NETAJI SUBHAS OPEN UNIVERSITY

STUDY MATERIAL

PG : POLITICAL SCIENCE (PGPS)

PAPER VI (English Version)

MODULES : 1 - 4 (All Units)

POST GRADUATE
POLITICAL SCIENCE

PREFACE

In the curricular structure introduced by this University for students for Post-Graduate degree programme, the opportunity to pursue Post-Graduate course in Subject introduced by this University is equally available to all learners. Instead of being guided by any presumption about ability level, it would perhaps stand to reason if receptivity of a learner is judged in the course of the learning process. That would be entirely in keeping with the objectives of open education which does not believe in artificial differentiation.

Keeping this in view, study materials of the Post-Graduate level in different subjects are being prepared on the basis of a well laid-out syllabus. The course structure combines the best elements in the approved syllabi of Central and State Universities in respective subjects. It has been so designed as to be upgradable with the addition of new information as well as results of fresh thinking and analysis.

The accepted methodology of distance education has been followed in the preparation of these study materials. Co-operation in every form of experienced scholars is indispensable for a work of this kind. We, therefore, owe an enormous debt of gratitude to everyone whose tireless efforts went into the writing, editing and devising of proper lay-out of the meterials. Practically speaking, their role amounts to an involvement in invisible teaching. For, whoever makes use of these study materials would virtually derive the benefit of learning under their collective care without each being seen by the other.

The more a learner would seriously pursue these study materials the easier it will be for him or her to reach out to larger horizons of a subject. Care has also been taken to make the language lucid and presentation attractive so that may be rated as quality self-learning materials. If anything remains still obscure or difficult to follow, arrangements are there to come to terms with them through the counselling sessions regularly available at the network of study centres set up by the University.

Needless to add, a great part of these efforts is still experimental—in fact, pioneering in certain areas. Naturally, there is every possibility of some lapse or deficiency here and there. However, these to admit of rectification and further improvement in due course. On the whole, therefore, these study materials are expected to evoke wider appreciation the more they receive serious attention of all concerned.

Professor (Dr.) Subha Sankar Sarkar
Vice-Chancellor

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NETAJI SUBHAS OPEN UNIVERSITY

Post-Graduate Political Science (PGPS)

New Syllabus (w.e.f. July, 2015)

PAPER - VI : PUBLIC ADMINISTRATION

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Post-Graduate Political Science (PGPS)

PAPER - VI
PUBLIC ADMINISTRATION

Module - I : The Quest for a Science of Administration

Module - II : Administrative Theories

Module - III : Democratic Administration and Good Governance

Module - IV : Emerging Issues in Public Administration

PAPER-VI

MODULE-1

PUBLIC ADMINISTRATION :
The Quest for a Science of Administration

Unit 1 ❑ PUBLIC ADMINISTRATION : THE CLASSICAL PERSPECTIVE

Structure

1.0 Objectives

On reading this unit we shall be able to understand -

- The course of evolution of Public Administration in historical context
- The nature of classical Public Administration
- The limitations of the classical perspective
- The context of the emerging challenges

1.1 Introduction

Public administration is both an activity area and a theoretical field of study. As a theoretical field of study, it is a rather young field that has grown up predominantly in a western setting.

Public administration is most commonly seen as government administration with a specific focus on the public bureaucracy. Though in a wider sense it encompasses any administration that has a considerable impact on the public, it is in the first sense that public administration is commonly perceived.

Public Administration is today taught in many universities across the world and extensive research is being undertaken from different angles aiming at enriching the

field. Over the years its scope has immensely widened and it has moved from simplistic forms to high levels of academic sophistication.

The basic concerns of public administration as a field of study include (a) structures of public organizations (b) administrative processes (c) bureaucratic behaviour (d) organization -environment interactions.

Public Administration comprises several major areas of specialization, namely [i] administrative or organization theory, [ii] public personnel administration [iii] public financial administration [iv] comparative public administration and [v] public policy.

The classical approach to public administration, derived from Weber, Wilson, Taylor, Fayol and his associates, dominated a large part of the 20th century. The Classical theorists were mainly concerned with developing universal principles of organizations. The focus was on the formal organizational structures. The central assumptions of classical public administration were [1] politics administration dichotomy [2] a single centre and source of power in all governments [3] hierarchical ordering and maximizing organizational efficiency.

1.2 Evolution of the subject field

The Mahabharata in its Shanti Parva and Anushasana Parva provides a discourse of statecraft, government and administration. Two thousand years prior to Machiavelli, Vishnu Gupta, better known as Chanakya or Kautilya wrote the *Arthashastra* wherein the art of government and administration, the duties of kings, ministers and officers, as also techniques of diplomacy were elaborately dealt with.

In Europe, by 1800 public administration had made a place for itself . French, German and British scholars were found to be engaging with the field. However, in course of time, the USA emerged as the single most important source of literature in the field of Public Administration.

In a formal sense, the emergence of Public Administration as an academic discipline is traced back to the year 1887: Woodrow Wilson wrote a 26-page article titled "The Study of Administration" that was published in *Political Science Quarterly* in the June 1887 issue. It was a landmark. In the article, Wilson called for the making of a distinction between Political Science and Public Administration, thus setting the tone for the development of a separate field of study for Public Administration. Wilson, in his article argued that, 'it is getting to be harder to run a constitution than to frame one.' He felt, 'there should be a science of administration which shall seek

to straighten the paths of government, to make its business less unbusinesslike, to strengthen and purify its organization, and to crown its duties with dutifulness.' It may be noted in this context that Wilson's article was written against the backdrop of the campaign for civil service reforms in the USA. The Spoils system was deep-rooted in the USA and reached a peak during the Civil War period. When President Garfield was assassinated by a disgruntled jobseeker Congress set forth to enact the Pendleton Act in 1883 making way for changes in the personnel system to base it on merit. Wilson was an important crusader of the Act which was part of a wider movement of civil service reforms.

Wilson came to be recognized as the father of the discipline of public administration. For quite some time Wilson's notion of politics -administration dichotomy dominated the field of administrative thinking. The notion of dichotomy provided the logic for presenting public administration as a separate field of study, distinct from Political Science. Till 1926 this was the dominant perspective.

In 1900 Frank J. Goodnow's *Politics and Administration* reiterated and further developed the Wilsonian theme of dichotomy, arguing that politics and administration are two distinct functions of government. Politics 'has to do with policies or expressions of the state will', while administration 'has to do with the execution of these policies.' The institutional locations of these functions were also differentiated. The location of politics was identified with the legislature and the higher echelons of government where major policy decisions are taken. On the other hand, the location of administration was identified as the executive arm of the government - the bureaucracy.

1926 saw the publication of Leonard D.White's *Introduction to the Study of Public Administration.* It was the first comprehensive textbook on the subject. It rested on the premise of politics administration dichotomy. Needless to say, the dichotomy approach did strengthen, to an extent at least, the case for the separate study of public administration and contributed to its popularity. However, over time, the shortcomings of such an approach too were to become evident, leading ultimately to the demand for its abandonment.

It may be noted that in the course of evolution of Public Administration, there emerged the tendency to reinforce the notion of politics-administration dichotomy and to evolve a value free 'science of management'. During this period the 'public'

aspect of public administration was de-emphasised and emphasis was placed almost exclusively on efficiency. Questions of 'values' and 'politics' were considered redundant. Administrative practitioners and business schools joined hands to emphasise a mechanistic perspective of management. Streamlining organizations, ensuring efficiency of operations and enhancing productivity were the focus. Developing principles of management, applicable to private and public organizations, were concentrated upon. The writings of Frederick Winslow Taylor and Henri Fayol, amongst others, were important.

1.3 The Basic Parameters of the Classical Approach

Frederick W.Taylor [1856-1915] made an important contribution to the development of the classical perspective of Public Administration with his Time and Motion studies and careful analysis of the role of managers and workers. In the later part of the nineteenth century and early part of the twentieth century he initiated the scientific management movement. His focus was on the lowest, i.e, workshop level of the organization. He emphasized the following :

1. The separation of planning and execution
2. The concept of functional foremanship
3. Time and motion study
4. Differential piece-rate system of payment.

Taylor's principles of management emphasized tight control of work processes and careful planning by managers. His techniques and managerial practices were adopted widely in the United States and throughout the world in the early 20th century. Taylor's *Principles of Scientific Management*, published in 1911, was translated into German, and "Taylorism" became popular with German engineers before and after World War 1.

During the first half of the twentieth century a group of writers focusing on the formal organization structure and basic management process developed what came to be known as the classical theory of management or the administrative management theory. Prominent exponents of the Classical Theory of Management were Henri Fayol, Luther Gulick and Lyndall Urwick.

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Henri Fayol [1841- 1925] , in his paper titled *General and Industrial Administration* that was published in 1916, defined the primary functions of administration as—

1. To plan

2. To organize both men and material

3. To command or tell subordinates what to do

4. To coordinate

5. To control.

He divided the activities of an organization into six groups, namely, technical, commercial, financial, security, accounting and administrative. For the guidance of practicing administrators, Fayol propounded fourteen principles. They were—

1. Division of work

2. Authority

3. Discipline

4. Unity of command

5. Unity of direction

6. Subordination of individual interest to general interest

7. Remuneration of personnel

8. Centralization

9. Scalar chain

10. Order

11. Equity

12. Stability of tenure

13. Initiative

14. Espirit de corps

Fayol's ideas were further developed by Luther Gulick and Lyndall Urwick.

In 1937 Luther H.Gulick and Lyndall Urwick's *Papers on the Science of Administration,* came as a landmark. They used the term POSDCORB to promote certain principles of administration, namely, Planning, Organisation, Staffing, Directing, Coordinating, Reporting and Budgeting.

During the 1920s and 1930s several other efforts were also made to develop universal principles of administration. This phase saw the publication of W.F. Willoughby's *Principles of Public Administration* in 1927. Among other creative works along these lines were those of Mary Parker Follett [*Creative Experience,* 1924], and James D. Mooney and Alan C. Reiley *[Principles of Organisation, 1939].*

In a discussion of the classical approach the name of Max Weber [1864-1920] too needs to be referred to. His bureaucratic model is usually placed in the category of classical administrative thought. Weber is related to the classical approach mainly in two senses. First, he took up the same position as the other classical authors regarding the appropriate relationship between the politician and the administrator. For him, the bureaucrat should be neutral vis- a- vis the political masters. This was a position similar to the dichotomy perspective of the other classical thinkers. Secondly, his ideal type bureaucracy formulation bears a close resemblance to the kind of organization widely prescribed in the classical approach where universal principles of organizations were sought to be developed. It is however pertinent to note in this context that, although historically Weber was a contemporary of the scientific management movement and the earlier writers on classical administrative thought, few, if any of the authors of the classical approach had read Weber during their days as his writings were not well known in the United States till after the Second World War when major portions of *Wirtschaft und Gesellschaft* became available in English.

1.4 Shortcomings of the Classical Approach

In the early years of development of Public Administration, the classical perspective was thought to be the best for organizing the public sector work and was undoubtedly popular for quite some time. The traditional model of public administration was regarded as the most successful theory of public sector management, although it did not have a single, coherent intellectual foundation. Its theoretical basis was derived from W. Wilson and F.W.Taylor in the United States, and Max Weber in Germany.

Following the Second World War, traditional Public Administration came in for a variety of challenges. The new unfolding scenario created the conditions for the emergence of newer lines of thinking. Against this backdrop, new trends of thought began to emerge in the field of Public Administration. Herbert Simon, Dwight Waldo and Paul Appleby contributed significantly towards setting the tone of the post-World War II changes in Public Administration.

After World War II, the basis of the classical approach was questioned, both in theory and in practice. Among the most powerful critics was Herbert Simon. His work represented a radical departure from the classical approach to public administration. The classical approaches of Weber and Taylor have been referred to as the public administrative "orthodoxy", but when a series of challenges to the classical approach to public administration appeared in the 1940s' "heterodoxy replaced orthodoxy" , to quote Dwight Waldo. Different theoretical approaches and practical experiences started to influence administrative organizations.

Herbert Simon's *Administrative Behaviour* was published in 1947. He strongly critiqued what he called the 'proverbs' of traditional Public Administration. Rather than focusing on the formal organizational structure, he felt Public Administration should focus on the functioning of the individuals working therein and on their inter-relationships. Dwight Waldo in *The Administrative State* pointed out that in reality it is not possible to maintain a divide between politics and administration. He spoke of Administrative Politics. Paul Appleby in his work *Morality and Administration in Democratic Government* raised the issue of administrative ethics.

The weaknesses of the classical approach being identified were many. The classical theorists had a rather narrow and rigid perspective of administration. They were essentially engrossed with the formal organizational structure. They viewed the organization as a closed system, unaffected by external environmental factors. The individual was seen as being motivated exclusively by economic incentives. Other motivational factors were hardly taken note of.

In course of time, the Classical theorists came to be criticized on a number of grounds -

1. The principles were neither empirically valid, nor universally applicable.

2. It neglected the human element in the organization, treating the human beings as passive instruments.

3. There was, allegedly, a pro-managerial bias, with an over-emphasis on the formal structures of the organization rather than on the informal aspects of organizational dynamics.

4. There was a neglect of the study of actual and informal behavioural patterns in the formal organizational structures.

5. It treated the organization as a closed system, uninfluenced by the environment.

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1.5 Summary

The emergence of Public Administration as a separate field of study is traced back to Woodrow Wilson's article published in *Political Science Quarterly* in June 1887. Though writings on administration precede the article, the call for a distinction between administration and politics along with the appeal for separate focused study of administration gives Wilson's article its special credit. The classical perspective of public administration was developed primarily by Wilson, Taylor, Fayol , Weber, and their followers. It was marked by an emphasis on dichotomy between administration and politics and a desire to find generalized principles of administration that would be applicable to all forms of organizations alike. In the classical approach attention was rather narrowly focused on the formal organizational structures, rather than on the intricacies of organizational functioning and interaction with the environment.

1.6 Sample questions

A. Answer the following questions elaborately :

1. Discuss the evolution of Public Administration as a field of study.

2. What were the limitations of the classical perspective of Public Administration?

3. Who were the main proponents of dichotomy between politics and administration and what were their arguments?

B. Answer the following questions briefly :

1. What were the contributions of Wilson to the field of Public Administration?

2. What 'principles' does POSDCORB stand for?

3. What was the Pendleton Act dealing with?

C. Give single sentence answer to the following questions :

1. When was the Pendleton Act passed?

2. When was Wilson's article "The Study of Administration" published?

3. Who was the author of the first comprehensive textbook on Public Administration?

1.7 Select Bibliography

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Unit 2 ❏ COMPARATIVE AND DEVELOPMENT ADMINISTRATION

Structure

2.0 Objectives

On reading this unit we shall be able to understand -

- The circumstances under which Comparative Public Administration and Development Administration emerged
- The importance of Comparative Public Administration
- The nature of Comparative Public Administration
- The basic tenets of Development Administration
- The purpose of Development Administration
- The limitations of Development Administration

2.1 Introduction

Both development and comparative components have constituted the twin fields of Public Administration theoretically and practically. Their development as fields of

study proliferated since World War II and reached a peak during the 1960s. The emergence of Comparative Public Administration and Development Administration took place against the backdrop of the liquidation of colonialism, emergence of new states and growing interest in the administration of developing countries.

2.2 Emergence of Comparative Public Administration

Several factors facilitated the emergence of the field. First, the behavioural revolution in Political Science was influencing the field of Public Administration. Second, the weaknesses of the traditional approach were becoming all too evident and it was seen to be static and partial. The Second World War saw the emergence of a number of newly independent states in Asia and Africa and in order to study these states new approaches and methodologies were deemed necessary. Finally, the stimulation for the growth of Comparative Public Administration came with the availability of funds from the USA and the UN.

Under the auspices of the American Society for Public Administration (ASPA) and American Political Science Association (APSA) a critical mass of scholars assembled around 1963 in the form of the Comparative Administrative Group (CAG). Initially the CAG was funded by Ford Foundation. Till 1970 it was headed by Fred Riggs. While the founding fathers of Public Administration like Leonard White had felt that cultural factors did not make much difference in administrative settings and universal principles were possible, proponents of Comparative Public Administration differed. They wished to develop cross-cultural public administration. Their aim was to create a genuinely comparative theory of Public Administration.

With the setting up of the Comparative Administrative Group *(CAG)* under Fred Riggs' leadership and the Ford Foundation's sponsorship, a big boost came for the study of Comparative Administration. The sponsorship of Ford Foundation came to an end in 1971.

2.3 Nature of Comparative Public Administration

Comparative Public Administration sought to study public administration in different ecological backgrounds or cross cultural contexts to formulate theoretical models based on the study of administrative structures and behaviour of different administrative systems in different countries having different ideologies and social systems.

Ferrel Heady identified five motivating concerns of Comparative Public Administration, namely,

The search for theory

The urge for practical application

The incidental contribution of the broader field of comparative politics

The interest of researchers trained in the tradition of administrative law

The comparative analysis of ongoing problem of public administration.

Comparative Public Administration was considered particularly important in the context of the emergence of the diverse and numerous newly independent states following the colonial phase. Writers like Robert Dahl and Dwight Waldo asserted that cultural factors could make public administration in one state different from that in another. It was felt that comparative studies could better help in understanding the differences and similarities in the application of the principles of public administration in different contexts.

Certain features of Comparative Public Administration are worth noting. First, it is characterized by a large variety of approaches with no dominant or commonly accepted approach in sight as yet. Secondly, as noted by Riggs, Comparative Public Administration reveals three trends -[i] a shift from the normative (ideal or 'should be') to the empirical (what it 'is') approach; [ii] even within the empirical approach, emphasis has shifted from ideographic (individual country studies) to nomothetic (generic and pattern seeking) studies, and (iii) a shift in focus from nonecological to ecological approaches. Thirdly, we may note that the field has been dominated by US scholars. Finally, Comparative Public Administration lays emphasis on theory building and development administration.

Comparative research undoubtedly has its advantages. These may be identified as follows:

1. Helps in the development of indigenous models of administrative systems

2. Facilitates the improving of the administrative system by drawing lessons from different experiences of different states

3. Helps in the understanding and analyses of administrative problems of underdeveloped areas.

4. Helps in narrowing the gap between theory and practice

5. Widens the scope of public administration.

Two main models have dominated the scene of Comparative Public Administration. One, is the *bureaucratic model* developed by Max Weber, that is generally considered to be associated with the developed capitalist world. The other is the *prismatic sala model* developed by Fred Riggs. Apart from these are Talcott Parson's Structural-functional model, John T.Dorsey's Equilibrium Theory, Paul Meyer, Brian Chapman and F.M.Marx's models based on personnel systems., etc. The models other than those of Weber and Riggs however have not been very successful.

2.4 Constraints of Comparative Public Administration

The efforts towards developing Comparative Public Administration suffered from several limiting factors. Namely,

1. The high costs of such programmes which were beyond the capacity of any group or organization

2. The difficulties of language

3. Political interference

4. The programmes were value loaded, with the underlying assumption of the superiority of the western, developed countries.

5. Lack of well defined, research methodology.

There have been several other issues that have hampered the development of Comparative Public Administration, including: the major differences between Western countries and developing countries; the lack of curriculum on this subfield in Public Administration Programmes; and the lack of success in developing theoretical models which can be scientifically tested.

Despite its importance, Comparative and Development Administration experienced a major decline in both academic and funding supports in the 1970's. However, a resurgence of interest in both subfields of Public Administration has emerged since the 1980s and the number of major scholarly works in these areas is impressively increasing.

2.5 Basics of Development Administration

During the 1960s and 1970s, the idea of Development Administration evolved largely as an extension or an applied part of Comparative Public Administration. This

was especially due to the CAG's keen interest in exploring administrative problems in developing nations and the agenda set by its funding agency (the Ford Foundation) to improve administration for economic development in these countries, Fred W. Riggs was the prime mover of CAG's interest in the field of development administration.

After the end of the second world war and the liberation of Afro Asian states from colonial rule, the new states faced immense problems of development that they had to cope with in the course of a short span of time. Shattered economics, widespread poverty, numerous social problems, high levels of illiteracy, malnutrition and ill-health, lack of shelter for teeming millions together with political instability made the tasks of the ruling elites extremely difficult. The legitimacy of their rule was frequently in question and precarious. Most of these states were agriculture based with very limited industrial development . They lacked the resources for industrial production that was so necessary for moving ahead.

As these states felt the urgency of having to tackle these problems within a short span of time, it was realized that only the state was capable of taking on the arduous tasks. Private organizations would not have the capacity, resources , infrastructure or interest in handling these problems of such magnitude.

According to Fred Riggs ["The Context of Development Administration", in F.W.Riggs ed., *Frontiers of Development Administration*, 1971], " Development Administration refers to organized efforts to carry out programmes or projects thought by those who are involved to serve development objectives .... " Development goals were viewed mainly as relating to nation building and socio-economic development.

George Gant defined Development Administration as, "that aspect of public administration in which the focus of attention is on organizing and administering public agencies in such a way as to stimulate and facilitate defining programmes of social and economic progress. It involves the adaptation and the application of management skills directly to the development process."

According to Edward W. Weidner, " development administration is concerned with maximizing innovation for development."

The content of Development Administration could be summed up in the following manner:

It has been a sense of distinctiveness of administration for development programmes, policies and plans in those conditions

(traditional, transitional or newly independent and less developed political systems) in which there are unusually extensive needs (which could coincide with urgently expressed demands of political elites, modernizing ideologies, and exercises in mobilization), precisely where there are peculiarly few resources and exceptionally severe obstacles to meeting the needs.

The peculiarity of Development Administration was to be found in the rather inconvenient combination of extensive needs, low capabilities and severe obstacles. On the one hand, there was the search for change via administrative means and on the other a suspicion, dissatisfaction, distrust of the administration - at times leading to specifically an anti-administrative position.

2.6 Purpose of Development Administration

The purpose of Development Administration was to make change both attractive and possible. As the developing countries struggled to cross the threshold of social and economic modernity, changes of an unprecedented scale and tempo became necessary. Such massive changes required in the developing countries were inconceivable without heavy governmental intervention.

Development Administration was essentially an action oriented and goal oriented administrative system geared to achieve definite programmatic targets. The bureaucracy was to act as the instrument of nation-building, to transform inputs into development outputs. It was the bureaucracy alone that had the resources, willingness and ideological commitment to take on this gigantic task.

The main concern of Development Administration was the management of development. This called for, formulation of specific goals for promoting development, and developing programmes and mechanisms for their achievement. Rather than mechanical efficiency, it was important to have a participative, responsive and accountable management. The management was expected to mobilize the people for active support and participation, it was to respond to popular needs and demands and remain accountable to the people. According to George Gant, [*Development Administration: Concepts, Goals, Methods*, The University of Wisconsin Press, 1979] 'development administration is characterized by its purposes, its loyalties and its attitudes'. The purposes of Development Administration are to stimulate and facilitate defined programmes of social and economic progress. In terms of loyalties, the bureaucracy has to be accountable to the people and not to vested interests, kings or empires. So far as attitudes go, development administration calls for positive,

persuasive and innovative stances from the bureaucracy. The traditional norms of administration have to be replaced by flexibility and adaptability to changing needs and situations.

In Development Administration the bureaucracy should function more as an agent of change than an instrument of stability. It should have the capacity to predict and understand the directions and tempo of major changes in its environment; it should be able to plan for necessary changes and adapt itself to the changes planned by the political system as well as innovate on its own.

Development Administration calls for flexibility in operations, client-oriented philosophy and a pragmatic approach on the part of administration. It encourages open decision making, dissent and discussion along with a focus on human values of service, especially to the weaker sections of society. It encompasses the organization of new agencies such as planning organizations and development corporations; the reorientation of existing agencies; delegation of administrative powers to development agencies and the creation of a cadre of administrators capable of providing leadership in programmes of social and economic improvement.

Development Administration movement was distinctly different from traditional Public Administration movement. Both in terms of theory and practice it emerged at a later date.

The differences between traditional Public Administration and Development Administration are partly structural and partly behavioural.

2.7 Weaknesses of Development Administration

There have been several criticisms leveled against Development Administration. Some of the important lines of criticism are as follows:

1. The distinction between Development and non-Development Administration is extremely artificial . Conceptually, Development Administration tends to disrupt the homogeneity of Public Administration as a discipline.

2. Development Administration tends to give the bureaucracy a much bigger role than what it can actually fulfill effectively.

3. Development Administration is a cover-up for the basic inegalitarian nature of the developing states. So long as the societal power structure remains static Development Administration would serve the ideological purpose of concealing the real character of the state.

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4. Critics have also pointed out that western states had an interest in promoting development administration, as in the guise of providing assistance to the newly independent developing states for their developmental activism the former would find an entry point to regulate the politics and economies of those states; in a round-about way thus trying to regain at least a part of the control that they had lost with the dismantling of colonialism.

5. Development Administration could not achieve much in developing countries and it became a fashion to designate old administrative structures as development administration. The same personnel and apparatus were used for development administration resulting in failure.

2.8 Summary

Following World War II ,with the liquidation of colonialism and the emergence of new states, objective conditions became ripe for scholarly interest in the 'administration' of developing countries. Against such a backdrop, Comparative Public Administration and Development Administration emerged as new intellectual endeavours. In promoting this exercise in its initial years, the CAG played the primary role. While Comparative Public Administration sought to study public administration in different ecological backgrounds or cross cultural contexts, the main concern of Development Administration was the management of development.

2.9 Sample questions

A. Answer the following questions elaborately :

1. Discuss the factors leading to the emergence of the fields of Comparative Public Administration and Development Administration.

2. Examine the contributions of Fred Riggs to the study of Comparative Public Administration.

3. Attempt an assessment of Development Administration.

B. Answer the following questions briefly :

1. What do you understand by Development Administration ?

2. What was the contribution of the CAG to the field of Comparative Public Administration?

3. What sort of role does Development Administration seek to give the bureaucracy?

C. **Give single sentence answer to the following questions :**

   1. When was the Comparative Administrative Group set up ?

   2. Who developed the Prismatic Sala model?

   3. Who sponsored the CAG in the initial years?

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Unit 3 ❏ NEW PUBLIC ADMINISTRATION AND NEW PUBLIC MANAGEMENT

Structure

3.0 Objectives

On reading this unit we shall be able to understand -

- The context of the development of New Public Administration
- The basic principles of New Public Administration
- Importance of the Minnowbrook Conferences
- Circumstances leading to the emergence of New Public Management
- The differences between traditional Public Administration and New Public Management
- Weaknesses of New Public Management

3.1 Introduction

The New Public Administration movement of the late 1960s and early 1970s challenged the status quo in public administration and criticized the "old" public administration for its lack of an explicit ideological framework. It emerged against the backdrop of widespread social discontent in the USA and the Vietnam War. The

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basic principles of the New Public Administration were participation, decentralization and representative bureaucracy. New Public Management came into prominence since the 1980s against the backdrop of global political, economic and technological changes associated with globalisation. Its major thrust was on the one hand to divest the government of many of its responsibilities by privatizing functions performed by the state, and on the other hand focusing on modernizing internal management practices based on performance measurement.

3.2 Developments Leading to New Public Administration (NPA)

New Public Administration emerged closely on the heels of the Vietnam War and the Watergate scandal. In the USA, the 1960s was a period of positive government marked by rapid suburbanization, construction of schools and hospitals, etc. However, by the mid-sixties the USA was fraught with intense social upheavals. Rioting in cities and restlessness on university campuses. The war in Vietnam was taking its toll. The impact of the Vietnam War on American was manifold. On the one hand, American casualties were impacting domestic public opinion in the USA, on the other the war was stirring the collective consciousness of the Americans. The Watergate Scandal served the purpose of jerking public administration out of the stupor of valueneutrality. Intense debates hit the campuses and scholars, particularly in the field of social sciences, could hardly maintain a distance.

Some of the best younger scholars in the field of Public Administration in the USA pioneered the New Public Administration Movement since the late 1960s. Their writings were frequently moralistic in outlook, and confrontational in goal. They believed that administrators could never escape central value issues and hence they hid behind the mask of neutrality. To the scholars of New Public Administration social science could never be value free.

New Public Administration emphasized the humanistic concerns of public administration and thus argued for decentralisation, delegation, social equity and similar social values.

Several important developments gave birth to New Public Administration. These were -

i] The Honey Report on Higher Education for Public Service, 1967. John C.Honey of Syracuse University undertook an evaluation study of Public Administration as a discipline in US Universities in 1966. The Report that came to be known as the Honey Report, was submitted in 1967. In it, four

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problems were identified. Namely, that of inadequate resources, institutional weakness, uncertainty and confusion about the status of the discipline and a glaring gap between theory and practice.

ii] Conference on the Theory and Practice of Public Administration. It was organized by the American Academy of Political and Social Sciences in Philadelphia in December 1967. The purpose was to discuss "The Theory and Practice of Public Administration: Scope, Objectives and Methods".

iii] The first Minnowbrook Conference of 1968. The scholars gathered under the patronage of Dwight Waldo and challenged the 'givens' of orthodox public administration and political science. The Conference led to the publication of two volumes. These were Public *Administration in a Time of Turbulence* edited by Dwight Waldo in 1971 and *Toward a New Public Administration: The Minnowbrook Perspective* edited in 1971 by Frank Marini.

3.3 The Perspective of New Public Administration

New Public Administration was committed to normative concerns and sought to rescue public administration from its ongoing technical and technocratic emphasis. The Minnowbrook Conference of 1968 debated four major issues - relevance, values, equity and change. It openly rejected the value-neutral position of behavioural political science and management oriented public administration, upholding a basically normative concern in administrative analysis. The motto of New Public Administration was to work for social change to serve the cause of social equity. As such, it attacked the status quo and the powerful interests entrenched in permanent institutions. New Public Administration demanded the primacy of Politics over Administration. There appeared to be an ideological conviction that in the USA ' the bureaucratic instruments of power utilized by the political establishments and studied with academic detachment by the intellectual establishments are among the most oppressive institutions of American society.'

Some of the Minnowbrook I themes that shaped the future agenda of public administration in the USA were as follows -

1. There was a definite shift from a study of administrative practices to a concern for policy issues.

2. To the two goals of classical public administration, namely efficiency and economy, was added the third one of social equity. Concern for social equity provided the rationale or justification for policy positions.

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3. One important indicator for judging the effectiveness of public administration was the degree of participation of citizens.

4. New Public Administration did not swear by abstract rationality and the concept of hierarchy. These were seen to have limited practical utility in the processes of administration.

5. Pluralism was considered useful for explaining the exercise of public power but could not be considered a standard against which public administration is measured.

It may be noted that two subsequent Minnowbrook Conferences were held at intervals of twenty years. That is, the Second Minnowbrook Conference was held in 1988 and the third in 2008. The major concern of the second Minnowbrook Conference was on correcting the imbalance between public needs and the resources devoted for their amelioration. The third conference held at Syracuse University, focused on the future of public administration, public management and public service around the world.

3.4 Evolution of New Public Management (NPM)

By the 1980s Public Administration had begun to face serious challenges. In the wake of mounting financial slowdown , the state was coming under increasing pressure to curtail expenses and seek out new ways of delivering public services. The starting point was that the traditional bureaucratic structures that ushered in the industrialized economies of the 20th century and may have been appropriate for that era had reached a point of diminishing returns. The large size and rigid structures of the traditional system were too cumbersome for the new era of instant communication and an economy in which economic value was based on information and its manipulation rather than on industrial production. Production is still important, of course, but it is increasingly based on information systems.

Against such a backdrop, a new managerial approach in the public sector emerged in the 1980s and early 1990s. It was named New Public Management. It lay emphasis on the economy, efficiency and effectiveness of government organizations, instruments and programs, and higher quality service delivery. This new model of public sector management emerged in the most advanced countries, as well as in many developing ones.

A whole array of methods and techniques SInce the 1980s, employed to reform public administration was given the broad label of New Public Management [NPM].

The term New Public Management was used by Chistopher Hood in 1991 and variously labeled by other scholars as managerialism [Pollitt, 1990], market based approach to public administration [Lan and Rosenbloom, 1992], entrepreneurial or reinventing government [Osborne and Gaebler, 1992] and post-bureaucratic paradigm [Barzaley, 1993]. It has been used to denote a new (or renewed) stress on the importance of management and 'production engineering' in public service delivery, often linked to doctrines of economic rationalism. Like feminism or environmentalism, New Public Management is both a social movement and a subject of academic study.

New Public Management hinged on the Public Choice Theory and managerialism, reposing its faith in the primacy of the market and in private sector management. It institutionalized the old ideology of liberalism, now under the name of neo-liberalism, upholding the notion that 'that government is the best which rules the least', thus supporting the unqualified superiority of the market over the state. In 1992 David Osborne and Ted Gaebler in their book Reinventing *Government: How the Entrepreneurial Spirit is Transforming the Public Sector* introduced the concept of entrepreneurial government. The authors made out a strong case for transforming the bureaucratic government into an enterprising government that responds to citizens' needs in a market oriented manner. They considered bureaucracies as redundant in the present age, asserting that 'they simply do not function well in the rapidly changing information-rich, knowledge-intensive society and economy of the 1990s'. They felt that in an entrepreneurial role governments should -

> ➤ steer the ship rather than row it

> ➤ empower communities, rather than simply deliver services

> ➤ encourage competition, rather than monopoly

> ➤ be mission-driven, rather than rule driven

> ➤ fund outcomes, rather than inputs

> ➤ meet the needs of the customers, rather than those of the bureaucracy

> ➤ concentrate on earning resources, not just on spending

> ➤ invest in prevention of problems, rather than on cure

> ➤ decentralise authority

> ➤ solve problems by making use of the market place, rather than by creating public programmes.

Vincent Ostrom asserted that bureaucracy is chronically incapable of organizing public goods and services.

New Public Management is sometimes (understandably) confused with the 'New Public Administration' movement in the USA of the late 1960s and early 1970s. But though there may have been some common features, the central themes of the two movements were very different. The main thrust of the New Public Administration movement was to bring academic public administration into line with a radical egalitarian agenda that was influential in US university campuses at that time. By contrast, the emphasis of the New Public Management movement a decade or so later was firmly managerial in the sense that it stressed the difference management could and should make to the quality and efficiency of public services. Its focus on public service production, functions and operational issues contrasted with the focus on public accountability, 'model employer' public service values, 'due process,' and what happens inside public organizations in conventional public administration.

3.5 Features of New Public Management

New Public Management techniques are drawn mainly from the private sector. The reforms have been generated by a combination of economic, technological, social and political factors. While traditional Public Administration had its base in Political Science, New Public Management based its premises on economics. There was clearly a clash of values between traditional Public Administration and New Public Management. The former upheld values such as fairness, ethics, public interest, justice and accountability. The latter gave importance to autonomy, flexibility, reward for good performance, risk taking and efficiency. New Public Management sought to introduce practices from the private sector into the field of public organizations, reform state institutions, and bring in a new administrative culture and managerial strategies.

NPM presented a political theory of the state in which the state had to be reduced and considered as a simple organization. It should give minimum social assistance and be sensitive to client needs as in the private sector. Politics was sought to be removed as an obstacle to good management.

NPM focused on :

- Restructuring the government operations along market lines
- reversing the government's growth in terms of size, expenditure and activities
- distinguishing strategic formulation from implementation
- emphasizing performance evaluation and quality improvement

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- stressing upon effectively providing services and value for money to the customers.

