges with electronic governance are not technology or internet issues but **organizational issues** like:

- Redefining rules and procedures
- Information transparency
- Legal issues
- Infrastructure, Skill and awareness
- Access to right information
- Interdepartmental collaboration
- Tendency to resist the change in work culture

Other obstacles are geographical distances, lack of trained human resources, and lack of ICT penetration in remote areas. For instance, a good e-governance application will not benefit anybody in remote areas if there is no supporting infrastructure such as electricity, computers and connectivity.

The **challenges of connectivity** have also reduced over the years with the falling prices of bandwidth and increased reach of connectivity service providers. Major VSAT service providers already have established large footprints in India, and telecom service providers have stepped up their leased line offerings even in previously unrepresented territories. Many state governments have developed state wide area networks (SWANs), customized applications, and data banks. But the interconnectivity of the servers is an issue which calls for the establishment of state data centres. The NIC, which is promoting e-governance in the country, has established VSAT connectivity in all the districts of the country. There remains however issues such as **standardization, inter-operability, security, and propriety vs. open source**.

The other set of challenges lie in extending the reach of e-Governance services to **70% of Indian population that lives in villages**. These include:

- Assessment of local needs and customizing e-Governance solutions to meet those needs
- Connectivity
- Content (local content based on local language)
- Building Human Capacities
- e-Commerce
- Sustainability
- e-Governance Challenges Specific to India

Lack of Integrated Services: Most of the e-Governance Services being offered by state or central governments are not integrated. This can mainly be attributed to Lack of Communication between different Departments. So the information that resides with one department has no or very little meaning to some other department of Government.

Lack of Key Persons: e-Governance projects lack key persons, not only from technological aspect, but from other aspects as well.

Population: This is probably the biggest challenge. Apart from being an asset to the country it offers some unique issues, an important one being Establishing Person Identities. There is no unique identity of a person in India. Apart from this, measuring the population, keeping the database of all Indian nationals (& keeping it updated) are some other related challenges.

Different Languages: A challenge due to the diversity of the country. It enforces need to do governance (upto certain level), in local languages. Ensuring e-Governance in local language is a big task to achieve.

There are many considerations and potential implications of implementing and designing e-government, including disintermediation of the government and its citizens, impacts on economic, social, and political factors, and disturbances to the status quo in these areas.

SUGGESTIONS

In order to harness the benefits of ICTs maximally, we need to develop sufficient and adequate infrastructure, provide sufficient capital and investment, enable easy and wider accessibility and generate ample and skilful human resources. These are some of the immediate and pertinent challenges to effective implementation of ICT and e-governance. These are:

1. **Infrastructure:** The foundation of e-governance is based on the reach of telecommunication services to the so far un-served areas. To develop telecommunication, infrastructures are to be created so that the end-user is able to access the services promptly and effectively. To strengthen the infrastructure, 'National Task Force on Information Technology and Software Development' in 1998 recommended broadband connection (also known as 'the last mile') linkage for IT Applications Service Providers (ASPs), Internet Service Providers (ISPs) and IT promotional organisations, either by fibre optics or by radio communication, with the aim to 'boost efficiency and enhance market integration' through Internet/ Intranet for sustainable regional development.
2. **Capital:** A high rate of investment in IT capital and a supportive environment is necessary to achieve digital economy. In view of the resource crunch with the government, there is need to generate resources from the market and private sector. Public-private partnership may be beneficial in this regard, as the private sector can participate and contribute with capital and expertise support.
3. **Access:** At present more than 75 percent of internet users in India are in urban India. Internet has still to reach the rural and disadvantaged sections. However, efforts are being made to expand ICT connectivity into rural areas through involvement of Gram Panchayats. NIC has developed comprehensive web-based software for panchayati raj and rural applications, which is being

implemented in some states. With most of the panchayats getting computerised, accessibility to various services has become easy.

4. **Utility of Information:** There is a need to provide information, which is useful. The content of the information should be such that it should be interesting, beneficial and appealing to the people. In this regard, Government of India and some of the state governments have prepared a vision document for e-governance keeping in mind the needs of the citizens. Though Citizens' Charters of many departments are available on the net, further publicity of such facilities is required to enable the public to access the necessary information.
5. **Human Resource Development:** Despite the ascending growth rate observed in employment in IT sector, there is dearth of quality manpower. There exists a demand and supply gap in the IT manpower market. India apparently needs to have more technical institutes to impart education and training to build a pool of human resources in the field.
6. **Capacity Building:** Service delivery will be effective if there is a trained manpower. Though computer training is being imparted to all the basic public functionaries, except in few cases, an effective use of ICT is yet to be seen. Moreover, there is an immediate need to launch a nation wide 'Train the Teachers Programme' (3T Programme). This should be done at all levels including schools and colleges. A combination of physical and virtual training also needs to be imparted.
7. **Changing the Mindset of Government Functionaries:** To accept the change there is a need to change the mindset of service providers and receivers. The government functionaries need to be made aware that they are there to serve the clients as per the policies and programmes and that technological advancement is only a facilitator to solutions of problems faced by people and not a solution in itself. To change the mindset of the service providers there is a need to impart orientation and training programmes to them.
8. **Language:** Success of e-government also depends on communication with the people in their local languages. Currently, the most widely used language is English for e-government. But given the Indian social conditions, unless we develop interfaces in vernacular languages, it would remain out of reach of many people who are not capable of accessing these services in English. In this context, it is essential that a clear strategy be formulated to provide access to local level databases maintained in regional and local languages as well as to use appropriate interfaces to aggregate such data. However, it may be mentioned here that organisations like Centre for Development of Advanced Computing (CDAC) has developed multilingual software for the purpose.
9. **Standardization in Data Encoding:** Once multiple access points maintained in various languages at various levels are established, there is a need to update them in conformity with similar standards for data encoding-an application logic for a common horizontal application and data dictionary. This is also important for finding aggregates in the national context.
10. **Grievance Redressal Mechanism:** The mechanism planned for various functions need to make provision for grievance redressal as well. Interactive platforms on the internet may speed up the process and may be useful in this regard. The BMC-Praja Foundation's joint initiative of the Online Complaint Management System (OCMS) is perhaps the world's first in citizen-government partnership for solving public grievances in municipal services. It uses IT as a tool to bring in efficiency and effectiveness into the system. Central Vigilance Commission has also provided such a platform for people to register their complaints against corrupt officials. Such sporadic instances need to be made broad-based and effective, though it may be conceded that more and more public service agencies are now providing or contemplating such facilities.
11. **Cyber Laws:** The government needs to enact appropriate laws, especially those, which are necessary to enable transactions over the internet. Safety concerns regarding use of credit cards or other modes of payment stops the consumers from using such facilities. The Mahanagar Telephone Nagar Limited, Delhi for example has provided the online facility for payment of telephone bills, but not even one percent of its consumers are making use of this provision. Hence, security has to be ensured for generating confidence in the system.

E-governance is a global phenomenon today and it is the most recent paradigm in public administration. The speed and transparency associated with e-governance has the potential to make public administration responsive and effective. As the development of e-governance gets past the phase of pilot projects, it becomes apparent that sustainable development of e-governance will depend on an adequate institutional framework that will enable public administration to manage and harmonize the emerging multitude of technical and organisational changes at all levels of government. The time has come to focus on the challenges in implementation, especially those related to cross-level applications and institutional framework, which would enable to bring in broader changes in governance.

KAUTILYA'S ARTHASHASTRA

Kautilya's Arthashastra is the most important work on Public Administration in Ancient India. According to **Pandit Nehru** -Chankya's Arthashastra deals with a vast variety of subjects and covers almost every aspect of theory and practice of government. **R C Majumdar** considers the Arthashastra as the classical work on the study of political science and administration and as the high **watermark of Indian Political thought**.

Arthashastra's philosophy has considerable relevance in the contemporary world, despite the advances in the field of science and technology, as the basic nature of human beings has not changed. Human beings continue to be afflicted by frailties such as lust of power, selfishness, greed and indifference to suffering of their fellow beings, as a result the State is unable to protect the interest of its citizens, fails to provide an environment where people can make a dignified living and the rich and powerful intimidate and harass the poor and the weak. Arthashastra is not a theoretical treatise on political science and basically deals with matters of practical administration.

It assumes monarchy as the normal form of government. However, there was a fundamental difference in the concept of monarchy as propounded in Indian thought, as compared to its practice in western countries. Western countries believed in the 'divine right' of the king, with the king enjoying absolute and unfettered powers. In the Indian thought a king had to act within the bounds of dharma and an elaborate list of duties and responsibilities of the king towards his subjects has been prescribed.

Emphasizing the importance of people for whom the state exists, Kautilya says, "There cannot be a country without people and there is no kingdom without a country". He further states that it is the people who constitute a kingdom; like a barren cow, a kingdom without people yields nothing.

Arthashastra recognizes that the welfare and protection of the people is the main function of the State/King. In the happiness of his subjects lies the king's happiness; in their welfare his welfare. He shall not consider as good only that which pleases him but treat as beneficial to him whatever pleases his subjects. The maintenance of law and order by the use of punishment is the science of government.

With the help of 'Danda' (Stick), the ruler is to prevent, might from proving right and to enable the weak to hold their own against the strong. However the use of Danda requires great care. Only a just use of Danda secures the protection of the people, while at the same time it secures the protection of the people, while at the same time it secures happiness for the Ruler in the next world. An unjust or improper use of force by the Ruler might lead to serious consequences, the most serious being the revolt of the subjects against the ruler.

The date of this treatise is disputed. Yet consensus is over period from 321 to 296 BC. Arthashastra is the science of statecraft or politics and administration. In the modern context, the Science of public administration mainly concerns itself with the following:

- Principles of Public Administration
- Machinery of Government
- Personnel.

Though not explicitly stated or dealt with in Arthashastra, they are implied. The same can be studied as follows:

PRINCIPLES OF ADMINISTRATION

Indirectly stated

These are in many respects different from those governing democratic public administration as the **system prevalent was monarchy**. The principles mainly regulated the machinery of administration. These can be divided into **2 groups**:-

- 1) The **principles of authority, obedience and discipline of duty** & interest and of responsibility. These embody the essential attribute of the state i.e. SOVEREIGNTY.
- 2) The **principles of division of labour, of coordination, of separation**, of specialty, of hierarchy and of equity. These govern the actual method of work.

The Arthashastra mentions both, though the former gets greater attention. The **latter is implied in the Machinery of administration**. The principles of authority and discipline were essence of the state which came into existence to end the MATSYARAJ and establish order. The king is entrusted with the responsibility of maintaining this peace and order and for the purpose attributed with all authority.

The **efficacy of the principles of authority & discipline** would be maintained by virtue of principles of duty, interest and responsibility. And non compliance attracts punishments. The ultimate aim of sovereign is to promote the welfare of his subjects. Arthashastra states '**in the happiness of his subjects lies his happiness, in their welfare his welfare**'.

Principles

Unity of Command – king sole source of authority

Division of work – Departments

Job Classification – Tests prescribed for different jobs.

MACHINERY OF ADMINISTRATION

Three Levels existed as machinery of administration:-

- a) Centre
- b) Provinces
- c) Local areas

The machinery laid out was an **elaborate** one owing to the great expanse of the empire as well as multitude of functions performed by the state. The **system was highly CENTRALISED** one though there was **division of labour** to accomplish various tasks of the state.

The Pivot of this machinery was the MONARCH, who was assisted by a body of ministers. The **principle of coordination** automatically evolved out of the principle of division of labour. The twin principle of coordination and division of labour were affected at several levels of the hierarchy. The hierarchy also facilitated coordination and execution of work.

The **various officers manning different positions** were required to be highly qualified especially at the higher levels. Arthashastra though is not clear about the inter-relationships between different officers. The principle of equity also suffered from clarity on the same score.

Machinery of Government has to be understood in the context of the conditions prevalent during that period. Though a centralized state, yet its aim was largely the welfare of the masses. The **king** was bestowed with extensive powers. He was the source and centre of authority, the head of administration, law and justice, the supreme judge, being himself about law. All the officials were subordinate and answerable to him. **His duties included**:-

- 1) Protection of subjects and property
- 2) Ensure their welfare
- 3) Participate actively in war and administration of justice.

- 4) Appointment to important offices.
- 5) Broad policy formulation & issuing codes of regulation
- 6) Public works
- 7) Protection of social order

There were no direct checks on the king. Restraints on the King included:-

- I. Training
- II. Moral pressure of ministers
- III. Public opinion.

CENTRAL GOVERNMENT

The King

An ideal king is one who has the highest qualities of leadership, intelligence, energy and personal attributes. The king is kingpin of the State: -A king endowed with the ideal personal qualities enriches the other elements when they are less than perfect. A weak or wicked king without doubt destroys the most prosperous and loyal elements of kingdom. A wise king though ruling over a small territory, will surely conquer the world, if he gathers round him the best as the other constituents.

Arthashastra emphasizes the importance of self-control on the part of the king. Self-control, which is the basis of all knowledge and discipline, is acquired by giving up lust, anger, greed, conceit, arrogance, and fool-hardiness. Living in accordance with shastras, means avoiding over-indulgence in all pleasures of hearing, touch, sight, taste, and smell. An ideal king - Rajrishi is one who: has self control, having conquered the inimical temptations of the senses; cultivates the intellect by association with the elders; keeps his open though spies; is ever active in promoting the security and welfare of people; ensures the observance of their dharma by the people by authority and by example; improves his own discipline by continuing his learning in all branches of knowledge and endears himself to his people by enriching them and doing good to them.

King's Advisers and Ministers

A king can reign only with the help of other - one wheel does not move a chariot. Therefore a king should appoint advisers as councilors and ministers and listen to their advice. Before appointing a minister, the king should thoroughly investigate his qualities. The candidate's knowledge of the various arts shall be tested by experts in their respective fields. Intelligence, perseverance, and dexterity shall be evaluated by examining his past performance, while eloquence, boldness and presence of mind shall be ascertained by interviewing him personally.

Public Officials while giving advice to the king shall say those things, which are both good and pleasing to the king. He shall never give advice that is harmful just because it pleases the monarch; but he may, provided the king is prepared to listen and give permission, give in private, good advice which may not please the monarch.

Kautilya realises the importance of civil service in providing good administration. Kautilya recommends that only persons with unimpeachable character possessing highest personal qualities of leadership, intellect and energy will seek service with the king. He also describes in graphic details the duties, responsibilities and qualifications for appointment to high public offices. He documents 34 adhyakshas-- Heads of departments.

Public officials should follow a strict code of conduct; they may not talk shyly against other advisers; may not say things which are not carefully thought out and which are untrue, uncultured, or outside his knowledge; avoid uncouth behaviour; neither talk in secret with another adviser nor become quarrelsome in public; not openly ask for gems or special favors; not interrupt while another is speaking; not associate with disreputable women, envoys of neighbouring kings. An

efficient civil service can be provided only by keeping public servants under strict discipline and control, with a built in system of rewards and punishment. Salary scales should be such as to attract good talent but over all salary bill should be linked with capacity to pay.

Kautilya suggests strong action against corrupt and incompetent officials. -Those officials who have amassed money wrongfully shall be made to pay it back, they shall then be transferred to other jobs where they will not be tempted to misappropriate and made to disgorge again what they have eaten. ||

Economic Policy

Kautilya is strong advocate of wealth generation by undertaking economic activities, at the initiative of the state. The king shall be ever active in the management of the economy. In the absence of fruitful economic activity, both current prosperity and future growth will be destroyed. In Kautilyan model, economic life is strictly regulated by state.

Officers of the State

Higher officers referred to as Amatyas. There were 3 grades of amatyas- the highest, middle & the lowest. The **yuktas** were employed or appointed. The state administration was conducted by **various superintendents** who headed different departments. Kautilya mentions 32 departments like Revenue, Education, Agriculture, Army, Industry etc. District officials were named as **agronomoi** and the city commissioners as **astynomoi**.

PROVINCIAL GOVERNMENT

The empire was divided into a number of provinces with a viceroy in-charge of each. The provincial government had to maintain law & order; collect taxes, coordinate different departments and keep a watch over the feudatories and frontier people.

MUNICIPAL ADMINISTRATION

The main example given is of city of Patliputra governed by a body of **30 commissioners** who formed themselves into 6 boards of 5 members each. Though, the member so the city council were appointed, the **cities enjoyed some autonomy**. Taxila, e.g. was a Nigama and issued its own coins. The officer in-charge of the city was **Nagaraka**.

REVENUE ADMINISTRATION

Kautilya lays great significance to finance. **Treasury** was a part of saptangas of state. **Kosa** was more important than danda (army). The Arthashastra recognizes 3 principle vocations as means of livelihood: agriculture cattle-lending and trade. Most important tax was on agriculture- $\frac{1}{4}$ or $\frac{1}{6}^{\text{th}}$ of land. Other taxes included toll tax, octroi, fines, treasure taxes & presents to king etc. **Expenditure shown in the budget** & accounts under 15 heads. **Taxes** could be paid in cash or kind.

Kautilya emphasizes that accumulation of wealth is key to State exercising power and authority. -From kosa (wealth) comes the power of danda (Government). With the treasury and the army (kosa-danda) the earth is acquired with the treasury as the ornament. All state activities depend upon firstly on Treasury. Therefore a king should devote its best attention to it.

Kautilya describes four major areas of state activity as source of revenue – income form State controlled manufacturing and leisure activities; taxes paid in cash or in kind; and trading. The means of increasing the wealth of the state are: ensuring the prosperity of state activities; continuing well tried and successful policies; eliminating theft; keeping strict control over government

employees; increasing agriculture production; promoting trade; avoiding troubles and calamities; reducing tax concessions and remissions and increasing cash income.

MILITARY ORGANISATION

There existed a **War office** to manage the affairs of army. Kautilya mentions 5 wings including– infantry, Cavalry, Elephants, Chariots and Transport. Megasthenes also mentions Navy. **Espionage** had a very important role and considered ears & eyes of the king.

ADMINISTRATION OF JUSTICE

King was the head of justice. There were **2 types of courts** – civil & criminal. Courts existed in cities & districts. Petty cases at village level were decided by Gramika & village elders.

An essential duty of government is maintaining law and order, which includes both social order as well as preventing and punishing criminal activity. Kautilya elucidates in great detail the principles of both civil and criminal law. It is the power of punishment alone, when exercised impartially in proportion to the guilt, and irrespective of whether the person punished is the King's son or an enemy, that protects this world and the next.

PERSONAL ADMINISTRATION

Kautilya recognizes in few places that the **personnel who man the organisations are as important as organisations themselves**. Many of the positions are relevant to modern study.

1. **Recruitment:** Little mention of the word, yet qualifications were prescribed for different posts. All important appointments made by the king, and persons with prajna (intelligence) and nakyasakti (power of expression) were considered suitable. It prescribes tests such as Dharmopadha, arthopadha Bhayopadha and kanopadha for different position.
2. **Training:** A **large portion devoted to the training of the prince**, though very little discussion on the training of personnel manning the departments was there. Probably qualifications for positions did away with need for training.
3. **Salaries:** Highest salary offered was 48000 Panas while Lowest was 60 Panas. Generally it was **liberal** to prevent discontent and ensuring efficiency. **Roots of pension scheme** found – when a state servant died in services, his wife and children became entitled to his wages. No old age pension.
4. **Promotion:** No definite rules, Arthasastra suggests that government servants who increase state revenues & serve loyally should be made permanent and their pay be raised.
5. **Transfer:** Transfer of personnel is suggested as a precaution & remedy against misappropriation of government funds.
6. **Tenure & Removal:** Based on the will of the king
7. **Rights:** No rights as such conferred. In ancient India, stress was laid on duties & dharma rather than on individual rights. A code of conduct was given.

FOREIGN POLICY AND DEFENCE

Kautilya is regarded as a great theorist of inter-state relations. His views on foreign policy constitute a brilliant, comprehensive and logical analysis of all aspects of relations between the states. Kautilya propounded the theory, almost universally valid even today, that an immediate neighbouring state is an enemy, and neighbour's neighbor separated from oneself by the intervening enemy, is a friend. The principles of Kautilyan foreign policy are; a kind should develop his state by augmenting its resources and powers in order to embark on a campaign of conquest; the enemy should be eliminated; those who help are friends; a prudent course should be adopted, peace is to be preferred to war; and king's behaviour both in victory and defeat should be just.

The defence of the kingdom is a constant preoccupation of the king which implied not only the physical defence of the kingdom but also prevention of treachery, revolts and rebellion. The physical defence measures were the frontier posts to prevent entry of undesirable aliens in various parts of the country. The king maintained control over his army by variety of means.

KAUTILYA'S CONTRIBUTION

Kautilya is often compared to Machiavelli, both of whom are accused of advocating unscrupulous methods in statecraft. This view is based on misunderstanding about their teachings, without appreciating the historical context in which they were writing. Kautilya always added qualification while advocating policies which appeared unjust. These were either required because the interest of the state demanded it or because these were directed against the enemies. -His is always the sane, moderate and balanced view. He placed great emphasis on the welfare of the people. His practical advice is rooted in dharma. The fault of Arthashastra, as that of Machiavelli lies in openly saying something that has always been practiced by States everywhere.

The three main tenets of his teachings are; first, wealth is the root behind foundation of righteous state; -Dharmasya moolamartha, Arthasya moolam rajyamll; Second, the welfare and protection of the people is the main function of King, who should act within the bond of Dharma: Third is through dandaniti—science of law enforcement, that the stae secures its legitimacy and right to govern.

Kautilya was the first political theorist to realize the importance of wealth as the foundation of a strong state. Towards this end he advocated an activist state, which should take initiative in development of agriculture, irrigation, livestock, minerals and industry. He also gave place to private initiative in these areas, supplementing state effort. Kautilya also advocated promotion of consumer and the trader.

Kautilya devised a highly effective taxation structure based on principles of equity, with stiff punishment on public officials who fail to garner revenue for the state. He enjoined public officials who fail to garner revenue for the state. He enjoined public officials to spend public money wisely and laid down detailed system of its accounting and audit. Kautilya's principles of public finance look remarkably modern and are as relevant today as when these were advocated two millennium ago. The bureaucracy had a key role in implementing economic policy and maintaining law and order. Kautilya describes in meticulous detail the duties, functions and responsibilities of every state functionary, from top public officials such as Chancellor and Head of Treasury to next tier officials such as Controllers of agriculture, irrigation, mining, metals, textiles, trading customs etc.

A network of intelligence agents and surveillance system, to keep a check not only on anti-social and criminal elements, but also on public servants, was an integral part of the administrative system. Arthshastra says that unless men of high personal qualities, character and integrity are appointed as rulers they cannot look after the character and integrity are appointed as rulers they cannot look after the welfare of the people and act according to dharma. Thus according to ancient Indian wisdom, such of our Chief Ministers/ Ministers/ high Public Officials, who lack character and have criminal cases pending against them or have amassed huge wealth by using public office for private gain, will have no place in the ruling establishment.

Kautilya's message is: It is the duty of the State to protect the people and look after their welfare. This is possible only when the state is strong and generates wealth. Efficient civil services, kept under strict discipline, is essential for implementing economic policy and administer law and order. This can be secured only by the rulers who are of exemplary character and act according to Dharma.

CONSTITUTIONAL AMENDMENTS & DECENTRALIZED PLANNING

Decentralisation of the planning process has acquired considerable significance with the passage of the **73rd and 74th Constitutional Amendment Acts**. Decentralisation through the **involvement of local level representative institutions** in the formulation of plans for development as well as their implementation is being advocated in the interest of **efficient utilisation of resources** and for ensuring more equitable sharing of benefit from development.

Decentralisation of the planning process is basically an **exercise in multi-level planning**. Although multi-level planning and the problems connected with it have only recently been subjected to serious examination in India, the idea of decentralisation as such is not new to Indian planning. Since 1950-51, when the Planning Commission was established and the first five year plan was launched, the importance of carrying the planning process to lower levels such as the state, district, block, village, etc. has been emphasised.

The reasons for the stress on decentralisation are various. In the **first place**, the Indian planners emphasised decentralised for the obvious reasons that in a **democratic framework**, unless planning is carried to lower levels, that is to say sub-national levels, the process will not be effective. **Secondly**, the planners also realised that the **participation of the people** in the planning process is essential if the process is to succeed and the participation of the people can be achieved only if planning is carried to the lower sub-national levels.

It must also be remarked in this context that at least in the earlier years of planning, the influence of Gandhian thought was fairly pronounced, although this should not be taken to mean that Indian planning has much philosophical contact with Gandhian thought. The point is that the Indian plans attempted to adopt some Gandhian techniques, of which **decentralised planning was just one**.