The main features of New Public Management may thus be identified as:

i] focus on management, performance appraisal and efficiency

ii] disaggregation of public bureaucracies into agencies which deal with each other on 'user-pays' basis

iii] cost -cutting to make Public Administration less costly

iv] promoting a style of management that emphasizes inter alia output targets, limited term contracts, monetary incentives and freedom to manage.

NPM presented a blend of broad based administrative doctrines, values and concerns. It's differences from the conventional political administration was evident on a number of points. For example,

i] in traditional public administration the government was seen as the exclusive provider of public services; in NPM the providers of public services included a network of stakeholders comprising of government, market, civil society, etc.

ii] in traditional public administration anonymity and secrecy in operations as emphasized; NPM was people-oriented, responsive and accountable

iii] while in traditional public administration the emphasis was on structures, rules and processes; in NPM it lay on performances and outcomes

iv] traditional public administration emphasized public private distinction; NPM rested on public private partnership.

v] the hierarchic model of traditional public administration was discarded in NPM in favour of a flexible model.

3.6 Critique of New Public Management

It needs to be remembered that the motivations for the market-oriented reforms of New Public Management were political as well as economic. It is important for us to understand why particular reforms such as those represented in the New Public Management arise at particular points of time in the economic and political life of the state.

Critics of public-sector managerialism stress the virtues of traditional Weberian

bureaucracy for rule of-law or public accountability, or see managerialism as a diverting governments' attention from hard policy choices. Some critics of New Public Management doctrines see them as too heavily based on business-school and private-sector management perspectives.

Critics have argued that the pursuit of business administration norms tend to make public administrative less responsive to the needs and expectations of the citizens.

It is further argued that the space that a modern state occupies is so vital, extensive and diverse that it cannot be covered by the market. Hence it is neither safe nor desirable to devalue the state and argue for it's rolling back along with allowing private sector players in all areas.

New Public Management tends to eulogise private management, accepting its negative features rather uncritically.

Another line of criticism leveled against New Public Management is that it distances the political executive from the implementation aspects of public administration as political executives lose control over the implementation of their policies as a result of managerial reforms.

New Public Management tends to ignore the positive attributes of public administration that have been the distinguishing marks of the latter. It undermines public administrations concern for the citizen, its social ethos and moorings in constitutional values.

Further, it is argued that what suits one country may not be the best for another. Thus, what is applicable to the USA may not be suitable for developing countries like India.

3.7 Summary

The journey from New Public Administration to New Public Management has been a long journey in the history of Public Administration. It has been marked by Public Administration's attempts to cope with the changing demands of the political and economic scenario. The new approach to public management, i.e., New Public Management or NPM, is oriented to results, focusing on clients, outputs and outcomes. It emphasises management by objectives and performance management, the use of market and market-type mechanisms. Looking at its nature and the criticisms leveled against it, it would perhaps not be wrong to say that while much can be learnt from the private sector, an element of caution needs to be maintained. The importance and uniqueness of the public sector should not be lost.

3.8 Sample questions

A. Answer the following questions elaborately :

    i) What were the circumstances under which New Public Administration emerged?

    ii] Discuss the concept of New Public Management

    iii] What are the basic tenets of New Public Management?

B. Answer the following questions briefly :

    i) Distinguish between the basic principles of the New Public Administration and New Public Management.

    ii] What was the significance of Minnowbrook 1 Conference?

    iii] What are the shortcomings of New Public Management?

C. Give single sentence answer to the following questions :

    i] With whose name is the Honey Report on Higher Education for Public Service associated ?

    ii] When was the Minnowbrook 1 Conference held?

    iii] Who edited *Public Administration in a Time of Turbulence* ?

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Unit 4 □ RECENT ADVANCES IN PUBLIC ADMINISTRATION : ECOLOGY AND FEMINISM

Structure

4.0 Objectives

4.1 Introduction

4.2 Ecological approach in Public Administration

4.3 Feminism and Public Administration

4.4 Summary

4.5 Sample questions

4.6 Select bibliography

4.0 Objectives

On reading this unit we shall be able to understand -

- The basic premises of the ecological approach
- The contributions of John Gaus and Fred W. Riggs to the development of the ecological perspective
- The feminist critique of traditional public administration
- The lines of developing a feminist perspective of public administration

4.1 Introduction

From its very early days, the field of Public Administration has been a changing field marked by a search for identity. In its search for identity, Public Administration has gone through different phases reflecting newer attempts at conceptualisation and understanding. Attempts to comprehend its links with the surrounding milieu have brought forth the ecological approach, while gender concerns in relation to the field have led to the emergence of the feminist perspective. Both contribute to the widening of the scope of Public Administration, demanding the breaking of the traditional boundaries of the field.

4.2 Ecological Approach in Public Administration

Ecology deals with all interrelationships of living organisms and their environment. The term ecology was coined in 1866 by the German biologist Ernst Haeckel from two ancient Greek words 'oikos' and 'logos'; the first denotes housing or dwelling, the second means science. In modern biology, it is used to denote the inter-relationship between living organisms, plants and animals and their environment. Today the term has been extended to refer to a complex of sciences dealing with the interactions between man and nature.

The ecological approach in Public Administration was first elaborated by John Gaus in *Reflections of Public Administration* published in 1945. He spoke of relating government functions to the environment. Gaus used seven factors for explaining the process of public administration: people, place, physical technology, social technology, wishes and ideas, catastrophe, and personality.

- Changes in distribution of people over different places has effects on policy (people moving to cities or to farms)
- Physical technology has impacted policy for an increase in paved roads
- social technology - the invention of the corporation
- wishes and ideas - being influenced by information or values/thoughts that lead to a particular action
- catastrophe - the effects of a catastrophe are relatively short lived in many cases because after the first response often the older forces flood back and cancel out most of the first reaction (catastrophe i.e.- night club burned killing service men, legislation was passed for fire inspection)
- personality - which is left to one's own interpretation.

According to the proponents of the ecological approach, Public Administration is affected by economic, political, social conditions and the overall environment of a country. The main idea is that bureaucracies and other institutions can best be understood if the surrounding conditions, influences and forces that shape them are identified and explored. In the words of Gaus, the ecological approach 'builds ...quite literally from the ground up; from the elements of a place - soils, climate, location .....' The approach assumes that administrative behaviour is moulded by administrative culture which in turn is an outgrowth of the interactions and traits of the administrative system with the social system as a whole. It asserts that the administrative system does not act as an independent variable; rather, it acts under the influence of the various subsystems that surround it.

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Fred W. Riggs [1917-2008] was one of the foremost exponents of the ecological approach. He emphasised the fact that in order to understand a particular administrative system one should have a strong understanding of the environment in which it operates. In developing his ecological model, Riggs drew heavily on the structural-functional approach that had gained prominence in Political Science. He developed different models. From the model of the agraria-transitia- industria he moved on to develop the model of fused-prismatic-diffracted societies. In his models he emphasised an open system perspective, showing the interaction of the administrative system with the wider social system. The formulation of the prismatic model was primarily based upon the extent to which a social administrative system undergoes functional differentiation. The model was considered appropriate for studying three societal types: highly developed Western industrial societies and traditional agrarian societies, as well as developing societies.

It may be noted that for nearly three decades (until the early 1980s), a massive volume of literature (books, journals, reports, etc) had been produced by public administration scholars and policy experts to articulate and prescribe the nature, scope, objectives, structures, institutions, problems, and remedies of development administration. While much of such literature tended to be normative in terms of prescribing the ideal universal tenets of development administration, Riggs was critical. He was opposed to such relatively non-ecological framework, and highlighted its inappropriateness and potential dysfunctional outcomes. He devoted much of his work to configuring an ecological approach in order to explain the actual features of administration (development administration) in developing nations shaped by their own societal contexts, and to articulating some models of such administration with a new vocabulary constructed specifically to explain the unique administrative situation in these countries.

Ecological public administration could not only provide a solid basis for research, but could also explain and predict public administrative behaviour as well. A powerful tool for uncovering "ailments" within public administrative systems, the ecological approach could, in fact, help to correct them.

In recent times, public administration in most developing countries has gone through drastic reforms based on the market-driven principles and models (e.g. NPM, Best Practices, Good Governance) which are essentially non-ecological. These contemporary administrative models highlight the importance of narrow empirical data, performance indicators, and results or outcomes and claim universal applicability in different parts of the world without much concern for ecological or contextual diversity. It may be noted that, during the recent decades, too many drastic and

intensive reforms in public sector management have been adopted in too many countries, which need to be compared, critically understood, and systematically generalized to make some theoretical sense.

Moreover, the contemporary market-driven reform models have largely been based on a universalist approach, which has been embraced in many developing nations often under the influence of international agencies, although such models may not be appropriate for these countries with weak private capital and entrepreneurship, less developed market forces and alarming levels of poverty requiring subsidized basic services.

Further, in line with the common imitative nature of administrative reforms adopted in the past, many regimes in developing countries have recently introduced pro-market models originating and borrowed from the experience of developed nations. Riggs was always opposed to such out-of- context, imitative reforms and emphasized the importance of building the nationally or domestically suitable models of public administration in these countries based on their own contexts and needs (Riggs, 2001). Finally, unlike advanced industrial nations where the major domains of society (e.g. politics, economy, business, religion and administration) are relatively autonomous or mutually exclusive, these domains are deeply interconnected in developing societies, which requires a multi-dimensional approach and an interdisciplinary perspective practiced and underscored by Riggs.

According to Riggs, 'at a time when the international climate of an increasingly tumultuous world has become fraught with growing tensions, and when simultaneously we have become increasingly conscious of the 'limits of growth', the precariousness of our energy future, the population explosion, the undermining of agricultural lands and forests, and the growing threat to the ocean's resources - and many more such problems - we have to consider more carefully than ever before the ecological interdependency of all these variables. It is no longer possible simply to think about how administrative performance can be improved by taking the 'managerial' or 'in-house' approach suggested by any conventional 'outlining' of the problem. [Fred W. Riggs, "The Ecology. and Context of Public Administration: A Comparative Perspective" *Public Administration Review*, March-April 1980, p. 115].

In contemporary times, as the growing concern for the environment and sustainability gain ground, the need for serious attention to ecological concerns acquire a new meaning in public administration. Increasingly, the links between public administration, public policy and environmental concerns come to be appreciated. As Carl D. Ekstrom notes in *PA Times* (June 19, 2013), 'For both equity

and economy reasons, we need to continue to chart a path forward in creating greater sustainability awareness in the field of public administration. Such actions include the necessity of making the concept of sustainability increasingly a part of the public debate. In addition, there is a need within the field to broaden an awareness of the profound connection between the use of natural resources and public policy.'

4.3 Feminism and Public Administration

There are many disciplines where feminist concerns have found a place and are sought to be addressed however imperfectly that may be; but Public Administration is yet to recognize such concern areas. Currently, there is no defining body of feminist theory in the field of Public Administration and, little attention has been given to developing a feminist theoretical framework for Public Administration. Scholars, by and large, tend to view theories of Public Administration and feminism as unrelated; it implies that women's issues have little bearing on the field. There are feminist scholars and practitioners who claim Public Administration as their discipline, and undertake scholarly work on issues related to women. A few scholars in the field have written and conducted research focusing on issues related to women, for example, the glass ceiling, pay equity, hiring and promoting women faculty members, and, more recently, emotional labour.

Public Administration is still largely a male bastion. Though in recent times, particularly since the last couple of decades of the twentieth century, feminist scholars have started knocking at its doors. Gender research is emerging as one of the several narratives seeking to shape knowledge with Public Administration. Pioneering work has been done by Kathy Ferguson and Camilla Stivers. In 1984, Kathy Ferguson produced *The Feminist Case Against Bureaucracy*. Therein she argued that 'women have developed a different voice, a submerged discourse' that can be used to build a non-bureaucratic collective life where bureaucratic discourse would be replaced with a feminist discourse centred on individual human development and community needs.

There may be several reasons for omitting the acknowledgement of feminist ideas and perspectives in Public Administration: 1) Male theorists and practitioners of public administration might not be aware that a feminist perspective exists; or 2) they might be aware but decide not to mention it due to the negative connotations that are still associated with feminism (e.g. radicalism, irrationality, emotionality); 3) To this day, leadership is commonly associated with the qualities of toughness,

assertiveness, and aggressiveness (particularly in times of crisis) all of which are undisputedly regarded as masculine virtues.

It is pointed out that, in regard to career advancement in the public sector, women were never able to catch up with men. While at the ground level most public servants are female, at the top level women are scarce. Moreover, women, who enter the highest echelons in public administration, face a different work environment than men. Because of their female status, women are closely watched as to how they behave, dress, talk, and make decisions. They face criticism if they appear as too masculine (e.g. Hilary Clinton), and also if they are deemed too feminine (which is commonly associated with being weak).

Camilla Stivers is probably the most recognized contributor to contemporary feminism in Public Administration. A distinguished Professor of Public Administration, in her book *Gender Images in Public Administration: Legitimacy and the Administrative State* , first published in 1993, she applied a gender lens to the field of public administration, looking at issues of status, power, leadership, legitimacy and change. The author explored the extent of women's historical progress as public employees, their status in federal, state, and local governments, the peculiar nature of the organizational reality they experience, and women's place in society at large as it is shaped by government. In the book, she argued that the modern government with its emphasis on social services, the use of the positive state to counter deep seated problems, and the notion that government can be an instrument of reform, had its roots in women's organizations. She asserted that, 'like other public sector activities public administration is structurally male despite its apparent gender neutrality' [p. 5]; she noted that feminist theory 'has offered new theories of power, virtue, of the nature of organization, of leadership and professionalism ... yet few, if any of these ideas have made their way into conversations in public administration.' [p. 3].

Hutchinson and Mann [Hutchison, Janet R., and Hollie S. Mann. 2004, Feminist Praxis: Administering for a Multicultural, Multigendered Public. *Administrative Theory and Praxis*, 26 (1) : 79-95.] argue for the use of multicultural feminism in public administration. According to them, a feminist re-visioning of public administration preferably through a multicultural, multigendered lens is urgently called for. There could be several strategies to achieve a feminist Public Administration. One is already familiar to Public Administration. It necessitates that women be given access to and encouraged to join the world of work, politics and knowledge production. This is the "affirmative action" step that moves us toward the liberal feminist goal of participatory equality and is a consistent theme in the scholarly

contributions of women to Public Administration journals. Early liberal feminists proposed that this strategy alone would be enough to effect change, but it soon became clear that simply adding women to the pre-existing structure would never be enough. Another strategy addressed is certainly more revolutionary and more relevant to laying the groundwork for a feminist theory of public administration. It urges a re-examination of the fundamental theories, mechanisms of analysis and primary values that have given shape to epistemological techniques and existing assumptions generally, and in public administration in particular. It calls for a fundamental shift in human knowledge that results from "seeing" through the feminist lens. This shift necessitates the recognition that we truly are living in a "man's world".

The feminist perspective on leadership in public administration reflects certain values of the New Public Management approach (NPM). NPM, which became popular during the early 1990s, also emphasizes key concepts, such as "employee empowerment," "decentralization in decision making," and "networking and collaboration." However, to describe the feminist theory approach to public administration as the antecedent to NPM might be overstated; still, it seems that NPM borrowed some ideas from feminist theory, yet failed to give credit.

In her 1990 essay "Toward a Feminist Perspective in Public Administration Theory," the author Camilla Stivers noted that feminist ideas seem important to an appreciation of administrative governance that is "less hierarchical and more interactive". Instead of viewing power as a "mode of domination, " the feminist perspective emphasizes the "enabling capacity" of power. Stivers argued that engaging in collaboration with others, instead of following a tight chain of command in a centralized control led system, is a more appropriate way to address the more and more complex challenges in the world. In her opinion , cooperation, teamwork and participation, allowing a diverse perspective on complex subject matters "becomes protection against bureaucratic pathology rather than [being] a source of inefficiency".

According to Burnier, Burnier, DeLysa [2005. 'Bringing Gender into View' *Administrative Theory and Praxis* 27(2): 394-400], research in Public Administration written from a liberal feminist point of view would address "various equality questions including the numerical representation of women in public bureaucracies; women's underrepresentation in specific government professions and agencies; sexual harassment in the public workplace; the need to create family friendly public workplaces; and the presence of a 'glass ceiling" .

Examining gender dilemmas in public administration does not imply the view that other factors such as race and class are less important. Gender is tied to race and

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class; gender's importance is not a solo source of domination, but as a lens that enables one to see things that other lenses miss. Moreover, Feminism should not be viewed as separate and apart from the Public Administration discipline. Rather, it should be seen as a perspective that could determine the future of Public Administration itself.

4.4 Summary

The ecological approach speaks of relating government functions to the environment. Major contributions have been made in the field by John Gaus and Fred Riggs. As public administration in most developing countries has gone through drastic reforms based on the market-driven principles and models (e.g. NPM, Best Practices, Good Governance) which are essentially non-ecological, the ecological perspective presents an important point of departure.

As the parameters of Public Administration have been widening in several directions, developing a feminist angle is being argued for. Traditionally Public Administration has largely remained a male bastion. In recent times however feminist scholars have intervened and gender research is gaining importance. Major contributions have been made by Kathy Ferguson and Camilla Stivers.

4.5 Sample questions

A. Answer the following questions elaborately :

1. What do we understand by the ecological approach to Public Administration?

2. Examine the contributions of John M. Gaus to the understanding of the importance of ecology in Public Administration.

3. Would you agree with Camilla Stivers that feminist ideas are important to an appreciation of administrative governance?

B. Answer the following questions briefly :

1. Identify three probable reasons that may have led to the omitting of feminist ideas and perspectives in Public Administration.

2. Explain Fred W. Riggs' contribution to the development of the ecological approach in Public Administration.

3. Outline the feminist critique of Public Administration.

C. Give single sentence answer to the following questions :

1. When was John Gaus's book *Reflections of Public Administration* first published?

2. How many factors did Gaus use for explaining the process of public administration?

3. Who authored the book *The Feminist Case Against Bureaucracy?*

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PAPER-VI

MODULE-2

PUBLIC ADMINISTRATION :
Administrative Theories

Unit 1 □ HUMAN RELATIONS APPROACH ELTON MAYO AND CHESTER BARNARD, MARY PARKER FOLLET

Structure

1.1 Objectives

Here our objective is to acquaint the students with diverse issues involved in managing organizations operating in multiple cultures and competitive environment. This course aims at providing the knowledge related to managerial aspects of human relations in an organization.

After studying this unit, students should be able to:

- describe the concept of Human Relations Approach,
- define the scope of Human Relations Approach,
- describe the history of Human Relations Approach,
- explain the limitations of Human Relations Approach.

1.2 Introduction to Human Relations Approach

A Shift away From traditional management trend was witnessed in the early 1920s; classical management theorists, such as Frederick Taylor, Henry Gantt, and Frank and Lillian Gilbreth, spent their time researching how a specific job should be done, what steps should be taken by an employee to complete the work, and the amount of time to be spent by a worker to complete a task using different methods. They then used this information to determine the most effective way of completing a task. From 1900 to 1930 Taylor's concept of Scientific Management dominated. His approach focused on maximising workers' output. Classical theorists of management focused on the science of creating specialized work processes and workforce skills to complete production tasks efficiently. However, their excessive emphasis on workers' efficiency and output was critisised as an attempt to dehumanise the workers and thus an attempt to ignore psychological needs of them. Neither the management, nor the workers were happy with the approach.

Critics began to scrutinize classical management theory for its potentially harmful effects on workers. Many believed that placing too much emphasis on standardisation of jobs and workers had not created the 'mental revolution' that Taylor and his associates had expected, but rather had inadvertently created an attitude among managers at the time that employees were nothing more than an appendage to a machine. Critics argued that machines and processes could be standardised but it was unrealistic to expect that standardisation among emotional attributes. So, as Taylor and other classical management theorists continued their work on standardisation, others started to conduct research on the worker's behaviour, and thus, the neoclassical theory of management was born, to which human relations approach was indebted.

Classical Approach focussed on crude job output; contrarily Human Relations Approach, dealt with the human aspects of organizations. It was also referred to as the neoclassical school because it was initially a reaction to the shortcomings of the classical approaches to management.

The 'Human Relations Movement' received its impetus from a series of famous experiments called the Hawthorne Studies which were conducted from 1924 to 1933 at the Hawthorne Plant of the Western Electric Company in Cicero, Illinois. The neglect of human aspect and over-emphasis on machines, materials and abstract functions led to the development of this approach. Prof. Elton Mayo is considered as the father of the Human Relations Approach. Understanding workers' response and

interpersonal relations were considered essential in the development of this approach. The Human Relations Approach focussed on the following six propositions:

- ✓ A focus on people, rather than only on machines or economics is necessary;
- ✓ people exist in an organizational environment rather than an organized social context;
- ✓ a key activity in human relations is motivating people;
- ✓ motivation should be directed towards team work which requires both the co-ordination and cooperation of individuals involved;
- ✓ human relations, through team work, seeks to fulfill both individual and organizational objectives simultaneously;
- ✓ both individuals and organizations desire for efficiency, that is, they try to achieve maximum results with minimum inputs

The Human Relations Approach emphasises on the individual and focuses on inter-personal approach. It studies the individual, his needs and behaviour. Its main concepts are motivation and job satisfaction.

1.3 The Origin of Human Relations Approach

The neoclassical theory encompassed approaches and theories that focus on the human side of an organisation. The neoclassical theory was an attempt to incorporate the behavioral sciences into management thought. There are two main sources of neoclassical theory: the human relations movement and the behavioral movement. The human relations movement arose from the work of several sociologists and social physiologists who concerned themselves with how people relate and interact within a group. The behavioral movement came from various psychologists who focused on the individual behavior of employees. These movements were dominated by sociologists and psychologists. A team of Harvard University researchers were asked to study the activities and output of the workers in Western Electric's Hawthorne plant in Cicero, Illinois. Their study was came to be known as 'Hawthorne Effect'. The team continued their work from 1924 to 1932, with a sample of over 20,000 Western Electric employees. Thus the human relations movement was a direct result of Elton Mayo, William Dickson and Fritz J. Roethlisberger's Hawthorne studies, which were designed to find ways to increase worker productivity at Western Electric's Hawthorne Works factory.

Harvard researchers observed that economic rewards could not totally explain workers' output; social pressure could restrict their output. Hawthorne Studies revealed that social factors, such as employee relationships, would have an important impact on the workers which the managers would require to consider. It was believed that any manager who failed to account for the social needs of his employees could expect to deal with resistance and lower performance. Employees needed to find some intrinsic value in their jobs, which they certainly were not getting from the job that was highly standardised. Previously employees were placed into rigid job roles, where they used to complete one specific task throughout the day with little or no interaction with coworkers. Human relations thinkers conceived that employees must frequently share tasks, information, and knowledge with one another. The belief was that once employees were placed into this alternative structure, their needs for socialisation would be fulfilled, and thus they would be more productive.

They based their studies on the assessment of working conditions related to things such as lighting levels, leisure periods, and the length of working hours. Those participating in the experiments were watched closely by the researchers. During the experiment, productivity levels of those participating in the experiment increased but not directly due to the conditions that Mayo and Roethlisberger were imposing on them. This led them to probe further and they observed that human relations can better enhance job satisfaction.

1.4 Conceptual Framework of Human Relations Approach

Elton Mayo and his associates conducted studies in the Hawthorne Works of Western Electric Company in USA between 1924 and 1932. The study covered more than 20,000 workers. By these studies, the researchers discovered many areas of the application of human relations approach. The researchers' general conclusion was that non-logical behaviour or sentiments among workers must be considered along with economic and other logical factors that influence the work group. This approach was advocated by them because of the following reasons:

(1) Employees in any organisation get satisfaction not by economic incentives but by the satisfaction of many other social and psychological wants, feelings, desires and so on.

(2) The business organisation itself is a social system or at least part of it.

(3) In an organisation, it is ultimately cooperative attitude and not the mere command which yields results.

(4) Management must aim at developing social and leadership skills in addition to technical skills.

(5) In an organisation, morale and productivity go hand in hand.

The approach was instrumental in effecting a new image of man and his work place environment. After these studies, it was widely accepted that an organisation is not merely a formal arrangement of men and functions; it is a social system and the human factor is the most important element within it. More emphasis was placed on inter personal relations, leadership skills, human motivation etc. The approach stressed the importance of individual as well as the group relationship.

The theory emphasised the role of psychology and sociology in the understanding of individual as well as group behaviour in an organisation. Relevance of the human values in an organization was highlighted. It was derived that there was no correlation between physical variables and productivity. Any change, however insignificant, seemed to raise production. Another experiment in the bank wiring room showed that individual payment schemes were influenced by group relationships. It also showed that groups established their own rules and levels of output. The Hawthorne studies highlighted the significance of the group in organisation. Hawthorne studies showed that an organisation is a social system with compilation of group relationships and group attitudes. The social groups were called informal organisations with a focus on the contrast with the formal organisations. Harvard researchers concluded that supportive managers helped boosting up of productivity. Proponents of Human Relations school stated that if the goals of organisation are in tune with the group norms and harmony, the organisation can expect higher productivity. But the critics argued that it was not the supportive managers, but the fear of job loss during the Great Depression and managerial discipline were responsible for higher rate of productivity.

1.4.1 George Elton Mayo (1880-1949)

George Elton Mayo was an Australian born psychologist, industrial researcher and organisational theorist. In the early 1930s the theorist Elton Mayo and his associates carried on a study at the Hawthorne plant of the Western Electric Company in Chicago. Mayo based his assumptions on research undertaken with workers. Initially, two groups were selected, and the impact of variation in lighting on their productivity was measured. It was found that any change in lighting - even making it worse - improved productivity; so the initial conclusion was that change in working conditions led to the improvements. Additional changes were then made

to working conditions to see what other types of modifications could improve output. In all cases productivity went up.

His work resulted in the Hawthorne theory. He suggested that boredom and repetitiveness of tasks led to reduced motivation. He believed that motivation could be improved through making employees feel important, giving them a degree of freedom to make choices and acknowledging their social needs.

Mayo suggested that motivation at work was promoted by such factors as:

- greater communication
- good teamwork
- showing interest in others
- involving others in decision making
- ensuring the wellbeing of others
- ensuring that work is interesting and non-repetitive.

Mayo's work helped to lay the foundation for the human relations movement. He emphasised that alongside the formal organisation of an industrial workplace there exists an informal organisational structure as well. Mayo recognised the inadequacies of existing scientific management approaches to industrial organisations, and underlined the importance of relationships among people who work for such organisations. His ideas on group relations were advanced in his 1933 book—*The Human Problems of an Industrialized Civilization*, which was based partly on his Hawthorne research. His finding was that the individual workers cannot be treated in isolation, but must be seen as members of a group.

Some basic findings of Hawthorne research are as follows:

The study found that monetary incentives and good working conditions were less important to the individual than the need to belong to a group.

Informal or unofficial groups formed within the workplace were found having a strong influence on the behaviour of those workers in a group.

It was observed that managers' response to the 'social needs' of the workers would motivate them to cooperate with the management rather than work against it.

Elton Mayo identified the significance of recognising the 'human factor' in organisations. Mayo said that workers needed to be recognised as having social needs and interests; they should no longer be regarded as the economically motivated

automations as envisaged by Taylorism. Mayo's study evidenced that productivity also increased within the control group. The workers felt that they were part of the organisation and that what they were doing was of interest and importance to the researchers. It was this which caused the increase in productivity. This came to be known as the notion of the 'Hawthorne Effect', a staple part not just of organisation theory but of social science as a whole.

The other study was conducted in the bank wiring room. Here, a small group of male workers were engaged in producing electrical components. It emerged that the workers were not solely motivated by economic considerations and moreover, that the 'informal side of the organisation' was as important as, or may be even more important than, the formal side (i.e. the rules and official hierarchy).

The study discovered the importance of human factor and a new era was introduced in which workers' needs were acknowledged and met. Thus the theory was designed to cater for workers' leisure time and to provide an environment conducive to good living. It was the new 'science' of psychology that led to the emergence of human relations theory. The desire to ascertain the effect of lighting levels on productivity was informed by the idea that management was about the control of physical variables.

Taylor had identified the need for systematic soldiering of the workforce. The human relations theory began to take on a very different aspect. In one way, it was a response to the limitations of scientific management as a means of organisational control. The difference between scientific management and human relations theory was a 'tactical' one, which was primarily brought forth by Mayo.

But Elton Mayo conceptualised workers' resistance as a psychological maladjustment rather than a rational response to conditions of employment. Mayo even suggested that membership of a trade union was a sign of mental illness. In fact, in this respect, some have observed that Taylor's writings showed much more empathy with workers' experiences than those of Mayo.

1.4.2 Chester Barnard(1886-1961)

Chester Irving Barnard (November 7, 1886 - June 7, 1961) was an American business executive, public administrator and the author of pioneering work in management theory and organizational studies. His landmark 1938 book—*The Functions of the Executive*, set out a theory of organisation and of the functions of executives in organisations.

Application of the fundamental principles that Barnard outlined inspired changes

to the area of strategic management. The analysis focused specifically on two main areas: the movement from a static to a dynamic model and the role of the environment.

Chester Barnard believed that formal organisations are made up of informal groups. These informal groups evolved to become the informal organisation. The group's beliefs and values would help establishing the organisational culture and determining to a large extent, formal acceptance of authority.

Acceptance Theory to Authority

Management theorist Chester Barnard believed organisations would require being both effective and efficient. Effective meant attaining organisational goals in a timely way. Efficient, in his opinion, was to be understood as the degree to which the organisation would be able to satisfy the motives of its employees. Barnard believed that the organisational goals would be accomplished and authority would be accepted when workers would feel satisfied that their individual needs were being met. This is known as the acceptance theory of authority.

Thus according to Barnard, an organisation would be efficient to the degree of its ability is to satisfy the motives of the individuals. He further said that cooperation among the members of an organisation would depend on its ability to satisfy the motives of its members; an efficient organization, able to achieve its explicit goals, would sustain for long. So in Barnard's words being effective is not merely being able to accomplish stated goals. Thus Barnard's meaning of organisational efficiency differed substantially from the conventional meaning of the word. Bernard was concerned with the functional relationships among individuals in organisations. He, in his classic 1938 book - The Functions of the Executive distinguished between "effective" and "efficient" actions: "When a specific desired end is attained we shall say that the action is "effective." When the unsought consequences of the action are more important than the attainment of the desired end and are dissatisfactory, effective action, we shall say, is "inefficient." When the unsought consequences are unimportant or trivial, the action is "efficient." (Barnard, Chester 1. 1938,19).

Acceptance theory of authority states that a manager's authority rests on workers' acceptance of his right to give orders and to expect compliance. Workers have to believe that the manager can legitimately give orders and there is a legitimate expectation that the orders will be carried out. There are a few reasons for this expectation:

> Workers will be rewarded for compliance

> There will have repercussions for non-compliance

> Workers respect the manager for his experience

Informal and Formal Organisations

Organisations are made up of groups of individual workers. Naturally, these individual workers form informal social groups that become the informal organisation. The informal organisation exists within a larger formal organisation.

Formal organisations operate under a set of rules and policies designed to carry out the organisational purpose, like meeting financial and production goals. There is a hierarchical arrangement in formal set up; in such set up a formal management-employee relationship dictated by hierarchy exists. Work flows from top-management to workers through hierarchical channels.

Barnard looked at organisations as systems of cooperation of human activity, and noted that they are typically short-lived. The only organisation that can claim a long tenn sustenance is the Roman Catholic Church. According to Barnard, organisations are not long-lived because they lack two vital qualities: effectiveness and efficiency.

Barnard summarized the functions of the executive as follows:

✓ Establishing and maintaining a system of communication;

✓ Securing essential services from other members;

✓ Formulating organisational purposes and objectives.

Barnard formulated two important theories: one of authority and the other of incentives and he saw both in the context of a communication system grounded in seven essential rules:

1. The channels of communication should be definite;

2. Everyone should know about the channels of communication;

3. Everyone should have access to the formal channels of communication;

4. Lines of communication should be as short and as direct as possible;

5. Competence of persons serving as communication centers should be adequate;

6. The line of communication should not be interrupted when the organisation is functioning;

7. Every communication should be authenticated.

In Barnard's view, authoritative communications can become successful, if

(a) communication is easily understandable;

(b) if it is not inconsistent with the purpose of the organisation;

(c) if it is compatible with his personal interest as a whole; and

(d) he is able mentally and physically to comply with it.

Therefore, what makes a communication authoritative rests with the subordinate rather than with his superior. He seemed to argue that managers should obtain authority by treating subordinates with respect and competence.

Chapter XI of the above mentioned book dealt with "The Economy of Incentives". According to Barnard, "in all sorts of organisations the affording of adequate incentives becomes the most definitely emphasised task in their existence" (Barnard, Chester I. ,1938,139). Specific inducements range from "material inducements" to "ideal benefactions" (e.g., "pride of workmanship"), while "general incentives" include "personal comfort in social relations (Barnard, Chester I., 1938, 142-149).

Allegation has been raised that Bernard's definition of "efficiency", as it is in Chapter II is confusing (Callender, Guy, 2009,13,194). The definition of "formal organization" can be characterised as "completely inadequate." Barnard's ideas about authority fails to acknowledge the reality that it is sometimes the job of corporate leaders to use power to control, repress, and dictate the terms of the actions of their subordinates. Barnard did not write in any detail about the relationship between an organisation and the customers of that organisation. Bernard did not consider how an executive of a corporation interacts with the board of directors or stockholders. There is no significant mention of the executive's role in providing guidance to the staff.

Barnard's perspective had affinities to that of Mary Parker Follett.

1.4.3 Mary Parker Follett (1868 -1933)

Mary Parker Follett (3 September 1868 - 18 December 1933) was an American social worker and management consultant, who had huge contribution in the fields of organisational theory and organisational behavior. She was opposed to the Classical theorists' lack of attention to the relationship factors and to the basic human needs of the workers. She pioneered participatory decision making and decentralisation in the work place. Her ideas on negotiation, power, and employee participation were very much inspiring in the development of the fields of organisational studies, alternative dispute resolution and the Human Relations Movement. Her view highlighted individual and group needs.

Mary Parker Follett pioneered the understanding of lateral communications within hierarchical organisations, the importance of informal processes within organisations, and the idea of the "authority of expertise".

Follett's Concept of Power

She recognized the holistic nature of community and advanced the idea of "reciprocal relationships" in understanding the dynamic aspects of the individual in relationship to others. Follett advocated the principle of what she termed "integration," or non-coercive power-sharing based on the use of her concept of "power with" rather than "power over."

Follett developed the circular theory of power. She recognised the holistic nature of community and advanced the idea of "reciprocal relationships" in understanding the dynamic aspects of the individual in relationship to others. In her Creative Experience (1924) she wrote:

Power begins ... with the organization of reflex arcs. Then these are organized into a system .... Then the organization of these systems comprises the organism-more power. On the level of personality I gain more and more control over myself as I unite various tendencies. In social relations power is a centripedial self-developing. Power is the legitimate, the inevitable, outcome of the life-process. We can always test the validity of power by asking whether it is integral to the process of outside the process." (Follett, 1924, 193)

Follett distinguished between "power-over" and "power-with" (coercive vs. co-active power). She suggested that organisations function on the principle of "power-with" rather than "power-over." For her, "power-with is what democracy should mean in politics or industry" (Follett 1924,187). She advocated the principle of integration and "power sharing." Her ideas on negotiation, conflict resolution, power, and employee participation were influential in the development of organisational studies. Mary Parker Follett came forth with the principle of 'Conflict resolution through Integration' (i.e., identifying and meeting each party's underlying and often compatible need, culminating in a winwin situation, as opposed to attempting to meet the frequently-incompatible expressed desire of each).