Arguments for Decentralisation

A number of sound arguments can be listed to support decentralisation of planning process. **First** of all the **practical impossibility of a single planning agency** being able to make all the detailed decisions which are required at different territorial and sectoral levels of the planning process. One crucial problem here consists of the flow of information and data from lower levels in the hierarchy to the Central Planning Agency. Planning requires not only the formulation of a broad policy framework but also detailed decisions. Detailed decision-making depends for its success almost exclusively on the availability of information and data which is more readily available at the appropriate level for which the decisions are being made.

Secondly, one of the crucial elements in the planning process is the presence of an information system. **Without an information system** there are bound to be innumerable **problems of co-ordination**, both at the state and national levels. The presence of an information system will also indicate the peculiar needs of certain areas in the country. When we realise that certain areas have special problems, we will be in a position to think of solutions which will answer the problem. In the absence of information and data, there is a tendency to adopt uniform solutions which are applied all over the country without respect to local variations and local needs and local problems. In the given situation it is necessary to base policies on a thorough examination of the local situations - something which can be accomplished only when we have access to local knowledge and information.

Thirdly, it is now realised that no planning process could hope to succeed purely on bureaucratic lines. **It is essential to associate the people with the planning process** at all

levels. Even though there are problems never the less there is very little doubt that the planning process must be sustained by the fullest possible participation of the people.

Public participation in planning depends upon several conditions. First of all the **people should be aware** of the functioning of the process. In other words information is essential if people are to participate. Secondly **there must be machinery** which enables people to participate meaningfully in the planning process. Thirdly, **people must feel** that their participation is not a formality but **that they have the ability to influence the functioning of the process**. These three conditions can be met only when there is a reasonable degree of decentralisation of the planning process; it is most unlikely that people will participate.

73rd Amendment & 74th Amendment

The 73rd Amendment to the Constitution is almost the **culminating point of the evolutionary process in regard to decentralisation of democratic power**. It confers constitutional status to the Panchayats at District and sub-District levels and envisages setting tip of' Panchayats at village, intermediate and District levels in every State. One major element is giving representation to the MPs and MLAs in the Block and District Panchayats.

The Amendment has provisions which are of **great significance in so far as the relate to socio- economic planning**. These concern preparation of development plans, implementation of development schemes, power to levy and collect taxes, constitution of State Finance Commissions to review financial position of Panchayats, delineation of subjects which call be assigned to the Panchayats and invalidating any law in force which is inconsistent with the Amendment. The State Governments are expected to amend their laws to make them conform to the Constitutional Amendment.

The 74th Amendment to the Constitution has provided the **legal basis for local self government** in Urban Areas for the first time, It provides the municipalities with powers and authority, as may be necessary, to carry out the responsibilities conferred upon them including those related to matters listed in the Twelfth Schedule. It empowers the **State Finance Commission** to review the financial position of the Municipalities and recommend the pattern of sharing of taxes, duties, tolls, etc. as also grants-in-aid from the Consolidated Fund of the state.

According to this Amendment a **District Planning Committee** is to be constituted in every state which will consolidate the plans prepared by the Panchayats and the Municipalities in the district so that a draft development plan may be prepared for the district as a whole.

Schedule 11 of the 73rd Constitutional Amendment Act listed 29 subjects by way of elaboration of Article 243 G, which deals with the devolution of powers and responsibilities, which may be entrusted to the Panchayats. In the same manner **12th Schedule of the 74th Constitutional Amendment Act** listed 18 subjects for devolution of powers and responsibilities, which may be entrusted to urban local bodies. The subjects included in the 11th and 12th Schedule indicate the broad area for devolution and further elaboration specifying functions and activities, which may be transferred to local bodies, was considered necessary.

ANALYSIS

Planning in India continued to be largely centralized till 1992 when the Constitution (73rd & 74th Amendment) Acts provided a constitutional basis for decentralized and democratic planning process, giving a legal status to rural (Panchayat) and urban (Municipal) local bodies as self-government institutions. Planning today is practiced at national, sub-national, district and local levels. However, the last ten years have seen more hurdles than achievements in the decentralization process.

There are **three steps** for streamlining the process of **decentralized planning at the district level** – decentralized envisioning, planning, consolidation and integration. There

should be a **high degree of participation and coordination** in the process of developing these district visions.

Article 243G of the Indian Constitution **aims at empowering local governments to function as self governments for preparation and implementation of plans for economic development under their jurisdiction. However, this functional devolution has not matched with fiscal devolution.**

As a result, Panchayats are burdened **with a number of service delivery functions** without adequate financial independence. **In this context, it is suggested that functioning of panchayats be clearly demarcated through activity mapping. Activity mapping should be tied with a well structured process of devolution of funds.**

The progress made on devolution to PRIs during the previous plans, presents a mixed picture. Followings are the some highlights in this regard:

- ❖ Political devolution in terms of elections has been well established. Women, Scheduled Castes and Scheduled Tribes and other marginalized groups have **got political representation** at the decision making level in the rural areas. Though there have been problems in this regard, the intervention of courts, civil society organizations and **increased awareness** in the public at large have taken care of some of the problems encountered in the process of evolution of panchayats.
- ❖ Strengthening **forces that facilitate political empowerment of rural communities** would be an important area of action in the next Plan period.
- ❖ **Issues of transparency, accountability and development** would require greater attention. The States, which have lagged behind in endowing panchayats with functions and finances in consonance with Constitutional mandate, would **have to be encouraged to empower** panchayats in the Next Plan period.
- ❖ With concern the tendency of State Governments to postpone elections citing unavoidable circumstances. High Courts and Supreme Court, in petitions concerning panchayat elections have clearly laid down guidelines in this regard. It is expected that Court pronouncements would ensure **conduct of timely elections** in the coming years.
- ❖ **Election Commissions in the States need to be given greater autonomy** in the conduct of the panchayat elections.
- ❖ The **Gram Sabhas** in most Panchayati Raj Acts have been entrusted with **only ceremonial functions**. The gram sabha's powers and functions should be enlarged. **Effective powers of implementation and monitoring** of developmental plans should be vested in the gram sabha.
- ❖ **Social audit by the gram sabha** should be made mandatory in case of all development programmes.
- ❖ The **committee system adopted** in many States to facilitate a more participative decision making process in the panchayats should be incorporated in the States Panchayat Acts.
- ❖ The **powers entrusted to a gram sabha in a Scheduled V area** may be extended to all the gram sabha in non-scheduled areas as well.
- ❖ **Administrative and financial devolution by the States to the PRIs** remains a major concern. Constitution has placed onerous responsibility on PRIs. They require financial resources to discharge the tasks assigned to them. These are a prerequisite for their emergence as viable institutions of self-government. **Financial devolution is also desirable** as control of local communities on investment decisions leads to better utilization of scarce resources.
- ❖ **Greater powers of taxation** and avenues for non-tax revenue for panchayats would be needed. States could provide matching grants to panchayats to take up specific projects.
- ❖ In addition, apart from the funds that flow to panchayats for centrally sponsored and state sector schemes, **untied grants** could also be provided to the PRIs.
- ❖ The PRIs **need to raise resources** from the local community to emerge out of the dependence syndrome on government funds.

- ❖ The functional domain of the PRIs **can be enlarged** only if the PRIs pay adequate attention to their resource base.
- ❖ The onus for devolving functions, functionaries and financial resources to the PRIs rests with the State Governments. Though functions and finances have been transferred to the PRIs rather slowly by the States, the PRIs in all States have been **hampered by lack of administrative support** at their disposal. PRIs have to be **adequately staffed**. These functionaries have to be given **training in planning, budgeting and accounting**.
- ❖ An elaborate system for **auditing of panchayat finances** has to be put in place. At present, adequate safeguards against misuse of resources by elected functionaries **do not exist** in many States. These issues need to be tackled on a priority basis.
- ❖ The **functional devolution** has not taken place not only for **lack of political will**, but also on account of **lack of clarity at different levels** of government regarding powers of each tier of the PRIs.
- ❖ With regard to **29 subjects listed in the XIth Schedule**, the Government of India had appointed a Task Force to recommend functional distribution between zilla parishad, panchayat samiti and gram panchayat. The Task Force accepted the **principle of `subsidiarity`** in work distribution and functions that could be performed by a lower tier have been earmarked for that tier only and not to a higher tier. The States would be expected to clearly delineate the role of each tier and entrust them with those functions.
- ❖ Central Ministries / Departments administer many centrally sponsored and central sector schemes in respect of the functions that are transferred to PRIs. The guidelines for implementation of most of the schemes **do not provide for a role of PRIs**.
- ❖ The Central Ministries and Departments **would be required to integrate the role of PRIs** in schemes implemented by them at least in respect of subjects listed in the XIth Schedule as suggested by the Task Force.
- ❖ **Process of decentralized planning was enshrined in 74th Constitutional Amendment Act**. It provided for the constitution for **District Planning Committees (DPCs)**. The Constitutional provision on DPCs is rather weak as it provides for preparation of only draft plans by the DPCs.
- ❖ State Governments have **not given adequate attention** to the DPC's. Andhra Pradesh, Assam, Bihar, Gujarat and Maharashtra have not yet constituted the DPCs on the grounds that they have already have a district planning set up either in form of a **District Board** or a **District Planning Board**.
- ❖ In many States, which have constituted DPCs, they are in place **only in a few districts**.
- ❖ The Government of India's guidelines on **district planning have not been fully operationalised**.
- ❖ **DPCs should be set up** and people **at different levels** have be trained in **basics of planning process** in order to enable them to plan for the developmental needs of their area. Gram Sabha / Panchayat should be associated in preparation of village development plans based on felt need of the village people.
- ❖ These Plans should **feed into the panchayat samiti and district level plans** to make grass root planning process a reality in the Next Plan period. However, many other issues which are equally critical to the successful functioning of the PRIs require actions which have to come from the community itself, civil society organizations and other non-governmental stakeholders.
- ❖ Evaluation studies conducted by research organizations and voluntary groups have consistently highlighted **weak individual and institutional capabilities in the rural areas** to take up developmental planning.
- ❖ The **voluntary sector has witnessed a phenomenal growth** in the country in the last 20 years. These institutions have played an important role in **community mobilization**, providing **technical support** to the community for developmental projects and in **areas of health and education**. It has been clearly established that where village panchayats, community organizations and user groups have worked in close cooperation, people have benefited immensely from the developmental projects initiated either by the Government or the communities themselves.

- ❖ People's organizations whether in the form of a non-governmental organization or a group of experts such as the **-voluntary technical core** of Kerala, **provide expertise and competence** to the panchayats that they otherwise may not necessarily possess.
 - ❖ However, in many places, emergence of constitutionally mandated Panchayati Raj bodies has led to a **conflict of interest** as both voluntary organizations and PRIs occupy the same space.
 - ❖ The **voluntary agencies have to recognize** that PRIs are institutions of governance and the voluntary sector has to work in close cooperation of PRIs. On the other hand, **PRIs have to recognize the critical role that voluntary organizations can play** in building their capabilities. Guidelines would have to be evolved to provide for a better interface between PRIs and the voluntary sector.
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RURAL DEVELOPMENT PROGRAMMES: FOCI & STRATEGIES

Rural Development is the **crux of India's developmental strategy**. Rural development programmes are designed to facilitate a **multi-faceted growth of the rural poor** by extending the benefits of development to them. It aims at the improvement of their living standards by providing them **opportunities for the fullest utilization of their potential through their active participation** in the process of goal-oriented change.

The phenomenon of development administration in India can be traced to the inception of the **Community Development Programme (CDP)** in October 1952. The major concern behind it was the induction of people in the local developmental action aimed at the utilization of locally available resources. The **focus remained on agricultures as the most important medium to solve the problems of the rural economy**. In 1953, the government launched another programme called **National Extension Service (NES)**. NES was to be a permanent multifunctional extension agency in the block.

Both the CDP and the NES programmes **suffered from under-achievement**. Villages had very **little infrastructural facilities and, hence, they could not "respond" adequately** to the developmental initiatives. The schemes did not cater to the poor alone but were concerned with the welfare of the whole rural population. Moreover, the programmes did not register a discernible increase in agricultural production.

In **1957**, a team for the Study of Community Projects and National Extension Service, Commonly known as the **Balvantray Mehta Committee** was set up. The main thrust of the recommendations of the committee was on **administrative decentralization**, it suggested the formation of a **three-tier system** of rural local government to be called **Panchyati Raj: Zila Parishad** at the district level, **Panchayat samiti** at the intermediate level and **gram panchayat** at the village level. The philosophy was to shift the decision-making centres closer to the people and to encourage their participation.

The panchyati raj experiment **soon fell into stagnation**. Many state governments postponed elections as local MPs and MLAs cooled off in their enthusiasm because of the anticipated threat to their position institutions came to be dominated by the local privileged classes.

With the purpose of making the country self reliant in the field of agricultural products, **the Intensive Agricultural District Programme (IADP, 1960)** and the **Intensive Agriculture Area Programme (IAAP, 1964-65)** were put into action; applying the latest technology and ideas to the agricultural sector and raising the production of selected crops. However, this experiment called as **Green Revolution** did not bring much benefit to the small farmers.

In **1969**, two agencies Small Farmers Development Agency (**SFDA**) and the Marginal Farmers and Agricultural Labourers Development Agency (**MFALDA**) were set up. SFDA aimed at increasing the income level of small farmers and the MFALDA was launched to identify marginal farmers and agricultural labourers and supply services and support to them.

Next to these was **Drought Prone Area Programme** (DPAP) started in 1972-73. Its objective was to reduce the impact of the incidence of drought and to stress soil conservation and afforestation in drought-prone areas. It was a **long-term strategy for restoring ecological balance**, overcoming the conditions of scarcity, effecting optimum utilization of land, water, livestock and human resources, changing agronomic practices, animal husbandry development management of irrigation etc.

The working of DPAP reveals **several operational lacunae and difficulties**. It has been observed that the DPAP beneficiaries are not identified properly; there are no guidelines for the identification of watershed areas and the identification of areas for construction of new wells has not been done properly. Loans sanctioned by banks were, besides being inadequate, delayed.

During the same period, **Tribal Area Development Programme** was launched in **1971**, aiming at the all-round development of tribals. In **1974**, the **Command Area Development Programme** (CAD) was taken up to develop the command areas of the irrigation projects. CAD represented a **new concept in rural development strategy**, where, instead of separate departments for district developmental activities, the new organizational strategy would be an administrative unit based on natural resource activity which cuts across the usual administrative boundaries. The concept of Command Area Development is unique, aiming at integrating a very wide range of developmental, sectoral and functional components and sub-components.

For integrated development of hot arid desert districts of Rajasthan, Haryana and Gujarat and the cold arid deserts of Jammu & Kashmir and Himachal Pradesh, **Desert Development Programme** (DDP) began in **1977-78**. It dealt with afforestation, sand stabilization, agricultural development, and rural electrification.

Despite the fact that each of these programmes made specific contributions, the rural poor have **continued to experience abject poverty, chronic unemployment and gross inequalities**. Potential beneficiaries viz. the poorest of the poor, had not been identified properly and the influential sections of the society had concerned most of the benefits for themselves.

To deal with such lacunae, Government introduced the **Integrated Rural Development Programme (IRDP) in 1978-79** with the specific intention of eliminating rural poverty. All the sub-sectors within the rural sectors and all the classes within the rural population were expected to develop more or less simultaneously, as a consequence of the integrated approach. IRDP implies getting together, pooling of resources and moving towards a common goal in a well orchestrated manner.

Objectives behind IRDP were improving the productivity of land, by providing access to inputs like water, improved seeds and fertilizers. This would be an essential means to help those categories of the rural poor who have some land assets. **Diversification of agriculture** through animal husbandry, dairying, forestry, fishery, sericulture, etc. will benefit both the landless and the landholders and this would form an important plank of the programme. **Processing and manufacturing activities** based on local resources will also have to be identified and fully exploited. Thus IRDP was not restricted to agricultural development alone. Herein, lied the difference between IRDP and its predecessor programmes.

The strategy of IRDP was to **provide productive assets and inputs** to the target groups; thus, the assets, which could be in primary, secondary or tertiary sectors, were provided through financial assistance in the form of subsidy by the government and term-credit advanced by financial institutions. **Training** in skill formation was considered necessary to enable the beneficiaries to maximize the benefits from various schemes. The **special beneficiaries** under IRDP were the scheduled castes, scheduled tribes and women.

One such effort is the special scheme of **Development of Women and Children in Rural Areas (DWCRA)** as a component of IRDP. It was launched in **1982-83** to provide skills, training, employment and credit to women. **TRYSEM** is yet another step towards generating productive employment. It was launched in **1979** with the objective of training the rural youth in the fields of agriculture, business, industries and other services.

Women and SC/ST candidates are to be given preference. Various skills and crafts in which training is given include handloom printing and weaving, oil extracting, tailoring, chalk-making, and piggery. Training is provided in the existing industrial training institutes, polytechnics and through workshops.

A major problem in rural areas is of seasonal unemployment and under-employment. With the aim of providing supplementary employment opportunities besides agriculture, the **National Rural Employment Programme** was launched in **1980**. The programme has three main objectives:

- (a) Generation of additional gainful employment
- (b) Creation of durable community assets and,
- (c) Improvement of the nutritional standards.

Rural Landless Employment Guarantee Programme was launched in **1983**. The basic objectives of the programme were:

- (a) To improve and expand employment opportunities for the rural landless with a view to providing employment up to 100 days in a year for at least one member of every landless labour household, and
- (b) To create durable assets for strengthening the rural infrastructure.

NREP and RLEGP were merged into the **Jawahar Rozgar Yojna (JRY)**, launched in **1989**. The primary objective of the JRY is generation of additional gainful employment for the unemployed and underemployed in the rural areas. Its secondary objective is creation of sustained employment by strengthening the rural economic infrastructure and assets and improvement in the quality of life in rural areas.

Parallely, **Million Wells Scheme (MWS)** was launched in **1988-89** with the objective of providing open irrigation wells, free of cost, to poor, small and marginal farmers belonging to SC/ST and freed bonded labour. **Indira Awaas Yojna (IAY)** as an important component of the JRY aims at the construction of dwelling units, free of cost, for the poorest of the poor belonging to SC/ST and freed bonded labourers. Presently it is included as **one of the six components** of the „**Bharat Nirman**“ Programme. Under this programme, 60 lakh houses are to be constructed for rural BPL families during a span of four year beginning from 2005-06.

RECENT RURAL DEVELOPMENT PROGRAMMES	
PROGRAMME	REMARKS
Swarnjayanti Gram Swarozgar Yojana (SGSY)	<p>Started in 1999 with 75:25 Centre: State contribution</p> <p>Cover all aspects of self employment such as organization of poor into Self Help Groups, training, credit, technology, infrastructure & marketing.</p> <p>Objective is to bring every assisted family above the poverty line in 3 years by providing them income generating assets through a mix of bank credit and government subsidy- monthly income not less than Rs 2000 at least in third year.</p> <p>Replaced IRDP and its allied schemes viz. TRYSEM, DWCRA, SITRA, GKY and MWS.</p> <p>Aims at establishing a large number of micro enterprises in rural areas.</p> <p>Subsidy provided is 30% of project cost or Rs 7500 whichever is less; for SHGs it is 50% of project cost or Rs 1.25 lakh or per capita subsidy of Rs 10000 whichever is less. SHG may consist of 10-20 people.</p> <p>SCs/STs account for at least 50% of the Swarozgaris, women 40% and the disabled 3%.</p> <p>Launched by Ministry of Rural Development</p> <p>Implemented by DRDAs through Panchayat Samities.</p>
Swarna Jayanti Shahari Rozgar Yojana (SJSRY)	<p>Started in 1997 with 75:25 centre:state contribution.</p> <p>In all urban and semi-urban towns.</p> <p>All the three Urban Poverty Alleviation Schemes: Urban Basic Services for Poor (UBSP), Nehru Rozgar Yojana (NRY) and PM Integrated Urban Poverty Eradication Programme (PMI-UPEP) subsumed in it.</p> <p>2 sub-schemes where bank credit is involved, namely, 1. Urban Self Employment Programme (USEP) titled Development of Women and Children in Urban Areas (DWCUA) and 2. Urban wage Employment Prog.</p> <p>Provides gainful employment to urban unemployed and under-employed through self-employed ventures & wage employment. Focuses on creation of suitable community structures.</p> <p>Beneficiaries identified by the urban local bodies on the basis of house-to-house survey.</p> <p>Under the scheme, women are to be assisted to the extent of not less than 30%, disabled 3% and SC/STs at least to the extent of the proportion of their strength.</p>
Prime Minister's Rozgar Yojana (PMRY)	<p>Started in 1993 for urban areas; extended throughout the country in 1994</p> <p>Objective of the scheme is to provide self-employment opportunities to educated unemployed youth in the age group of 18 to 35 years. In NE States, the eligible age group is from 18-40. There is a 10-year relaxation for SC/ST, ex-servicemen/ physically handicapped & women.</p> <p>SHGs are considered eligible for financing under PMRY effective from 2003 provided all members individually satisfy the eligibility criteria laid down and total membership does not exceed 20.</p> <p>To be eligible, family income and income of parents of beneficiaries shall not increase Rs 40,000/ annum.</p>
Sampoorna Grameen Rozgar Yojana (SGRY)	<p>Started in 2001 with 75:25 Centre: State contribution.</p> <p>Merging the on-going schemes of EAS and the JGSY.</p> <p>Objective of providing additional wage employment and food security, alongside creation of durable community assets in rural areas.</p> <p>Special emphasis on women, SCs, STs and parents of Children withdrawn from hazardous occupations.</p> <p>Ministry of Rural Development is nodal ministry for it.</p> <p>The annual outlay for the programme is Rs. 10,000 crore which includes 50 lakh tones on foods grains.</p>

	<p>Food grains are provided free of cost to the States/UTs. Minimum wages are paid to the workers through a mix of minimum five kg of food grains and at least 25 per cent of wages in cash. Resources are distributed among District Panchayat, Intermediate Panchayats and the Gram Panchayats in the ratio of 20:30:50.</p>
National Food For Work Programme	<p>Started in 2004 as 100% centrally sponsored scheme. Implemented in 150 most backward districts of the country so that the generation of supplementary wage employment and providing of food security through creation of need based economic, social and community assets in these districts is further intensified. Most of the backward districts are in the tribal belts. Provide 100 days of employment at minimum wages for at least one able-bodied person from each household in the country. Not be implemented in UTs. 150 most backward districts to be identified by the Planning Commission in consultation with the Ministry of Rural Development and the State governments. Subsumed in National Rural Employment Guarantee Act.</p>
Pradhan Mantri Sadak Yojana (PMGSY)	<p>Started in 2000 as 100% centrally sponsored scheme. Objective is to provide connectivity to all the eligible unconnected habitations of more than 500 persons in the rural areas (250 persons in the hilly and desert areas) by good quality all-weather roads. Under Bharat Nirman, goal is to provide connectivity to all the habitations with population of more than 1000 in the plain areas and habitations with a population of 500 or more in hilly and tribal areas in a time bound manner by 2009.</p>
Indira Awaas Yojana (IAY)	<p>Started in 1985 as a sub-scheme of Jawahar Rozgar Yojana (JRY) and as an Independent scheme since 1996. Financial resources are shared as 75:25 between Centre & States Providing assistance to rural BPL ST/STs & freed bonded labourers for the construction of dwelling units & upgradation of existing unserviceable kutcha houses. From 1993, extended to non- SC/ST rural BPL and then to ex-serviceman of army & paramilitary killed in action. 3% reserved for rural BPL physically & mentally challenged Selection of beneficiary by the Gram Sabha is final. No approval by any higher body is required. Allotment of the house is done in the name of the female members of the households or in the joint names. Ceiling on assistance for construction of new houses has been increased from Rs. 25,000 to Rs 35,000/- per unit for the plain areas and Rs. 27,500 to Rs 38,500 per unit for the hilly/ difficult areas from April 2008. Included as one of the 6 components of the „Bharat Nirman“ Programme. Under this programme, 60 lakh houses are to be constructed for rural BPL families during a span of four year beginning from 2005. From 2006, funds & physical targets are also being earmarked for BPL minorities in each State.</p>
National Social Assistance Programme (NSAP), 1995 and Annapurna Scheme, 2000	<p>Consists of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), National Family Benefit Scheme (NFBS) and Annapurna Scheme It was administered by Ministry of Rural Development till the programme was transferred to the State Plan along with the Annapurna Scheme from 2002-03. Central assistance under IGNOAPS increased from Rs. 75 to Rs 200 per month from April 2006 for providing pension to all BPL persons aged 65 years and above. States were urged to contribute another Rs 200 so that</p>

	<p>beneficiary gets Rs 400. Presently 25 Sataes/ UTs are providing > Rs 200. Earlier the scheme was called NOAPS meant only for destitutes. NFBS Rs. 10,000 is being provided in the event of death of the primary bread winner of a family (18-64 years age)</p> <p>Under Annapurna Scheme 10 kg of food grains/ month/ person is provided free of cost to the beneficiaries who not be covered under IGNOAPS.</p> <p>Since 2006-07, increase in pension under NOAPS from Rs 75 per month per beneficiary to Rs. 200 per month per beneficiary</p>
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NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (NREGA)

NREGA was enacted in **September 2005** and brought into force w.e.f. 2 **February 2006** in **200 most backward districts**. Extended to another 130 districts in 2007 and further to whole country from 1st April, 2008.