Follett's Derivation about New Democracy

Follett also contributed greatly to the 'win-win' philosophy, coining the term in her work with groups. Her approach to conflict was to embrace it as a mechanism of diversity and an opportunity to develop integrated solutions rather than simply compromising. She was also a pioneer in the establishment of community centers.

Follett encouraged people to participate in group and community activities and to be active citizens. She believed that through community activities people learn about democracy. In *The New State* she wrote, "No one can give us democracy, we

must learn democracy." Furthermore, the training for the new democracy must be from the cradle - through nursery, school and play, and on and on through every activity of our life. Citizenship is not to be learned in good government classes or current events courses or lessons in civics. It is to be acquired only through those modes of living and acting which shall teach us how to grow the social consciousness. This should be the obj ect of all day school education, of all night school education, of all our supervised recreation, of all our family life, of our club life, of our civic life. (Follett, 1918, 363)

Group organisation, she argued, not only helps society in general, but also helps individuals to improve their lives. Groups provide enhanced power in society to voice individual opinion and improve the quality of life of group members. She suggested that through direct interaction with each other in a group for achieving their common goals, the members could fulfill themselves through the process of the organisation's development. Mary Parker Follett conceived in her leadership theory that genuine power is not "coercive" ("power over") but "coactive" ("power with"). True leaders, according to Follett's theory, "create group power, rather than expressing personal power."

Principles of Coordination

Mary P. Follett's four main principles of coordination are as follows :

1. Principle of Early Stage

   According to this principle, coordination must start at an early stage in the management process. It must start during the planning stage, so that best plans can be made and these plans can be implemented and all the related management functions can be performed successfully. Thus by initiating proper coordination the organisation will achieve all its objectives easily and quickly.

2. Principle of Continuity

   According to this principle, the process of coordination must begin when the organisation starts, and it must continue throughout the life of the organisation. Thus coordination must be a continuous process, not a one-time activity. Coordination must be done continuously during planning, organising, directing and controlling.

3. Principle of Direct Contact

   According to this principle, all managers must have a direct contact with

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their subordinates. This will result in good reciprocal relations between the manager and their subordinates. Direct contact helps to avoid misunderstandings, misinterpretations and disputes between managers and subordinates. It enables the managers to coordinate all the different activities of their subordinates effectively and efficiently.

4. Principle of Reciprocal Relations

The decisions and actions of one person or department will affect all other persons and departments in the organisation. The decisions and actions of all the people involved in an organisation and departments of the organisation are inter-related. Therefore, before taking any decision or action all managers must first find out the effect of that decision or action on other persons and departments in the organisation. This is called the 'Principle of Reciprocal Relations'. Co-ordination will be successful only if this principle is followed properly.

After Mary Parker Follett, modern management experts have added four more principles of coordination. These are as follows:-

5. Principle of Effective Communication

Co-ordination will be successful only in the presence of an effective communication. Good communication must be present between all departments, within employees themselves and even between managers and their subordinates. All communication barriers and gaps must be avoided and fixed to ensure effective coordination.

6. Principle of Mutual Respect

Coordination will be successful only if a situation of mutual respect exists throughout the organisation. All managers working at different layers must respect each other. Similarly, all employees must show a friendly attitude and should respect each other during interactions. There must also exist a feeling of fraternity among managers and employees. Without mutual respect, coordination may not survive.

7. Principle of Clarity of Objective

Co-ordination will be successful only if the organisation has set its clear objectives and clear understanding regarding the objectives. Clear objectives are easily and quickly achievable.

8. **Principle of Scalar Chain**

   Scalar Chain is a line of authority. This line joins all the members (managers and employees) from top to bottom. Every member down the apex must have an identifiable superior. The superior must also know who his subordinate is. Scalar Chain is necessary for good communication. Scalar Chain must not be broken in normal circumstances.

   However Follett failed to produce empirical evidence to support her views. Some concrete evidence became available from data collected in the series of Hawthorne studies.

1.5 Conclusion

The widely perceived view of human relations was said to be one that completely contradicted the traditional views of Taylorism. While the Scientific Management School tried to apply science to the workforce, the accepted definition of human relations suggested that management should treat workers as individuals, with individual needs. In doing so, employees were supposed to gain an identity, stability within their job and job satisfaction, which in turn would make them more willing to co-operate and contribute their efforts towards accomplishing organisational goals. The Human Relations movement supported the primacy of organisations to be attributed to natural human groupings, communication and leadership. However, the conventional depiction of the human relations 'school' of management, rising out of the limitations of scientific management is argued to be a profound distortion of events.

It has been argued that Elton Mayo's actual role in the human relations movement is controversial; some academics believe that the concept of human relations was used well before the Hawthorne investigations, which inspired the human relations movement. Taylor made important contributions to what inspires human motivation, even though his ultimate findings were somewhat different from the human relations movement.

Another name which has been attributed to pre-existing human relations ideas is that of Henry S Dennison, the onetime president of the Taylor Society, who linked Taylorist principles with human relation ideals thus creating a nexus between Taylorism and human relation thought. Dennison demonstrated an activist concern

both with the rationale and character of workers, and with the control and management undertaken by managers of the business enterprise.

The theoretical goals of human relations were mostly identical with those of Taylorism. In essence, both sought to make the workplace a more efficient and worker-friendly. Some specific goals and outcomes of each movement were different, but broadly speaking, both aimed to create a coherent group of individuals in the workplace.

1.6 Summary

In the early 1920s, a shift away from classical management theory took place as theorists began to consider the human side of an organization and the social needs of employees. In this lesson, students will learn about the evolution of the neoclassical theory of management and its two sources: the human relations movement and the behavioral management movement.

The human relations experts tried to integrate (combine) Psychology and Sociology with Management. According to them, organisation is a social system of interpersonal and intergroup relationships. They gave importance to the management of people. They felt that management can get the work done from the workers by satisfying their social and psychological needs. Important theoretical advancements in the human relations approach include the famous Hawthorne experiments conducted by Elton Mayo, Chester Barnard's cooperative system etc.

The neoclassical theory encompasses approaches and theories that focus on the human side of an organisation. The human relations movement arose from the work of several sociologists and social physiologists who concerned themselves with how people relate and interact within a group. The behavioral movement came from various psychologists who focused on the individual behavior of employees. The work of these various sociologists and psychologists influenced management thought.

1.7 References

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1.8 Sample Questions

1. Critically examine the context of origin of the Human Relations Movement.

2. Discuss the anti-Taylorism conceptual orientation of the Human Relations school.

3. Examine the contribution of Elton Mayo in developing the human relations approach.

4. Write a critical note on the Hawthorne effect.

5. Explain Chester Bernard's 'Acceptance theory to authority'.

6. How did Chester Bernard describe communication system of an organization?

7. How, in Chester Bernard's opinion, formal and informal organizations operate?

8. Evaluate Mary P. Follett's concept of power and management.

9. Explain Mary Parker Follett's view on coordination.

10. Discuss Mary Parker Follet's concept regarding 'new democracy'.

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Unit 2 ❑ BEHAVIOURAL APPROACH TO MANAGEMENT : HERBERT SIMON

Structure

2.1 Objectives

Behavioural Management Theory emerged in response to the need to account for employee behaviour and motivation. Behavioural management theory shifted the approach to management from a production orientation to a leadership style, which focused on the job satisfaction of the workers and on their human need and good working conditions.

The objective of this content is to make the students able to grasp the underlying concept of Behavioral management theory.

After studying this unit, students should be able to:

Explore the significance of interactions and motivations of the individual within organizations, as focused by the concept of Behavioural Approach;

Compare and contrast the central concepts that define a classical organizational-theory approach and a behavioral perspective.

Explain the limitations of Behavioural Approach

2.2 Introduction to Behavioural Approach to Management

The classical perspective of management emerged following the Industrial Revolution and focused on the efficiency, productivity, and output of employees and of the organization as a whole. Scientific management theory, which was first introduced by Frederick Winslow Taylor, focused on production efficiency and productivity of employees. Another pioneer in the classical perspective of management. Max Weber, created the bureaucracy theory of management, which focused on efficiency and specific roles of managerial people in an organization; he described in this context, the role of bureaucracy in running the administration of the state. Henri Fayol, another leader in classical management theory, looked at it from a managerial perspective-i.e., he focused on improving management efficiency rather than on improving each individual employee's efficiency.

Classical approach did not focus on human or behavioral attributes or did not take into account variation among employees. The classical perspective of management was criticized for ignoring human desires and needs in the workplace.

The behavioural perspective of management approached productivity and efficiency factors quite differently. It considered the employee in terms of his motivation to work. It related motivation to one's psychological development in, and interaction with, a social environment. Classical Management principles could not meet up the contemporary needs of the situations, mainly due to its failure to explain the motivation and behavior of individual employees. As a result, the behavioral school came out with a revolutionary management approach as a natural outgrowth of this condition.

The behavioral management theory is often identified as the human relations movement because it addresses the human dimension of work. Behavioral theorists believed that a better understanding of human motivation, conflict, expectations, and group dynamics would affect productivity. The behavioural theorists who contributed to this school viewed employees as individuals, resources, and assets to be developed and worked with-not as machines, as was done by the classical theorists. Several individuals and experiments contributed to this theory. Behavioral management theory relied on the notion that as soon as the managers would be able to understand the human aspect to workers and would start treating employees as important assets to achieve organisation's goals, productivity would increase.

In opposition to the views of the classical theorists the Human Relations School focused on the individuals'(employees') behaviour, cognitive decision making process

and nature of authority in organization; informal, interpersonal relationship, group dynamics and communication pattern were also in the focal point of the Human Relations school.

The Behavioural School looked at human motivation and social environment in which these organizations needed to work. They studied behavior of the individuals in the organization and the effect of such behaviour on organizational performance. The main contributors to Behavioural School were Psychologists and sociologists.

The Human Relations School and Behavioural School have many things in common. These are:

1. Both focus on motivation of people.

2. Both emphasise on clarity of communication.

3. Both have a focus on interpersonal relationship.

4. Both highlight individual and group behavior.

They have multiple differences too, which are as follows:

The human relations approach neglected behavioural pattern of groups. Behavioural approach begins with the premise that man is a social animal and therefore he is greatly influenced by others' thoughts and beliefs; thus it is the group that sets the pattern of human behaviour. According to Behavioural approach, it is necessary to study the organisational behaviour as a whole, involving the study of the attitude, behaviour and performance of both individuals and groups in organisational setting. This made Behavioural Approach to Management more improved and modern approach.

2.3 Origin of Behavioural Approach to Management

Behavioural approach has evolved gradually over many years. Advocates of the behavioral approach to management point out that people deserve to be the central focus of organized activity. They believe that successful management depends largely on a manager's ability to understand and work with people who have a variety of backgrounds, interests, needs, perceptions, and aspirations. This marked the progress of the behavioural approach through the route of human relations movement.

The human relations movement was a concerted effort among theorists and practitioners to make managers more sensitive to their employees' needs. It came into being as a result of special circumstances that occurred during the first half of

the twentieth century. From the late 1800s to the 1920s, American industry grew by leaps and bounds as it attempted to satisfy the many demands of a rapidly growing population. Cheap immigrant labor was readily available, and there was a seller's market for finished goods. Following the period of industrial boom, America witnessed the Great Depression in the 1930s. Many held management as responsible for the depression, and public sympathy swung from management to labor. Congress consequently enacted the Wagner Act of 1935 legalising union-management collective bargaining. Management began searching for ways to come out from the situation. Early human relations theory proposed that satisfied employees would be less inclined to join unions. Business managers subsequently began adopting morale-boosting human relations techniques as a mechanism to cope up with threat of unions.

As the sociopolitical climate changed, a second development in industry took place. Behavioral scientists from prestigious universities began to conduct on-the-job behavior studies. Instead of studying tools and techniques in the scientific management tradition, they focused on people. Practical behavioral research such as the famous Hawthorne studies stirred management's interest in the psychological and sociological dynamics of the workplace.

By 1932, when the Hawthorne studies ended, more than 20,000 employees had participated in one way or another. After extensive interviewing of the subjects, it became clear to researchers that productivity was much less affected by changes in work conditions than by the attitudes of the workers themselves. Specifically, relationships between members of a work group and between workers and their supervisors were found to be more significant. Hawthorne studies can be credited with turning management theorists away from the simplistic "economic man" model to a more humanistic and realistic view, the "social man" model. Mayo urged managers to adopt work strategies that would foster personal and Subjective satisfaction. He called for a new social order designed to stimulate individual cooperation.

Mary Parker Follett's experience as a management consultant and her background in law, political science, and philosophy convinced her that managers should be aware that each employee is a complex collection of emotions, beliefs, attitudes, and habits. She believed managers had to recognize the individual's motivating desires if they wanted to get employees to work harder. A third philosophical rallying point for industrial humanism was provided by an American scholar named Douglas McGregor. In his 1960 classic, *The Human Side of Enterprise*, McGregor outlined a set of highly optimistic assumptions about human nature. McGregor viewed the

typical employee as an energetic and creative individual who could achieve great things if given the opportunity. He labeled the set of assumptions for this optimistic perspective of Theory Y.

The Second World War prompted a shift the field, as it turned its attention to large-scale logistics and operations research. There was a renewed interest in rationalist approaches to the study of organizations. Herbert Simon, James G. March, and the so-called "Carnegie School" conducted influential research on organizational behaviour.

Chester Barnard was one of the most prominent behavioral theorists of organization. Chester Barnard stressed the influence of psychological and social factors on organization effectiveness. Chester Barnard recognised that individuals behave differently when acting in their organizational role than when acting separately from the organization. Researchers on organizational behaviour studied the behavior of individuals primarily in their organizational roles. Barnard's theories were further developed by Herbert A. Simon in his book Administrative Behavior.

2.4 Behavioural Approach to Management

The behavioural approach viewed the organisation as a social organism. It was termed as behavioural sciences approach because it adopted a multi-dimensional and inter-disciplinary study of employees' behaviour applying principles from behavioural sciences like psychology, sociology and anthropology. The objective was not only to study, but to predict the future behaviour of employees. Motivation, leadership, communication, group dynamics and participative management were inbuilt in this approach, as means of securing better employee performance and to attain the goals of the organisation. Several sociologists and psychologists like Abraham H. Maslow, Douglass McGregor, Frederic Herzberg, Chris Argyris etc. contributed towards the development and enrichment of this approach.

The main propositions of behavioural science approach can be summarised as under

- An organisation is a socio-technical system.
- Interpersonal or group behaviour of people in the organisation is influenced by a variety of extraneous and internal factors.
- The goals of the organisation are to be adjusted with an understanding of the human needs.

- Multitude of attitudes, perceptions and values prevalent amongst employees characterise their behaviour and influence their performance.

- Some degree of conflict is inevitable in the organization and this must be taken into account while assessing the performance of the employees.

The behavioural approach recognises the quality of leadership as a determining factor in the success of management. It focuses on group relationship and recognises the role of individual psychology and group behaviour in organisational effectiveness. It is thus an improved version of human relations approach.
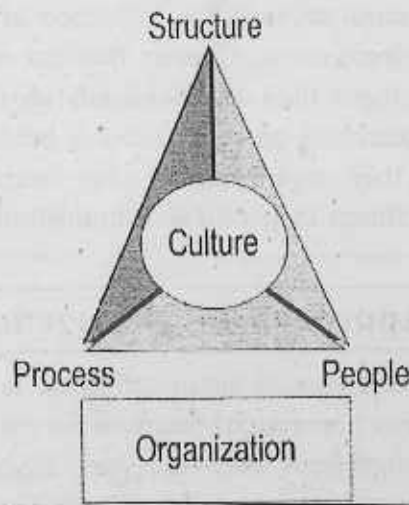
This illustration demonstrates the way in which individuals and culture behaves in the context of the process and structure to develop organizations.

2.4.1 Herbert Simon

Herbert Simon is recognized as one of the founding fathers of important scientific domains and the most renowned figure of the twentieth century. Apart from being the key researcher in the field of science, he is also recognized as an economist, a professor, a sociologist and a psychologist. His works contributed to the field of management literature, economics, cognitive psychology and artificial intelligence. He worked as a professor for 52 years at Carnegie Mellon university. Herbert Simon was inspired by M. P. Follett's concept of 'Group Dynamics', Elton Mayo's 'Human Relations Approach', and Bernard's 'Function of the Executive'. Herbert Simon is acclaimed highly for his innovative ideas, intelligence and personality. This academic scholar and Nobel Prize winner presented human decision making concepts in dynamic environments. Herbert Simon is pioneering scholar in the field

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of the decision making in organizations. He was awarded the Nobel Memorial Prize in Economics for his most important work, the decision making process of the organizations.

Herbert Simon's book, *Administrative Behavior*, provides numerous and important contributions, for e.g., the psychology of administrative behaviour, the role of authority, the criterion of efficiency, loyalties and organisation identification, reorganization, etc. Among them, "bounded rationality", "communication", and "authority" captured biggest attention and appreciation.

Simon relies on Barnard and advances the science of administration. Simon used Bernard's earlier work as framework, and developed more relevant concepts and a more precise vocabulary. Simon realised that it is not possible to build an adequate theory of human behavior unless an appropriate unit of analysis is developed. A noticeable feature of Simon's book is that he used decision premises, instead of the whole decision, as the unit of his analysis. The book highlighted as to how organizations can be understood in terms of their decision process, and the analysis of administrative behavior in each case can be finalized on decision premises, i.e., how behavior is influenced by decision premises, how the premises in turn can be modified by the behavior, and how organisation structure can influence the decision premises of individuals within it, so that decisions carried out by individuals becomes consistent with the organisational objectives.

In his book *Administrative Behavior: A Study of Decision Making Processes in Administrative Organisations*, he made a very remarkable statement that decision making is the heart of administration. According to Simon, an organisation is a decision-making structure; therefore, administrative theory should primarily focus on the process of decision making and of action. Simon believed that decision making should revolve around alternative plans of action. He added further that the logic and psychology of human choice determine the administrative decision-making. According to Simon, decision-making involves three major steps. At the first instance, the administrator needs to consider the surrounding universal and organizational environment; second stage begins as and when the administrator realises that the prevailing condition requires action and thus he starts appreciating every possible alternative course of action and at the final stage the administrator chooses one of the alternative courses of action, using all his rational thought process. The entire premise of Simon's decision-making theory sounds simplistic, but is extremely complex and is based on the logical rational action mode. His proposition about rationality is to be understood within the particular context of the administrative decision making.

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Simon distinguished between facts and values and suggested that administrator must take his decision keeping aside value judgements, as practicably as possible. He opined that each decision entails selection of goals and relevant behavior; administrator employs rationality to connect means and ends. According to Simon's administrative behavior theory, once decisions are taken for implementation of goals, it can be said that value judgments is being converted into factual judgment.

Thus in Simon's work, rationality becomes a variable and he was aware of the limitations of human rationality; he knew that human rationality is not static but depend on the environment of the organisation in which the decisions are taken. According to Simon, the task of the administration should be to design such an environment in which the individual approach becomes as rational as practicably possible.

To understand the concept, three important elements of the concept require special attention:

✓ The Economic Man

✓ The Administrative Man

✓ Organizational Perspective

In an organisation the decisions are made on empirical and normative elements; these premises can also be called the factual or the value premises. The factual premise is based on the information and knowledge regarding the organization and its environment. The value premises on the other hand are the morals and legal constraints.

The Economic Man relates itself to the ideal and rational model of decision making. A rational decision is to choose those alternatives which are appropriate to reach the desired end. Organisational hierarchy is concerned with establishing connection between means and ends of the organisation.

The Administrative man depicts the objective rationality, determining whether the selected alternative's course of action is good enough. He adopts the rational decision making process in which individuals clearly define the problem, generate and evaluate all alternative solutions and select the best approach before implementing it. The administrative man's approach to the world is simplistic and would take into account only a few most relevant and critical factors unlike the economic man for whom knowing all the alternatives and its consequences is a complex task. Their perspective is critical to the existing principles of administration which were:

- Specialization
- Hierarchy
- Span of control

Simon argued that the applicability and validity of administrative principles needs to be tasted on an underlying understanding of administrative decision making. According to Simon, these 'proverb' like principles are inconsistent and often contradictory to each other. Simon identified five mechanisms, manifestation of which can influence the performance of an organization. These are:

1. Authority - It is defined as the decision making power which in turn guides the actions of other people. This kind of relational transaction happens in case of a superior and a subordinate in the organization.

2. Communication - It comprises of both the formal and informal communication in an organization.

3. Training - This is to enable individuals to reach satisfactory decisions without constant authority and guidance. This can be both pre service (educational qualification) and in service (day to day supervision at work).

4. The Criterion of Efficiency - This basically suggests that out of two alternatives which would bear same cost, the one which shall attain more organisational goals should be chosen and if the two alternatives are achieving the same degree of organisational objectives, then the one which does so in lesser cost should be chosen.

5. Organisational Identification and Loyalty - An organisation consists of several groups and a person thinks himself to be part of group when in the process of evaluating alternatives he/she weighs the option in terms of its consequences on the entire group.

Simon defines an "organisation" as a "complex pattern of communication and relationships in a group of human beings". It provides each member much of the information and many of the assumptions, goals, and attitudes that enter into his decision. Such pattern can be changed once beliefs and attitudes are modified by changing the flow of communication. Simon pointed out that organisation is important, because, by structuring communications, it determines the environment of information in which decisions are taken. It's not hard to see the importance of communication to an organization, in which it serves the roles, which is far more than "coordination". Strategically, communication can help to attain lower-order requirements of common knowledge. The purpose of communication is to modify the decision premises of

other members of organisation, so that the difference between personal goal and "organization goal" becomes manifest.

Simon suggested that decision-making involves a choice selected from a number of alternatives, directed toward an organisational goal. Realistic options were defined as having real consequences consisting of personnel actions or non-actions modified by environmental facts and values. In practice, some of the alternatives may be conscious or unconscious; some of the consequences may be unintended as well as intended and some of the means and ends may be imperfectly differentiated, incompletely related, or poorly detailed. The task of rational decision making is to select the alternative that results in the more preferred set of all the possible consequences. This task may be divided into three required steps:

(i) the identification and listing of all the alternatives;

(ii) the determination of all the consequences resulting from each of the alternatives; and

(iii) the comparison of the accuracy and efficiency of each of these sets of consequences.

Any given individual or organization attempting to implement this model in a real situation would be unable to comply with the three requirements. It is highly improbable that one could know all the alternatives, or all the consequences that follow each alternative.

The human being striving for rationality and restricted within the limits of his knowledge has developed some working procedures that partially overcome these difficulties. These procedures consist in assuming that he can isolate from the rest of the world a closed system containing a limited number of variables and a limited range of consequences. Given the inevitable limits on rational decision making, a person or organization seeks to achieve approximately the best result, using 'bounded rationality'.

The term, bounded rationality, is used to designate rational choice that takes into account the cognitive limitations of both knowledge and cognitive capacity. Bounded rationality is a central theme in behavioral economics. It is concerned with the ways in which the actual decision-making process influences decisions.

According to Simon, the decision making within an organisation is a complex process which is influenced by several factors. Simon examined the vastness and complexity of the decision making process in the context of administrative organizations and economy and then pointed out that people decide rationally only

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in a limited number of situations. Decision makers make choices according to their interpretation of the situation which is often a simplification. Rationality is "bounded", e.g. managers seldom have access to all relevant information and must rely on a 'strategy of satisfying', that is to make the best decision on limited information. They choose the first opportunity that seems satisfactory rather than seeking the best solution. Simon contended that human rationality is limited because

- information is incomplete, imperfect or even misleading;
- problems are complex;
- human information processing is limited;
- time spent on decision making is limited;
- decision makers often have conflicting preferences for certain organisational goals.

Organisations, themselves, act with "boundaries". Organisational boundaries make its members to focus and act without rethinking for each action. Simon saw individuals as information processing entities, wherein uncertainty comes from a lack of information. Simon felt that depending on the circumstances, i.e. the complexity of the problem, the ambiguity of the decision making process and the number of decision makers, decision makers need to rely on behavioural decision making approach, than merely being more rational. Simon made it clear from the very beginning of the book that the central concern of administrative theory is with the boundary between the rational and the non-rational aspects of human social behaviour. He defined the principle of bounded rationality on the basis of the assumption that the capacity of the human mind for formulating and solving complex problems is very limited as compared with the size of the problems whose solution is required. Thus, he replaced the maximizing goal of choice with the goal of satisficing; that is instead of making the utility-maximizing choice, attempt should be to "satisfice". The choice problem under bounded rationality need detailed analysis of psychology. This, perhaps, makes organization theory a inter-disciplinary science involving economics, politics, law, psychology and sociology.

2.5 Conclusion

Behavioral approach included relational sciences that deal with relationships, interaction, communication networks, associations, and relational strategies or dynamics between organisms or cognitive entities in a social system. The emphasis on using quantitative data and qualitative research methods to determine how people

process information and understand social relationships is important to help managers better comprehend about the factors related to employees' motivation and employees' productivity. The behavioral-science approach encompasses the most common study of management science today.

The primary application of the behavioral-science approach can be seen in the field of organisational development. Organisational development is an ongoing, systematic process of implementing effective organisational change. Organisational development is considered both a field of applied behavioral science that focuses on understanding and managing organisational change as well as a field of scientific study and inquiry. It uses components of behavioral sciences and studies in the fields of sociology, psychology, and theories of motivation, learning, and personality to implement effective organisational change and aid in the development of employees.

Simon's book provided a starting hand book for administration science, as he developed a set of concepts and structure to approach and analyse the organisational problems. The centerpiece of this book is the behavioral and cognitive processes of making rational human choices, that is, decisions. *Administrative Behavior*, as a text, addresses a wide range of human behaviors, cognitive abilities, management techniques, personnel policies, training goals and procedures, specialized roles, criteria for evaluation of accuracy and efficiency, and all of the ramifications of communication processes. Simon was particularly interested in how these factors directly and indirectly influence the making of decisions.

2.6 Summary

Behavioral approach depended on a number of different fields and theories, primarily those of psychology, social neuroscience, and cognitive science. Multiple researches were done and the scientific methods were used to determine and understand behavior in the workplace. One of the pioneer of behavioural approach was Herbert Simon. Simon was primarily interested in seeking identification of the individual employee with the organizational goals and values. Following Lasswell, he suggested that a person may identify himself with any number of social, geographic, economic, racial, religious, familial, educational, gender, political, and sports groups. The fundamental problem for organisations is to recognise the personal and group identifications. A specific organization has to determine deliberately, and specify in appropriate detail and with full clarity its own goals, objectives, means, ends, and values. Simon's contributions to research in the area of

administrative decision-making have become increasingly mainstream in the business community.

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2.8 Sample Questions

1. Critically examine the origin of Behavioural Approach to Management.

2. Discuss the Behavioural Approach to management.

3. Examine the contribution of Herbert Simon in developing the Behavioural Approach to management.

4. Write a critical note on Herbert Simon's Decision Making model .

5. What did Simon mean by 'bounded rationality?

6. 'According to Simon, the decision making within an organisation is a complex process'—explain.

7. What, according to Simon, is the role of communication in an organisation?

8. What, in Simon's view influence performance of the organization?

9. Critically evaluate the relevance of Behavioural approach in contemporary management.

10. Analyse the propositions of the Behavioural approach to management.

2.9 Select Readings

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Unit 3 ❑ DEVELOPMENT ADMINISTRATION — F. RIGGS

Structure

3.1 Objectives

Most theorists of public administration take for granted a pattern of organisation that is not in fact universal but flourishes only in those countries that may be considered relatively advanced. They scarcely note that the relevance of their doctrines depends on the prior existence of formal organisations. Administrative aspects, it is argued, cannot be explained and analysed in their abstract forms. Therefore, an attempt is made to understand the socio-cultural and administrative factors and thus emerged the concept of developmet administration. Development Administration is not merely interested in economic growth. Rather, its objective is economic growth with social justice. It works for the purposes of a social order based on the principles of equity, justice, freedom.

Objectives of this study content is to

- discuss the meaning of Development Administration;

- distinguish between traditional and Development Administration;
- trace the evolution of Development Administration; and
- highlight its features.

3.2 Introduction

The term development, according to Oxford English Dictionary signifies 'the process of developing or being developed. It is a specified state of growth or advancement or an event constituting a new stage in a changing situation.

The traditional approach towards administration has certain limitations in its scope and premise. It is restricted by strict adherence to the rules and hierarchy. Development Administration is about programmes and policies, concepts and ideas, administrative values and orientation, which are focused towards development of a nation, with the point of view of socio-economic and socio-political development of society in general, carried out by people-oriented and skilled bureaucrats. Under the scheme of development administration, the bureaucracy is that arm of government which is responsible for executing plans and allocating resources at the grassroots; in doing so they must be ready to take some risks and be innovative in approach, especially more so when the nation is a developing one. Thus development administration must reject status quo and be directed towards change and be more result or goal oriented. It is dynamic in approach and encourages new and better ways to achieve objectives. It should focus on planning for the people as well as with the people. It is people-centered, designed to empower society as a whole and not product or profit-centered.

The essence of Development Administration is to bring about change through integrated, organised and properly directed governmental action. In the recent past the governments in most of the developing nations have shifted their focus on development by means of planned change and people's participation. The growing welfare functions of the government have brought into limelight the limitations of the traditional theory of administration. Focus is, now more on the capacity of the government to bring about change in the structure and behaviour of different administrative institutions, to develop adaptability to the change by individuals, institutions and the government bodies. Thus the study of Development Administration with a focus on its meaning, features and genesis assumes importance.

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3.3 Meaning of Development Administration

Development administration, as pointed out by Fred Riggs, is the administration of development programs to the methods used by large scale organizations, notably government, to implement policies and plans designed to meet developmental objectives. Development administration can be referred as a concern with creation, maintenance and strengthening of the organisation and administration. It has also been defined as action oriented, goal oriented, change oriented effort, which is concerned with plans, policies, programmes and projects, having focus on nation building and socio-economic development. It aims to achieve socio-economic goals through the talents and expertise of bureaucrats. Development Administration should focus on "planning with people" rather than "planning for people". It should be people-centered rather than production-centered, which means not maximizing production, goods and services but addressing the needs of people, to them empower.

There is no uniform definition of Development Administration which is agreeable to all. However, certain basic features and characteristics of Development Administration can be highlighted in order to understand the meaning and concept of development administration. Development is integral to the aims and activities of the government especially in the developing countries. There is severe scarcity of resources, both human and material, in these counties. Optimum utilisation of available means and augmentation of new means assumes a great challenge in these countries. Development Administration thus becomes a means through which the government brings quantitative and qualitative changes in a developing economy. Though Weidner is said to be the first to conceptually explain the definition of development administration, many other scholars, like Riggs, Ferrel Heady, Montgomary, Gant, Pai Panandikar have attempted to define the term in their own ways. However, accepted definition and meaning of the term is that Development Administration is an effort towards planned transformation of the economy involving not only the sphere of administration but also formulation of policies and indeed the society as a whole. It is an effort at the synchronisation of changes in all spheres of development-economic, political, social and cultural. The State plays a leading role in bringing about development through its administrative system. Thus Development Administration is simply action-oriented and places the administration at the centre in order to facilitate the attainment of development objectives.

Thus Development Administration involves two steps:

(1) the bureaucratic process that initiates and facilitates socio-economic progress by making the optimum use of talents and expertise available; and

(2) mobilisation of administrative skills so as to speed up the development process.

It plays a central role in carrying out planned change i.e. it is concerned with planning, co-ordination, implementation, control, monitoring and evaluation of plans and programmes. It is not only concerned with the application of policies as determined by the political representatives in existing situation but also with introducing efforts to modify existing situations so as to serve the cause of the people.

3.4 Genesis of Development Administration

After the Second World War, the newly-independent nations, which came out from imperial exploitation, embarked upon a complex process of nation building and rapid social reconstruction; poverty, illiteracy, disease, low levels of agricultural and industrial productivity posed a tremendous challenge of development to the governments of these new nations. The concept to Development Administration was almost exclusively being used with reference to the developing nations of Asia, Africa & Latin America. The idea of development administration as a direct state engineered effort to intervene in the processes of socio-economic transformation was therefore following decolonization.

After independence of these nations from the imperialist foreign rule, indigenous people were confronted with the problems of unemployment, poverty, squalor, hunger and disease. There was scarcity of both material and human resources and progress in industrial and agricultural fields was also nominal. Moreover, the private entrepreneurs of these nations were not ready to take up the tasks of development. Thus the governments of these nations had to shoulder the responsibility of bringing about integrated development through a process of comprehensive and uniform planning. The goals before the nation builders were those related to modernisation, industrialisation, self-reliance, social justice and economic growth. It was realised that the western concept of development and the ways to achieve development could not be applied to developing countries like India.

The western countries had already achieved a certain level of development, had a strong bureaucracy, their problems were different and their resources were abundant. The western models of development were not conducive to the social, economic, political and cultural milieu of countries of Asia, Africa and Latin America. Thus a different kind of administrative system suitable for the needs of these countries was to be designed, establishing a certain definite relationship between the environment

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and administration. The realities of these countries called for the adoption and execution of new approaches of change. This realisation led to the emergence of the concept of development administration. The demands of equity and justice called for redesigning administrative efforts relevant to the newly independent countries. Hence, development administration came as a holistic term inclusive of all elements - economic, social, cultural and political. Thus it was defined as a process.

3.5 Concept of Development Administration— A New Thrust

The concept of Development Administration has almost exclusively been used with reference to the developing nations of Asia, Africa & Latin America. Understood in this sense, development administration includes the entire process of nation building, particularly in the developing states of the world.

Development Administration refers to organised efforts to carry out programmes or projects thought by those involved to serve developmental objectives. The phrase arises by simple analogy with such expressions as administration for agricultural, educational, socio-cultural development and social welfare, each of which involves organised efforts to implement respective programmes. However the word "development" carries more elusive meanings than such familiar programmatic expressions. Development, in terms of developing nations means more than mere economic growth, the increased production of capital and consumer goods, for these countries the demand for increase in gross national product is overriding and claims top priority. The essential idea of development lies in this increased ability of human societies to shape their physical, human and cultural environments. In other words, from the urge for development they learn to make collective decisions, to formulate proposals for social action, and to implement programs already agreed upon.

Broadly speaking, there are two schools of thought with regard to definition and scope of development administration. Among that the important school of thought which is represented by Lucian Pye, Fred W. Riggs and Weidner, used the term development administration in a broader sense. According to it development administration refers to the process of guiding an organisation towards the achievement of progressive political, economic and social objectives, authoritatively determined in one manner or another. Understood in this sense, development administration would include the entire process of nation building, particularly in the developing states of the world. In this connotation development administration becomes an integrated concept for the study of public administration. In short, it may be said that development administration is essentially a concept of administration which is action

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oriented rather than structure oriented. While it involves the study of a traditional and routine type of administration, it is more concerned with the dynamics of an administrative system with a view to judging its capacities as an instrument of planning and execution.