Implemented by **Ministry of Rural Development**.

NREGA is the **first ever law internationally** that guarantees wage employment at an unprecedented scale. **Primary objective** is augmenting wage employment & **auxiliary objective** is strengthening natural resource management.

Provides **100 days** of **guaranteed unskilled wage employment** to each rural household opting for it.

It bestows a **legal right** and guarantee to the rural population through an Act of Parliament and is not a scheme like the other wage employment programmes.

Sampoorna Grameen Rozgar Yojana (SGRY) and **National Food for Work Programme** (NFFWP) have been subsumed in NREGA.

The **focus** of the Act is on works relating to water conservation, drought proofing (including Afforestation/ tree plantation), land development, flood control/ protection (including drainage in waterlogged areas) and rural connectivity in terms of all-weather roads.

The Act envisages strict Vigilance and Monitoring. Gram Sabha has the power of social audit. Local Vigilance and Monitoring Committees are to be set up to ensure the quality of works.

At least 1/3rd of the beneficiaries are to be women.

Rozgar Jagrookta Puskar instituted for NGOs to generate awareness about NREGA

NREGA was recently rechristened as MNREGA (Mahatama Gandhi NREGA)

PRIME MINISTER EMPLOYMENT GENERATION PROGRAM (PMEGP)

Prime Minister's Rozgar Yojana (**PMRY**) & Rural Employment Generation Program (**REGP**) has been merged to introduce Prime Minister Employment Generation Program (PMEGP).

Its objectives include:

1. To generate employment opportunities in rural & urban areas through new self-employment ventures/ projects/ micro enterprises.
2. To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment, continuous and sustainable employment opportunities.
3. To increase wage earning capacity of artisans & growth rate of employment.

It will be **implemented** through **Khadi & Village Industries“ Commission** under the Ministry of Micro, Small & Medium Enterprises.

Upper limit of the project that could be set up in the manufacturing sector was Rs. 25 lakhs & in the business services sector Rs. 10 lakhs. Beneficiaries will be identified with the help of Panchayats.

It was started with an **allocation of Rs 8.23 billion** in the current fiscal to promote agro and rural industries.

The government has also modified the **subsidy component** under PMRY from Rs 7,500 to Rs 12,500 per entrepreneur.

EXPERIENCE OF RURAL DEVELOPMENT OVER FIVE YEAR PLANS

At the time of Independence, **India inherited great regional disparities** in terms of per capita income, consumption, health, education, infrastructure, employment etc, therefore state had to play an important role. Indian government aware of the importance of **balanced regional development** adopted the instrument of planning through the five year plans.

1ST FIVE YEAR PLAN

It was primarily a stock taking exercise, a sort of patch work. Planning started in reality from 2nd plan. Here the emphasis was on agriculture.

2ND FIVE YEAR PLAN

- Objectives

1. Accelerate economic growth emphasis on industry.
2. Self-sufficiency
3. Socio-economic equality
4. Balanced regional development

- **Equity** was considered as the fundamental force driving sustainable development

- **Socialistic pattern** of the country was envisaged

- Industrial development through **mixed economy** with emphasis on PSU was sought after and heavy industries were given priority.

- **Licensing policy** was adopted to

(i) Channelise scarce resources into priority sectors (steel, heavy industry) and priority areas (backward regions) so that lagged behind regions could catch up with developed regions.

(ii) Check monopolistic tendencies

(iii) Promote SSIs and small entrepreneurs

- PSUs set up in backward areas to act as **generators of economic momentum** and **growth centers**.

- Problems

1. Industrial policy widely misused
2. PSUs failed to integrate with local economy
3. Industrialization proved to be mere policy of development at the cost of other sectors.

3RD FIVE YEAR PLAN

- Separate chapter on **Balanced Regional Development** was added.
- **Extension of benefits** of economic progress to less developed regions, widespread diffusion of industries was sought after
- Admitted that because of technological reasons production might be localized in large industrial sector. Therefore **attention to agriculture**, SSI, power, communication and social services was given for more dispersion.
- **Multipurpose irrigation projects**- DVC, Bhakra, Rajasthan Canal implemented.
- Subsequently the **Green revolution** was initiated in regions of NW owing to availability of various inputs.
- **Failure**
 1. Growth concentrated in specific areas.
 2. Irrigation and other critical inputs, ignored in other areas.
 3. Isolated islands of development emerged over the landscape of India.

4TH FIVE YEAR PLAN

- **Target oriented beneficiaries" programmes** like SFDA, MFALDA, and DPAP etc were started, idea was that since a large number of rural poor live in less developed regions. All these programs were expected to benefit these regions more in comparison with developed regions.
- **Gadgil formula** gave greater weightage to backward regions in resource transfer from Centre to State.
- **Financial assistance**, tax holidays, reduced duties given to industries set up in these regions.
- **Problems**
 1. Private sector interested in already developed areas.
 2. Poor social infrastructure and HRD in these areas.

5TH FIVE YEAR PLAN

- It **Consolidated already ongoing programs** and adopted **area development approach**. This emerged as a more important strategy for **backward area development**. Special area development programs initiated.
 - (i) Resources or Problems based area program – DPAP, DDP, HADP, and CADP.
 - (ii) Target Group program– SFDA, TDAP (Tribal Development Agency Projects).
 - (iii) Area specific incentive program– concessional finance, investment subsidy, transport subsidy
 - (iv) Comprehensive area development program, sub-plans for hill and tribal areas.**Sub-plan approach** came during 5th five year plan. It's a plan within a plan e.g. Erstwhile UP had hills which were neglected. The sub-plan focussed on this particular dimension.

6TH FIVE YEAR PLAN

- **Integrated approach** to the problem of regional inequalities
- Intensified version of regional planning
- **Multi-level approach** to planning initiated

- **IRDP** (Integrated Rural Development Programme) and **NREP** (National Rural Employment Program) initiated as employment generation programs
- **Area specific program** like DDP started
- National Committee on Development of Backward Areas recommended setting up of **Growth Centers**; these will act as development bombs and initiate economic momentum.
- **Environment** was brought up as an important issue.

7TH FIVE YEAR PLAN

- Recognized **two critical determinants** of a regions economic development
 1. **Agricultural productivity**: stress laid on rice, coarse cereals, pulses and oil seeds. Special efforts for Eastern regions and for dryland and rain-fed regions.
 2. **Human resources potential**- Envisaged universalization of elementary education and provision of minimum needs like water, rural roads and rural electrification
- Decentralization and **emphasis on small** was placed.
- **Watershed development** as core approach adopted.
- On industrial front: **100 GC's identified** across the country. Government was to develop basic infrastructure, plots etc to attract the people to set up industry there.
- **Problem**: Concept of GP and GC failed to deliver the goods.

8TH FIVE YEAR PLAN

Role of economic planning was redefined. Market friendly, indicative planning left **little scope for regional planning**. So, 8th plan lacked regional perspective. However, some **special area development program** like HADP, North east council, Border area development programmes were taken up. **PRI acts** were passed.

Limitation: SADP (Special Area Development Programmes) are no substitutes for country level regional planning. These do not aim at removing inter-state disparities in development.

9TH FIVE YEAR PLAN

Regional planning approach again **not emphasized**. Admits the private investment may little do to eliminate regional despairs. Thus it is necessary to deliberately **bias public investment in infrastructure** in favour of less well off states. However, it doesn't spell out allocation from this point of view. **Co-operative federalism** added as a new chapter. **Poverty alleviation program were restructured** with more vigour. Focus was turned on agriculture development and rural activities.

10TH FIVE YEAR PLAN

- **Questioned the very plan model** that we are following- a sectoral model under which we are trying to superimpose regional policies over this model and trying to develop; it is not suited for regional development.

- 10th plan gives a **regional model** like the **agro climatic zones**.
- Certain **targets for every state fixed**.
- Regional orientation in population policies was introduced.

ANALYSIS

Government efforts can be classified into five categories:-

1. Aimed at industrialization of lagging regions.

- Location of PSUs, licensing policy, encouragement to entrepreneurs through subsidies.
- Number of projects in Bihar, MP and Orissa but impact not significant.
- Anticipated **spread effect not materialized**.

2. Development of agriculture, irrigation and allied activities

- HYV seeds alongwith other inputs were used. Food grain production and productivity rose but only in Punjab, Haryana, and Western U.P. This raised further the regional disparities.
- Only after 7th plan high priority to dry land and rain fed farming was laid.

3. Providing infrastructural facilities in backward regions.

4. Transfer of resources from center to states in the form of plan & non plan assistance and discretionary grants. However, these do not show any clear bias in favour of backward states.

- Loan to grant ratio is a fixed one (70:30)
- Richer states got more grants-in-aid as compared to poor states.
- Guided more by political rather than economic consideration.

5. Special program for development of backward and less developed regions.

- Program like HADP, DDP.
- Lack of genuine regional planning
- Centralized nature of planning
- Under developed physical infrastructure
- Population resources imbalance
- Vicious cycle of poverty.

SECOND ARC REPORT: UNLOCKING HUMAN CAPITAL

The shift in government's approach from allocation based development programmes to those based on entitlements has increased the emphasis on balanced development of all regions and substantially enhanced funding by the Union. The Commission has analyzed the NREGA and given recommendations in this regard. These recommendations would be valid for other flagship programmes and related programmes.

1. **Guaranteeing Reach:** Awareness generation programmes should be taken up by all State Governments. Publicity & guidance material should be available in local languages.

2. **Ensuring Convergence:** Baseline performance indicators should be worked out for important services such as health and education and efforts should be made to improve them continuously. Rural development programmes, which could be best managed at the local level, should be transferred to the Panchayati Raj Institutions.
3. **Financial Management System:** Funds from Government of India should be transferred directly to the districts. The State Government's contribution may be fixed at 10 percent. Target (maximum) levels of funds should be fixed for Panchayats (village, block and district levels).
4. **Payment in cash may be the preferred option:** Payment should be made, based on the pieces rate system, and not the time rate system.
5. **Strengthening Local Governments – Building Institutions:** Panchayats should be empowered by transferring all development schemes which are better managed locally, to them. This transfer should also include the commensurate transfer of administrative and financial power and the implementation machinery.
6. **District Rural Development Agencies (DRDA)** should be subsumed in the district Panchayat.
7. **Strengthening Local Governments – Capacity Building:** NREGA should be implemented by a judicious mix of permanent and contractual staff. Services of Non-Governmental Organizations with proven track records could also be used to supplement staff deficits.
8. **Entrepreneurship Institutes for the Rural Poor:** should be set up in every block to train and impart skills to the rural poor so that they get opportunity to be self employed.
9. **The Monitoring mechanism:** Independent monitoring and auditing agencies should be engaged to carry out concurrent monitoring and audit.
10. **Curbing Corruption and Leakages:** Templates of estimates of general works should be prepared showing the inputs of labour and material required. This should act as an aid for preparation of estimates. The muster roll should incorporate the physical dimensions of work that has been carried out in the work cycle.
11. **Transparency and Right to Information Act:** A continuing process of training and awareness generation about the NREGA and RTI is essential.
12. **Use of IT- Unique Identification System:** The IT system should maintain numbered records of all transactions, and the specific fields to be contained in each transaction type should be pre-determined as part of the NREGA standards.
13. **Use of IT System for monitoring and evaluation:** A comprehensive list of quantitative measures for the detection of inconsistencies between operations and rules should be established within the It system.
14. **Use of IT- Right to Information in NREGA and use of It:** Information required to be disclosed suo motu by various implementing arms of government should be clearly identified, and the IT system should be able to integrate the data necessary for such reporting, and generate suo motu reports automatically.
15. **Records:** Each Gram Panchayat should have a Job Card Ledger in the Panchayat, which should be a shadow of the job cards. This would have the dual advantages of preventing any tampering in the job cards and also having the entire information available in the Panchayat.
16. A common inter-ministerial, **empowered steering committee for NREGA**, other flag-ship programmes and the Bharat Nirman Programme may be set up with the Cabinet Secretary as the Chairman and Secretaries of concerned Ministries/ Departments as members. The Committee may be given adequate powers to oversee the work of sectoral ministerial committees in order to remove differences; Timely

and appropriate decisions for effective and accountable implementation of the concerned programmes and bring about better coordination in implementation.

THE GRAM NYAYALAYAS ACT, 2008

The Parliament passed the Gram Nyayalaya Bill, 2008, establishing gram nyayalayas as the **lowest tier of the judiciary for rural areas**. The move will act as a major thrust in dispensing **inexpensive and speedy justice to people in rural India**. It will provide justice to people in rural areas on their doorstep. The Bill provides for first class judicial magistrates dispensing justice. „**Nyaya Adhikaris**“ will be drawing the same salary, deriving the same powers as the first class magistrates working under the High Courts.

The Act has to ensure that opportunities for securing justice are not denied to any citizen by reason of social, economic or other disabilities. It **extends to the whole of India except** the State of Jammu and Kashmir, the State of Nagaland, the State of Arunachal Pradesh, and the State of Sikkim and to the tribal areas.

For The Gram Nyayalayas, **total capital expenditure** would be met by the Centre. These courts will sit at the district headquarters and in taluks. They will go in a bus or jeep to the village, work there and dispose of the cases. The cost of litigation would be borne by the state. The **recurring expenditure** shall be met by the State governments. Tribal areas had not been covered and a mobile court would be set up at the block level.

1. State Government, after consultation with the High Court, may, by notification, establish one or more Gram Nyayalayas for every Panchayat at intermediate level in a district. The **headquarters** of every Gram Nyayalaya shall be located at the headquarters of the intermediate Panchayat.
2. The State Government shall, in consultation with the High Court, **appoint a Nyayadhikari** for every Gram Nyayalaya.
3. Nyayadhikari to hold **mobile courts**: The Nyayadhikari shall periodically visit the villages falling under his jurisdiction and conduct trial or proceedings at any place which he considers is in close proximity to the place where the parties ordinarily. The State Government shall extend all facilities to the Gram Nyayalaya including the provision of vehicles for holding mobile court by the Nyayadhikari.
4. Gram Nyayalaya shall exercise **both civil and criminal jurisdiction** in the manner and to the extent provided under this Act.
5. The judgment in every trial shall be pronounced by the Nyayadhikari in **open court** immediately after termination of trial.
6. An **appeal** shall lie from any judgment of a Gram Nyayalaya to the Court of Session.
7. The proceedings before the Gram Nyayalaya and its judgment shall, as far as practicable, be in one of **official languages of the State** other than the English language.
8. The High Court may make rules for carrying out the provisions of this Act.

There is a need to take immediate action to operationalize the Gram Nyayalayas Act, 2008. The Act is needed to be **speedily brought into force** even though there could differing views on the adequacy of assistance that has been committed by the Central Government for being given to the States. A vigorous implementation of the Act would not only be helpful in providing inexpensive justice to

the rural India at their doorsteps, but also help in reducing the **huge no. of cases** accumulated in different courts of India.

RURAL DEVELOPMENT THROUGH INTEGRATED PLANNING AND IMPLEMENTATION AT THE PANCHAYAT LEVEL

The 11th Five Year Plan states that "In order to achieve the best outcome in terms of balanced development with convergence of resources and enforcement of inter-sectoral priorities it is necessary to shift to integrated planning at the grassroots level leading to the preparation of District Plans". In fact the 11th Plan further seeks to substantially empower and use PRIs as the "primary means of delivery of the essential services that are critical to inclusive growth" and in order to further empower Panchayats in this direction it further emphasises several steps such as the creation of Panchayat Sector Window in states and in the Central budget, activity mapping, and IT enabling of Panchayats. There is a strong case for strengthening PRIs to bring about the desired results through effective integrated planning and implementation of the various schemes.

The Central Governments undertakes large fiscal transfer to the states in the functional domain of the Panchayats, mainly through Centrally Sponsored Schemes (CSSs). The Planning Commission has prepared a listing of the CSSs under implementation. For the first year of the 11th Plan (2007-08), Planning Commission has indicated that there are 99 schemes operated by 27 Central ministries and departments with a total outlay of around Rs. 81,620 crore. Seven Ministries/Departments account for 87% of the allocation for CSSs, across 15 schemes and it can apply sufficient influence through this on the devolution of three Fs to the panchayats. This message of strengthening the panchayats should be specifically provided in the guidelines of every scheme and their respective guidelines could be substantially modified to provide centrality to elected rural local bodies with a view to enhance coverage and outreach.

The shortcomings that are manifest in the CSS approach as currently seen are rigid conditionalities, inconsistent approach to institutional structures, and obsession with financial performance, ineffective monitoring of outcomes, administrative overload on departments leading to inefficiency in processing requests for funding and delayed and lumpy releases and lack of consistency in fund transfer systems, leading to lack of transparency in releases.

Effective implementation of CSSs demands participation by users and beneficiaries in fine-tuning scheme guidelines to local situations and requirements. It also generally involves, close coordination with related departments and agencies. The present mechanism of implementation of schemes and delivery of services is not economical or efficient. Further, the much needed convergence of related schemes and resources is possible only through the mechanism of constitutionally mandated District Planning and the DPCs.

Clearly, any direct and upfront involvement of PRIs in the planning implementation and oversight of CSSs, being so far run through departmental structures, does impact outputs and outcomes in a positive manner. Besides, as the elected members are accountable to the electorate that they represent, every committee which is responsible for planning and implementation at the grassroots level should function within the PRI systems. Every activity assigned to a specific level of Panchayat needs to be supported with appropriate authority over functionaries and powers to handle funds/finances.

In order to ensure that the vast resources that GoI is making available to the CSSs would be correctly used, the responsibility of recognizing the beneficiaries must be allocated to PRIs. PRIs are the most suitably placed institutions to specify listings of school drop-outs, the aged, elderly, destitute, and handicapped, the marginalized and the weaker sections within their respective jurisdictions. Village Panchayats are mandated to maintain household registers. This mechanism is an ideal basis for determining beneficiary lists for most CSSs.

Data banks should be maintained by the PRIs in respect of all CSSs implemented within their jurisdiction by concerned departments. Line departments should, in the interest of more effective and targeted implementation of CSSs, forward all relevant information pertaining to demography of the district/block/village, data collected and maintained by ANMs and CDPOs, and any additional information to PRIs on a regular basis.

Selection of projects must be done by PRIs wherever micro level solutions are sought. In the post project mode, CSSs should also provide for operations, future maintenance and management to be carried on through PRIs. Department should require PRIs to undertake responsibility for functions relating to monitoring and vigilance under CSSs. Vigilance committees should be chaired by the PRI head. Department can get better results if some key programme interventions are done by PRI staff or under their supervision.

Often Parallel Bodies (PBs) are created for quick implementation and greater accountability. However, there is little evidence to show that such PBs are free of the evils that are supposed to bedevil PRIs, such as politics, sharing of spoils, corruption and elite capture. In fact such bodies compete for political space and usurp the legitimate space of PRIs (though, for the lifetime of the scheme only) and mock at the PRIs through superior resource endowments and visible patronage systems. Several of the arguments quoted by proponents of PBs, such as protection of funds from diversion have now weakened because such protection is easily achieved even through PRIs. If necessary, the professional component of these PBs could be retained as Cell or Units within the PRIs, carrying out their professional roles including management of funds.

If each CSS clarifies what lies within the domain of local government, and if this is supported with appropriate devolution of the three Fs, there will be significantly less infirmity in the outcomes and impacts of the CSS. More significantly, CSSs will then serve to further strengthen (for their own implementation and oversight) the third tier of elected local bodies with reference to the 73rd & 74th Constitutional amendments.

SECOND ARC 6TH REPORT: LOCAL GOVERNANCE

- 1. The Principle of Subsidiarity:** Article 243 G and Article 243 W should be amended to give more powers to Panchayats and urban local bodies to enable them to function as institutions of self government in respect of all functions which can be performed at the local level including the functions listed in the 11th and 12th Schedule.
- 2. To Strengthen the Voice of Local Bodies,** Parliament may by law provide for constitution of a Legislative Council in each State, consisting of members elected by the local governments.
- 3. Structure of Local Bodies:** Members of Parliament and State Legislatures should not become members of local bodies. There shall be a District Council in every district with representation from both urban and rural areas.

- 4. The Electoral Process:** The task of delimitation and reservation of constituencies should be entrusted to the State Election Commissions (SECs). Local government laws in all States should provide for adoption of the Assembly electoral rolls for local governments without any revision of names by SECs. The conduct of elections for the elected members of District and Metropolitan Planning Committees should be entrusted to the State Election Commission.
- 5. Constitution of the State Election Commission:** The State Election Commissioner should be appointed by the Governor on the recommendation of a collegium, comprising the Chief Minister, the Speaker of the State Legislative Assembly and the Leader of Opposition in the Legislative Assembly. An institutional mechanism should be created to bring the Election Commission of India and the SECs on a common platform for coordination, learning from each other's experiences and sharing of resources.
- 6. Correcting the Urban Rural Imbalance in Representation in Legislative Bodies:** In order to set right the electoral imbalance between the urban and rural population in view of rapid urbanization, an adjustment of the territorial constituencies - both for the Lok Sabha and the Legislative Assembly- within a State should be carried out after each census.
- 7. Devolution of Powers and Responsibilities**
- There should be clear delineation of functions for each level of local government in the case of each subject matter law. This is not a one-time exercise and has to be done continuously while working out locally relevant socio-economic programmes, restructuring organisations and framing subject-matter laws.
 - Each subject-matter law, which has functional elements that are best attended to at local levels, should have provision for appropriate devolution to such levels - either in the law or in subordinate legislation.
 - In case of urban local bodies, in addition to the functions listed in the Twelfth Schedule, the following should be devolved to urban local bodies:
 - School education;
 - Public health, including community health centres/area hospitals;
 - Traffic management and civic policing activities;
 - Urban environment management and heritage; and
 - Land management, including registration.
- 8. Framework Law for Local Bodies:** Government of India should draft and place before Parliament, a Framework Law for local governments. The Framework Law could be enacted under Article 252 of the Constitution on the lines of the South African Act, for the States to adopt. This Law should lay down the broad principles of devolution of powers, responsibilities and functions to the local governments and communities, based on the following:
- Principle of Subsidiarity
 - Democratic Decentralisation
 - Delineation of Functions
 - Devolution in Real Terms
 - Convergence
 - Citizen Centricity
- 9. The State Finance Commission (SFC)**
- SFCs should evolve objective and transparent norms for devolution and distribution of funds. The norms should include area-wise indices for backwardness. SFC should link the devolution of funds to the level/quality of civic amenities that the citizens could expect.

- b. The Action Taken Report on the recommendations of the SFC must compulsorily be placed in the concerned State Legislature within six months of submission and followed with an annual statement on the devolution made and grants given to individual local bodies.
- c. Incentives can be built into devolution from the Union to the States to take care of the need to improve devolution from the States to the third tier of governments.
- d. SFCs should carry out a more thorough analysis of the finances of local bodies and make concrete recommendations for improvements in their working.

10. Capacity Building for Self Governance

- a. Capacity building efforts in rural and urban local self governing institutions must attend to both the organisation building requirements as also the professional and skills upgradation of individuals associated with these bodies, whether elected or appointed.
- b. State Governments should encourage local bodies to outsource specific functions to public or private agencies, as may be appropriate, through enabling guidelines and support.
- c. Comprehensive and holistic training requires expertise and resources from various subject matter specific training institutes.
- d. Training of elected representatives and personnel should be regarded as a continuing activity.
- e. Academic research has a definite role to play in building long-term strategic institutional capacity for greater public good.