The concept of Development Administration should be understood keeping in mind two interconnected concepts - Administration of Development and Administrative Development.

Administration of development involves following objectives:

➤ Innovation at all levels of planning.

➤ Importance to the development at grassroots level.

➤ Development of human capital as a resource.

Politics and administration must go hand in hand to establish rapid change in society and bring about just and distinct social order. Freedom of administrative machinery to express ideas, views for the most effective and efficient use of natural resources is essential for such administration. For effective Development Administration the structure of Administration itself must be empowered, large and capable enough to sustain the pressures by the developmental activities. In simpler words it means to develop administrative health by rationalisation and institution building and bringing about a radical change in the administrative framework, transformation from the traditionalist approach, to handle and create socio-economic and political development and social change.

In essence the objective of Administrative development can be summarized as:

✓ building decision making capabilities,

✓ development of skill and specialization to tackle complex issues in the personnel,

✓ giving importance to training,

✓ effective use of technology to bring about change in administrative approach,

✓ increasing administrative capacity, capabilities,

✓ removing corruption and bringing in more accountability,

✓ creating leaders out of bureaucrats for promotion of development initiatives.

To achieve development goals it is necessary to have proper planning, optimum utilization of resources, skilled personnel, accountability in actions and words,

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selfreliance and emphasis on technology. At the same time, there must have the scope for bureaucracy to act with innovativeness, integrity and the bureaucracy must be equipped with the power of decentralised decision making.

So, Administrative development and Administration of Development both are important for the effective development of Society and are two sides of the same coin of development.

To grasp the essence of development administration it is necessary to distinguish it from traditional administration.

1. Traditional administration has been visualised as one concerned with fulfilling all the legal requirements and statutory formalities of governmental operations and maintenance of social stability and to go by rules and regulations. Traditional administration confines itself to the maintenance of law and order, collection of revenues and regulation of national life in accordance with the statutory requirements. The administration in newly emergent nations requires transformation from law and order values to developmental values. The qualitative goals of development administration i.e. planning for the people, by the people's support distinguish it from the narrow look of traditional administration; traditional administration highlights quantitative goals, confining itself to implementing rules.

2. Further development administration is not a closed system; the linkages with experts, relationships with the grassroots level and with the people make it open. Under development administration local units of administration are more important than Central structures, contrary to traditional administration.

3. Though there are technical and behavioural techniques common to all forms of management, in development administration, external relations have to be optimised.

4. As opposite to traditional administration, development administration IS concerned with attitudes and processes rather than procedures and structure.

The maintenance of law and order is a prime function of both and is basic to development, but development administration does not keep itself confined to this single goal for maintaining status quo. Along with traditional functions relating to the provision of essential communications and educational facilities, maintenance of law and order and the maintenance of judicial and diplomatic systems, development administration has assumed the responsibility of formulating and implementing various development and welfare functions because of growing complexities of

administration and aspirations of people. Thus the vision of development administration is wider, broader, participative, innovative and change-oriented.

Structurally Development Administration is concerned with the organization of new agencies for development or refashioning of established agencies. The internal organizations with authority structure and hierarchy engaged in development tasks have also to be differently conceived. The emergence of the new nations out of colonial administrative framework and their urgent need for rapid socio-economic reconstruction necessitated a radical change in government organization and procedures. It was in this historical context that a new administrative thrust called development administration arose. The colonial legacy of routine administration was found unsuitable for the accomplishment of nation building tasks and programmatic goal achievement like agricultural and industrial development, removal of socio-economic inequalities, etc. Revenue collection, export of raw material, providing essential public services and law and order were the prime concerns of colonial administration. Conventional administration was centralised, authoritarian, unaccountable and unresponsive to the people. But participative, responsive and accountable management constitutes the essence of development administration. It has been mentioned that Development Administration is characterised by its purposes, its loyalties and its attitudes.

3.6 Features of Development Administration

There are certain distinct features of Development Administration:

1. Change Orientation

The first and foremost element of development administration is its change orientation. Change forms part of philosophic values of development administration. Development administration seeks to establish a new social order in which growth and distributive justice coexist. For Pai Panandikar the central theme of development administration is socioeconomic and political change. Development administration cannot be stagnant. No development can take place unless and until it introduces certain positive changes in a system. Changes such as structural reorganisation of administration, innovative programme to increase production, elimination of unemployment, poverty etc., new schemes to improve employer-employee relations must form a part of development administration.

2. Goal Orientation

Developing countries are facing the problems of poverty, injustice, unequal distribution of wealth, lopsided agricultural growth, underdeveloped technology etc. These colossal issues need to be addressed systematically by fixation of priorities and goals. Development administration is the means through which the goals of development viz., social justice, modernisation, industrialisation and economic growth can be attained.

3. Innovative Administration

Development Administration focuses on replacing or reshaping the existing governing structures and norms with the ones that suit the changing political and social environment. In other words Development Administration is one that is dynamic and progressive in thought and action. It is interested in identifying and applying new structures, methods, procedures, techniques, policies, planning projects and programmes. Thus Development Administration has to be innovative enough in order to realise the predetermined objectives of development. IRDP (Integrated Rural Development Programme), TRYSEM (Training RuralYouth for Self Employment), NREP (National Rural Employment Programme),DWACRA (Development of Women and Children in Rural Areas), Tribal Development Programmes etc. are the classic examples of innovativeness on part of the Indian administration. These innovative pragrammes broadly aim at amelioration of unemployment, creation of job opportunities and elimination of poverty. Some development agencies like the District Rural Development Agency, District Planning Cells, State Planning Boards, Cooperatives etc. are working for achieving the goals of development and in doing so they are trying to make Indian administration responsive to the needs of people, following the ideas of good governance.

4. Client-Oriented Administration

Development administration is positively oriented towards meeting the needs of the specific target groups, like small and marginal farmers of landless agricultural labourers and rural artisans in India. The socio-cultural and politico-economic progress of these sections forms the essential basis of performance appraisal of developmentadministrators. The programmes, policies and activities of development administration aimed at the satisfaction of the needs of people.

5. Participation-Oriented Administration

Development administration accepts for its purposes the principle of associative and participative system of administration. Here, people are not treated as mere

passive recipients of benefits or goods and services, as it is being done under centralized administration. They are taken as active participants in the formulation and execution of development plans, policies and programmes, because it has been admitted that decentralization and people's participation are the best means to address people's issues in vast multinational countries with heterogeneous groups of people, so as to take cognizance of local problems in a realistic frame and to process for optimum utilization of local initiatives, energies and resources. Hence, effective formulation of programmes and their implementation with the help and association of the local people is now a well recognised principle of administration. In the context of development administration of India, the involvement of Panchayati Raj institutions in planning and administration has found renewed support in the development strategy of India.

6. Effective Co-ordination

The urge for increasing specialisation and professionalization Development Administration, has led to the increase in the number of agencies and organisations involved in development tasks. In order to have the maximum benefit of this newly emergent administrative system, co-ordination between various administrative units and activities is essential, so as to reduce administrative lag.

7. Ecological Perspective

Environment sets forth the operative parameters of Development Administration. It requires flexibility and responsiveness in administrative actions and methods. The changes in administration affect its environment and changes in environment also have its impact on administration.

Development Administration refers not only to a government's efforts to carry out programms designed to reshape its physical, human and cultural environment, but also to the struggle to enlarge a government's capacity to engage in such programmes. From a developmental point of view then the capacity of a government to make and carry out decisions designed to change its environment is itself a variable. All governments cannot exhibit equal capabilities in terms of development activities. Clearly, a burden one government can shoulder with ease, may become out of the limit of the capacities of another. Hence political, economic and organizational contexts of administrative development determine the success of development administration.

Political context

The legislative bodies, courts, political parties, private organizations and the

average citizen play an important part in shaping and reshaping and in determining the success or failure of governmental programmes. Among these the public bureaucracy is the main instrument of all governments to implement development programmes. The state bureaucracy can be defined as a hierarchy of all offices under the formal authority of the head of state in any polity. Effectiveness of a government depends much on the performance of its public officials. The bureaucrats in developing countries often exercise political functions, which they are not supposed to do and in doing so the bureaucrats often tend to abuse their power, going beyond their responsibilities to perform administrative functions, which have only administrative consequences for the polity. Riggs showed that the administrative and managerial doctrines which have proved their usefulness in United State and other Western politics are of limited utility in many non-Western countries, where an imbalance exists between the power of bureaucracy and the power exercised by constitutive systems. In other words the administrative principles that may be helpful in bringing about some improvement in administrative performance in balanced politics may further undermine administrative performance in unbalanced politics. In these systems priority needs to be given to efforts to achieve balance, either by strengthening the constitutive system or the bureaucracy depending on the relative power of these key institutions. According to Riggs, to the extent that the distribution of power between bureaucracy and constitutive system is balanced in any of the countries, traditional administrative ideas are expected to be relatively helpful and relevant to them. Riggs believed that the idea of a balanced political system is not equivalent with the idea of a democracy. Indeed, it is quite possible for a one-party dictatorship whether under communist ideology or not to achieve a form of balance. A party dominated constitutive system can share power with an official bureaucracy. According to Riggs the administrative doctrines are relevant to the needs of these governments as well as to those which are democratic. There are some of the less developed countries where conditions exist which makes it possible to introduce improved administrative practices and where democratic values can simultaneously be strengthened.

The Economic Context

The salary system of the public employees not only provide an inducement to public officials to work effectively but also makes it possible, by the threat of withdrawal to impose constraints on administrator. The existence of a salary system

that is a system in which wages paid are adequate to cover living expenses is a necessary prerequisite for the relevance of established administrative doctrines. Whether or not a salary system exists, however, depends not only on the mobilization of funds by taxation and the distribution of wages through a responsible payroll system, but also on the existence of an adequate economic base. The level of economic production must be high enough to cover not only the consumption needs of primary producers but also to support an army of employees, both public and private, who engage in secondary and tertiary occupations. Although these later activities add to the total national product, a society cannot afford to maintain them unless it can provide an adequate base in its primary, notably its agricultural production. The enlargement of bureaucratic organisation and the proliferation of specialised government agencies involve great expenses.

The introduction of salaries creates other consequences. In poor countries job opportunities outside of agriculture are scarce. The pressure for public employment increases as the gulf widens between the impoverished masses in agriculture and unskilled labour and the growing white-collar class of salaried clerks and office holders. In countries under colonial rule the discrepancy in living standards between alien administrators and native populations become even more problematic. A system of salaried officials can work in an economically advanced country as a means of building a public bureaucracy capable of carrying out laws which enhance economic productivity and contribute to development, but in a poor country it creates complications.

3.7 The Contribution of Fred W. Riggs

Contributions of the Comparative Administration Group (CAG) in developing the concept of development administration need special attention. It was Fred W. Riggs, under whose chairmanship the Comparative Administration Group was formed in 1961 by the American Society for Public Administration. The CAG was made to carry out research in Comparative Administration with special focus on the problems of development administration. The financial support to the CAG was given by the Ford Foundation, which was interested in the analysis of the relations between administrative system and its socio-political, economic, and cultural contexts. The Group felt that as the classical concepts of administration in the context of the newly independent nations of Asia, Africa and Latin America were rigid, narrow and parochial and hence inappropriate. Conventional organisational theory was found suitable only for "maintenance needs" rather than for" development needs".

The technological-managerial school was challenged by the Ecological School which insisted on relating the organisational structures to other social structures. It resulted into the idea that sociological context of administration is more relevant than mere organisational change and personnel manipulation. The scholars in CAG insisted on a comparative analysis of the administrative systems of these newly independent nations.

In the 1960s Public Administration academics sought alternative approaches to development administration. Public Administration was seen in ecological perspective. They sought to examine the relationships between Public Administration and social, economic, political and cultural environment. Thus the period of the 1960s saw a shift from normative approach to empirical approach. The most prominent exponent of this approach was Fred Riggs.

3.7.1 Fused-Prismatic-Diffracted Model

Fred Riggs contributed a lot in searching for an objective and effective model for analysing public administration in developing countries. With a sociological perspective, Riggs created the "fused-prismatic-diffracted model", which covered a wide range of structural elements, such as economic life, social structures, political symbols, and the allocation of power; Riggs opined that these are all parts of the analysis of structural function. From the perspectives of heterogeneity, overlapping, formalism, and social transformation, the model observed peculiar characteristics in prismatic society.

In 1956 Fred Riggs suggested that there are two kinds of society- Industria and Agrarian. Industria is modernised and industrialized society. Contrarily Agraria is mainly based on agriculture. Agraria is the traditional agricultural society. Riggs renamed these societies respectively as 'Diffracted' Society and 'Fused' society; 'Prismatic' Society lies in between these two. Fused society is the society where the functions and structures are not specified and where there is no differentiated and functional specification. Riggs selected Imperial China and the pre-revolutionary Thailand as examples of his concept of fused society.

Riggs classified SOcIetIeS attending to their degree of "diffraction". As an alternative model for conceptualizing developing countries Riggs offered his "prismatic model "based on the metaphor of a prism. In designing his model Riggs borrowed a metaphor from Physics; he used the concept that when a ray of light goes through a prism, it gets diffracted. On the left side of the figure enclosed below, a fused ray of light is visible. On the right hand side, it can be noticed that the light has been

diffracted. Elaborating on this metaphor, Riggs classified societies in three groups.

FUSED   PRISMATIC   DIFFRACTED
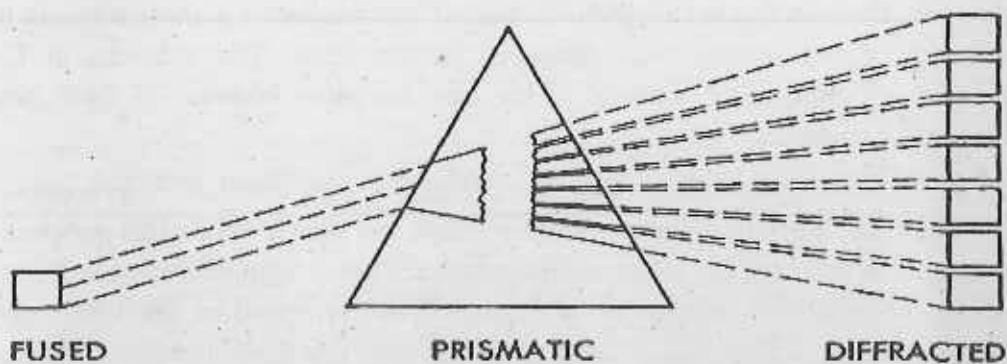
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in its many fold manifestations. In this kind of societies, all expressions of power are held by the same hands; one person, or a relatively small number of persons, holds religious, economic, and political power. On the other hand, in "diffracted" societies, the power, on its different manifestations, is completely institutionalised, and there is a sort of systematic separation of roles: political, economic and religious powers; they are, somehow, independent from one another, and each one of these areas of power is hierarchically arranged and division of tasks is clear.

In a prismatic society, there is a coexistence of the attributes of a fused society and of a dim-acted one. Formally, prismatic societies seem to be dim-acted, but, in reality, within them, there are many characteristic expressions of fused or primitive societies. The groups that effectively control the different spheres of power frequently advocate for changes in the forms in order to maintain reality unchanged. When white light, that is light made up of all visible wave lengths passes through a prism it is diffracted broken into a variety of colors - a rainbow. Similarly Riggs contended societies in the process of development move from a fused mode in which little or no differentiation exists to a diffracted condition in which there is a high degree of functional specialization. Transformation from fused to prismatic or prismatic to diffracted takes a long time.

Riggs observed that GNP increase or increase in the per capita income may not necessarily lead to improving the real life conditions of the people. He insisted that social and psychological quality of life is more important index for measuring development. Riggs analysed the structural functional features of the social and administrative systems of the developing countries in his industria - transitia - agraria formulation, He placed the developing countries in the category of prismatic society. Prismatic society lies in between traditional fused and modernised diffracted societies

and is undergoing the process of social change. The ecological approach provided a vision that stressed on the relationship of non-administrative factors to administrative ones.

3.8 Conclusion

Most of the classical principles of Public Administration emerged from the works of Woodrow Wilson, L.D. White, Fayol, Gullick, F.W. Taylor and others. Many scholars attempted to understand Development Administration with an ecological perspective, which related public administration with social, economic and political-cultural structures of thecountry. Riggs believed the close link between the political, economic and organisationl contexts.

The period of 1950s & 1960s saw a shift in approach of Development Administration In the early days of 1950s administrative values like efficiency, economy & rationality were prescribed, which had nonnative (ideal or should be) inclinations. But with the introduction of Comparative Public Administration, the approach changed into empirical ('what it is') mode. Along with this, this period also marked a shift in focus from non ecological to ecological one.

By the late 60s and early 70s, Development Administration suffered a setback, as the modernisation effort of Development Administration failed to remove poverty and social inequality. The gap between the rich and the poor increased. An 'Alternative' development vision was introduced with the new agenda items, like, 'environment,' 'gender equity,' 'child development,' and other situation specific problems.

By 1970s not only the meaning of development underwent change in so far as development goals were conceived in terms of meeting basic human needs but also the development administration model, to meet these objectives, saw changes in strategies and substantive programmatic actions. There was a shift in the approaches to the study of the theory and practice of development administration. It was found that the problems of development administration were rooted in the political economy of the aid receiving countries. Many scholars sought to explain the dynamics of societal transformation and management of change by undertaking political-economy approach. It was asserted that administrative questions are political questions. The political economy paradigm seeks to relate administration to political and economic environment. These new concepts refer to the concepts of power and action in terms of the real process of conflicts and their resolution. The political economy paradigm provides for the analysis of the context of administration.

Physiological variables relating to development have attracted a good deal of interest in recent years. Everett Hagen, for example, has argued that a large number of authoritarian personalities work against innovation and development in traditional and many transitional societies. It seems to Riggs that authoritarianism involves a rigid adherence to one of several alternative ways of life in the face of challenges.

In the 1970s and 1980s the development problems were being re-conceptualised in various ways. Rather than looking at growth as a measure of development, meeting basic human needs, equitable distribution of socio-economic benefits, and people's empowerment are now being increasingly looked upon as development goals.

Alternative development models have hardly been applied in reality. In the Human Development Report of 1996, it was revealed that third world was suffering from increasing disparities between rich and poor and there was a marked degradation in human development situation. The report talked about the failure of the government to lay stress on structure and quality of development, leading to lop-sided growth. Employment situation did not improve as per expectation. Gender empowerment was still to achieve desired pace.

Key elements in contemporary development approaches, reflected in the thinking of Rogers, Korten and Klaus, Bjur Bryant and White were

a) Greater equality in distribution of development benefits,

b) Popular participation, knowledge sharing and empowerment to facilitate self-development efforts by individuals, groups and communities

c) Self reliance and independence in development, emphasising the potential of local resources.

d) Integration of 'appropriate' technology with 'big' modern technologies in order to facilitate development.

3.9 Summary

The term "Development Administration" came into use in the 1950s to represent those aspects of public administration and those changes in Public Administration, which are needed to carry out policies, projects, and programs to improve social and economic conditions of the countries which achieved independence and political autonomy. This new status gave promise of freedom and liberty and self-determination

in political systems of representative democracy. It gave hope of greater individual freedom and of higher national and per capita income, a rapid rise in standards of living, and an increase in individual opportunity. Even in countries which had not been colonies but had been administered by some other form of authoritarian government, this was a generation of rising and insistent expectations pressing for rapid political, social, and economic change. The functions and the problems of administration in developing countries were seen to be radically different from those in industrialized Western countries.The only approach which could explain the differences was the study of ecology, which emerged as an interdisciplinary approach to the study of Public Administration. Visions of Political Science, Economics, History, Sociology, Psychology, and Anthropology were to be synthesized. The questions that comparative Public Administration then asked were: How do differences in political, economic, social and cultural environment affect the way administration is conducted? And how, in turn, does administrative action affect the society in which it plays a part? The outcome was ecological study of Public Administration, a study of the interrelation of administration and all the aspects. The Ecological school challenged the planned and managed transformation of the technological-managerial school. The former insisted on connecting the organisational structures to other social structures. It resulted into the idea that sociological context of administration is more relavant than mere organisational change and personnel manipulation. The development perspective of Public Administration can be credited to the American administrative theory and their contributions to the Comparative Public Administration in the establishment of a base for the latter. Thus the purpose here is to make an attempt to explain newly emergent phenomena or newly recognised problems transgressing the boundaries of the classical Public Administration. With an intent to overcome such gap in administratve theory, the concept of Development Administration was introduced by weidner, and stressed by Riggs, among others. In some ways or the other each period of analysis exhibits limitations to the analysis of problems addressed in the later stage of development of the discipline. This approach of analysis saw the emergence of the concept of Development Administration mainly after the World War II due to the problems faced by the nations of Asia, Africa and Latin America which emancipated itself from the colonial rule in 1940s.

3.10 References

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Rethinking Development Administration and Remembering Fred W. Riggs, International Review of Administrative Sciences December 201076: 767-773.

3.11 Sample questions

1) Write an essay on the genesis of development administration

2) Discuss the scope of development administration.

3) Bring out the relationship between development administration and ecology.

4) How did CAG contribute to the understanding of development administration?

5) Highlight the features of development administration.

6) Write a critical note on the context and content of ecological approach to administration.

3.12 Select Readings

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Unit 4 ❑ PUBLIC CHOICE THEORY AND POLICY ANALYSIS

4.1 Objectives

The objective heare is to provide an introduction to public choice theory and the ways in which it analyses the policy processes of advanced liberal democratic states. The content focuses mainly on institutional public choice and organisational policy analysis. The emphasis is on introducing key concepts.

By the end of the content you should be able:

- to demonstrate a working knowledge regarding concept and growth of public choice theory,

- to critically evaluate and apply the core arguments of public choice theory,

- to examine the assumptions of policy process and policy analysis.

Unit 4(a) ❏ POLICY ANALYSIS

4.2 Introduction to Public Choice Theory

Public choice theory is the use of modem economic tools to study problems of constitutional democracy, traditionally the province of political science. Public choice theory attempts to look at governments from the perspective of the bureaucrats and politicians who compose them, and makes the assumption that they act based on Budget-maximising model in a self-interested way for the purpose of maximising their own economic benefits. One way to organise the subject matter studied by Public Choice theorists is to begin with the foundations of government itself. According to this procedure, the most fundamental subject is the origin of government. The study of how legislatures make decisions and how various constitutional rules can constrain legislative decisions is a major sub-field in Public Choice. Another major sub-field is the study of bureaucracy. A field that is closely related to Public Choice is "rent-seeking." This field combines the study of a market economy with that of government. Thus, one might regard it as a "new political economy." Its basic thesis is that when both a market economy and government are present, government agents are a source of numerous special market privileges. When such privileges are granted, they reduce the efficiency of the economic system. In addition, the rentseekers use resources that could otherwise be used to produce goods that are valued by consumers. Rent-seeking is broader than Public Choice in that it applies to autocracies as well as democracies and, therefore, is not directly concerned with collective decision-making. However, the obvious pressures it exerts on legislators, executives,

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bureaucrats, and even judges are factors that Public Choice must account for in its effort to understand and assess collective decision-making rules and institutions.

4.3 Emergence and Growth of Public Choice Literature

The modern literature in Public Choice began with Duncan Black, who in 1948 identified the underlying concepts of what would become median voter theory. He also wrote *The Theory of Committees and Elections* (1958). Gordon Tullock (1987, p. 1040) referred him as the "father of public choice theory." James M. Buchanan and Gordon Tullock of George Mason University, coauthored *The Calculus of Consent: Logical Foundations of Constitutional Democracy* (1962), that founded the discipline of public choice theory. Kenneth Arrow's *Social Choice and Individual Values* (1951) influenced formulation of the theory. Among other important works are Anthony Downs's *An Economic Theory of Democracy* (1957) and Mancur Olson's *The Logic of Collective Action* (1965). Development of public choice theory was accelerated with the formation of the Public Choice Society in the United States in 1965. Though it emerged in the fifties, it received widespread public attention in 1986, when James Buchanan, one of its two leading architects (the other was his colleague Gordon Tullock), was awarded the Nobel Prize in economics.

The theory aimed to apply economic analysis to the political decision-making process in order to reveal certain systematic trends towards inefficient government policies. The Austrian variants of Public Choice theory suggested by Mises, Hayek, Kirzner, and Boettke assumed that bureaucrats and politicians are benevolent but have access to limited information. Positive public choice theory focused on the question of what government policies are likely to be implemented in a given political setting, while normative Public Choice theory considered what policies would produce a desirable outcome if they were implemented.

A predecessor of modern public choice theory was the work of Knut Wicksell (1896), which treated government as political exchange, a *quid pro quo,* in formulating a benefit principle linking taxes and expenditures.

Modern Public-Choice theory has been dated from the work of Duncan Black, sometimes called "the founding father of public choice". In a series of papers from 1948, which culminated in the compilation of *The Theory of Committees and Elections* (1958), and later, Black outlined a program of unification toward a more general "Theory of Economic and Political Choices" based on common formal methods.

There were many other contributors like Kenneth 1. Arrow's *Social Choice and Individual Values* (1951) influenced formulation of the theory. Among other important works were those of Anthony Downs (1957), who wrote *An Economic Theory of Democracy* and of Mancur Olson (1965), who wrote *The Logic of Collective Action.*

James M. Buchanan and Gordon Tullock coauthored *The Calculus of Consent: Logical Foundations of Constitutional Democracy* (1962), which was considered as one of the landmarks in public choice. The book focused on positive-economic analysis as to the development of constitutional democracy but in an ethical context of consent.

James Buchanan, (winner of the Nobel Prize in Economic Science, 1986, for work in Public Choice) and Gordon Tullock are actually credited for being the primary developers of Public Choice Theory, in modem sense of term. Their book, *Calculus of Consent*, published in 1962, is still considered the classic piece on this subject. To quote a couple of interesting passages:

Tullock and Buchanan considered themselves to be simply taking the tools of economics, looking at something like the structure of American politics in the way James Madison had envisioned it. It was clearly not a majoritarian democracy, based on the parliamentary mode, which concerned them; rather it was a sort of a constitutional structure. They started analysing the Constitution from an economic point of view. There were other people who analysed particular voting rules, like majority voting, but they put that in a constitutional structure and provided an argument for choices among voting rules. Their presentations were in modem economic terms.

4.4 Public Choice Theory — Conceptual Framework

Public Choice is referred to as a branch of economics that developed from the study of taxation and public spending. It is more frequently being used as an approach to political science, because it does not try to explain how the economy works, rather it tries to explore how politics and government using the methods and tools of economics. Economists who study behavior in the private marketplace assume that people are motivated mainly by self-interest. Public choice takes the same principles that economists use to analyse people's actions in the marketplace and applies them to people's actions in collective decision making.

Public Choice applies the methods of economics to the theory and practice of

politics and government. This approach has given us important insights into the nature of democratic decision-making. Public Choice is about applying these simple economic concepts to the study of how collective choices are made - applying them to such things as the framing and workings of constitutions, parliaments, committees, election mechanisms, political parties, interest groups, lobbying, bureaucracy, and other parts of the governmental machinery and system. For example, decision regarding raising property taxes to build a new road is both economics and political decision making. Both involve a choice between costs and benefits, which is not as simple as calculation of financial costs and social and political benefit.

In public choices, the benefited people (e.g. the road's users) are not always the people who bear the cost (e.g. inhabitants of the place, who are ultimately displaced). In politics, by contrast, the minority are forced to accept the decision of the majority, and bear whatever sacrifices that collective choice demands. Post-war 'welfare' economists tried hard to measure the costs and benefits of policy proposals such as new roads or airports, and to identify how 'social welfare' might be increased and maximised by the right choices to be made logically and rationally, by enlightened and impartial officials, pursuing the public interest. This work, they believed, would inform and improve public decision-making.

Public Choice theorists accepted that collective decisions are needed for some tasks. Often these are guided by self interest. Buchanan, with his co-author Gordon Tullock, suggested that legislators, officials and voters all use the political process to advance their private interests, just as they do in the marketplace. They lamented that political decisions, far from being made efficiently and dispassionately in pursuit of the 'public interest', could well be less efficient, less rational and more vulnerable to manipulation by vested interests.

Buchanan and Tullock began with the view that a collective decision, that is, a decision in the public interest-would be one that all voters would support unanimously. While unanimity is largely unworkable in practice, the book effectively challenged the widespread assumption that majority decisions are inherently fair. The approach reflected in *The Calculus of Consent* has led to a further subdiscipline of public choice, "constitutional economics," which focuses exclusively on the rules that precede parliamentary or legislative decision making and limit the domain of government.

Public Choice theorists believe that people may base some of their actions on their concern for others, but the dominant motive in people's actions in the marketplace as employers or employees or consumers is a concern for them. Public

choice economists assume that people acting in the political marketplace have some concern for others, but their main motive, either as voters or politicians or lobbyists or bureaucrats, is self-interest. Public choice theory does not provide for an analysis that treats governments as agents to maximise some sort of welfare function for society and not as economic agents, such as those in business. In contrast, public choice theory views government as made up of officials who, besides pursuing the public interest, might act to benefit themselves. To streamline bureaucracies, Gordon Tullock and William Niskanen have recommended allowing several bureaus to supply the same service on the grounds that the resulting competition will improve efficiency.

Public Choice economists point out that like 'market failure' in economics, there can be 'government failure'. The government intervention does not achieve the desired effect for several reasons. One of the chief findings of public choice theory is that the lack of incentives for voters to monitor government effectively leads to gross failure of government. Anthony Downs, in one of the earliest public choice books, *An Economic Theory of Democracy*, pointed out that the voter is largely ignorant of political issues and that this ignorance is rational. Even though the result of an election may be very important, an individual's vote rarely decides an election. Thus, the voter has virtually no chance to determine the outcome of the election directly. So the voter may think that spending time for the electoral issues is not personally worthwhile for him. Public choice economists point out that in the private sector the people cannot afford to be ignorant. Before buying a car, a customer wants to be well informed about the car selected by him. That is because the car buyer's choice is decisive-he or she pays only for the one chosen. If the choice is wise, the buyer will benefit; if it is unwise, the buyer will suffer directly. Voting lacks that kind of direct result. Therefore, most voters are largely ignorant about the positions of the electoral candidates. Except for a few highly publici sed issues, they hardly pay any attention to daily business of the government institutions.

Public Choice economists also examine the motives and actions of legislators. Although legislators are expected to pursue the "public interest" using public resources, i.e., the resources provided by taxpayers. Politicians may intend to spend taxpayers' money wisely. Efficient decisions, however, will neither save their own money nor give them any proportion of the wealth they save for citizens. There is no direct reward for fighting powerful interest groups in order to confer benefits on a public that is not even aware of the benefits or of provider of benefit. Thus, the incentives for good management in the public interest are weak. In contrast, interest

groups are organised by people with very strong gains to be made from governmental action. They provide politicians with campaign funds and campaign workers. In return they often gain support for their goals.

Public Choice theorists rely more on local governments. According to them, it will reduce the budgets. Public choice economists have also tried to develop rule changes that will reduce legislation that caters to special interests and leads to ever-expanding government expenditures. In the late eighties James C. Miller, a public choice scholar who headed the Office of Management and Budget during the Reagan Administration, helped pass the Gramm-Rudman law, which set a limit on annual spending and backed it with automatic cuts if the ceiling was not met. The law had at least a temporary effect in reducing expenditure.

In addition to providing insight into how public decision making occurs today, public choice analyses the rules that guide the collective decision-making process itself. These are the constitutional rules that are made before political activity gets underway. Consideration of these rules was the core of *The Calculus of Consent*, by James Buchanan and Gordon Tullock, one of the classics of public choice.

The microeconomic approach has led to a variety of contributions under the rubric of public choice theory that show how individual interests influence both marketplace and public policy outcomes.

For example, self-interested bureaucratic actors maximise their budgets, as Niskanen predicted(1971), and citizens form clubs to collectively provide some forms of public goods, according to Buchanan (1965). The plausibility of social welfare functions has been challenged by Arrow (1951) on logical grounds, because under reasonable assumptions it is possible to show that any democratic aggregation process leads to inconsistent and unstable results. Collective decision-making mechanisms are inadequate or flawed; neither markets nor politics on their own serve us adequately. Market imperfections have deep impacts, with monopoly power, public goods, externalities and information problems being the most severe weaknesses.

Government failures also impose limitations on democratic decision making. Bureaucratic self-interest can encourage agents within government to maximise their budgets or allow regulatory agencies to be captured. Democratic decision making according to "reasonable" criteria can become arbitrary and unstable, as Arrow was afraid of (1951). Arrow presented an impossibility theorem for the existence of social welfare functions, with the given criteria of collective rationality, independence of irrelevant alternatives, and non-dictatorship. He showed that society'S preferences do not exhibit collective rationality and do not aggregate individual preferences

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consistently. Formal democratic decision-making mechanisms thus need to be supplemented sometimes.

Modern microeconomic theory now explicitly acknowledges both the independence and interdependence of decision makers. Theory now has much to say about the importance of rules and access to information, pinpointing conditions leading to stable, efficient, and sometimes, equitable outcomes. Equally important, an emerging emphasis on collection of experimental evidence has made microeconomics a more realistic behavioral science.

4.5 Conclusion

Public Choice economics is having a powerful impact on Political Science. It led to some major rethinking of the very nature of elections, legislatures and bureaucracies; it also raised questions as to whether the political process can claim to be in any way superior to the market process. It raised issues regarding, especially the prospect of minorities being exploited by coalitions of interest groups. Some Public Choice theorists advocated strong constitutional restraints on government and the political process.

There is no single 'public interest' anyway. We live in a world of value-pluralism: different people have different values and different interests. Competition between competing interests is inevitable. This makes it vital to study how such competing interests and demands are resolved by the political process.

Some of the public choice theorists are viewed as conservative or libertarian economists, as opposed to more "liberal" (that is, interventionist) wings such as Keynesian economics. Some others reflect dissatisfaction with the implicit assumption, held by Keynesians and some believe that government effectively corrects market failures.

4.6 Summary

There is a popular stream of economics called Public Choice theory, that analyses the political developments in an economy. It applies economic tools to understand the various issues within the political system. It studies the behavior of voters, politicians, and government officials and their interactions in the social system. The theory was developed by James Buchanan Jr. and Gordon Tullock (both of George Mason University) and former got a Nobel Prize for his effort in 1986. The

theory just like classical economics assumes politicians and bureaucrats as rational agents. By rational it means they try to maximise their interests first and produce goods for others as a by-product. The theory suggests that a businessman would prioritise those decisions which lead to higher profits, and the politician would make polices that maximise his chances of winning the next election.

By using economic theory to explore how government decisions are made, Public Choice theory helped us to understand this market based collective decision making process, to identify problems such as the self-interest of particular groups and the potential exploitation of coerced minorities. Voters, lobby groups, politicians and officials, aiming to maximise the outcome they personally desire, for minimum effort. Public choice theorists showed that the well-developed tools of economics - such as profit and loss, price and efficiency - can be used to analyse politics too. It pointed out that there is 'government failure' too. Political decision-making is not a dispassionate pursuit of the 'public interest', but can involve a struggle between different personal and group interests.

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4.8 Sample Questions

1. Write a note on the emergence and periodic growth of Public Choice Theory.

2. Examine the context which led to the emergence of Public Choice Theory.

3. Comment on the opinion that 'Public Choice applies the methods of economics to the theory and practice of politics and government...'.

4. Critically explain the Public Choice Theory.

5. Public choice economists point out that like 'market failure' in Economics, there can be 'government failure'. How did Public Choice theorists explain 'market failure?

4.9 Select Readings

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Unit 4(b) ❑ POLICY ANALYSIS

4. 10   Introduction

A policy is a plan of action adopted by, for example, an individual, group, business or government following some kind of formal decisions. *Public* policy is the formal or stated decisions and actions of government bodies. An academic expression of this intellectual leaning is the present orientation of public policy research, which is designed to provide possible solutions to political problems.

The policy process relates to mechanisms through which government policy is made; it links *intentions,* meaning what government says it will do - to *actions, i.e.,* what government actually does - to *results,* implying the consequences or impact of government action on society. Policy consists of the *output* of the political process and reflects the ability of government to adopt policies for better or worse.

There are three parts of public policy process :

a) the evaluation of current conditions and policy;

b) the decision-making process, key element being effectiveness and efficiency;

c) analysis of the effects of these decisions on the society and determining points of responsibility.

Four theories are there to help us understand the policy process under different situations :

a) *Rational actor* models which highlight human rationality act as the basis for public choice theories; these models also focus on economic man, in terms of the self-interested pursuit of material satisfaction calculated in terms of utility; these models seek full information.

b) *Incremental* models: Pioneering work representing incremental models, is the 'science of muddling through' (Lindblom 1959); according to these models decisions are made with inadequate information and low levels of understanding; so decision-makers are cautious, use exploratory process; but they hardly have any clear cut goal or vision

c) *Bureaucratic organisation* models: these models highlight impact of the values and assumptions and patterns of behaviour found in large organisations on decisions.

d) *Belief system* models: they emphasise role of beliefs and ideology and thus argue that decisions are structured by perception, which is determined by the concepts and values they use or hold.

Policy analysis answer following questions -

Who gets what? Why? What difference it makes in politics? What policies do governments pursue?

Why do governments pursue the policies? What are the consequences of the policies?

Policy analysis tends to focus on the 'how' of government - the way in which policy is made - rather than what of government - the substance of policy itself and its consequences. It is understood as a mechanical process of responding to articulated wants (preferences) by aggregating them rather than responding to wants and needs by *evaluating* them in the light of other human needs and goods. The understanding of the policy process helps us to solve the question as to what extent government decisions are responding to citizens' wants or determine their needs.

4.11 Growth of the Study of Policy Analysis

The study of policy (either in review or in planning new policy initiatives) is probably as ancient as the study of humankind; certainly a good case can be made that the Gita, Koran or Bible (especially the Old Testament) are at least partially an exercise in policy analysis (with, of course, one *very* major exogenous actor); Barbara Tuchman's *The March Of Folly* (1984) uses the Trojan War and the American War for Independence as illustrations of policy activities from which she gleans contemporary lessons. Machiavelli's *The Prince* is a glaring example of policy analysis in his attempt to show path for creating a unified Italy.

While the study of politics has a long history, the systematic study of public policy, on the other hand, can be said to be a twentieth century creation. It dates, according to Daniel McCool, to 1922, when political scientist Charles Merriam sought to connect the theory and practices of politics to understanding the actual activities of government, that is public policy"(McCool, Daniel C., 1995, p.4).

But the systematic study of public policy began in the 20th century America. The study was initiated with the intention to apply its lessons to become instrumental in policy change and learning. Harold D. Lasswell and his colleagues, such as Daniel

Lerner, Myres McDougal, and Abraham Kaplan were the progenitors of the policy sciences in the early 1950s; this movement was strengthened by the 1970s with the founding of several public policy schools. Recent developments in the public policy discipline are rooted in the work of Harold Lasswell and based on the theories of William James, Charles Pierce, and particularly John Dewey.

Policy Analysis is frequently deployed in the public sector, but is equally applicable to other kinds of organisations. Policy analysis has its roots in systems analysis as instituted by United States Secretary of Defense Robert McNamara during the Vietnam War.

4.12 Policy Analysis : A Conceptual Note

Policy analysis can be defined as the rational or technical assessment of the net marginal trade-offs between different policy choices. Merely setting forth the marginal costs and benefits of a range of choices is identified as policy analysis. Selecting one balanced choice or a range from within the possibilities can be called policy formation. The decision regarding final choice or choices is policy decision and performing the market analysis needed for that is political analysis.

The understanding of the policy process highlights some normative considerations: —for example financial educational assistance can be distributed either to students directly or to institutions; if the government wants to distribute it to students on the basis of need, government requires access to financial information from each individual applying for the same. A truly refined policy analysis tells about the net marginal gain. But no such analysis, no matter how refined, will tell about the worthiness of the gain. A market analysis and a market decision are required to focus on the issue. As "Policy" implies "polity" and "politics", political analysis and a political decision may answer the question.

Along with the question regarding the net consequences of the proposed policy, policy analysis also seeks some alternative by using its comparative analytical tool. The question for policy analysis is not whether doing X is a net improvement over doing Y, but simply, what are the net effects? Similarly, whether given the different consequences, it is better to do X than Y in public policy will not be determined by a policy analysis. It will be determined by a political decision resulting from a political process involving a political analysis. In nutshell, policy analysis is that rational, technical, analytic performance in which the central question is not whether

X is a good thing to do, but simply what are the marginal effects of doing X, and what are the marginal effects as contrasted with doing something else instead? Hence, policy analysis is simply an activity whose theory is the theory of marginal utilities.

Public policy making is often viewed as a conveyor belt in which issues are first recognised as a problem, alternative courses of action are considered, and policies are adopted, implemented by agency personnel, evaluated, changed, and finally terminated on the basis of their success of lack thereof(Lester and Stewart, 2000, 5).

Policy analysis is methodologically diverse using both qualitative methods and quantitative methods, including case studies, survey research, statistical analysis, and model building among others. One common methodology is to define the problem and evaluation criteria; it may involve identification all alternatives, evaluating them and recommending the best policy agenda.

DIFFERENT PERSPECTIVES ON POLICY ANALYSIS

DIAGRAM-1

Problem Analysis
- *What appears to wrong and why*

Goal Analysis
- *What needs to beachieved*

Analyzing the Problem

Assessing and Selecting Options

Criteria Governing Choice
- *What values are at issue?*

Options Identification and Assessment
- *What might be done?*
- *What are the anticipated outcomes of possible options?*

Options Selected
- *What is the prefered optionimix of options?*

Supporting and Evaularing the Policy Choice

Communicate Evidence
- *Who needs to be informed?*
- *How can information best be presented?*

Convey Intent
- *What are program margins expected to do?*

Monitor and Evaluate
- *Does the policy will make sent?*
- *Has the optionimix of option worked?*

DIAGRAM-2

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                    ┌─────────────────────┐
            ┌──────▶│        1.           │◀┄┄┄┄┄┄┄┄┄┄┄┄┄┐
            │       │  Verify, define, and │              ┊
            │       │  detail the problem  │              ┊
            │       └─────────────────────┘              ┊
            │              │         ┊                    ┊
   ┌────────────────┐      │         ┊      ┌─────────────────────┐
   │      6.        │      │         ┊      │        2.           │
   │  Monitor the   │      │         └┄┄┄┄▶│  Establish evaluation │
   │Implemented Policy│    │                │      criteria        │
   └────────────────┘      ┊                └─────────────────────┘
            ▲              ┊                          │
   ┌────────────────┐      ┊                ┌─────────────────────┐
   │      5.        │      ┊                │        3.           │
   │Display and distinguish│ ┊               │ Identify alternative │┄┄┐
   │among alternative policies│┊             │      policies        │  ┊
   └────────────────┘      ┊                └─────────────────────┘  ┊
            ▲              ┊                          │               ┊
            │       ┌─────────────────────┐          │
            └───────│        4.           │◀─────────┘
                    │ Evaluate alternative │
                    │      policies        │
                    └─────────────────────┘
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DIAGRAM-3

Research and Analyze — Design and Recommend — Clarify Values and Arguments — Advise Strategically — Democratize — Mediate
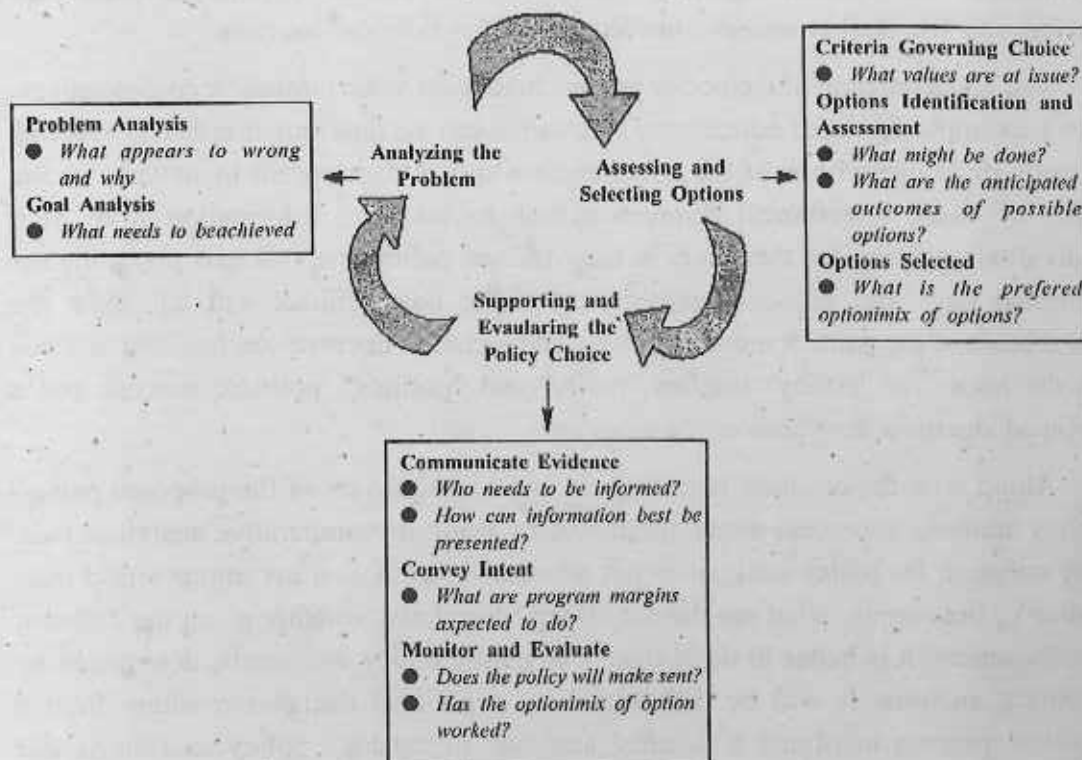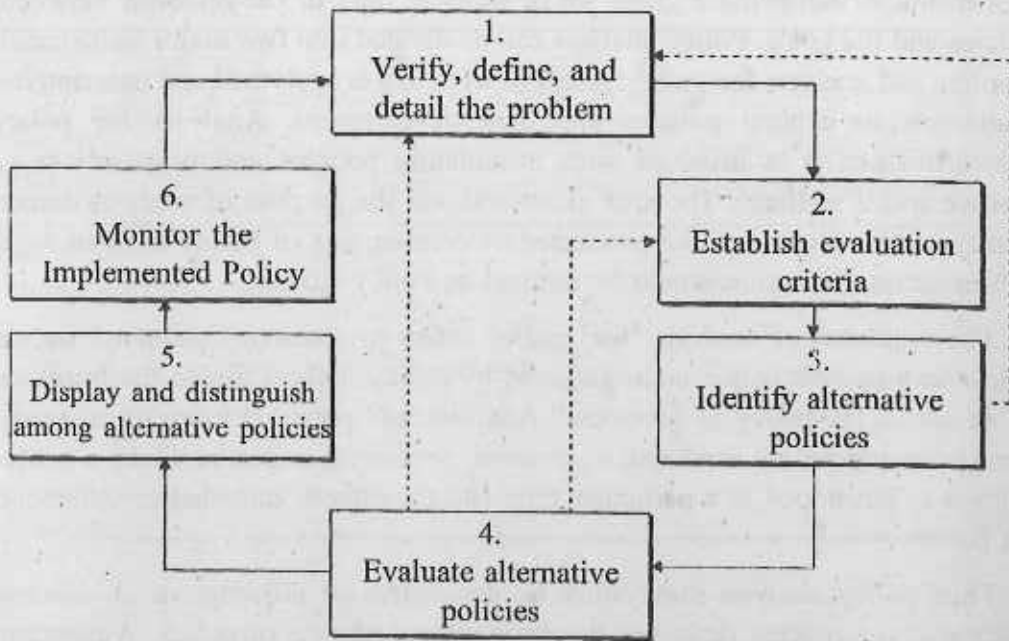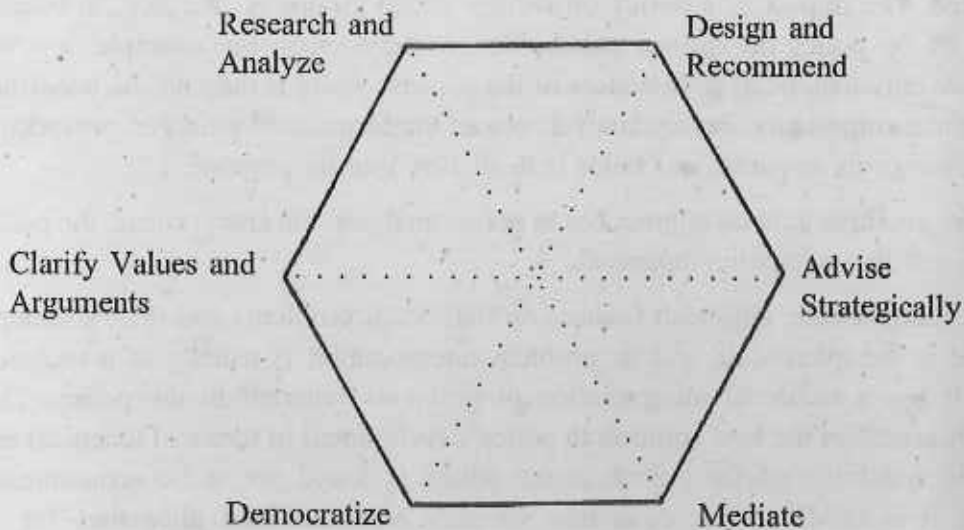
4.12.1 APPROACHES TO THE UNDERSTANDING OF POLICY ANALYSIS

Policy analysis helps determining which of various alternative policies will be most useful in achieving a given set of goals in light of the relations between the policies and the goals. Policy analysis can be divided into two major fields: analysis **of** policy and analysis **for** policy. Analysis **of** policy is analytical and descriptive-i.e., it attempts to explain policies and their development. Analysis **for** policy is prescriptive-i.e., it is involved with formulating policies and proposals (e.g., to improve social welfare). The area of interest and the purpose of analysis determine what type of analysis is to be conducted. A combination of policy analysis together with program evaluation would be defined as Policy studies.

The approach of analysis 'for' policy refers to research conducted for actual policy development, often commissioned by policy makers inside the bureaucracy within which the policy is developed. Analysis 'of' policy is more of an academic exercise, conducted by academic researchers, seeking to understand why a particular policy was developed at a particular time and the effects, intended or otherwise, of that policy.

Thus policy analysis may either be descriptive or prescriptive. A descriptive policy analysis process describes the development process of policy. A prescriptive analysis process prescribes policy proposals and alternatives. The importance of policy analysis process before the policy is adopted and implemented is to fine tune it to fit properly for the purpose for which it has been formulated. At the analysis level of policy development, it is where flaws in the policy can be identified and eliminated. The impact of a policy on various social groups is analysed, to balance impacts of the policy on various stakeholders in the society. For example, a policy may be overtly beneficial to members of the society, while it may not be benefiting a part of the community. Policy analysis places the formulated policy in perspective form to weigh its impacts, and tailor it to fit best into its purpose.

There are three general approaches to policy analysis: the analycentric, the policy process, and the metapolicy approach.

The **analycentric** approach focuses on individual problems and their solutions; its scope is the microscale and its problem interpretation is usually of a technical nature. It has a technical interpretation of problems inherent in the policy. This approach identifies the best solution to policy development in terms of technical and economic feasibility of the policy; if the policy is found not to be economically feasible; it is modified for economic viability or abandoned altogether for an alternative.

The **policy process** approach puts its focal point onto political processes and involved stakeholders; its scope is wider than micro-scale and its problem interpretation is usually of a political nature. It aims at determining what processes and means are used and tries to explain the role and influence of stakeholders within the policy process. By changing the relative power and influence of certain groups (e.g., enhancing public participation and consultation), solutions to problems may be identified. The policy process of policy analysis is political centered. It analyses the proposed policy in terms of political viability.

The **meta-policy approach** is a systems and context approach; i.e., its scope is the macro-scale and its problem interpretation is usually of a structural nature. It aims at explaining the contextual factors of the policy process; i.e., what are the political, economic and socio-cultural factors influencing it. As problems may result because of structural factors, solutions may entail changing the structure itself. It tries to balance the power participation in the proposed policy. The meta-policy analysis approach is a macroscale in nature. This policy analysis has a broad perspective in tailoring the policy development process. It looks into the structural components impacting on the policy development process. For example, so far as political, economic and social cultural impacts of the policy are concerned, it is consequently modified to be fit properly in all the structural components after evaluation of the structural dynamics of the policy. In general, the purpose of policy analysis is to identify the problems that may exist in the development process of a policy and eliminate them to make the policy better.

4.12.2 MODELS OF POLICY ANALYSIS

Many models exist to analyse the creation and application of public policy. Analysts use these models to identify important aspects of policy, as well as explain and predict policy and its consequences.

Some models are:

Institutional model

Institutional model of policy analysis focuses on the traditional organization of government and describes the duties and arrangements of bureaus and departments. It considers constitutional provisions, administrative and common law, and judicial decisions. It focuses on formal arrangements.

Government institutions give public policy three distinctive characteristics: **legitimacy**(legal obligations), **universality**(to all people), **coercion**(to punish violators,

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to command loyalty of all citiens, to enact policies, to use force).Traditionally, the institutional approach did not devote much attention to the linkages between the institutional arrangements(the structure of government institutions) and the content of public policy. The impact of institutional arrangements on public policy is an empirical question. We may discover that both structure and policy are largely determined by social and economic forces.

In its different variants, the neo-institutionalist approach is the main explanatory framework for comparative public policy analysis. It is now common to use institutional variables as independent variables to explain policy variation across countries, between different policy areas or over time. Whilst in an early stage of neo-institutionalism the major emphasis was on institutional emergence, recently there has been progress in accounting also for institutional change and evolution over time.

Process model

Policy creation is a process following these steps:

- Identification of a problem and demand for government action.
- Agenda setting
- Formulation of policy proposals by various sections (e.g., legislative committees, think tanks, interest groups political parties).
- Selection and enactment of policy; this is known as **Policy Legitimation**.
- Implementation of the chosen policy.
- Evaluation of policy.

This model, however, has been criticised for being overly linear and simplistic. In reality, stages of the policy process may overlap or never happen. Also, this model fails to take into account the multiple factors attempting to influence the process itself as well as each other, and also fails to focus on the complexity this entails.

The rational model of decision-making is a process for making sound decisions in policy making in the public sector, although the model is also widely used in private corporations. There are two sources of the rational approach: the economic rationality, and bureaucratic rationality. Herbert A. Simon, the father of rational models, describes rationality as "a style of behavior that is appropriate to the achievement of given goals, within the limits imposed by given conditions and constraints".

Rational models are intended to achieve maximum social gain. For this purpose, Simon identifies an outline of a step by step mode of analysis to achieve rational decisions. Ian Thomas describes Simon's steps as follows:

1. Intelligence gathering - data and potential problems and opportunities are identified, collected and analysed

2. Identifying problems

3. Assessing the consequences of all options

4. Relating consequences to values - with all decisions and policies there will be a set of values which will be more relevant (for example, economic feasibility and environmental protection) and which can be expressed as a set of criteria, against which performance (or consequences) of each option can be judged.

5. Choosing the preferred option - given the full understanding of all the problems and opportunities, all the consequences and the criteria for judging options.

In similar lines, Wiktorowicz and Deber describe through their study on 'Regulating biotechnology: a rational-political model of policy development' the rational approach to policy development. The main steps involved in making a rational decision for these authors are the following:

1. The comprehensive organisation and analysis of the information

2. The potential consequences of each option

3. The probability that each potential outcome would materialize

4. The value (or utility) placed on each potential outcome.

The approach of Wiktorowicz and Deber is similar to Simon and they assert that the rational model tends to deal with "the facts" (data, probabilities) in steps 1 to 3, leaving the issue of assessing values to the final step. According Wiktorowicz and Deber values are introduced in the final step of the rational model, where the utility of each policy option is assessed.

Patton and Sawicki summarised that the rational model involves following courses:

1. Defining the problem by analysing the data and the information gathered,

2. determining the relevant factors to take into account when to make the

decision and identifying the decision criteria that will be important in solving the problem,

3. generating a brief list of the possible alternatives that succeed to resolve the problem,

4. a critical analyses and evaluation of each criterion is brought through. For example strength and weakness tables of each alternative are drawn and used for comparative basis. The decision maker then weights the previously identified criteria in order to give the alternative policies a correct priority in the decision.

5. The decision-maker evaluates each alternative against the criteria and selects the preferred alternative.

6. The policy is brought through.

In applying deductive reasoning, rational choice explanations of policy outcomes advance through first establishing sets of propositions and statements about real world phenomena and the rational behavior of individuals, and then testing these propositions through comparison with events and the actual behavior of actors.

The model of rational decision-making has also proven to be very useful to several decision making processes in industries outside the public sphere. Nonetheless, many criticism of the model arise due to claim of the model being impractical and lying on unrealistic assumptions. For instance, it is a difficult model to apply in the public sector because social problems can be very complex, ill-defined and interdependent. Linear thinking procedure and over simplification can create problems while dealing with extra ordinary problems or social problems. The process of identifying a suitably comprehensive decision criteria set is also vulnerable to being skewed by pressures arising at the political interface.

The problems faced when using the rational model arise in practice because social and environmental values can be difficult to quantify and the assumptions stated by Simon are never fully comprehensible in a real world context.

Thomas Dye states the rational model provides a good perspective since in modern society rationality plays a central role and everything that is rational tends to be prized.

Rational policy analysis highlights the need to understand which factors should be considered as part of the decision making process. At this part of the process, all the economic, social, and environmental factors that are important to the policy

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decision need to be identified and then expressed as policy decision criteria. For example, the decision criteria used in the analysis of environmental policy is often a mix of-

- Ecological impacts - such as biodiversity, water quality, air quality, habitat quality, species population, etc.

- Economic efficiency - commonly expressed as benefits and costs.

- Distributional equity - how policy impacts are distributed amongst different demographics. Factors that can affect the distribution of impacts include location, ethnicity, income, and occupation.

- Social/Cultural acceptability - the extent to which the policy action may be opposed by current social norms or cultural values.

- Operational practicality - the capacity required to actually operationalize the policy. For example,

- Legality - the potential for the policy to be implemented under current legislation versus the need to pass new legislation that accommodates the policy.

- Uncertainty - the degree to which the level of policy impacts can be known.

Some criteria, such as economic benefit, will be more easily measurable or definable, while others such as environmental quality will be harder to measure or express quantitatively. Ultimately though, the set of decision criteria needs to embody all of the policy goals, and overemphasising the more easily definable or measurable criteria, will have the undesirable impact of biasing the analysis towards a subset of the policy goals.

The process of identifying suitably comprehensive decision criteria set is also vulnerable to being skewed by pressures arising at the political interface. Decision makers may tend to give more weight to policy impacts that are concentrated, tangible, certain, and immediate than to impacts that are diffuse, intangible, uncertain, and delayed.

Rational model is also known as Weberian model because, Max Weber, a German sociologist, constituted a rational mechanism for analysis of public policy. Rational model deals with choosing a policy from a variety of policy options, and the chosen policy is the one that is designed to maximize net value achievement. Thomas Dye defines rational policy as the policy of efficiency, "a policy is rational," he says,

"when the difference between the values it achieves and the value it sacrifices is positive and greater than any other policy alternative."

Rational-choice theory both alerts us to the importance of self-interest as a motivating force in politics and policymaking, and provides a better understanding of decision-making processes. Many contend, however, that politics is not nearly as devoid of altruism and concern for the public interest as the rational-choice theorists assume.

Group model

According to the group theory of politics, public policy is the product of the group struggle. The political system's role is to establish and enforce compromise between various, conflicting interests in society. Group theory rests on the contention that interaction and struggle among groups are the central facts of political life. A group is a collection of individuals that may, on the basis of shared attitudes or interests, make claims upon other groups in society. It becomes a political interest group when it makes a claim through or upon any of the institutions of government. A policy is formed as a result of forces and pressures from influential groups. A central concept in group theory is that of access. To have influence and to be able to help shape governmental decisions, a group must have access, or the opportunity to express its viewpoints to decision-makers. Pressure groups are informally co-opted into the policy making process. Regulatory agencies are captured by those they are supposed to regulate. No one group is dominant all the time on all issues.

However, from a methodological perspective, it is misleading and inefficient to try to explain politics and policymaking solely in terms of interests and the group struggle. This bias leads to neglect of many other factors, such as ideas and institutions, which abound and which independently affect the development of policy.

Elite model

Policy is a reflection of the interests of those individuals within a society that have the most power, rather than the demands of the mass. Elites shape mass opinion on policy questions more than masses shape elite opinion.

Violence, repression, mass disorders involve elite response or Elite-Mass interaction for a resolution of such situations. Generally it involves the decision makers, i.e., the dominant class and limited input of members of the elitist sections of the society. The elite model of public policy is based on exclusionary factors

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because policy making takes place with limited participation of the privileged stakeholders. In addition to the problems of disorder in the society, the participants can also discuss this model to deal with other areas such as housing, poverty, health, and education.

Approached from the perspective of elite theory, public policy can be regarded as reflecting the values and preferences of a governing elite. The essential argument of elite theory is that public policy is not determined by the demands and actions of the people or the "masses" but rather by a ruling elite whose preferences are carried into effect by public officials and agencies.

Professors Thomas Dye and Harmon Zeigler provide a summary of elite theory:

1. Society is divided into few groups who have power and the many who do not. Only a small number of persons allocate values for society; the masses do not decide public policy.

2. The few who govern are not typical of the masses who are governed. Elites are drawn disproportionately from the upper socioeconomic strata of society.

3. The movement of non-elites to elite positions must be slow and continuous to maintain stability and avoid revolution. Only non-elites who have accepted the basic elite consensus can be admitted to governing circles.

4. Elites share a consensus on the basic values of the social system and the preservation of the system.

5. Public policy does not reflect demands of the masses but rather the prevailing values of the elite. Changes in public policy will be incremental.

Six-step model

1. Verify, define and detail the problem
2. Establish evaluation criteria
3. Identify alternative policies
4. Evaluate alternative policies
5. Display and distinguish among alternative policies
6. Monitor the implemented policy.

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Generally the steps involved in the entire policy process can be drawn as follows:
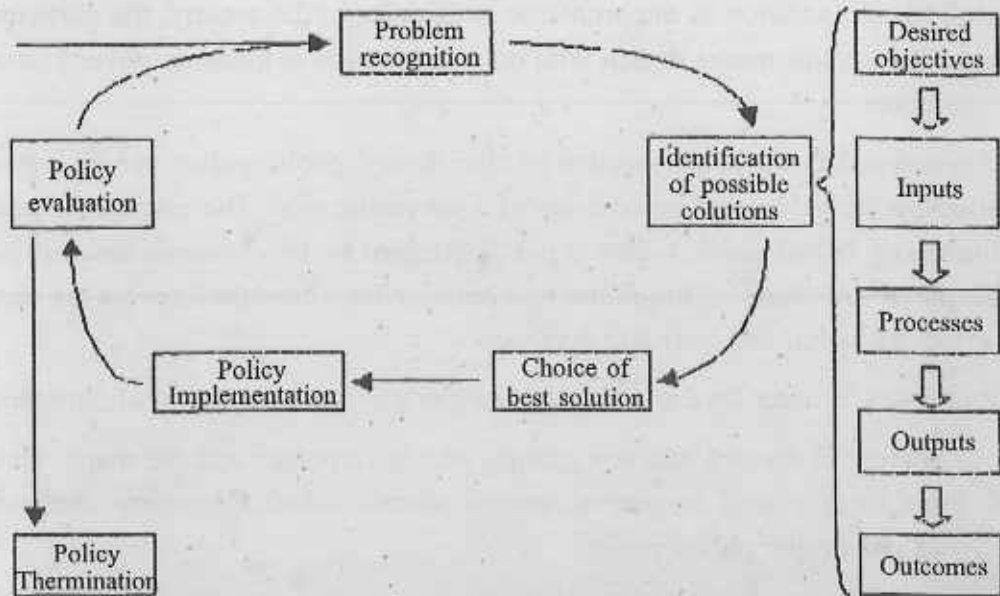
A person should avoid becoming too dogmatically or rigidly bound to one model or approach. As a rule it is desirable to be eclectic and flexible, using those theories and concepts that seem most useful for the satisfactory and fair-minded description and explanation of political inquiry. The goal should be the objective explanation of pol itical behavior rather than the validation of a preferred theoretical approach.

Generally accepted notion of policy analysis can be projected as follows:

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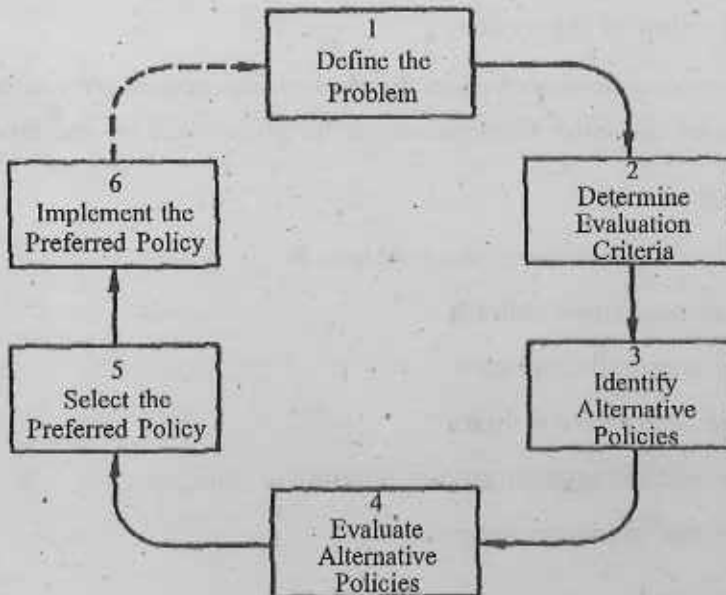
Policy analysis includes:

1. An inventory or search phase, limited in scope and directed at a particular issue.

2. A constrained search for alternatives, which are then all usually evaluated and displayed to the client.

3. The preparation of memoranda, issue papers, policy papers, or draft legislation.

4. A particular client, be it a chief executive, an elected official, a public interest group, a neighborhood, or a bank, likely to have a particular perspective on the problem.

5. An issue or problem orientation, described alternatively as a reactive posture.

6. A time horizon often compromised by terms of elected officials and uncertainty.

7. A political approach to getting things accomplished.

BOUNDED RATIONALITY / SATISFICISING : SIMON

Elements of the rational model are often associated with Herbert Simon and his discussions of rational decision making in *Administrative Behavior* (late 1940s). Theoretical economist, Herbert Simon, merged the works of Harold Lasswell with his own to bui ld a proposition that altered the notion of comprehensive rationality Simon proposed that humans are controlled by forces that extend beyond pure rationality. He then built the decision theory of bounded rationality upon this foundation.

Simon states that organizational decision-making is what he called satisficing. That is, an administrator reaches a decision that is;

- satisfactory on the one hand and,

- produces benefits that suffices a decision-maker's conditional needs.

The term, satisfactory, is reduced to satis and suffice is reduced to ficing. When these terms are placed together they form the term called satisficing. A decision-maker is limited to the reality of what is actually possible without complete information. That is, total data and information are seldom possible to obtain in a timely manner. Moreover, that same information is manipulated by people at the middle management levels of the organization. By the time the information reaches the policy-makers, it has been changed into a different form. Considering the fact that

past decisions impact present reality, and that it is not possible to achieve all possible courses of action and also considering the fact that the boundary of the external environment is limited, humans and organizations cannot function rationally.

In terms of the policy maker (if we can be so simplistic for the sake of discussion) it is limited by:

- Incomplete knowledge and information of the existing situation and the consequences of policy "solutions"

- A cognitive inability of decision makers to consider every possible solution, not only in terms of time and intelligence, but also in terms of values or predisposition (or a willingness to consider only a limited number! type of policy solutions).

Lindblom described the rational model (root method) as one In which a rigorous process is followed in making a decision. First the problem is clearly identified and defined. Then all alternatives/options (means) for dealing with it are articulated. These alternatives and their consequences or outcomes (ends) are rigorously analyzed by means of cost-benefit analysis or some other detailed method. Finally, the single best alternative is chosen and implemented. It is the one alternative that maximizes the values desired. After implementation, evaluation occurs to ensure that what is desired is truly occurring. The process repeats itself.

INCREMENTALISM

Lindblom is one of the early developers and advocates of the theory of *Incrementalism* in pol icy and decision-making. This view (also called *Gradualism)* takes a "baby-steps", or "Muddling Through", approach to decision-making processes. In it, policy change is, under most circumstances, evolutionary rather than revolutionary. He came to this view through his extensive studies of Welfare policies and Trade Unions throughout the industrialized world.

As described by Lindblom, Incrementalism is a process of "successive limited comparison" (branch method). Instead of evaluating everything all over again, decision makers accept a set of "givens" and go from there. It is far easier to accept them and simply evaluate the change at the margin from these "givens." Thus, only the increment of change is evaluated. We can once again bring Simon into the picture. People evaluate the increment until they find something that works, that satisfies or suffices. Simon calls this "satisficing" since the search is not for the

single best option, but for one that works and can be agreed upon. Herbert Simon's "bounded rationality" and other contributions to decision-science divide the past from the future regarding budget decision-making. Simon's "bounded rationality" provides the basis for our understanding of incremental decision-making, while Lindbloom's "disjointed incrementalism" provided a firm foundation for its evaluation.

Simon identified the existence of "bounded rationality," while Lindbloom built a model of disjointed incrementalism. Lindbloom's incremental model is incremental, but that an incremental decision using high-understanding was grounded 111 rational-comprehensive techniques. Now, in this usage both Lindbloom and Wildavsky seem to believe that incrementalism reflects the political theory ofpluralism—at that time the predominant theory.