11. Decentralized Planning

- a. A District Council should be constituted in all districts with representation from rural and urban areas. It should be empowered to exercise the powers and functions in accordance with Articles 243 G and 243 W of the Constitution. In that event, the DPCs will either not exist or become, at best, an advisory arm of the District Council.
- b. A dedicated centre in every district should be set up to provide inputs to the local bodies for preparations of plans. A two-way flow of information between different levels of government may also be ensured.
- c. The guidelines issued by the Planning Commission pertaining to the preparation of the plan for the district and the recommendations of the Expert Group regarding the planning process at the district level should be strictly implemented.
- d. Each State Government should develop the methodology of participatory local level planning and provide such support as is necessary to institutionalize a regime of decentralized planning.
- e. States may design a planning calendar prescribing the time limits within which each local body has to finalize its plan and send it to the next higher level, to facilitate the preparation of a comprehensive plan for the district.
- f. State Planning Boards should ensure that the district plans are integrated with the State plans that are prepared by them. It should be made mandatory for the States to prepare their development plans only after consolidating the plans of the local bodies. The National Planning Commission has to take the initiative in institutionalizing this process.
- i. The function of planning for urban areas has to be clearly demarcated among the local bodies and planning committees. The local bodies should be responsible for plans at the layout level. The DPCs/District Councils – when

- constituted – and MPCs should be responsible for preparation of regional and zonal plans. The level of public consultation should be enhanced at each level.
- ii. For metropolitan areas, the total area likely to be urbanized should be assessed by the State Government and an MPC constituted for the same which may be deemed to be a DPC for such areas. The MPCs should be asked to draw up a Master Plan/CDP for the entire metropolitan area including the peri-urban areas.
 - iii. The planning departments of the Development Authorities (DAs) should be merged with the DPCs and MPCs who will prepare the master plans and zonal plans.

12.Accountability and Transparency

- a. Audit committees may be constituted by the State Governments at the district level to exercise oversight regarding the integrity of financial information, adequacy of internal controls, compliance with the applicable laws and ethical conduct of all persons involved in local bodies.
- b. There should be a separate Standing Committee of the State Legislature for the local Bodies. This Committee may function in the manner of a Public Accounts Committee.
- c. A local body Ombudsman should be constituted. It should be constituted for a group of districts to look into complaints of corruption and maladministration against functionaries of local bodies, both elected members and officials. It should be a single member body appointed by a Committee consisting of the Chief Minister of the State, the Speaker of the State Legislative Assembly and the Leader of the Opposition in the Legislative Assembly. The Ombudsman should be selected from a panel of eminent persons of impeccable integrity and should not be a serving government official. It should send its report to the Lokayukta who shall forward it to the Governor of the State with its recommendations.
- d. Each local body should have an in-house mechanism for redressal of grievances with set norms for attending and responding to citizens’ grievances.
- e. A suitable mechanism to evolve a system of benchmarking on the basis of identified performance indicators may be adopted by each State. Evaluation tools for assessing the performance of local bodies should be devised wherein citizens should have a say in the evaluation. Tools, such as, „Citizens Report Cards“ may be introduced to incorporate a feedback mechanism regarding performance of local bodies.

13.Accounting and Audit

- a. The accounting system for the urban local bodies (ULBs) as provided in the National Municipal Accounts Manual (NMAM) should be adopted by the State Governments.
- b. The financial statements and balance sheet of the urban local bodies should be audited by an Auditor. The audit to be done by the Local Fund Audit or the C&AG in discharge of their responsibilities would be in addition to such an audit.
- c. Release of Finance Commission Grants to the local bodies may be made conditional on acceptance of arrangements regarding technical supervision of the CAG over audit of accounts of local bodies.
- d. Audit reports on local bodies should be placed before the State Legislature and these reports should be discussed by a separate committee of the State Legislature on the same lines as the Public Accounts Committee (PAC).

- e. The system of outcome auditing should be gradually introduced. For this purpose the key indicators of performance in respect of a government scheme will need to be decided and announced in advance.
- f. To complement institutional audit arrangements, adoption and monitoring of prudent financial management practices in the local bodies should be institutionalised by the State Governments by legislating an appropriate law on Fiscal Responsibility for local Bodies.

14. Information and Communication Technology should be utilised by the local governments in process simplification, enhancing transparency and accountability and providing delivery of services through single window.

15. Space Technology should be harnessed by the local bodies to create an information base and for providing services. Local governments should become one point service centres for providing various web based and satellite based services. This would however require capacity building in the local governments.

16. Size of the Gram Panchayat: States should ensure that as far as possible Gram Panchayats should be of an appropriate size which would make them viable units of self-governance and also enable effective popular participation. This exercise will need to take into account local geographical and demographic conditions.

17. Personnel Management in PRIs: Panchayats should have power to recruit personnel and to regulate their service conditions subject to such laws and standards as laid down by the State Government. In all States, a detailed review of the staffing pattern and systems, with a zero-based approach to PRI staffing, may be undertaken over the next one year in order to implement the policy of PRI ownership of staff. The Zila Parishads, particularly, should be associated with this exercise.

18. PRIs and the State Government

- a. The provisions in some State Acts regarding approval of the budget of a Panchayat by the higher tier or any other State authority should be abolished.
- b. State Governments should not have the power to suspend or rescind any resolution passed by the PRIs or take action against the elected representatives on the ground of abuse of office, corruption etc. or to supersede/ dissolve the Panchayats. In all such cases, the powers to investigate and recommend action should lie with the local Ombudsman who will send his report through the Lokayukta to the Governor.
- c. For election infringements and other election related complaints, the authority to investigate should be the State Election Commission who will send its recommendations to the Governor.
- d. If, on any occasion, the State Government feels that there is need to take immediate action against the Panchayats or their elected representatives on one or more of the grounds, it should place the records before the Ombudsman for urgent investigation. In all such cases, the Ombudsman will send his report through Lokayukta to the Governor in a specified period.
- e. In all cases of disagreements with the recommendations made by the local Ombudsman/ Lokayukta, the reasons will need to be placed in the public domain.

19. Position of Parastatals

- a. Parastatals should not be allowed to undermine the authority of the PRIs.
- b. There is no need for continuation of the District Rural Development Agency (DRDA). Following the lead taken by Kerala, Karnataka and West Bengal, the DRDAs in other States also should be merged with the respective District Panchayats (Zila Parishad). Similar action should be taken for the District Water and Sanitation Committee (DWSC).

- c. The District Health Society (DHS) and FFDA should be restructured to have an organic relationship with the PRIs.
- d. Community level bodies should not be created by decisions taken at higher levels. If considered necessary the initiative for their creation should come from below and they should be accountable to PRIs.

20. Activity Mapping: States must undertake comprehensive activity mapping with regard to all the matters mentioned in the Eleventh Schedule. This process should cover all aspects of the subject viz; planning, budgeting and provisioning of finances.

21. Devolving Regulatory Functions to the Panchayats: Rural policing, enforcement of building byelaws, issue of birth, death, caste and residence certificates, issue of voter identity cards, enforcement of regulations pertaining to weights and measures are some of the regulatory functions which should be entrusted to Panchayats.

22. Resource Generation by the Panchayats

- a. A comprehensive exercise needs to be taken up regarding broadening and deepening of the revenue base of local governments. This exercise will have to simultaneously look into four major aspects of resource mobilization viz. (i) potential for taxation (ii) fixation of realistic tax rates (iii) widening of tax base and (iv) improved collection.
- b. All common property resources vested in the Village Panchayats should be identified, listed and made productive for revenue generation.
- c. State Governments should by law expand the tax domain of Panchayats. Simultaneously it should be made obligatory for the Panchayats to levy taxes in this tax domain.
- d. At the higher level, the local bodies could be encouraged to run/ manage utilities such as transport, water supply and power distribution on a sound financial basis and viability.
- e. The expanded tax domain could inter alia include levies on registration of cattle, restaurants, large shops, hotels, cybercafés and tourist buses etc.
- f. PRIs should be given a substantial share in the royalty from minerals collected by the State Government. State Governments should consider empowering the PRIs to collect cess on the royalty from mining activities.
- g. Innovative steps taken by the States and the PRIs to augment their resources must be rewarded by linking Central Finance Commission and State Finance Commission grants to such measures.

23. Transfer of Funds to the Panchayats

- a. Except for the specifically tied, major Centrally Sponsored Schemes and special purpose programmes of the States, all other allocations to the Panchayati Raj Institutions should be in the form of untied funds.
- b. State Governments should modify their rules of financial business to incorporate the system of separate State and District sector budgets, the later indicating district-wise allocations.
- c. There should be a separate Panchayat sector line in the State budget.
- d. State Governments should make use of the software on "fund transfer to Panchayats" prepared by the Union Panchayati Raj Ministry for speedy transfer of funds.
- e. State Governments should release funds to the Panchayats in such a manner that these institutions get adequate time to use the allocation during the year itself.

24. PRIs and Access to Credit: For their infrastructure needs, the Panchayats should be encouraged to borrow from banks/financial institutions. The role of the State Government should remain confined only to fixing the limits of borrowing.

25. Local Area Development Schemes: The flow of funds for all public development schemes in rural areas should be exclusively routed through Panchayats. The schemes of MPLAD and MLALAD should be abolished.

26. Rural Development

- a. There has to be territorial/ jurisdictional/ functional convergence in implementing Centrally Sponsored Schemes. The centrality of PRIs in these schemes must be ensured if they are to deal with the matters listed in the Eleventh Schedule.
- b. Ministry sanctioning programme should issue only broad guidelines leaving scope for implementational flexibility so as to ensure local relevance through active involvement of Panchayats.
- c. All Centrally Sponsored programmes should have properly demarcated goals and there should be a mechanism to assess their socio-economic impact over a given period of time. The NSSO may be suitably strengthened and assigned this task.

27. Information, Education and Communication - IEC

- a. A multi-pronged approach using different modes of communication like the print media, the visual media, electronic media, folk art and plays etc. should be adopted to disseminate information and create awareness about Panchayati Raj.
- b. The Union Ministry of Information and Broadcasting should devise a mechanism in consultation with the Union Ministry of Panchayati Raj, Ministry of Rural Development and Ministry of Agriculture and other concerned Ministries for effectively implementing this activity.

28. Rule of Panchayats in Delivery of Services: State Governments need to prepare an overarching Service Delivery Policy outlining the framework within which each department could lay down detailed guidelines for preparation of Service Delivery Plans.

29. Resource Centre at the Village Level: Steps should be taken to set up Information and Communication Technology (ICT) and space Technology enabled Resource Centres at the Village and Intermediate Panchayat levels for local resource mapping and generation of local information base. These Resource Centres should also be used for documenting local traditional knowledge and heritage.

30. Local Government in the Fifth Schedule Areas: The Union and State legislations that impinge on provisions of PESA should be immediately modified so as to bring them in conformity with the Act. Regular Annual Reports from the Governor of every State as stipulated under the Fifth Schedule, Part A (3) of the Constitution must be given due importance. In order to ensure that women are not marginalised in meetings of the Gram Sabha, there should be a provision in the PESA Rules and Guidelines that the quorum of a Gram Sabha meeting will be acceptable only when out of the members present, at least thirty-three per cent are women.

31. Effective Implementation of the Tribal Sub-Plan (TSP): Keeping in view the inadequacy of the past efforts, State Governments should form a special planning unit (consisting of professionals and technically qualified personnel) to prepare their Tribal-Sub Plan.

32. Urbanisation and Growth: A new National Commission on Urbanisation should be constituted by Government to suggest measures to deal with the rapid urbanisation, including the large cities and bring about more balanced and efficient urbanisation in the country.

33. Ward Committees and Area Sabhas:

- a. There should be three tiers of administration in urban local governments, except in the case of Town Panchayats, where the middle level would not be required.

The tiers should be: i. Municipal Council/Corporation; ii. Ward Committees; and iii. Area Committees or Sabhas.

- b. Ward Committees should be set up in every Ward/Corporator's Division, The present system of having more than one ward in a Ward Committee needs to be given up;
- c. Funds allocated for the functions entrusted to the Ward Committee should be transferred en-bloc to the Ward Committee. Ward Committees should be given a share of the property taxes collected from the ward, depending on the locality;

34.Zonal System for Large Cities: Zonal offices with all administrative powers delegated to them may be set up immediately in Metropolitan Corporations and Municipal Corporations and become the main point of contact for people in respect of services and amenities. One zone for every five lakh (or less) population could be considered.

35.Management Structure of Urban Local Governments: The Mayor should be the Chief Executive of the municipal body while the Commissioner should perform the functions delegated to him/her. The responsibility for selection and appointment of the Commissioner and other staff may be given to the Metropolitan Corporations.