There are various actors involved in policy-making and implementation - politicians, bureaucrats, interest groups, and the public at large

1. Because there are many individuals and groups involved in the policy process - there is a lack of consensus on identifying which issues policy should address

2. Divergent views on how goals should be pursued because agreement upon strategy is "possible only to the extent that values are agreed upon"

3. As a result of the various views about ends and means, incrementalism alleges that actors use their political power to negotiate what andhow somethingshouldbe done - bargaining

Although Incrementalism has enjoyed widespread acceptance within political science, it has not spawned a lively research tradition leading to cumulative refinement and amplification of the core concepts. Nor has it provided much guidance for policy making, in part because scholars never attempted to clarify how decision makers could become better incrementalists. This is due in part, we suggest, to the fact that understanding of the concept of "incrementalism" has become extremely muddied, conceivably to the point where the term may have outlived its usefulness; but the problems which motivated the early scholarship remain at the heart of political theory and practice.

Lindblom's formulation encouraged or allowed a large number of scholars to waste a great deal of time over a matter on which no thoughtful person could possibly disagree.

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A second criticism holds that Incrementalism is an overly conservative approach, which would tend to neglect basic societal innovations and would limit social scientists' ability to serve as a source of social innovation.

One of the criticisms of Incrementalism was the possibility that policy trials could produce unbearable errors, before error-correction could occur. While the problem afflicts all decision theories, not just incrementalism, it is well worth addressing. Even in highly uncertain endeavors, it is possible at the outset partly to foresee and protect against some of the worst risks. However, Incrementalism provides a framework that builds on Simon's notion of "satisficing." It appears to contribute to our ability to identify or model out of the decision making process.

Incrementalism remains the most complete explanation for the public policy decision making process, particularly those relating to budgeting; the incremental model has contributed greatly to our understanding of the way politics and budgets work.

The Incrementalism is more realistic, more focussed on the problem at hand. It is based on trials and error. It is less costly and less disruptive.

SYNTHESIS—MIXED SCANNING

In 1968, noted sociologist, Amitai Etzioni, developed an abstract decision model called, mixed scanning. This model represents a protest of the failure of incrementalism to clearly differentiate between functional and nonfunctional decisions.

Mixed scanning was designed to deal simultaneously with a problem or issue from a perspective that was both:

- comprehensive,
- and incremental.

The sequence by which an administrator would approach a problem or issue from a mixed scanning perspective is listed below: The elements of the problem or issue would be:

- identified through their respective goals, objective, criteria and standards.
- assessed by comparing the respective goals, objectives, criteria and standards among one another.

For example, the mixed scanning process can best be understood by relating Etzioni's high altitude weather satellite analogy. Consider the existence of a two camera weather satellite orbiting above the earth's surface. One camera is designed

for narrow angle photographs and thereby focusses on specific weather patterns within a narrow land area. The other camera is designed to capture major weather patterns. Analysis of the narrow weather pattern is dependent on its previous discovery by the wide angle camera of the weather system itself. This position enables an administrator to see the weather system's:

- size,
- location,
- and boundaries.

In contrast, the wide angle camera is dependent upon the narrow angle camera for a detailed analysis of weather storm centers and related weather activity. Both cameras are mutually dependent upon one another for the transfer of relevant data and information. Etzioni compares this "mixed scanning" to a satellite scanning the earth by using both a wide-angle and a zoom lens. "Mixed scanning model emphasized that effective environmental scanning requires both general viewing that sweeps the horizon broadly and purposeful searching that probes issues in sufficient detail to provide the kinds of information needed for decision making.

4.13 Conclusion

Public policy is determined by political institutions, which give policy legitimacy. Government universally applies policy to all citizens of society and uses force in applying policy. The legislature, executive and judicial branches of government give policy legitimacy.

Analysis of government policies is an inexact process wrought with uncertainties. It is, however, an essential segment of social learning and adaptation that brings attention to the complex relationship between decision making and environmental outcomes. Policy analysis is rarely exhaustive and in most cases, cannot be prescriptive.

The academic study of public policy is animated by the desire to solve public problems. Now there is a consensus that social research can and should be relevant to immediate policy concerns. In other words, policy concerns, which are, by definition, public, are proposals for government and social action. The attempt to unite theory and practice is the unifying characteristic of approaches to policy. Exploration of the concepts, like Easton's 'post-behavioralism,' Lindblom's 'disjointed incrementalism,' and Dror's 'prescriptive-preferable policymaking' will focus on the current orientation of policy.

Various approaches to policy analysis exist. The Analysis 'of / for' policy is the

central approach in social science and educational policy studies which is linked to two different traditions of policy analysis and research frameworks.

Between policy analysis, policy formation, policy decision or promulgation, and the political analysis of policy there lie clear differences, and the practices of evaluation and policy research will relate differently to each. The tendency exists to regard these four activities—analysis, formation, decision, and political analysis—as steps in the policy process. But such a view is misleading, because these activities are never fully discrete in practice and they do not occur in any persistent sequence. Nevertheless, there is a distinction of practice corresponding to each activity, and each practice, moreover; has its distinct kind of theory.

Public policy is both an art and a craft. It is an art because it requires insight, experience, creativity, and imagination in identifying social problems and describing them, in devising public policies that might alleviate them, in finding out whether these policies end up making things better or worse. It is a craft because these tasks usually require some knowledge of economics, political science, public administration, sociology, law, and statistics. Policy analysis is really an applied subfield of all these traditional academic disciplines. There is no any single model or method that is perfectly able to fit all other, or that consistently renders the best solutions to public problems. Policy analysis is one activity for which there can be no fixed program, for policy analysis is synonymous with creativity, which may be stimulated by theory and sharpened by practice, which can be learned but not taught.

Political Analysis: Unlike policy analysis, political analysis is concerned not with determining the net benefits of a given course of action, but with measuring their political weight. The aim is not so much to determine the net social benefits of a particular policy, but to determine its constituency. If policy analysis is concerned with establishing what course of action has greatest worth in the utilities of public goods, then political analysis is concerned with estimating who will vote for it. It is concerned with determining whether the best thing to do is the same as the best thing that can be done. Often it is not. The theory of political analysis is the theory of political behavior.

- The theory of policy analysis is the theory of marginal utilities. It might rank policy choices according to the estimated net utilities of each.

- The theory of policy formation is the theory of inter-agency politics. It is the governmental process by which a course of action comes to be selected and actually framed.

- The theory of policy decision is nothing less than the theory of the polity itself, the theory underlying the placement of authority.

- Finally, the theory of political analysis is the theory of political behavior.

All of these activities together, not as discrete steps in the policy process, but as distinct facets of a social process make it clear about the practices of evaluation and policy research, about the relevance to the creation promulgation and implementation of public policy and about the virtues required for the actors in the socio-political system.

4.14 Summary

The study of public policy and policy analysis is now a well established part of Political Science and Public Administration. Public policy is a course of action adopted and pursued by government. Public policy refers to the decisions made by government, to a purposive course of action taken by governmental actors in pursuing solutions to perceived problems. Public policy can best be viewed as a process, a set or series of stages through which policy is established and implemented. The policy process consists of a succession of analytical stages.

For many years, public administrators were seen as neutral implementors of public policies shaped and designed elsewhere in the democratic process. Since the 1960s, with the growth of public policy analysis, both the policy process itself and the role of Public Administration in it have been reevaluated.

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4.16 Sample Questions

1. How does the policy process work?

2. What are the objectives of policy? What are the major perspectives for public policy analysis?

3. What is Public Policy Analysis? Are decisions made on the basis of statistical analysis or political situations? Give reasons.

4. Critically discuss the significance of policy analysis in political domain.

5. Write a note on different approaches to policy analysis.

6. Explain the models of policy analysis.

7. Distinguish between political analysis and policy analysis and explain their interrelationship.

8. Identify the basic assumptions and elements of the Rational Choice model of policy analysis.

9. 'A person should avoid becoming too dogmatically or rigidly bound to one model or approach. Comment.

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PAPER-VI

MODULE-3

PUBLIC ADMINISTRATION :
Democratic Administration & Good Governance

Unit 1 ☐ Good Governance : Meanings and Aims

Structure

1.1 Introduction

The terms 'Administration', 'Government' and 'Governance' are related with one another, but there are some differences in the meanings among them. In this Unit, the differences will be noted. Next, the discussion will focus on the concept of 'Good Governance'.

This aspect of theoretical discussion is relevant in the study of Political Science. The two core concepts in politics and political science are 'power' and 'state'. It is therefore necessary to understand how power is organised by modern democratic state apparatus to perform its main task of governing in order to serve the interests of the governed. This essential function of democratic state brings the two cognate academic disciplines of political science and public administration closer to each other.

Since its advent as an academic discipline separate from political science, public administration theorists identified at different stages of its evolution various concepts as its core concept.

The conventional idea in the nineteenth century was that public administration dealing with the organization and functioning of government machinery was merely a sub-field of political science. Woodrow Wilson brought in the concept of politics-administration dichotomy and gave the call for separation of government (public)

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administration from politics in his famous essay on "The Study of Administration" (1887). This theme was endorsed by Frank Goodnow in his book *Politics and Administration* (1900) where he argued that politics is concerned with formulation of public policies whereas administration is concerned with execution of public policies.

The search for the central concern of Public Administration began seriously at the beginning of the twentieth century. Frederick Taylor, although not professionally associated with Public Administration, suggested some measures to improve efficiency and production in his theory of "scientific management" published in 1910. This theory influenced the management in private sector in the United States. Surprisingly Vladimir Lenin, immediately after Russia's Bolshevik Revolution in 1917, wanted to follow Taylor's scientific management theory in the post-revolution management system in Soviet Union. The next attempt to focus on organizational management was made by Henri Fayol in France. He enunciated in 1916 his famous "fourteen principles" of organizational management.

This line of approach for studying administration independently of politics reappeared in the writings of Luther Gulick and Lyndall Urwick in the United States in the late 1930's in their theory of POSDCORB (planning, organising, staffing, directing, co-ordinating, reporting and budgeting). Parallel to this theoretical attempt to focus on the main concern of administrative management, a professional corporate manager Chester Barnard in the USA in 1938 perceived organization as a social system. From that point of view, Barnard highlighted the importance of the functions performed by the Chief Executive in an organization. In the 1930s a distinct contribution was made by Mary Parker Follett to organization management. She also perceived organization as a social system. Side by side, the Human Relation school of administrative management led by Elton Mayo and his research group in the United States underlined in the 1930s the importance of human relations within an organization towards increasing efficiency and better production.

In the 1940s a shift took place in identifying the core issue of administrative management. Herbert Simon, an important spokesman of the behavioural school, in his book *Administrative Behaviour* (1947) identified 'decision-making' and communication process as the core issue of administrative management. He sought to develop a science of administration based on methodology of logical positivism. He rejected the idea of politics-administration dichotomy and insisted on excluding 'value-judgments' (i.e. ethical assumptions) while dealing with 'facts' of administration in decision-making.

The next major shift took place towards the end of the 1960s in the context of major political convulsions in Europe and America. Dwight Waldo led an intellectual movement of young social science scholars and administrationists, whose collective efforts in the Minnowbrook conference gave birth to 'New Public Administration' in 1968. Waldo and his team had upheld the perception of Public Administration as politics since the 1940s. The New Public Administration was based on the basic themes of relevance, participation, decentralization and representative bureaucracy.

Very soon the 'public choice school' of Public Administration of Vincent Ostrom and others emerged forcefully to claim that hiarachical bureaucratic administration is incompatible with some of the basic norms of a humanist and liberal democracy. The theorists of this school views the individual as the basic unit of social analysis. As rational being, individuals pursue their self-interest. Hence, it is argued, individual choice needs to be posited as the determinant of social organization. The advocates of public choice theories recommend introduction of competition into public policy- making and administration through contracting-out, outsourcing, privatization and competition between public agencies, even government departments, by rewarding performance. This approach's main weakness is its market-orientation and advocacy of reducing social welfare spending. Ideologically it comes very close to neo-liberal political philosophy.

In the 1980s and 1990s the World Bank and International Monetary Fund innovated the concept of 'governance' in order to involve the civil society, NGOs and corporate sector in making of public policies. Public Administration as a discipline quickly responded positively as it found the concept of 'governance' quite useful for identifying its own core theme. In the 1990s the ideas like hiving off the responsibilities of the social welfare state and increasing the involvement of civil soiety, NGOs and corporate sector in the formulation and implementation of public policies constitute the essence of 'Governance' which found wide acceptability to new politics and nanagement of public interests.

1.2 From 'Admininstration' to 'Governance'

The origin of the English word "administration" can be traced to the Latin word *ad ministaire,* meaning "to serve". But "administration", as generally understood in English since the middle of the nineteenth century, means control. Hence public administration as the study of governing the affairs of the state stands for a social science which is engaged in finding out the best possible mechanism of controlling the decision-making processes and the necessary institutional and organizational

systems for that purpose. The theories of public administration for more than seven decades since the last decade of the nineteenth century were concerned with the concepts and processes of exercising control in conducting public affairs and influencing the processes decision-making in regard to public interests. .

Generally speaking, the concept of 'administration' presupposes a well-organised machinery of functionaries appointed to make rules and apply them with a view to translating the policies of the established authorities. So far as 'government' is concerned, these functionaries are known to have collectively comprising the 'bureaucracy'. In a democratic regime bureaucrats are supposed to safeguard the legitimate interests of the public by exercising continuous vigilance and using expertise in matters of decision-making and execution of policies. In private organizations the bureaucracy is not as much rule-bound as in public or governmental organisations and the administrative officers are required to subserve the main objectives of the organization. Public administrators are to fulfil the lawful needs of the common people by adopting and implementing appropriate decisions without discriminating between the high and the low, the rich and the poor. However, in India and most other democratic countries, bureaucrats or public administrators have failed to live up to the high expectations about their role in managing natural, technological and human resources of the society. Hence the case for a permanent tenure, accompanied by host of privileges and perquisites, for the bureaucrats becomes weak. In very recent time, government officers and employees excepting a few in the Afro-Asian countries are generally found to be unwilling to perform their minimum of duties in time. In most of the newly-independent democratic countries the honest and conscientious bureaucrats and technocrats not only do not get any appreciation or reward, they are also frequently threatened of dire consequences if they do not fall in line with the desire of the businessman-mafia-bureaucrat nexus. The examples are not at all uncommon in an advanced Third World country like India, let alone other ex-colonial countries. Open and hidden bribery does the miracle of getting a job done in government office. Moreover, endless collective suffering are caused to ordinary and unprotected citizens only because of the failure of the higher-level bureaucracy to take timely decisions on important matters affecting the genuine interests of the masses. Sufferings are found to be caused in many development-oriented departments such as education, forest, irrigation, public works, agriculture, health, rural and urban development and so on. There are plethora of rules and regulations which come very handy to the functionaries of government departments for not rendering effective service to the citizens, especially those who are not rich enough to give necessary "speed money" or "incentives" and those who are socially-economically-politically

unprotected and underprivileged. Even, the conscientious higher officials also have to suffer ignominious and inhospitable transfers if any of their decisions happen to hurt the vested personal or vital party political interests of any legislator or party boss of the ruling party. In numerous public sector undertakings, India has suffered from losses worth hundreds of thousands of crores of rupees because of the acts of wastage, inefficiency and corruption originating in the politician-bureaucrat nexus and caused by self-aggrandisement and misuse of power and machinery of public administration. It is the common experience of the ex-colonial, development-seeking countries that whenever national interests are subordinated to personal-factional-party interests, appropriate decisions are subordinated to momentary matter.

It was in this backdrop experience of the "public administration" in the developing societies and their economics that the shift to the concept of "governance" was recommended by the World Bank. In this age of globalization and rising quantum of foreign direct investment, the importance of "governance" can hardly be overemphasised. To quote Daniel Kaufman, former Director of World Bank's Institute of Global Governance, "governance matters for development." Governance refers to a process, not structure, of decision-making whereby multi-layered elements in society are given an opportunity to wield power, authority and influence so that policies concerning public life and socio-economic change for better living can be adopted and necessary laws can be enacted. Governance is good only when it is in the larger interests of the masses. Democratic governance is thus linked with the larger involvement of the people in 'decision-making on desired political and socio-economic changes.

In its document titled *Governance and Development* (1992) the World Bank defined governance as 'the manner,' and not the constitutional and legal framework, in which power is exercised in management of a country's economic and social resources for development, and for creating and sustaining an environment which seeks strong and equitable development and increases the capacity of the political regime (avoiding the term "state") for development. Philosophically speaking, governance aims at converting a badly managed economy into a well-ordered re-arrangement of the social order. 'Governance' is a method of re-defining the relation between the government and society.

It is therefore quite clear that the quality of 'governance' will be determined by the persons taking decisions and the manner of implementing them. At the same time, in a democratic set-up the views of the political parties, and in non-democratic system the views of the power-holders (the dictator and his collaborators) count. For example, in the Swedish system of consociational democracy, no major public policy

is adopted without consultation with, and support of, the interest groups and concerned civil society organizations. On the contrary, in the Indian variety of majoritarian democracy, the views of the affected minority is not always taken into account in making of public policies; in some cases, the dissidents are even mercilessly oppressed. To take a specific example, in western democratic systems, planning and development policies are generally not formulated without consulting the views of the developers and opinions of the affected people. In most developing countries, the business community receiving aid or foreign direct investment try to create pressure upon the politicians to adopt such policies as would serve the business interests. Where the political leadership in power has been elected through transparent democratic process and the press is well-informed and free, the government is not easily swayed by the influence exercised by the business community. Informed and free public debate offers a guarantee that the government would not be allowed to ignore genuine public interest. The same argument is applicable in regard to implementation of public policies. In this respect the role of media, judiciary and public intellectuals is of critical importance. Development projects meant for serving public good need to be implemented in a time-bound manner and in a manner of financial transparency. If not, cost-escalation takes place leading to pressure on public exchequer and corruption in the long run. Such situations either are the result of, or lead to, bad governance.

For achieving the United Nation's Millennium Development Goals not merely governance but "good governance" is the key factor. It is the universal experience that political, administrative and financial corruption is found to have thrown a formidable challenge to achieving "good governance". Experience shows that in 'many cases the benefits which are expected to be generated out of foreign aid or loan do not percolate to the stakeholders, because the funds are not properly utilised, and politico-administrative corruption is responsible for this state of affairs. Most often the public is not informed of the source and the total amount of funds invested project-wise, and the quality of work done. Money changes hands. This state of affairs is not good governance.

Governance and Government

The two terms, 'governance' and 'government', though often used interchangeably in popular parlance, are different. *Governance* is the interrelationship between four principal institutions of democracy—legislature, executive, judiciary and media (print as well as electronic, including world wide web). *Government*, on the other, means a structural arrangement of institutions.

The concept of 'governance' can be broadened further to include government's interrelationship with the corporate world and the non-profit "third sector". The concept of Governance thus stands for the institutional arrangements that span the levels of government and straddle the divisions between public bureaucracy, corporate sector, the non-profit 'third sector', and the media.

Government is the specialized institution which contributes to governance; and governance is the outcome of politics, policies and programmes of the government. The characteristics of *government* and *governance* can be summarised as follows:—

Distinguishing Characteristics of Governance and Government

Governance	Government
1. Functionality	1. Superstructure
2. Processes	2. Decisions
3. Goals	3. Rules
4. Performance	4. Roles
5. Coordination	5. Implementation
6. Outcomes	6. Outputs

Source: D.C. Misra's article on e-Government in *Management in Government*, Oct-Dec. 2007.

'Governance' must not be confused with 'government'. To put it simply, 'government' is one of the factors of 'governance' but governance is influenced by many other factors. Governance implies the use of institutions, structures of authority and even collaboration with non-government organizations for resource allocation and also coordination or partial control of the voluntary organizations active at social and/or economic levels.

1.3 Genesis of the Concept of Good Governance

Ensuring 'goodness' in governance is enshrined in the concept of 'good governance'. The idea providing a system of governance which would be capable of bringing some good to the people at large and society as a whole is generally the aspiration of well-meaning rulers. However what is meant and signified by the expression 'good governance' has been a theme of endless debates.

Good governance is a dynamic concept. Governance is a continuum and is not

necessarily unidirectional. Despite the inherent vagueness of concepts like 'common good' or 'public interest', these concepts are not invalid. Common good implies material, cultural and moral good. It points towards the full realisation (development) of the potentialities of individuals as well as institutions. According to the sages and thinkers in ancient India, the idea of common good is inherent in the concept of 'Dharma', which enables individuals, state and society to hold together in the path of righteousness with a view to achieving all-round welfare and happiness of all and everyone. The term 'common good' thus becomes a symbol of welfare and happiness for not only the sum-total of the well-being of individuals but also overall well-being of the entire society. This goal can be achieved only by 'good governance'.

In modern times 'governance' refers to forms of political system and the manner in which power is exercised in utilising economic and social resources for development. Governance deals with the capacity of government to design, formulate and implement policies and, in general, to discharge governmental functions. Good governance is associated with efficient and effective administration in a democratic framework. It is equivalent to purposive and development-oriented administration which is committed to improvement in quality of the people's living-standard. To achieve good governance requires high level of organizational effectiveness. It also refers to adoption of new values of governance for establishing legitimacy, credibility, high efficiency and wide transparency in the governance process. In short, good governance is responsive, citizen-friendly and citizen-caring administration. As a model of genernance, it seeks to replace the Taylorian as well as Weberian models. The rigidities and untenable assumptions of these older models of administrative organization did not fulfil the expectations of the dynamic and entrepreneurial ethos of the modern society. The model of good governance aims at entrepreneurial role of public organizations with a market-based public administration in order to promote effectiveness and economy in the functioning of public organizations.

The concept of 'governance' was especially highlighted for the first time in 1989 in the World Bank's document on sub-Saharan Africa. And the concept of 'good governance' came into general use in the early 1990s as a model of sound development management aiming at societal management process by involving both the state and non-state actors.

1.4 Concept of Good Governance

In a democracy, as opposed to autocracy in any form, the spirit of governance needs to be society-centric. It would include the government as the central and

dominant actor, but transcending its role by taking in the corporate sector and the civil society. All three actors are critical for sustaining human, economic and social development. The government has the responsibility of creating a conducive political, legal and living environment. The private corporate sector promotes commercial, industrial and business enterprise and generates job and income. The civil society, including interest groups and NGOs, facilitates interaction by mobilizing groups for social, economic and political activities. All three actors in the governance process have their own strengths and weaknesses. Democratic governance is achieved through meaningful and constructive interaction among all the actors in the practical governance process. Taking an overall perception of this inteaction, it can be observed that the most critical factor is the existence of a virile civil society moved by honest and public-spirited motivation.

In order to pin-point the progressive aspect of his party and government, Shri Narendra Damodardas Modi, immediately after taking over as India's Prime Minister in 2014, coined the phrase "less government and more governance." The implication was that the government headed by him would pursue the goal of establishing Good Governance. This phrase is implied by the political philosophy of the 'New Right' which declared in the early 1980s that the era of big government is over. In terms of concrete political programme, it aims at down-sizing the government. It prefers retreat of the government from socio-economic field of activites and opening wide this field to corporate sector and to the network of voluntary associations and non-government groups and institutions in the context of Liberalization-Privatization-Globalization (LPG) trends gaining in strength since the 1990s all over the world.

Contemporary Meaning

The concept of Good Governance has become a buzzword for administrative reforms since the 1990s in the context of the chronic misgovernance in the Third World countries. The public bureaucracy in the development-seeking countries continues to suffer from trained incapacity, isolation from the people, misplaced faith in the capabilities of the government functionaries and inability of the administrative machinery to adapt itself to socio-economic changes. Governance, administration and management all lost their relevance and were reduced to mere avenues of ruling over the people and embezzling public funds. Public Offices were unscrupulously exploited for self-aggrandisement. The Third World countries are mostly densely populated, widely habitated by malnourished, underliterate and least gender-sensitive people. Their economies are characterised by large-scale poverty, high unemployment, underskilled labour force, and lack of capital for investment. This scenerio convinced Mahbub-ul-Haque, the eminent Pakistani economist and an important pioneer in

formulating the Human Development Index (HDI) for the United Nations Development Programme (UNDP), that the root cause of the failure of the Third World countries in building efficient, effective and responsive government lies in their system of misgoverance, which has three varieties of non-feasance, mal-feasance, and over-feasance, in their public administration and management process.

In the post-war period the newly-independent, development-seeking countries of the Third World received financial aid and technological assistance from the developed industrialised countries as well as the international aid-giving agencies like World Bank, International Monetary Fund, Organization for Economic Cooperation and Development, Asian Development Bank and such other institutions. However, the experience of the donor countries and the aid-giving agencies in the late-1980s and early-1990s was that the aid-receiving development-seeking countries failed to make proper use of the aids received because of their administrative and mangerial incapacity to utilise the aids for the benefits of their people.

The discourse of Good Governance emerged in the specific context of this experience of failure to utilise developmental aids by the aid-receiving countries in the sub-Saharan African countries like Gambia, Zambia, Mali, Zimbabwe, Mozambique, Angola, Eritrea, Malawi, Ghana, Uganda, Kenya, Botswana and Mauritania. First, the environment and management capacities of governmental institutions were studied; next, the areas of reform were identified; and finally, suitable reform strategies were suggested. Then the aid-giving agencies laid down certain conditionalities of their own to their aid offers, such as adjustments in the structure of administration, liberalization of administrative rules and regulations in order to minimize government control as far as necessary, more democratization of the polity, decentralization of political and administration power, improvement of human rights records, more transparency in management of public affairs, introducing marketization and competition in production and distribution system, improving political and administrative accountability of decision-makers and so on. The concept of Good Governance emerged in this context, putting less importance to 'administration' (exercising control) and more importance to 'management' (making the best use of available resouces) by opening the field of decision-making to corporate sector and civil society organizations.

There is hardly any unamimity in what is exactly meant by the term 'Good Governance'. The span of governance extends to the entire canvas of the life of a nation. It involves not only administrative or managerial capacities but also the social, political, intellectual, cultural and moral capacities of the system. The best governance machinery is the one that harness all these capacities and directs their

focused beam on resolving the problems that confront the nation. If, for example, the prevailing culture of a nation does not generate values of honesty, dedication, compassion and the like qualities of mind, the quality of governance suffers, no matter how perfect are its institutional arrangements of government machinery and administrative system. For establishing good governance, it is necessary to make simultaneous efforts to upgrade all the capacities of a polity and its administrative system. If any nation concentrates on a few capacities and neglects the others, the efforts to establish good gonvernance would hot be wholesome.

The concept of 'Good Governance' came into use in the early 1990s. At that time, it stood for sound development management. Five key dimensions of good governance were identified viz.

(i) civil service reforms,

(ii) improved management of public sector undertakings,

(iii) political and administrative accountability,

(iv) improving legal framework for development through establishment of rule of law, and

(v) provision for freedom of information about government's functioning and transparency in the role played by corporate sector and civil society institutions. The World Bank and International Monetary Fund came to the conclusion that good governance is crucial to creating and sustaining an environment which fosters sustainable and equitable development and that it is an essential complement to sound economic policies.

1.5 Different Meanings of Good Governance

There is hardly any unanimity on what is specifically meant by Good Governance. Different international bodies have attached different meanings to this concept.

World Bank used this concept for the first time in 1989. In its document entitled *Governance and Development* (1992), based on its experience of lending its technical and economic solutions to the development-seeking poor countries, defined 'governance' as the manner in which governing power is exercised in managing a country's economic and social resources for development. Based on its lending experience, the Bank concluded that good governance is absolutely necessary for fostering sustainable and equitable development. Its experience suggested that even after receiving sound technical advices, development programmes and projects have often failed to produce desired results. Owing to weak and defective enforcement of

law, development programmes are frustrated because of delayed and inefficient implementation. Production in private enterprise and market-led growth do not succeed unless investors are given level-playing field and unbiased enforcement of laws and regulations. Political and adminstrative corruption distorts investment priorities and causes wastage of resources. Sometimes failure to involve beneficiaries and affected interests result in wrong design and implementation of development projects, which ultimately become unsustainable. This is clearly malgovernance. Hence the Bank identified the key dimensions of good governance as public accountability, well-defined legal framework, freedom of information and transparency in governance.

In this connection it is interesting to note that John Stuart Mill, during the mid-nineteenth century heyday of capitalist development, tempered by his enlightened and modified utilitarianism, observed that production of virtuous and intelligent people should be the basic criterion of good government. He commouted : "One criterion of the goodness of a government is the degree in which it tends to increase the sum of good qualities in the governed."

There are three defining features of the aid and overseas development policy followed by World Bank and its sister organization International Monetary Fund. First, the aims of aid have been to promote open, market-friendly and competitive economy. This policy was embodied in the structural adjustment programme and its conditionalities in the 1980s. Subsequently in 1994 two other aims have been added to sturctural adjustment, viz. democratization and improvement of human rights records, and insistence on 'good governance' which emphasizes on key governance elements of accountability, rule of law, openness and transparancy (*World Banks's Experience,* 1994). Thus World Bank's conception of good governance is identified with political accountability and transparency in dissemination of information and cooperation between government and society. In any way, then, good governance devotes a citizen-friendly, citizen-caring, responsive and transparent system which feels for protecting human rights and is committed to deliver goods and services to citizens without jeopardising their democratic entitlement and violating their human dignity.

Organization for Economic Cooperation and Development (OECD) has summarised the concept of Good Governance by identifying its essentials as democratization of the polity while confirming people's participation in the development process, preservation and protection of human rights of the individual. OECD thus underlines an equitable, transparent, non-discriminatory, socially sensitive and accountable administration having capability and effectiveness for achieving the goals of good governance.

United Nations Development Programme (UNDP) has defined Good Governance in terms of (i) people's participation, (ii) consensus-orientation, (iii) responsiveness to citizens' demands and expectations, (iv) effectiveness and efficiency in formulation and implementation of public policies, (v) accountability of government and non-government agencies which are involved in governance process, (vi) transparency in all aspects of performance in governance process, (vii) equity as a principle to be respected in governance process, (viii) Rule of Law, and (ix) strategic vision in reforms of the governance process.

Institute of Governance (Canada) has identified the following principles of Good Governance, viz. (i) democratic legitimacy of the regime, (ii) people's voice in decision-making, (iii) clear vision in governance, (iv) performance level of the administration of agencies involved in governance process, (v) legal and political accountability, and (vi) fairness in governance process.

Taking the essence of these different ways of defining Good Governance, the following principles may be identified as the universally acceptable core ingredients of Good Governance, viz.

(i) effective people's participation in decision-making through appropriate devolution and decentralization

(ii) transparency in decision-making and implementation of decisions.

(iii) responsiveness of the governance-agencies to people's needs and demands.

(iv) consensus-orientation in decision-making.

(v) equity and inclusiveness in state policy.

(vi) Rule of Law.

(vii) effectiveness and efficiency in delivery of services.

(viii) public accountability in governance process.

(ix) strategic vision in designing and reforms of governance.

(x) absence of violence in policy implementation.

Obviously most of these principles are crucially value-laden and they constitute the bedrock of genuine liberal democracy.

Neo-liberal political theory presents quite a different view of Good Governance. The neo-liberal approach essentially presents a strong case for "rolling back the State", meaning thereby withdrawal of the state from its commitment in redistribution of society's resources for the purpose of social justice. Coincidentally, the neo-liberal

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agenda in the 1970s-1980s in political philosophy and economics, as propounded by Robert Nozick and Milton Friedman respectively, proved very much influential in formulating public policies and re-orienting governance process in advanced western capitalist countries, especially in Britain under Prime Minister Margaret Thatcher and in the United States under President Ronald Reagan. The neo-liberals advocate the case of the State's withdrawal in favour of market mechanism and voluntary agencies for formulating and implementing policies of socio-economic change. The shift of focus from public bureaucracy and State-leadership to voluntary sector and free market has been justified as an opportunity for 'participatory' development which is considered as an important component of Good Governance.

1.6 Good Governance and Civil Society

The politico-administrative ideology of Good Governance and its consequent administrative reforms and innovations have brought some good results in Britain, United States, New Zealand and Australia in their governance process and style of administration. For achieving the fruits of Good Goernance, necessary reforms of the governance system have been undertaken since of the 1990s. Some well-known initiatives which have been taken include Right to Information Act., Consumer Protection legislation, Citizens' Charter, Whistleblower Protection, e-Governance, Report Cards, Democratic Decentralization, Public Interest Litigation and so on. Pressure now comes from the civil society crying for good governance. For Example, *Lok Satta,* a Hyderabad-based social activist organization, submitted to the Government a petition signed by over a million villagers demanding greater devolution of powers and resources to the panchayats.

The civil society's functional contribution to good governance could be of the following roles, viz.

(i) **Watchdog** : against violation of basic human rights as well as shortfalls and deficiencies in governance, especially at the implementation stage through social audit and other exposures.

(ii) **Advocate** : of points of view of the weak, voiceless sections of the society.

(iii) **Agitator** : as an assertive representative of the aggrieved citizens when all other normal, legitimate methods of representation fail.

(iv) **Educator** : educating not only citizens on their rights and entitlements and their civic and statutory responsibilities but also educating the government about the actual state of affairs at the cutting edge and the pulse of the people.

(v) **Service provider** : Delivering services like education and health to areas and sections of people not reached by official efforts or as an agent of government.

(vi) **Mobiliser** : mobilising public opinion and participation for a good policy/ programme for or against a wrong policy/programme, mobilising support for good initiatives by government in literacy, family welfare, child immunisation, environmental protection.

(vii) **Agent of the State** : acting in the delivery of services, especially in situations where the inflexible arm of the government is ineffective and a personal soft touch is needed.

(viii) **Organizer of 'social capital'** : Civil Society acts through what is known as social capital, i.e., capacity of people to act together willingly in their common long-term interest. Social capital is strong when a society is homogeneous in terms of socio-economic access and opportunity, and it is weak when a society is not egalitarian (mostly feudal) and is fractured in terms of tribe, caste, religion, language or any other narrow sectarian, short-term interests. A weak civil society is unable to play its full potential role in enforcing good governance.

Operationally, civil society has to be structured into compact, focussed organizations, each based on strong social capital in order to interact effectively with the huge politico-bureaucratic machine of the government.

Civil society organizations are known by various generic names such as voluntary organisation (VO), non-government organization (NGO), civil society organization (CSO) and so on. Many such organizations are found to be the fiefdom of some powerful person or group mainly interested in having national and/or international funding. In order to be really capable of having an impact on the quality of governance (which is, after all, their *raison d'etre*), such organizations need to have the requisite qualities like selflessness, commitment, grassroots experience, competence, objectivity, transparency, integrity, leadership, accountability and internal democracy.

It is the active role of the civil society which would ensure that public interest is defined from a truly public perspective. Civil society organizations generate the need of the people. The strength of the civil society rests squarely on the quality of its social capital. It is the duty of citizens to see that society is not fragmented on the basis of narrow, self-centred loyalties weakening the social capital.

1.7 Critique of Good Governance

In whatever way it is defined, the concept of Good Governance differs from one country to another. Firstly, its meaning and implications depend on the living standard of the people concerned, the pattern of government, social institutions and cultural values of the people as well as the political culture of the society. This concept cannot have a universally acceptable connotation. What is accepted as normal routine in the governing process in, say, Britain or United States, is regarded as instances of good governance in the developing countries. It is almost an established practice in many South Asian countries to give a number of concessions like reduction in tax rates or availability of additional civic facilities at the time of elections at the local, regional and national level. But strangely, some of the concessions and facilities are either withdrawn or they are simply discontinued without any further notice. This practice is followed in many service sectors like transport, hospitals and health centres, primary education, literacy programmes, roads and communications, public distribution system and so on.