36.Property & other Tax Reforms

- a. State Governments should ensure that all local bodies switch over to the „unit area method“ or „capital value method“ for assessment of property tax in a time-bound manner.
- b. In order to ensure that unauthorised constructions do not escape the tax net, State laws should stipulate that levy of tax on any property would not, in itself, confer any right of ownership, in case the property is found to be constructed in violation of any law or regulation.
- c. The law should provide for the levy of service charge on properties belonging to the Union and State Governments.
- d. A periodic physical verification of the properties and the taxes levied on them should be carried out in each municipal area by a separate wing directly under the control of the Chief Executive.
- e. Octroi should be abolished, but the States should evolve mechanisms to compensate the local governments for the loss of revenue caused by such abolition.
- f. Article 276(2) may be amended to enhance the upper ceiling on Profession Tax and this ceiling should be reviewed periodically.

37.Borrowings: The limits of borrowings for various municipal bodies in a State may be fixed on the recommendation of the SFC. Municipal bodies should be encouraged to borrow without Government Guarantees. However, for small municipalities, pooled financing mechanisms will have to be put in place by the State Government.

38.Leveraging Land as a Resource: Municipal bodies should have a periodically updated database of its properties. IT tools like GIS should be used for this purpose. This database should be in the public domain; Land banks available with the municipalities as well as with the development authorities should be leveraged for generating resources for the municipalities.

39.Water Supply: Urban Local Bodies should be given responsibility for water supply and distribution in their territorial jurisdictions whether based on their own source or on collaborative arrangements with parastatals and other service providers. Metropolitan Corporations may be given responsibility for the entire water supply programme from development to distribution. Infrastructure development plans for water supply should be integrated with the CDPs.

40. Sewerage Management: Sanitation, as a matter of hygiene and public health, must be given due priority and emphasis in all urban areas. In all towns, advance action for laying down adequate infrastructure should be taken to avoid insufficiency of services. Each municipal body should prepare a time bound programme for providing sewerage facilities in slum areas. A separate user charge should be introduced in all municipalities, even as a minimum levy, for sanitation and sewerage, as distinct from water charges. State Finance Commissions may be entrusted with the task of developing suitable normative parameters for different classes of local governments for arriving at optimum user charges.

41. Solid Waste Management and Scavenging: In all towns and cities with a population above one lakh, the possibility of taking up public private partnership projects for collection and disposal of garbage may be explored. This should, however, be preceded by development of capacity of the municipal bodies to manage such contracts. Special solid waste management charges should be levied on units generating high amount of solid waste.

42. Power Utilites and Municipal Bodies: Municipal bodies should be encouraged to take responsibility of power distribution in their areas. This, however, should be done after adequate capacity building in these organisations.

43. Services for Human Development

- a. There has to be a shift in emphasis in the crucial service delivery sectors of education and health from centralised control to decentralised action, from accountability to the State department to accountability to the local communities and from employment guarantee to service guarantee.
- b. The municipalities, especially the larger ones, should seek the help of NGOs, the corporate sector and individual volunteers for assistance in running schools.
- c. The trend in urban areas to shift towards private healthcare needs to be seen as an opportunity by the City authorities to concentrate on public health as distinct from clinical services, and on preventive and not only curative aspects of health care.
- d. Local bodies should ensure convergence among health systems, sanitation facilities and drinking water facilities. Primary level public health institutions in urban areas should be managed by the urban local bodies.
- e. For all services provided by local governments there is need to develop a set of performance indicators. The concerned Ministry should lay down broad guidelines for this purpose.

44. Urban Transport Management

- a. Urban Transport Authorities, to be called Unified Metropolitan Transport Authorities in the Metropolitan Corporations, should be set up in cities with population over one million within one year, for coordinated planning and implementation of urban transport solutions with overriding priority to public transport
- b. Revitalisation of public transport services in cities should be taken up as priority projects under JNNURM and by tapping other sources of revenue as has been done in Indore and other cities. The aim should be to promote well structured public-private initiatives for modernizing and redefining public transport. At the same time the efficiency of the existing State owned transport systems needs to be improved.
- c. Public transport systems should generally be multi-modal. The modes should be based on economic viability. High capacity public transport systems like metro rail or high capacity bus systems should form the backbone in mega cities.

- d. While building transport infrastructure in cities, it must be ensured that the needs of the pedestrians, the elderly, the physically challenged and other users of non motorised means of transport are adequately met.

45. Measures for Poverty Alleviation - Employment

- a. After identifying the urban poor through surveys, a mission mode approach would need to be adopted for alleviating urban poverty in a time-bound and systematic manner. The urban local bodies may also have their own poverty alleviation schemes with adequate backward and forward linkages converging with the other poverty alleviation schemes.
- b. The thrust of the urban poverty alleviation schemes should be on upgradation of skills and training. Training institutes may be set up on the lines of RUDSETIs for imparting training to the urban poor for self employment.
- c. In case of setting up of micro-enterprises, the urban poverty alleviation schemes should be flexible in selecting projects and providing financial assistance.
- d. To maximize the benefits of micro-finance, formation of Self-Help Groups (SHGs) needs to be encouraged. Institutions and NGOs with good track record should be encouraged to promote SHGs for availing micro-finance.

46. The education plan should form an integral part of the development plan for the city. Urban Local Bodies should adopt the concept of „Primary Health Care, for providing health and medical facilities to the urban poor, particularly to women and children with the help of auxiliary health staff. These should specifically cater to the population living in slum areas.

47. Slums in Urban Areas and Land Use Reservation for the Poor

- a. There has to be total redevelopment of slum areas. While redeveloping, it should be ensured that adequate provision has been made for schools, health centres, sanitation etc.
- b. It is necessary to earmark and reserve a certain percentage of land projects in each town and city for the urban poor. If a construction cannot allocate housing for the poor, the developer must, at his own cost, provide suitable housing in any other appropriate place acceptable to the authorities.
- c. A detailed programme for the provision of night shelters needs to be drawn up in all cities, beginning with large cities having Metropolitan and Municipal Corporations, for implementation.

48. Development Areas: In respect of all townships and satellite towns developed under the development authorities, it should be ensured that as soon as the development process is completed, jurisdiction over the township should be transferred to the local bodies.

49. Private Townships: Private townships and gated communities must be placed under the jurisdiction of the concerned local body and subject to its laws, rules and bye-laws. However, they can have autonomy for provision of infrastructure and services within their precincts and /or for collection of taxes and charges. The establishment of private, gated colonies must be allowed only within the broad parameters of the larger regional urban planning process where the development plans must clearly indicate spaces for private expansion make mandatory provision for low cost housing and should be integrated with the availability of infrastructure services.

50. Special Economic Zones (SEZs): As in the case of private townships, concerned local bodies should have full jurisdiction with regard to enforcement of local civic laws in the SEZs. SEZs may be given autonomy for provision of infrastructure and

amenities in the SEZ area. A formula for sharing the resources raised in the SEZ area needs to be developed.

13TH FINANCE COMMISSION RECOMMENDATIONS FOR LOCAL BODIES

1. **Article 280 (3) (bb) & (c)** of the Constitution should be **amended** such that the words „on the basis of the recommendations of the Finance Commission of the State“ are changed to „after taking into consideration the recommendations of the Finance Commission of the State“.
2. **Article 243 (I)** of the Constitution should be amended to include the phrase „or earlier“ after the words „every fifth year“.
3. State Governments will be eligible for the general **performance grant** and the special areas performance grant only if they comply with the prescribed stipulations. These grants will be disbursed in the manner specified.
4. The State Governments should incentivize **revenue collection by local bodies** through methods such as mandating some or all local taxes as obligatory at non-zero rates of levy, by deducting deemed own revenue collection from transfer entitlements of local bodies, or through a system of matching grants.
5. The Government of India and the State Governments should issue executive instructions so that their respective departments pay appropriate **service charges to local bodies**.
6. Given the increasing income of State Governments from **royalties**, they should share a portion of this income with those local bodies in whose jurisdiction such income arises.
7. State Governments should ensure that the recommendations of **State Finance Commissions** (SFCs) are implemented without delay and that the Action Taken Report (ATR) is promptly placed before the legislature.
8. Local Bodies should be associated with **city planning functions** wherever other development authorities are mandated this function. These authorities should also share their revenues with local bodies.
9. State Governments should lay down guidelines for the constitution of **nagar panchayats**.

50% RESERVATION FOR WOMEN IN PANCHAYATS

- Constitution (**110th Amendment**) Bill to amend Article **243 D** of the Constitution and thus increase reservation for women from one-third to not less than half of the seats in panchayats was introduced in the Lok Sabha.
- The Bill is also aimed at increasing reservation for women in the post of **Chairperson** and in the seats reserved for **SCs/ STs** across the 3 tiers (village panchayat, panchayat union & district panchayat).
- This would **empower women** and make panchayats more inclusive. According to the objects and reasons, women suffered multiple **deprivations of class, caste and gender**.
- The existing provisions in Constitution facilitated women in general, especially those from the marginalized communities, to become politically active.

- The original Bill aimed at enhancing reservation of seats for women to 50%, the **Standing Committee on Rural Development** underscored the difficulty in defining it with mathematical precision and suggested that the effect of the provision should be **“not less than one-half”**.
- The committee feared that leaving the **modality of rotation of seats** to the States would deny uniformity among States, and suggested necessary amendment to ensure rotation of seats after at least **two cycles**, as existing in Tamil Nadu & Bihar.
- On the reservation of offices of chairpersons in panchayats for the **SCs and the STs** in proportion to the total number of such offices in the panchayats, the committee stressed that their population was spread in “rural” as well as “urban” areas and, hence, suggested that it should be linked only to their rural population for an appropriate reflection of demographic representation.

FOREST MANAGEMENT PANELS COME UNDER GRAM SABHA

- In a bid to give local communities a key role in managing forest resources, the Forest Department's smallest unit at the grassroots-level will now report to panchayati-raj institutions instead.
- In a letter to all Chief Ministers, Union Environment Minister Jairam Ramesh **directed State governments to amend State acts** and rules to bring **all Joint Forest Management Committees (JFMCs)** under the supervision of **Gram Sabhas**.
- This means that the village leaders of the Gram Sabha will get control of the **Rs.1,000 crore of forestry-related funding** that is currently routed through the nation's one lakh JFMCs.
- “The manner in which the development funds of the JFMCs are used should be approved by the Gram Sabha,”.
- He also directed that **JFMCs** be recognised as **organs of the Gram Sabha** and act as its standing committees for issues related to minor forest produce, social forestry and farm forestry.
- While JFMCs were meant to include the views of all stakeholders, they are **headed by Forest Department officials**.

RAJASTHAN DECLARED VILLAGES OF 250 AS „REVENUE VILLAGES'

- Rajasthan Revenue Minister announced that each village in the State with a **population of 250** would be declared a **“revenue village”** for facilitating its **development** through proper infra-structure and basic amenities.
- He had authorised the village panchayats to adopt resolutions in favour of the revenue status and submit them to the State Government. The new arrangement would also be applicable to the **hamlets** within **one-km radius** of the [original] village.
- The status of revenue village would **automatically bring official facilities** as well as **posting of new officers** to take care of different aspects of development.

PM CALLS FOR TIMELY ELECTIONS TO PANCHAYATS

- Prime Minister Manmohan Singh at a function on **National Panchayat Diwas** on **25 April, 2011** advocated need for **strengthening the gram sabhas** for effective participation of people in governance.

- PM said that though the idea of self-governance had got legal acceptance, there was still a “long way to go for bringing in decentralization.
- He said that government was considering **increasing the capacity of panchayats** so that they could discharge their responsibilities effectively.
- Highlighting the importance of **timely elections to panchayats** for their effective functioning, he said the **70 to 80 per cent** turnout in the **panchayat elections** in **Jammu and Kashmir** and **Jharkhand** a few days ago “reflects that people now want to decide their future themselves.”
- Sonia Gandhi said gram sabhas should be empowered to do **social audit** of all the schemes and it had a special role in the monitoring of **Mahatma Gandhi National Rural Employment Guarantee Scheme**.
- There was need to consider many options to strengthen the panchayati raj system. **Meetings of gram sabhas** should be held **regularly** and **women** and deprived sections must participate in them and place their views.
- The full benefits of government's initiatives for the social and economic development of the common man would reach the people only when the panchayati raj institutions in the country would be strengthened.
- The main purpose of panchayati raj is **self-governance**, which is the last stage of democracy to which we all are committed.
- PM distributed the **annual Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) awards** to the best performing States. Maharashtra bagged the maximum number of awards.