Secondly, political, electoral and administrative corruptions are so pervasive in the developing countries that they are considered part of the culture and habits of the people. The prevailing political culture hardly frowns upon corruptions of the political leaders and bureaucrats, high or low. Good Governance, virtually speaking, has become a popular rhetoric only in such kind of society. Even when corrupt practices are detected and revealed in the press, the allegedly corrupt persons do not feel ashamed. The people and the media also easily forget about such misdeeds of the politicians and bureaucrats.

Thirdly, absence of Rule of Law has become quite a common experience in many developing countries. The political and economic elites mostly do not experience discrimination and consequently do not suffer. The politically unprotected and economically underprivileged sections are destined to suffer the consequences of the absence of Rule of Law. It is impossible to achieve Good Governance in those societies where the minimum norm of Rule of Law is not observed at all. That is to say, where bias in decision-making is widely prevalent at both the higher and lower levels of administration, it is virtually impossible to usher in Good Governance.

Fourthly, if citizens are viewed as consumers of public services, Good Governance would entail that they receive the services they are entitled to. All the constituents of the Establishment viz. the ruling party, the opposition and the bureaucracy and also those who can influence power bases, do not seriously take the issue of meeting the needs of the people. The Establishment is hardly seen to bother about the needs

of the tax-payers and also of the down-trodden and underprivileged people. The governing system makes it very difficult for citizens to get access to services. The condition of the people in some South Asian countries is so pitiable that they would consider it an experience of good governance if they are not harassed by the power-holders. The fiscal and welfare policies do not necessarily reflect the will of the people. The ideology of Good Governance brings no succour to the people in these countries.

Fifthly, good governance, for its success, has to depend on the State, although the World Bank relied, to a large extent, on the uninhibited functioning of the private sector. This is an impractical assumption so far as the developing economies are concerned. The private sector in these economies generally has not exhibited the ethics of promoting public good. It is hardly seen to consider the reeds of the unprotected and underprivileged sections of the people. In the context of the Third World countries, good governance and market economy are not synonymous. The state, in these countries, must not withdraw from decision-making for economic development. In order to check the unhindered exploitation of the socially and economically vulnerable people by the profit-motivated private sector, the State must assume its moral responsibility of reining in the rapacious tendencies of the private sector, especially the monopolists in the service-providing areas of economic and social activities. Because of the low standard of social ethics and individual morality, it becomes easy for the giants in the private sector to influence the media, the bureaucracy and even the people's representatives elected on various decision-making bodies. Higher growth rate and increasing size of the GDP provide no dependable indicator of good governance.

The pre-condition of Good Governance is not only democracy but effective democracy also. A healthy and democratic political culture is the *sine qua non* of good governance. The actual experience in most of the developing countries shows that this vital pre-condition of Good Governance is woefully absent there. If the relationship between the ruling party or coalition of parties and the parties in oppositon is based on mutual hatred, good governance is next to impossible. The cases of Pakistan, Bangladesh or a number of African countries provide a good point.

Sixthly, Good Governance is affected by the internal and external dependence of the State. In many cases in the post-war era the States are found to be heavily dependent on some interest gourps operating within the country. In some countries it is the strongly entrenched agricultural or business interests, trade unions or mafia groups which prevent the State authorities from introducing reforms facilitating good governance. Again, in some other countries, the interests of the donor countries

always pressurize the ruling power to follow in their footsteps in respect of choosing the path of development and institution-building. In some cases, the State is totally helpless in combating the self-seeking interests. Only a strong civil society can effectively put pressure on the State apparatus and the parties in power for serving the larger interests of the nation.

Seventhly, just like the businessmen-politicians-bureaucracy axis, the military also plays an equally detrimental role and prevents the State from achieving good governance. A number of Afro-Asian nations eminently illustrate this point. Politics in Pakistan and Bangladesh, for example, provide examples of how good governance has been frustrated, the military subverts the democratically elected government and, if necessary, stages a coup for capturing power and imposing its own variety of governance. Both the business class and the military, wherever necessery, foster and promote the 'mafia' groups and organized musclemen. India is no exception, especially since the late 1960s. In such a context, good governance is given a special meaning of serving the interests of the ruling classes only. The normal development goals are displaced and parochial interests are promoted and thereby Good Governance loses its relevance. No initiative comes forth to build up capacity to realize particular developmental goals.

Strong civil society movements are needed to establish that 'good governance' is the citizen's right. It is the responsibility of the State to keep the people happy as they are the clients of the State. In the absence of good governance, widespread public dissatisfaction would lead to anti-government movements and political de-stabilization. This has been the experience always in all the developing countries. Unless the civil society is strong, good governance cannot be achieved.

The meaning of "civil society" tends to acquire nuances varying with the history of a country. The status and sophistication of civil society vary with the nature of civilian supremacy over military dominance and the cultural preparedness of the people at large, including the media. In the socio-political context of the post-colonial societies, "civil society" is mostly equated with democratic society prepared to uphold the basic values of libertarianism and egalitarianism and to ensure effective participation by the people through their elected representatives in administration at all levels. For ensuring realization of the principles of good governance, guarantees for citizens' liberty and equality of opportunity for all must enjoy immunity from the vagaries of political processes. If the State itself is made to relinquish more and more its responsibilities for protecting the dignity of the individual and meeting the basic minimum needs of civilised life, it is rendered incapable of sustaining a democratic society. As a consequence, the chances of establishing good governance become

weak. The situation can somewhat be saved if the print and electronic media is freed from government influence and control. The independent and responsible media can then play a pivotal role against human rights violation, other forms of injustice, institutional abuse and politico-administrative corruptions, and thus facilitate good governance.

Eighthly, along with the need for increasing governmental capacity, good governance would require genuine decentralization of political, administrative and financial powers from the central to the local level and from the organised bureaucracy to the people's representatives without violating the fundamental principles of justice and equity. Good Governance must ensure transformation of the centralised bureaucratic State into the democratic polity in the real sense of the term. Mere introduction of adult franchise without ensuring electoral probity and safeguards does not make a polity "democratic" in the true sense. Electoral corruptions and misconduct make a mockery of democracy and create insurmountable difficulties for Good Governance.

The experience of India and some African countries show that the over-ambitious and dishonest politicians have evolved a system over the years where they can rule the roost with the help of a pliant bureaucracy. Decentralization has to be genuine and comprehensive, otherwise it is nothing. Hesitant and limited decentralisation amounts to betrayal of the people's faith in democracy and good governance. Here again, informed citizenry and a vibrant and powerful civil society, appropriately supported by the independent judiciary, would serve as the best bet for Good Governance.

Unless democratic freedom is culturally developed and goes into the thinking and habits of the ruler and the ruled, Good Governance would have no chance of being a successful experiment. When people and their elected representatives at the local level are effectively empowered, Good Governance would have a hospitable ambience. Informed and empowered citizenry would determine the quality of governance. Only when this condition is fulfilled, the polity becomes autonomous and conducive for Good Governance. When the basic elements of Good Governance such as accountability, transparency and popular participation in decision-making are realized in actions and processes of democratic governance, Good Governance enriches democratic polity and protects the rights and interests of the people.

The model of Good Governance, as recommended by the World Bank, prescribes an enhanced role of NGOs. But the problem is that the role of NGOs under specific conditions in many countries is not above criticism. The effective accountability and transparency of NGOs cannot always be ensured. For example, many NGOs import

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tax-free equipments, printing machines to establish business. In Bangladesh, where thousands of NGOs are in operation, the total capital of NGOs exceeds in amount the total capital of the private sector. The latter cannot compete with the former. This system is neither ethical nor conducive to healthy socio-economic development. Many NGOs are actually involved in business activities, though their charters do not permit it. The lack of accountability and transparency of the NGOs create an ambience of corruption in public life, which amounts to a negation of good governance.

Ninthly, the World Bank model of good governance relies greatly on a system of autonomous and vibrant local government which is supposed to fully reap the benefits of decentralisation. Local government is expected to function as an important vehicle for ushering in effective good governance. But India's experiment and experience of panchayati raj, even after the much-trumpeted 73rd Constitution amendment (1992), belie the hope that it would help realize transparent and accountable governance at the grassroots and ensure people's participation for good governance. The laws are good and well- intentioned but the motives of political parties are not always clean and corruption-free. Development projects are badly implemented and corruption thrives with every additional dose of development investment, be it in ensuring employment or housing or basic education for the poor people. People's participation in planning and development has been frustrated by political and bureaucratic corruption. Even the grand scheme of empowering women in local government, to a large extent, has failed thanks to either overbearing caste system or suffocating regimentation and centralised control exercised by the political parties. Either the women representatives are mostly mistreated and abused or they are intimidated. Good Governance, however, clearly requires the healthy functioning of effective and autonomous political institutions at all levels, particularly at the local level. Local-level power abuse, political and bureaucratic corruption, social harassment of the poor and of the women have largely made a mockery of Good Governance at the local level. Thelocal government institutions could develop as a pro-people and welfare-oriented grassroots organization and thereby promote good governance if the civil society concerned is sufficiently conscientious and virile to protect and promote accountability and transparency in local governance. Democracy can strike deep roots with congenial development at the local level.

Finally, everything said and done, good governance in developing countries today is threatened to be defeated by two phenomena viz. first, threats of military dominance, and second, religious fundamentalism. The process of militarization of society and government militates against the healthy and democratic growth of civil

society, and is therefore inimical to Good Governance. Religious fundamentalism has, in reality, little to deal with issues of genuine religion. Most often it is practised for capturing power by any means. It finds a good soil in developing societies by appealing to prejudices of the people and exploiting their economic vulnerability. India is free from the danger of militarization of society and government, but the danger of religious fundamentalism poses threats to Good Governance. However, India's neighbours in South Asia experience threats from these two dangers to Good Governance.

It is the techno-managerial approach of the neo-liberal economic globalization that finds importance in the dominant discourse of Good Governance promoted by the World Bank, IMF, OECD and such other institutions. This approach focuses on decentralization, transparency and report cards as the methods to ensure macro-economic management of the "Bretton Woods Mandarins". It is interested to enforce accountability of the national governments for economic and political conditions imposed on them. The main agenda in the idea of Good Governance mooted by the multilateral and bilateral trade agencies like the World Bank, UNDP, OECD, ADB, JBIC etc. was to ascertain the success of their projects. Their major thrust is on structural adjustment and necessary economic reform programmes consisting of liberalization, de-regulation, privatization and state withdrawal from economic spheres.

What is ignored in such discourses is the fact that 'governance' is a broader concept. It is essentially about power relationship within and beyond institutions and organizations and is based on the notion of accountability and answerability. Governance seeks justice through justice delivery system and helps build up the institutional means to protect the rights of the people. It mediates between citizens and government and seeks accountability. Therefore, a workable paradigm of good governance must adequately address the issues of budget tracking, participation, monitoring, planning process, citizens' charter, report cards, women's empowerment, public hearing, grievance redressal and public interest litigations. This theoretical understanding of Good Governance calls for people's empowerment, participation, public accountability, transparency, human rights and legitimacy based on the principles of democracy.

One point that must be underlined is that Good Governance is a dynamic concept which needs periodic review, rethinking, and necessary remodelling of institutions of governance, enhancing accountability and transparency, so that political as well as socio-economic justice can be realized in real life. Although the Constitution of India declares high principles of democracy like liberty, equality, justice and dignity of the individual and gives "directives" to the state at all levels to ensure equitable

distribution of material resources to subserve the common good, these grandiose goals have been lost in actual process of governance. Good Governance in India - as in many other countries—has become a casualty by vacuity of vision, absence of mission and faulty leadership. Wretched living conditions of a significant section of the people at the lower rungs of the social class structure, menacing spread of political, administrative, economic and moral corruption all around, sharp deterioration in the quality of policy-makers, dominance of the money-bag and the musclemen in political and electoral processes, spread of caste feelings and religious communalism bordering on fanaticism, and unprincipled and hence unholy populism practised by the political parties in order to garner votes in any conceivable way, fast-eroding ethics of educational institutions, and finally, growing trends of violence, terrorism, subversion and sabotage have collectively contributed to the destruction of the better and desirable aspects of Good Governance in India.

This kind of scenario is not uncommon in many other countries. But another serious aspect of the Indian experience that needs special mention is the deplorable quality of political and administrative culture of the country. It throws a huge challenge to the ideology and practice of Good Governance. The foremost challenge comes from low public morality in politics and administration. In the eyes of the people, at both the individual and mass levels, no wrong-doing and crime evokes universal and effective condemnation, especially if it brings in electoral success and huge monetary gains. This kind of political psychology offers a serious hindrance to good governance by facilitating deterioration in individual ethics and institutional governance.

Because of the huge dimension of corruption in public life, especially in electoral and administrative processes, the integrity and autonomy of educators, journalists, law-makers, administrators, and even judges are on the decline. The obnoxious understanding prevailing between politicians, businessmen and musclemen has effectively destroyed the ambience of good governance. Uninhibited interference by the politicians in almost all cases of decision making in the national life for the exclusive. goal of reaping partisan benefits has ruined the very basis of good governance. It is very hard, to find anything called public ethics. Good governance is.bound to be the first victim in any system affected by mass-scale corruption, .electoral malpractices, criminalization of politics and politicization of crimes. If electoral victory, by hook or crook, is taken as license to abuse power and misuse influence, good governance will have almost no chance to bear its fruits. Defective accountability and inadequate transparency facilitate the process of reducing the good governance formula and its strategies to a farce. The fate of the Lok Pal bill in India provides a telling instance in this regard.

A nascent plant growing out of good variety of seed would have no chance of serviving and bearing fruits if the climatic environment and infrastructural support like irrigation and fertilizer prove to be inhospitable and inadequate. Similarly, Good Governance will have no chance to succeed unless there is a national commitment to establish a largely corruption-free politico-economic order and honest willingness of the political leadership at the highest level to establish genuine accountability and transparency in utilising the human and material resources of the country. It is a fact that successful reforms introduced in the governance process in the United Kingdom, New Zealand, Malaysia and Singapore in recent time were politically driven at highest level. [For elaboration of this point, see Mohan Kaul, "Civil Service Reforms : Learning from Commonwealth Experiences", *Indian Journal of Public Administration,* LIV (3), July-Sept. 1998.]

Everything said and done, a viable strategy of good governance has to be relevant to the needs of the society concerned and needs to be ethically capable of addressing sustainable human development and enjoyment of human rights with positive support of the political leadership at the highest level.

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1.9 Sample Questions

Long-answer questions :

1. Explain the conceptual transition from 'administration' to 'governance'.
2. Discuss the genesis of the concept of Good Governance.
3. Examine the concept of Good Governance.
4. Explain the different meanings of the concept of Good Governance.
5. Discuss the relationship between Good Governance and civil society.
6. Attempt a critique of the concept of Good Governance.

Short-answer questions :

1. Briefly indicate the core features of the concept of Good Governance.

2. Write a short summary of the genesis of the concept of Good Governance.

3. Briefly distinguish between 'administration' and 'governance'.

4. Indicate briefly the role of Neo-Liberalism in the conceptualization of Good Governance.

5. Discuss briefly civil society's functional contribution to Good Governance.

6. Explain three major points of criticism of the concept of Good Governance.

Unit 2 ❑ Accountability and Transparency in Public Administration

Structure

2.1 Introduction

The demise of the old 'command and control' system of public affairs management is not to be too much lamented. The real challenge is to achieve better public service management. This challenge requires attention to the 'people' who are entitled to get necessary information relating to governance process.

In the changed context of the late 20th and early 21st centuries the 'people' in a democratic polity is not considered as the multitude to be governed mechanically in the old fashion. The current situation has empowered the people to act as participants in the governance process. They have two important roles to play as tax-payers and consumers of public services. New Public Management is no longer regarded as another passing academic fad.

While origins and objectives may differ from country to country, the strategies and directions of reform programmes generally converge on two items of good governance discourse, viz. enforcing public accountability and enhancing transparency in the governance process. Truely speaking, the state cannot be "rolled back" completely. It may have a continuing role to "steer" rather than to "row", or to "facilitate" rather than to "do'. Public intervention in governance process is necessary, rather than rigid governmental structures and processes governing such intervention. The spirit of the recent times is less 'government' and more 'governance'.

In the liberal democratic governance system the basic task is to minimize the costs to the interests of the people who are the 'pincipal'. This task can be well performed by exacting accountability of the civil servants who are the 'agents'. What is judged in public administration is not merely the cost-effectiveness and timely provision of public needs, but also whether the expenditure incurred is in conformity with the purpose and terms for which it is authorized by the legislature. Another consideration is whether administration is conducted within legally defined parameters and without abridging the rights of the citizen.

Public Administration differs from the private economic sphere in the nature of its activity. It is concerned with providing public needs in a manner that meets both the political and legal criteria of performance. Secondly, while the performance of private economic activity is judged solely by the profit made, public administration is subject to different kinds and levels of scrutiny : the accountability of the executive to the legislature for the conduct of its business, the investigation in specific areas of administration by legislative committees, and the individual or groups going to the court in cases of maladministration. In countries where their civil service is not historically embedded in the surrounding social structure, a formal structure of accountability may be the solution to ensure accountability of civil servants.

Rules governing the selection, appointment and advancement of civil servants have decidedly been an improvement on the patronage system, but they have not restrained self-interested behaviour. Rules define the role vehaviour of civil servants and govern the range of their discretion in decision-making, but rules do not create structures of accountability. Construction of a formal structure of accountability may perhaps be the solution to ensure that civil servants do not behave opportunistically.

Accountability would be in danger of being disturbed if there is no transparency in the various institutions of governance. Transparency, along with accountabilty, are the essential principles of satisfactory public service. It is vitally necessary to know how the agencies of governance, including the goverment, actually function. That is

to say, unless it is known to the public how and on what basis of facts and logic the governance decisions are taken, public interests cannot be adequately protected. Transparency in the governance process strengthens accountability.

The gradual evolution of democratic governance reveals that there are three stages of this evolution. The struggle for democracy was first launched on the demand for *representative* government. At this stage, the basic idea was that a democretic government must reflect the principle of people's freedom to choose their representatives. The demand was realised in England over a period of nearly one hundred years from early 19th century to early 20th century. The second stage was the emergence of the demand for *responsible/accountable* government. That is to say, the democratic government must be accountable to different public agencies like elected legislature, court, and media for all its omissions and commissions. In the third stage the demand was raised that the process of governance must be *transparent* or *open* in order to satisfy the citizenry. That is, the citizens must have the right to know how governance decisions are taken, by not only the government but also the non-government agencies. The argument is that unless the citizens have open access to decision-making process and data, public interests cannot be fully protected.

Thus it is now abundantly clear that the twin principles of accountability and transparency are vital for the success of a democratic polity worth its name.

2.2 Public Accountability : Its Evolution

The concept of public accountability evolved mainly in England in a mixed atmosphere of decaying feudalism and rising marcantilism. The meagre economic surplus generated in a feudal agricultural society was slowly being augmented by the enterprising mercantile class. The King wanted a part of this surplus. The mercantile class insisted on prudent spending of their hard-earned surplus and wanted to have some account of how it is used. The concept of accountability was further refined during the English civil war in the mid-seventeenth century. This concept finally emerged as a fundamental principle of governance during the reign of King Charles II.

With the emergence of modern liberal democracy the principle was further refined in England. It was given a cognizable shape in a gradual and orderly fashion by Prime Ministers Walpole and Pitt the Younger in the eighteenth century. Subsequently the principle of public accountability was given the modern shape by great parliamentarians like Disraeli and Gladstone and eminent civil servants like

Charles Trevelyan in the nineteenth century. This evolution took place through conventions and political practices.

The primary element of this great principle was that the executive would enjoy power to initiate proposals of spending public money while Parliament would be entitled to criticise it and examine the accounts. Secondly, in course of time, Treasury assumed supremacy over all other departments of government in coordinating and controlling government expenditure. The third component of accountability principle was the doctrine of ministerial responsibility. This doctrine means the ministers remain responsible for all actions of civil servants working under the minister. All three principles are corelated with one another giving rise to the logically perfect democratic structure of public accountability, which developed in accordance with the gentleman's ethic in the decades following the Glorious Revolution of 1688. This principle underlined the representative character of the rulers and their willing obligation to give an account of their omissions and commissions to the members of Parliament. When bureaucracy as a political institution developed subsequently in France, Prussia and United States of America as an indispensable part of liberal democratic government, public accountability was gradually accepted as a fundamental principle of democratic governance.

This important principle of governance was adopted in different ways by different countries following the Anglo-Saxon political tradition of democratic governance, of course, with some local modifications. For example, ex-colonial countries of Africa diluted the doctrine of ministerial responsibility because of their local compulsions of tribal culture and preference for one-party rule. Similarly, the acceptance of planning and mixed economy concept, as the basis of economic development, had also diluted Treasury control and ministerial responsibility in many Afro-Asian countries.

2.3 Forms of Accountability

Basically accountability has two facets, somewhat separate but interrelated. The first one is political. In a parliamentary system of government the executive functions under an obligation to give an account of its performance to parliament. Parliament has many devices and instrumentalities to enforce accountability of the executive. The second facet is primarily administrative. The minister (executive) holds the administrators (civil servants) working in government departments and other public agencies accountable for the ways they carry out their responsibility in implementing

government policies. These two facets of accountability are complementary to each other, and they together constitute the foundation of responsible democratic governance.

In a social welfare state the administrative machinery expands and becomes more and more complex. Hence the need of holding the government properly accountable is more acutely felt. Many experts such as Herman Finer, R. J. Pennock, H. J. Spiro, P. Self, Guy Peters and others consider it the classic problem of public administration. Expressions like 'control', 'responsibility', 'accountability' are used to pinpoint the need for ensuring proper responsibility of public officials towards law, rules and regulations, legislative control, judicial scrutiny and, of course, administrative supervision of political masters.

Today public officials are found to make bye-laws and even adjudicate in administrative disputes. Legislature make law in terms of broad objectives and the machinery needed to implement policies. The details of making rules, regulations and bye-laws for filling up the gaps left in the legislation is given to officials. They are also required to interpret certain items and expressions used in the legislation. The nineteenth century model of public official has undergone vast expansion in meaning and dimensions of functions. In recent period, public officials undertake the responsibility of contributing indirectly to policy formulation and also engaging in negotiations with pressure groups, interest groups and promotional bodies, thereby contributing to decision-making.

Conventionally, administrative accountability is insisted for upholding the norm of representative government and promoting efficiency of officials. This meaning of accountability has been expanded in the twentieth century by relating 'efficiency' to satisfactory accomplishment of policies and programmes of the government and other public authorities. Thus the concept of public accountability has now acquired multiple dimensions.

Political Accountability

In modern practice of democratic governance, if accountability of individual official is to be ensured, the target of attack is the concerned political executive (i.e. minister) on the logic that no policy decision can be taken without the concurrence of political executive. By virtue of their enormous expertise gained through long period in office and specialised training the officials heading the departments know better about the subject-matter they deal with than the political executive who is a temporary tenant in the Secretariat. The common experience suggests that the political executive usually decides the way he is 'advised' to do by his civil servant, if there is no compelling overall political commitment. Politically the official remains

anonymous, though he exercises important influence on policy-making in normal circumstances. This experience is generally true in parliamentary system as well as presidential system.

Legislative Accountability

The dimension of administrative accountability becomes larger if the age-old institution of interpellation (i.e. legislator's right to ask questions to the political executive) is taken into account. The top officials in the department know that policy-decisions of their departments may be challenged on the floor of the House. The main objective of parliamentary questions is not to inform ministers of public reaction to policy but to discipline the concerned administration. Administrative accountability, therefore, indirectly means accountability to legislature.

Accountability of officials is also enforced through the commitee system. In the standing committees attached to the ministries the departmental officials have to meet the queries made by legislators. In addition, there are consultative committees attached to ministries where the departmental officials are to meet the information needs of the members and also to discuss policy options suggested by the members. Besides these committees, sometimes parliamentary committee of investigation is formed, which is empowered to ask for files and other relevant documents and to call for evidence by government officials. In the United States, the Congressional Committees are very powerful and effective to enforce accountability of departmental officials who are put hard to defend their policies and actions on grounds of laws, rules and their own perception of public interest.

Through its powers over the public purse, legislature seeks to ensure administrative accountability. Financial control exercised through passing the budget is a potent instrument in the hands of legislators. When legislature is critical about the government's policy or decision, it may veto or amend substantially by denying the necessary budgetary support. However, this instrument of enforcing accountability is more theoretical and potential than practical and real, especially in the case of parliamentary democracy.

Post-audit of the government accounts is another means of ensuring accountability. The supreme auditor of public funds, in every democratic system, is duty-bound to place his report to Parliament. The actual procedure followed and the nomenclature of the national Auditor vary from country to country. But the common basic purpose of post-audit is to ensure that funds sanctioned by legislature are spent by the executive for the purpose for which funds are appropriated and also that all spending by public authorities are made as per laws and rules laid down.

Judicial Accountability

In some liberal countries, including Britain and India, the higher judiciary can issue a variety of writs challenging decisions of the executive and legislature. The government officials, therefore, have to advise on policy-formulation and policy-implementation keeping in view the probable reaction of the court of law, if and when government policy and action are judicially challenged. To the extent that administration has the obligation to offer sufficient justification and proper explanation for its policy and action before a court of law, the judicial dimension of accountability becomes clear.

Moreover, a quasi-judicial institution like Ombudsman renders useful service for ensuring accountability. The basic job of such institution is to defend public interests and public morale against actions of malfeasance, non-feasance and overfeasance of the executive by enforcing public accountability of public officials. Any Ombudsman-like body, having whichever form and actions, is a useful instrument for ensuring administrative accountability.

Accountability to Media

In modern democracies the administration and political executive generally feel an informal obligation to meet the queries of the press and other public media for two reasons : first, refusal to meet would be interpreted as arrogance and may give rise to avoidable suspicion ; secondly, if media can be properly fed with appropriate information, the task of policy formulation and implementation becomes easier as the general public obtains the necessary perspective of the government's point of view.

Sometimes, a reliable and workable rapport with the press and other media helps the government to wage battles against undesirable and vested interests or corruption network.

Moreover, informal accountability of the policy-maker and administrator to the interest groups, lobbies and pressure groups proves quite helpful in the pluralist structure of a democratic society. A great responsibility for monitoring the regulatory process in a democratic political system devolves on these groups and lobbies. These bodies sometimes leave good impact on public administration by identifying issues, making them understandable to the stakeholders, and facilitating public scrutiny of administrative policies and actions. Intelligent and well-motivated publicity of government policies and decisions is a major tool for promoting public interest. As M. M. Harmon has shown, four sets of conflicting values regarding "public interest" can be compared by viewing "public interest" as (i) unitary or individualistic, (ii) prescriptive or descriptive, (iii) substantive or procedural, and (iv) static or dynamic.

From this comparison, he has defined "public interest" as "continually changing outcome of political activity among individuals and groups within a democratic political system". [M. M. Harmon, "Administrative Policy Formulation and the Public Interest", *Public Administration Review*, Sept.-Oct., 1969]. That is to say, public interest is seen through the operation or process of public administration rather than its substance. In shaping the operation of administration, both public media and interest groups play important role. No public official can afford his/her accountability to these important public agencies.

While dealing with these groups, the public administrator plays the role of a negotiator willing to listen to their arguments and viewpoints and trying to discover if and how far these can be accommodated in public policy. For proper performance of this job, the administrator is expected to possess knowledge about the affected interests and some amount of diplomatic skill. In a democratic political system, the government and public sector agencies can hardly afford either to neglect these groups or behave arrogantly with these groups, because the very functioning of these groups sets, to a large extent, a limit to the making of public policies and their proper implementation.

Professional and Ethical Accountability

As Carl J. Friedrich has argued, there is always a need of some discretion and elasticity of choice in the exercise of power by the public administrator, some inner self-checking upon his/her own behaviour. Hence he quite rightly refers to internal controls, like professional standard, code of ethics, and social values possessed by individual administrator, which are important in qualifying accountability of public officials. To the extent that these normative controls are strengthened, administrative accountability would increase. [Carl J. Friedrich, 'Public Policy and the Nature of Administrative Responsibility', in Friedrich and Mason (eds), *Public Policy*, Cambridge, Mass : Harvard Univ. Press, 1940.] These behavioural norms internalised by the administrator become an efficient form of control insofar as these norms serve as 'preventive' rather than 'correctional' measure against administrative malfeasance. The best such norm, undoubtedly, is the administrator's ethical commitment to public service as a profession. The ethical norms of administrative behaviour constitute the social values affecting accountability of public officials.

The value system of civil service is essentially built up in response to the public image of public administration. The ethical pressure of public expectations about public administration sometimes compel the administrator to rise upto the ethical standard of professions of medical doctors and nurses, engineers and academic specialists serving in government departments and public agencies.

Parallel to this institutional environment, the prevailing overall political culture helps the public administrator to develop personal perception of his/her role in public service. The concept of administrative accountability is culturally oriented, and it changes with varying nature and degree of public image about the system of public administration prevailing in the society.

The standard of professional ethics inherited by the administrative class in India during the first two decardes after independence eroded over the years. The low mark was reached during the infamous "internal emergency" period (1975-77) and the erosion continued since then. Apart from the growing complications and normlessness in Indian politics, the decline in professional ethics of the administrative class and its internal value system has perceptively weakened the standard of public accountability in India. This situation is one of the many reasons for fast-spreading political and administrative corruption and symptoms of lawlessness in the country.

2.4 Public Accountability in Developing Countries

Most ex-colonial developing countries follow a system of accountability that is patterned on the European model. The system had been introduced by the colonial masters before they departed from their colonies. Generally speaking, in a such a system the civil servant is accountable to the minister only in a general way but that accountability is neither explicit nor clarified adequately. In developing Third World countries where the ambit of state action is sizable, civil servants exercise enormous powers in defining the character and scope of public law and programmes, and deployment of government resources. Since accountability is not clearly spelt out, it is left entirely to the incumbent political executive (minister) to interpret that accountability in a manner that is most convenient to him.

Legislatures in most of the Third World developing countries have not been able to exercise their function of enforcing accountability with regard to the executive in respect of economic policies and budgeting. Although the opposition parties and groups in the legislature make much noise against the government, their criticisms tend to be unfocused and uninformed. The scenario has been noted in the World Bank reports. The legislators do not have access to critical information that is necessary for effectively overseeing executive action. Sometimes economic policies and the budget are presented to the legislature shrouded in such styles and technicalities that they are beyond the comprehension of the average legislator. The majority of legislators in the developing Afro-Asian countries, unlike their counterparts in the developed western countries, do not have any meaningful access to formal education

and training, and also to privileged access to independent information such as analytical and investigative reports in the mass media, libraries and reference journals. They do not also get the help of skilled committee staff and independent consultants. The legislators are reduced to being formal clearing houses for proposals emanating from the civil service.

The development-seeking Afro-Asian countries have not spawned the kind of informed consumer organizations, professional associations or independent research organizations that could propose competing alternatives to the policies of the government. The associations of business and industries do not seek to confront the government. The trade unions in the developing countries occasionally offer some resistance but they are organized along political lines and are unable to take an apolitical view of most policy initiatives.

The mass media is weak in the majority of the developing countries. The radio and television networks in majority of the developing countries are owned by the government. Only some sections of the print media is the solitary institution of civil society that tries valiantly to enforce public accountability, but is handicapped by its lack of access to vital information about the internal functioning of the government. The print and electronic media tends to be weak in financial and economic analysis and as a result, it is not possible for them to challenge the stranglehold of the bureaucracy over economic policies and the budgetary process.

So far as accountability of civil servants to the user public is concerned, it is conspicuous only by its total absence in the developing countries. Because in the poor Afro-Asian countries either public utilities for benefit of the citizens are absent, or public utilities are managed by bureaucrats and have a monopolistic presence in production and service delivery of most basic necessities. Terms like "user public" or "client public" are not in currency for describing the consumers fo government-goods and services. Instead, the term "beneficiary" is used in administrative parlance. It is thus clear that what is distributed is largesse and therefore the question of accountability does not arise. This is an issue of administrative culture. Good governance in these countries depends, to a large extent, on the desired changes in public administration's attitude towards the client public or users of public services.

2.5 Recent Experience

The conventional model of minister-civil servant interface and accountability problem is no longer valid in real experience as the public choice theory of public administration documents. Politicians in power do not always embody people's

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interest, because they are much motivated by self-interest as the civil servants. The pursuit of self-interest by politicians is manifested in their desire to stay in power, and their use of the state power and its resources to reward those who help them to continue in power. On the other hand, civil servants in reality exercise considerable power and influence in the discharge of executive functions. As the minister-civil servant relationship is issue-sensitive, the accountability relationship remains vague; "it can be anything from all pervasive to minimalistic." [S. K. Das, *Civil Service Reform and Structural Adjustment*, p. 11]

The reality experience shows that on many occasions the minister and the civil servant may join together in a mutually beneficial concert to indulge in self-interested behaviour, which in some cases leads to self-aggrandisement. Ministers, in their turn, very often give the alibi that the "mutually beneficial concert" takes place because of the political pressure coming from the political party to which he/she belongs. The political party is the 'principal' and the minister is the 'agent', and again the minister is the 'principal' and the civil servant is the 'agent'.

The 'principal-agent problem' can be tackled by re-structuring the relationship between them is such a manner as to minimize the agency costs and maximize the organizational objectives. The standard solutions suggested by the World Bank would be to prepare clean definitions of performance requirements, enhance transparency in decisions and their results, careful choice of agents, and performance-based incentives. [World Bank, *Civil Service Reform* (1994), Technical Paper No. 259].

The World Bank's recommendation is to undertake civil service reforms in order to achieve a 'leaner' state but not a 'meaner' state. Such a state should be capable to competently formulate policy, implement programmes and deliver services satisfactorily. [World Bank, *Manageing the Civil Service : Reform Lessons from Advanced Industrialized Countries* (1994), Discussion Paper No. 204]

In this context the need of transparency in governance as an important component of the idea of Good Governance becomes very much significant.

2.6 Concluding Observations : Accountability

In practical terms, good governance is conditioned by the priority given to build up creditable arrangements for political and administrative accountability. Simultaneously, this arrangement needs to be supported by freedom of association, freedom for the media, efficient and independent judiciary, freedom of information

(transparency in governance). What is also required, side by side, includes effective functioning of public organizations of a pluralist institutional structure, rule of law, better information communication network, and participatory development process. All these conditions, if and when present in a democratic polity, would strengthen political accountability. At the core of public accountability is the need for rigorous system of financial accountability with swift and tough penalties for malfeasance. The political commitment to establish honest and efffective system of administrative accountability can be achieved only through an effective system of pollitical accountability and an efficient and independent judicial administration.

2.7 Transparency : Introductory Note

One of the characteristics of the Weberian bureaucracy is the culture of secrecy. As the model of social welfare state developed, bureaucracy claimed more and more powers to control the governance process. Its administrative efficiency succeeded in better delivery of public services, but administrators claimed that their efficiency is better achieved when they are allowed to function in a culture of secrecy. Huge powers and high secrecy at all levels of administration characterize the mode of functioing of bureaucracy. This is an inheritance from the colonial times. However, in post-colonial period the tradition continued unabeted. Government files are marked 'confidential' and 'secret' according to the arbitrary decision of the administrator and political executive. It would be no exaggeration to say that bureaucratic self-enclosure has been developed into an art form over the years. Even at block and village level the concerned administrators always prefer to take shelter under the style and practice of administrative secrecy. As noted in a document of National Academy of Administration, the process of policy formulation and implementation has become an executive-centred activity : an internal matter decided by the civil servants, and decisions affecting individuals are shrouded in confidentiality and taken behind closed doors. [Atindra Sen, *Civil Service Reforms*, Lal Bahadur Shastri National Academy of Administration, Mussoorie, (1995).]

Things began to change in the post-World War II period. The U N General Assembly at its first session in 1946 mentioned freedom of information as "a fundamental human right and the touchstone of all the freedoms to which the UN is consecrated". Next, the UN Declaration of Human Rights (1948) laid down that "everyone shall have the right to seek, receive, impart information and ideas through the media regardless of frontiers." This declaratory statement was just an expression of ideal democratic way of living. It has no legally building effect on any State.

About two decades later the UN International Covenant on Civil and Political Rights (1966) clearly affirmed that the right to freedom of speech and expression included the right to information of all kinds, regardless of frontiers, either orally or in writing or in print.

Theory of democratic governance believes in the moral personality of the individual or the group. This assumption creates the utter necessity of certain civil rights of the individual and the group against the State. Rights as claims against the State and/or administration have a liberation connotation. 'Rights mean moral and/or legal recognition of choices or interests to which particular weight is attached. 'Civil rithts' are created when the State gives constitutional or statutory guarantee to citizens' moral and/or socio-economic claims. Legal and administrative support adds teeth to the laws and provides for the enforcement of civil rights. Administration, court, and people's initiative are all involved in creating and re-creating civil rights. People's movement creates consciousness of rights and take conerete issues to the court. When the court's verdict goes in favour of people's claims, the administration is forced to pay heed to them and thereby create civil rights. The right to transparency in governance is one such civil right, which enriches democracy, both ideologically and strategically.

Amartya Sen is his book *Development and Freedom* (1993) has identified five kinds of freedom viz. enabling freedom, political freedom, economic freedom, protection freedom, and transparency freedom. Transparency freedom is represented in right to information. In democratic polity of modern times "information" is power. Right to choose a government through popular election becomes meaningless if citizens are deprived of 'transparency freedom''. That means, citizens should have free and easy access to all kinds of information regarding actual performance of the power-holders and power-seekers, the policies and programmes of contesting parties and groups. The right to information is the cornerstone of the fundamental edifice of freedom and choice without which democratic governance loses all its charm and significance. The basic theory of democracy stands on the assumption that citizens would contribute their considered judgment over the performance of their rulers and decide on their policy choices with the help of information about policies and programmes as well as the level of actual performance of the power-holders. Informed citizenry provides the strongest foundation of democratic governance.

2.8 Transparency and Good Governance

Introduction

Transparency denotes governmental functioning in as much openness as possible

and also citizens' right to know about the government's transaction. Enforcing accountability is facilitated if the government machinery and the governance procedure are made responsive to the needs and demands of the people. In order to make responsive governance possible, new laws need to be enacted, regulations framed and procedure made simpler and transparent. All these arrangements are especially necessary for serving the interest of the weaker and poorer section of the society.

Secrecy and lack of openness in governance is the symbol of feudal and authoritarian administration. Openness and transparency are absolutely needed to make governance responsive. Only when this is achieved can there be people's trust in governance, and corruption in administration can be reduced and brought to the minimum.

Nature of Transparency

For achieving transparent governance, accessibility to information about decision-making procedure and decisions taken in public affairs need to be ensured. The government records and papers are to be made open by suitably amending the law governing official secrecy. The very fact that information is accessible to the people helps in building people's trust in the system of governance. For achieving this purpose, the governmental structure and governance procedure require to be improved by making rules for negating political interference in administration. Codification and simplification of procedures need to be ensured for the sake of good governance. People's participation at the grassroots level helps increase transparency in governance by bringing out facts and throwing full light on administrative discretion used. Transparency in governance is promoted further if judicial administration is made open, speedy and efficient. Governance is, after all, a tryst with people's trust.and a commitment of the people for the people, a social compact for achieving the greatest good of the society. It becomes effective and fruitful when the people are institutionally and ethically allowed to develop a stake in protecting and promoting public interest at large.

In order to ensure good governance, transparency is one of the important elements by which honest attempts can be made to curb politico-administrative corruption. Transparency demands availability of information to the general public and clarity about government rules, regulations, and decisions. The public as the stakeholders should not be kept insulated from the mainstream activities of the government. In fact, the principle of people's participation is derived from an acceptance of the point that people are at the heart of the development process and its management. They are not only the ultimate beneficiaries of development but are

also the agents of development. Since development is both for the people and by the people, there is need to ensure public access to the institutions that promote representative democracy. This political approach and philosophy of democratic administration has been reflected in the 73rd and 74th amendments (1992) to the Indian Constitution. In the 'provisions for Gram Sabha in panchayat administration and Ward Committee in municipal administration transparency and democratization have been sought to be realised. Through those institutional mechanisms the democratic process has been taken to the grassroots level.

Public administration in most developing countries lacks transparency and openness. Bureaucracies have traditionally been closed shops. Their stranglehold over information and refusal to part with it, has been, in a true sense, the real source of their power. This is what is known as bureaucratic "self-enclosure", which is usually sustained under the rubric of secrecy and confidentiality. [For further discussion on this point, see David Beetham, *Bureaucracy*, Milton .Keynes : Open University Press, 1987, p. 114]

In the developing countries, bureaucratic self-enclosure is often carried to ridiculous extremes. Policy formulation tends to be a closed and executive-centred activity. It is considered an internal matter decided by the senior civil servants, Large parts of the population, whose lives and incomes are affected by these policies, do not have access to information, with the result that they are not in a position to influence the policy formulation and implementation process. This point has been elaborated by Merilee Grindle in the article "The New Political Economy: Positive Economics and Negative Politics" [see, Gerald Meier (ed), *Politics and Policy-Making in Developing Countries,* San Francisco: ICS Press, 1991] One of the best example of "bureaucratic enclosure" is found in the handling of the industrialization policy of the Government of West Bengal in 2006 - 07 in respect of the Tata's small car project in Singur. The agreement signed by the West Bengal Government with the Tatas had been treated with utmost administrative secrecy.

To quote Thomas Jefferson, it is the people who are the "safe repository of the ultimate powers of the society." Hence people needs to be always aware of their position. With this goal, they should be properly enlightened in such a way that they be in a position to establish their claim to question everything concerning their interests which may be subverted by corruption in politics and administration. The goal of achieving transparency in government and administration can best be achieved by clean practices of the enlightened political parties, constructive Opposition, free and progressive media. One of the instruments necessary for a transparent ambience of governance is the Right to Information as a recognised civil right of the people in a democracy.

2.9 Right to Information

Good governance is facilitated if the people have the civil right to access what happens in government and administration. James Madison (1751 - 1836), the American statesman, said in 1822 that "a popular government without popular information, without means of acquiring it, is but a Prologue to a Farce or Tragedy, or perhaps both."

Transparency and information constitutes one of the main specific items of "good governance" identified by the World Bank document on *Governance and Development* (1992). The citizens' right to information is increasingly recognised as an important instrument to promote openness, transparency and accountability in public administration. In this age of globalization and liberalization, secrecy in government has become an anachronism. Citizens, stakeholders in democratic governance, consumers of public services, .beneficiaries of development programmes, civil society organizations, business world and commercial houses - all must have access to information they require from the "public authorities" relating to their operations, administration and decisions. Only when the public administration is made sufficiently accountable and transparent, the access to information could be guaranteed.

It has been the common experience in public affairs in all countries that a system of public administration operating in secrecy is more prone to corruption as compared to a system which operates in openness. Transparency in government is an important means of combating political, economic and administrative corruption and a significant step towards empowering the people in a democratic polity which needs to be based on the trust of the governed. Secrecy in governmental functioning invariably facilitates and promotes corruption, oppression, nepotism, and misuse or abuse of authority. The Franks Committee Report (United Kingdom, 1972) has rightly observed: "A government which pursues secret aims, or which operates in greater secrecy than the effective conduct of its proper functions require, or which turns information services into propaganda agencies; will lose the trust of the people. It will be countered by ill-informed and destructive criticism."

The contemporary theory of democratic policy underlines the urgent need for making the government *citizen-centric,* implying thereby that government should be not merely representative but, more importantly, responsive to the citizens' legitimate needs, aspirations and grievances. The citizens, on the other hand, are required to be cooperative and vigilant. As Pericles, the eminent statesman of ancient Greece, had said, : "eternal vigilance is the price of liberty." And citizens can be adequately

vigilant only if sufficient information about government functioning could be guaranteed. The right to information is the necessary instrument for producing enlightened and informed citizenry.

The right to information removes unnecessary secrecy in the functioning of public authority and thereby helps to improve the quality of decision-making in public policy and administration. By using their access to government documents and records of public administration, informed citizens can contribute to making better public policies, influence the process of policy formulation and decision-making in democratic governance.

Right to information is a very useful tool to strengthen democratic governance at the grassroots and ensure people's participation in local governance and developmental activities. It can effectively bring local governance under public scrutiny and help the administration to avoid costly mistakes. Public accountability of the policy-makers and administrators becomes meaningless without transparency in public affairs. Proper accountability, backed by adequate transparency in public administration, help people fight for the kind of policies and actions that would create *decent jobs,* improve access to *education* and *control corruption* in a significant way. These are important items of the Millennium Development Goals enunciated in the historic Millennium Development Declaration adopted by 189 countries at the United Nations Millennium Summit in September 2000. The UNDP in its *Human Development Report 2003* emphasised the important role of civil society groups in implementation and monitoring of the progress towards the Millennium Development Goals by popular mobilisation through open, participatory political culture in order to sustain the political will to achieve the goals.

Against this backdrop of developments at the international level, India's Tenth Five Year Plan document (2002) not only placed governance reform at the centre-stage of development planning but also recognised Right to Information as the key to achieving good governance. The right to information is immensely important in view of the fact that very often people do not even know what programmes and schemes are available and what facilities and benefits the people are entitled to. Also, policy and procedural reforms can be effective only when people know that such changes have been made.

Information by itself is never the end in itself. It is the means to empower the people legally to have access to their other democratic rights. Such a legislation is helpful in strengthening grassroots movements and enhancing people's awareness and ability not only to access their entitlements but also to ensure effective implementation of development programmes.

2.10 RTI : Indian Experience

The Right to Information Act was passed by India's Parliament in May 2005 and received Presidential assent on 15th June 2005.

In India the right to information was judicially recognised by the Supreme Court in the Uttar Pradesh vs. Rajasthan case (1975) in its observation that the right to information is implied in the right to freedom of speech and expression guaranteed under Art. 19(1) and the right to life and liberty guaranteed by Art. 21 of the Constitution. The apex court, again, reiterated the people's right to know every decision taken in a public way by public authority functionaries in the S. P. Gupta vs. Union of India case (1982). Meanwhile, the Commonwealth Human Rights Initiative, an international NGO, had been advocating the right to information for several years. The right to information gained the status of a full-fledged civil right in India towards the end of the 1990s when legislations on the right to information were passed in a number of States of the Indian republic. Between 1997 and 2004 as many as nine States had their own RTI legislations. These state legislations were mostly over-protective of the bureaucracy's unwillingness to disclose governmental information and provided no penalty for officials for either refusing to disclose information or delaying a decision without any justification.

Background

The popular movement for the right to information began in Rajasthan under the banner of Mazdoor Kishan Shakti Sangathan (MKSS), led by Aruna Roy, who had resigned from the Indian Administrative Service to assist the rural folk in demanding benefits under development projects. She convinced the poor people that they must be agents of their own empowerment and they must act *politically* to achieve it. She and her co-activists in the movement realised that information relating to all aspects of policy-framing and implementation of development projects was the key to the uplift of the dispossessed and the marginalised sections of the society. The MKSS's sustained campaign finally led to the RTI enactment in Rajasthan. Subsequently, a few other states enacted their own RTI legislations. Very soon the need for a central legislation was felt. First, the BJP-led National Democratic Alliance (NDA) government enacted the Freedom of Information legislation in 2002. This Act, however, did not come into force, because the necessary notification and the Rules under the Act were not made. While disposing some Public Interest Litigations, the Supreme Court held in early 2003 that the voters' right to know is vitally linked to the citizens' right to freedom of expression guaranteed by Art. 19. (1) of the Constitution, because the right to vote would be meaningless unless citizens were

well-informed about the candidates' property interests and criminal background, if any. The next Congress party-led United Progressive Alliance (UPA) government promised quick action on a better RTI legislation. The RTI Act 2005 came into force on 12th October 2005. [For details, see Asok Kumar Mukhopadhyay (ed), *Right to Information*, ATI : Govt. of West Bengal (2007)]

RTI Act (2005)

The Act of 2005 makes it obligatory for every public authority to publish all relevant information and data regarding its organization, functions, duties, role of its officers, the procedure followed in decision-making, its prroject-wise expenditure and so on. The Act provides .that information which cannot be denied to legislature would not be denied to any citizen. Under this Act, the central government constitutes the Central Information Commission headed by the Chief Information Commissioner enjoying a semi-judicial status; and the State governments constitute the State Information Commission headed by State Chief Information Commissioner enjoying the status of the Chief Secretary. These Information Commissioners at the centre and state level have been given the powers of a civil court. In constituting the Information Commissions, an excessive reliance on bureaucrats has been noticed and virtually there is no representation of people with non-civil service background.

The RTI Act (2005) requires every public authority to designate the Public Information Officers (PIO) in all administrative units or offices to provide information to persons requesting for information. The PIOs are required to provide the information on payment of prescribed fee or reject the request, within thirty days of receipt of the request. The aggrieved applicant for information may prefer appeal against the decision of the PIO.

The citizens' right to have information on demand would not however be entertained in matters relating to sovereignty and integrity of India; and the security, strategic, scientific or economic interests of the State; India's foreign policy management; incitement to an offence; contempt of court; parliamentary privileges; commercial confidence, trade secrets or intellectual property; individual's fiduciary interests; life or physical safety of a person; matters likely to impede the process of investigation or apprehension or prosecution of offenders; the cabinet papers including cabinet deliberations; privacy of the individual.

Implementation

Since the enforcement of the Act (2005) on 12th October 2005, its implementation has revealed some interesting additional dimensions because of judicial decisions. It

has been revealed by the Central Chief Information Commissioner that the level of people's awareness of the RTI Act is not quite satisfactory, especially in States like West Bengal. [*Ananda Bazar Patrika*, 23.04.2008 and *The Statesman* editorial 25.04.08]. Even Prime Minister M. M. Singh admitted that the public authorities still have a long way to go in proactive disclosures of information.

The reluctance of the government departments to disclose information is widespread and very common. [*Hindusthan Times*, 04.11.2000]. Voluntary disclosure of government information by public authorities is imperative for citizens to realise the full potential of the information legislation. The Public Information Officers (PIOs) of public authorities, however, complain of inadequate office staff and improper record-keeping systems as the biggest stumbling block in providing information to the public. The experience of the Information Commissioners suggests that they felt hindered in delivering justice in cases of denial of information by the PIOs because of non-availability of enough funds and the overwhelming number of people using the RTI to settle personal scores. [*Hindusthan Times*, 04.11.2008]. The overall experience throughout India suggests that applications for information are not always brief and precise and are written in a clumsy manner. The Information Commissions are sometimes confused if the presentation is not neat and specific. Like a frivolous Public Interest Litigation (PIL) in a court of law, the meaningless, irrelevant and hypothetical queries do not come within the ambit of Right to Information Act. There is a popular misconception that the RIT Act is an instrument or forum for personal grievance redressal. Sometimes the habitual seekers of irrelevant information creat difficulties in the smooth functioning of the Information Commission.

The Information Commission in West Bengal, even after ten years of its foundation, remains structurally defective. It flies in the face of the RTI Act which provides for a multi-member (not more than ten) commission, yet the West Bengal Commission still makes do with a "trustworthy" retired bureaucrat as the single-member panel. Moreover, as admitted by the CIC of West Bengal himself, the state is lagging behind primarily because information gets filtered and dished out to anxious citizens only on the government's terms. There is little doubt that any data that the ruling party and the government wish to suppress will not be disclosed. *(The Statesman* editorial, 25.04.2008).

After three years of its foundation, it is found that the Central Information Commission, which oversees the RTI, has failed to provide even basic information like the number and status of cases and pending appeals. It has even been accused of not keeping any records of judgments and orders passed on RTI applications or of pending cases.

Recently, the Central Information 'Commission has ruled, on a point of interpretation, that once the Cabinet "arrives at a decision", all papers pertaining to it are "disclosable". (*The Statesman,* 27.10.2009). Earlier, the Central CIC had called the bluff of the Union government's intent on manipulating a piece of parliamentary legislation and being evasive in disclosing information. The ruling makes it clear that "file notings are not classified information; they are, as they were meant to be, for public consumption." [*The Statesman, 04.07.2008*]. The relevant point is that any government would abuse its powers if it is permitted to function in secrecy, which is an instrument of conspiracy and ought not to be a system of regular government. Secrecy contributes to the disempowerment of ordinary citizens.

The Calcutta High Court and also the Supreme Court have made it an obligation on the part of all universities, boards of examination and public service commissions to show the examined scripts to the examinees under the RTI Act.

While deciding on the central government's plea that the information on immovable property of government servants is exempted from disclosure as such property is personal and has no relationship with any public activity or interest, the Central CIC has ruled that government officers and employees can be made to reveal details about their private properties under the transparency law [*The Statesman,* 30.5.2008].

Recently, the members of Parliament have been found to be intent on interpreting the RTI Act on their own terms. The MPs preferred that the applicants for information about the assets of the MPs should furnish reasons for seeking information and that the Speaker should refer these applications to the Privilege Committee. That is, the MPs are seen to be keen on establishing a *cordon sanitaire* that will shield the elected representatives from an electorate demanding information. Unfortunately, the general standard of probity of the politicians is scarcely above board. The Central CIC has already directed all political parties to disclose their income tax returns in response to a request filed by a registered body called Association of People's Democratic Rights.

The reported stand of Chief Justice of the Supreme Court that his office does not come under the purview of the RTI Act is also not acceptable to many quarters. Parliament's Standing Committee on Personnel, Public Grievances, Law and Justice has unambiguously asserted that the RTI Act applies to all Constitutional authorities, including the Judiciary, as they are "public authorities", and the Speaker has taken the same stand. [*The Times of India* editorial, 07.04.2008, and *The Times of India,* 30.04.2008]. After some public debate, the Supreme Court judges have expressed

their readiness to disclose their assets provided a new legislation defines "assets" and creates a legal machinery under which they could declare their assets [*The Times of India*, 25.02.2009].

In the process of RTI implementation a serious threat comes in respect of giving adequate security to the Whistleblowers who take initiative and risk in revealing gross corruptions in government. The role of information activists is very important as their efforts ultimately strengthen the cause of transparent governance. In India the Whistleblowers Protection Bill was introduced in August 2010 and referred to a Parliamentary Standing Committee in September 2010. But it took four years for the legislation to get into the Statute Book. The Whistleblowers Protection Act was finally passed and received Presidential nod in May 2014. The Act provides a mechanism for protecting the identity of whistleblowers (information activists expositing corruption). It also provides for a system to encourage people to disclose information about corruption or the wilful misuse of power by public servants, including ministers. But the whistleblowers in India are not safe and do not receive adequate security as it is proved in the murder of whistleblowers in many parts of India despite the police providing nominal security.

2.11 Transparency : Concluding Observations

One important aspect of accountability is information. In many democratic and industrial countries and also in developing countries of the Third World, transporancy legislations have been passed to provide information. Starting in Sweden, which was the first country to pass its Freedom of the Press Act in 1766, right up to Bangladesh, which framed its Right fo Information Act in 2009, the movement for transparent governance has now spread across the world with a view to strengthening democratic governance with varying degrees of success in nearly sixty countries. They have their own laws to facilitate access to information on how the government, other public authorities, and even autonomous bodies and corporate firms using public funds in some ways dischage their obligation to disclose information relating to their functioning. The older democracies like Britain and the United States have also felf the need for legislations for protecting the citizen's right to information. The World Bank and the IMF and such other international bodies also agree to disclose their information to the extent possible in order to ensure transparency. Both media and civil society groups everywhere agitate for more access to records and information for people's participation in the governance process.

One important aspect of accountability is information. In many democratic

industrial countries, there is so much information publicly available on the operations of government organizations. In countries having Freedom of Information legislation, this situation is even more pronounced. But sheer quantity is not the point : more important is the relevance of information.

Audit institutions can play an important role in assuring the reliability and even relevance or validity of performance information while not detracting from the responsibility of management to develop good performance information as part of self-evaluation. Performance contracting involves both an increased emphasis on performance and the development of new accountability instruments.

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2.13 Sample questions

Long-answer questions :

1. Discuss the importance of public accountability in governance process.
2. Discuss the importance of transparency as an instrument of Good Governance.
3. Trace the evolution of public accountability as a fundamental principle in Public Administration.
4. Analyse the different forms of public accountability as instruments of Good Governance.
5. Write an evaluative essay on public accountability in the developing countries.
6. Discuss the importance of transparency as a fundamental instrument of Good Governance.
7. Analyse the historical background of enactment of Right to Information in India.

Short-answer questions :

1. Mention the three phases of evolution of the ideology of democratic governance.
2. Give a short definition of the concept of accountability.
3. What are the different forms of accountability in governance?
4. Write a short note on political accountability.
5. Examine the concept of administrative accountability.
6. Indicate how legislature in a democracy can enforce accountability.
7. Briefly explain what is meant by judicial accountability in a democratic polity.
8. Explain the concept of professional and ethical accountability.
9. Discuss briefly the importance of transparency as a principle of Good Governance.
10. Briefly indicate the role of whistleblowers in transparent governance?

Unit 3 ❑ Decentralization, Devolution and Development

Structure

3.1 Introduction

The problem of decentralization has been at the core of political philosophy, constitutional study and Public Administration as a serious issue in the history of ideas. Preference for decentralization is universal, yet the concept does not evoke unanimity as regards its meaning, scope, significance, contents, or even limits. Ecology, history, tradition, political culture, compulsion of development needs, sometimes the vision of a happy political utopia have been responsible for lack of unanimity about this concept.

Decentralization has to be interpreted in terms of area and geography, tasks and functions as well as inter-and intra-institutional relationships. But one thing is common : decentralization itself is intrinsic to democracy, although it is not confined to any one variety of political system. Decentralization provides the necessary avenue to the individual citizen and the community for their genuine and maximum self-expression as well as contribution to social good.

There is no uniform intellectual, political or administrative model of decentralization. In the post-colonial developing countries in Asia and Africa, even Latin America, where nation-building is the pressing imperative for the people, there is some tendencies among the elitist sections to opt for a centralised and strong governmental system. In course of time, however, the centralization-decentralization

debate has ceased to be a matter of ideological conflict, mainly because of advance of technology and modernization of social behaviour and institutions. More and more the two concepts are seen as fortifying each other with their destinct sphere of importance. In operational process decentralization gained roots whenever and wherever political conditions appeared favourable. With the epithet 'democratic', decentralization implies political and administrative pluralism, which satisfies people's aspiration for self-rule and responsive governance. In post-colonial countries decentralization strategy has two major goals viz. nation-building and development.

3.2 Meaning of Decentralization and Devolution

The idea of decentralization is inherent in the practical application of the democratic ideal to the administrative organization. As an administrative process, decentralization is the converse of centralization and it "denotes the transference of authority—legislative, judicial or administrative—from a higher level of government to a lower level". [L. D. White, 'Decentralization' in *Encyclopaedia of Social Sciences,* vol. 5 (1959).]

By associating people with the process of administration, it seeks to provide nuclei of local energies, initiatives and enthusiam. By so doing, it offers a means to, and an impetus for, the goal of social and economic betterment. The sheer magnitude and volume of the tasks of a democratic welfare state requires a good deal of delegation of authority, and the settlement of much business at the points where it arises. Much authority has to be delegated, in fact, by the central reservoir of power to the field agents. In some cases, again, proper adjustment of policy and programme to local conditions requires discretionary decision by the field officer. Basically the process of decentralization seeks to create greater energy, a higher sense of responsibility, and better morale among the field agents. Thus in the modern complex mass societies of today, decentralization has become an imperative necessity of democratic administration. Today decentralization is not something which politicians and administrators may just dandle, like a lisping child, before their eyes. It has rather become, like the oxygen cylinder to a suffocated patient, an inexorable necessity of vital importance for the success of all developmental projects.

It is impossible to standardize the usage of the word 'decentralization' by seeking to give it meanings that would be accepted universally. To quote A. W. Macmahon, "the English language took the word from Latin; it shares it with the Romance language...it must be accepted as a word of innumerable applications. Through all of them, however, runs a common idea, which is inherent in the word's Latin roots,

meaning away "from the centre" [*Delegation and Autonomy*, Bombay : Asia Pub, 1961, p. 15].

Conceptually, 'decentralization' embraces the related processes of 'deconcentration', 'devolution' and 'delegation'. Deconcentration means, according to Henry Maddick, "the delegation of authority adequate for the discharge of specified functions to the staff of a central department who are situated outside the headquarters". [*Democracy, Decentralization and Development*, Bombay : Asia Pub, 1966, p.23]. In other words, deconcentration "denotes mere delegation to a subordinate officer of capacity to act in the name of the superior without a transfer of authority from him.

Devolution, on the other hand, refers to the process of "the legal conferring of powers to discharge specified or residual functions upon formally constituted local authorities." [H. Maddick, op. cit., p.-23] That is to say, conferment of authority must be by law, and power has to be given to local authority which is constituted under constitutional provision or statutes enacted by legislature. Power or authority given once by way of devolution cannot be taken back without susequent amendment of the constitution or repeal of the law under which power / authority is given to another authority which is constitutionally or statutorially created.

When the word 'delegation' is used, it refers to relations in which powers are formally conferred under law, as per the constitutional provision or by the legislature to an executive agency, or by an administrator to an administrative subordinate office, or powers transferred from one level of government to another level. [A. W. Macmahon, op. cit., p.-16] That is to say, powers once delegated by the delegator can be subsequently taken back by the delegator from the deligatee by executive order in case any administrative reason arises.

A Study Team of the Planning Commission (Government of India) made clear this distinction between 'devolution' and 'delegation'. It observed : "It is not infrequently that delegation of power is mistaken for decentralization. The former does not divest the Government of the ultimate responsibility for the actions of the authority to whom power is delegated; this authority is under the control of the Government and is in every way subordinate to it. Decentralization, on the other hand, is a process whereby the Government divests itself completely of certain duties and responsibilities and devolves them on to some other authority." [*Report of the Team for the Study of Community Development Projects and National Extension Service*, Committee on Plan Projects, Planning Commission, New Delhi, vol. I, Sec. 2, p. 7 (1957)]

Decentralization creates a corporate sense of responsibility in the local decision-making agencies having more or less independent existence and powers. In Harold Laski's language, decentralization "is a training in self-government. It confides the administration of powers to those who will feel most directly the consequences of those powers." [Harold J. Laski, *A Grammar of Politics*, London : George Allen & Unwin (1960), p. 61]

Decentralization in the sense of devolution of powers has the great merit of retarding conditions favourable to bureaucracy by breaking the administrative hierarchy at specific levels of administration. This process facilitates closer adaptation of legislative and administrative methods to the needs and opinions of given areas. Administration, in the ultimate analysis, is a human problem, because the ultimate goal of public administration is to meet the needs of the people to the satisfaction of the people in the best possible methods. Without establishing adequate contact with the governed and without establishing suitable channels of communication with the people at large, selling the idea and programmes of development and creating sufficient popular enthusiasm for different welfare projects become practically impossible.

To attain this basic goal, decentralization enormously helps by providing suitable institutional agencies for transmiting the message of the government to the governed and carrying back the grievances of the government. The process of decentralization, broadly speaking, instills a sense of participation and belongingness into the minds of the people. This advantage of decentralization is a great asset of democratic administration for effectively realising the ideal of "grassroots democracy."

3.3 Meaning of Development

The term 'development' indicates the direction of historical change in modern times, characterised by an accelerating pace of technological advance. It has the flavour of secular *teleos* (purpose it serves) about it. The simple definition of 'development' is the secular (non-ideological) evolution towards a participant society seeking a reasonable synthesis of the egaliterian and libertarian dimensions.

Broadly speaking, 'development' indicates advancement towards a higher state of living. The change process involves an operativonally viable and reasonably acceptable fusion of both egalitarian and libertarian ideologies. How this fusion would take effect in any society depends on its history, social values, culture, economic conditions and leadership pattern.

In the ex-colonial countries of the Third World the immediate aspiration of the people is to catch up with the industrially developed western countries and define their "prefered future". Simply speaking, development implies a change in social obectives that is desirable and acceptable to the people. According to United Nations Development Programme (UNDP), development is "to lead long and healthy lives, to be knowledgeable, to have access to the resources needed for a decent standard of living and to be able to participate in the life of the community".

Another perspective view of development is freeing people from obstacles that affect their ability to build up their own lives. Viewed from this perspective, development is empowerment. This means necessary powers and authority are to be devolved to the local or regional level so that people can take control of their lives, articulate their interests and find solutions to their problems. As such, development is cherished by all individuals, communities and nations.

Development needs to be distinguished from economic growth. Economic growth means an increase in the value of all goals and services produced in an economy, which is called Gross Domestic Product (GDP). Growth is, therefore, an increase in the productive capacity of an economy. Development, on the other hand, implies an improvement in the national welfare of the people. Therefore, development is a qualitative concept and denotes an improvement in the general standard of living in a country or economy. Although economic growth is an essential component of development, it does not denote development if there is no equitable distribution of benefits of growth across different sections of the society. The basic elements of development should include the following :

(i) substantial reduction of poverty;

(ii) improvement of living standard of majority of the people;

(iii) increase in material welfare of the people;

(iv) equitable distribution of the benefits of economic growth;

(v) increase of skill development of all;

(vi) enhancement of technology and capacity-building to produce wider range of goods and services;

(vii) building institutional structures for promoting active participation of people in decision-making in developmental process.

In short, 'development' may be defined as an activity or process of both qualitative and quantitative change in the existing systems, aiming at immediate

improvement of the living conditions of the people or increasing the potential for betterment of living conditions in future. The concept of 'development' has certain human dimensions in the sense that it should fulfil the basic human needs, promote human self-respect and guarantee human freedom. In a United Nations document it has been remarked : "the concept of development is to be understood in terms of fundamental humanistic values rather than narrower techno-economic notions. The core of this concept is de-alienation of man *vis-a-vis* both material forces of production and society and a purposeful growth of human personality."

Experts have concluded that the objectives of 'development' may be described as follows :

(i) To increase the availability, and widen the distribution, of basic necessities;

(ii) To raise the living standard as well as cultural and humanistic values;

(iii) To expand the range of economic and social choice for the human population and removal of disparities.

[G. Sreedhar and D. Rajasekhar, *Rural Development in India : Strategies and Processes,* New Delhi : Concept (2014), p.5]

3.4 Ideological Debate on Decentralization

There is no uniform intellectual, political or administrative model of decentralization. The theme of decentralization reflects the opposing pulls and tendencies of a strong and authoritarian direction, on one side, and those of a volitional, participative approach, on the other. Historically these apparently opposing forces have had their periods of ups and downs. In every age and every country there were examples of authoritarian rulers who built great infrastructures of development. For example, the Roman emperors, the Indian emperors and rulers in ancient and medieval periods, and kings and zaminders in modern period, Hitler in Germany and Stalin in the USSR, and a number of Latin American, Asian and Africans dictatorial rulers in modern period took much interest in developing infrastructural facilities like roads, stadia, irrigation projects, slum clearance, communications and so on. In the post-colonial period in the 20th century nation-building and development have been the pressing imperatives for the people and in many countries a strong and centralized administration is generally favoured as the politico-administrative panacea. In several countries the military rule has received popular support, because the elites there prefer to take the risk of non-democratic rule because otherwise the alternative would be slipping back to colonial rule or emergence of neo-colonialism. However, by and

large, the forces and arguments for decentralization have come up to re-establish the values of democratic administration, political accountability, transparency in governance and human rights.

The erstwhile USSR under Stalin introduced centralised socialist planning for development since 1928 and this model of development immediately caught the imagination of some Fabian thinkers like Sidney Webb and Beatrice Webb and also some young nationalists in India like Jawaharlal Nehru and Subhas Chandra Bose in the 1930s. But this attraction for centralised planning and development model later evaporated when the ruthlessness of the Stalin regime and the chaos in production and distribution came to public knowledge.

The question of expanding government control over production and distribution system and public delivery of services controlled by bureaucracy is intimately linked up with the debate on centralization versus decentralization. The more there is centralization, the more the hierarchical structures becomes necessary in order to control, coordinate, communicate, direct and supervise and finally to take preventive or punitive action as necessitated by the exigencies of the central administration. Hence social philosophers like M. K. Gandhi placed greater faith in the genius of the local people to solve their own problems without interference of the government. The pertinent point is whether local initiatives alone would be able to rise successfully upto the challenges of all-round development of society and economy under the circumstances of semi-feudal conditions and widespread culture of corruption.

Alexis de Tocqueville thought that however enlightened and skillful the central power may be, it cannot of itself embrace all the details of a great nation. David Lilienthal, a great champion of grassroots democracy, felt that centralization is a threat to the human spirit everywhere and its control is a concern of all men who love freedom.

The problem is that there is no process of socio-economic development known in history which can be totally insulated from politics. Even a "partyless polity" cannot be independent of class and it will also not be independent of castes and sub-castes. Moreover, it would be totally utopian to think of any governance structure without bureaucracy in some form or other. Admittedly, bureaucracy is not a class by itself nor is it a homogeneous monolith. It is not totally opposed to the common man.

In the USA the classical debate between Hamilton and Jefferson indicates the point that class outlook influences the question of centralization and decentralization. Hamilton, an arch conservative, wanted centralised authority to support the business

class and the industrial enterprises. Jefferson was more concerned with public welfare and favoured state control of commerce but wanted that there should be more decentralization that would strengthen agrarian democracy. He was apprehensive that centralization might help emerge tyrannical governance.

Administration everywhere takes its shape and spirit in a socio-economic and political milieu. The experience of the internal emergency in India during 1975-77 shows that if the administrative machinery, under the pressure of overall politics, fails in its duty to exercise word of caution and protect the spirit and letter of law, morality and good governance, the institutions of decentralized democracy become totally meaningless. The academic debate over centralization versus decentralization is unresolvable. The moot point is that democracy must survive and then only necessary decentralization reform would yield political-administrative dividends for the benefit of the people. The basic need for good governance is to make the political and administrative executives adequately accountable and establish transparency in the governance process.

3.5 Democratic Decentralization

So long as the representative and democratic institutions capable of supplying the local interest, supervision and care cannot be created, it would not be possible to evoke local interest and excite local initiative in the field of development administration. In development-seeking democratic countries these arguments become very much pertinent. Strictly speaking, the term 'decentralization' should not ordinarily contain any democratic connotation, hence the adjective "democratic" is used to impart a special meaning to the term.

Democratic decentralization means not merely the creation of a few elected institutions and revamping the already-existing ones to suit the expanding needs of Development Administration but something more, namely, a total transformation in the outlook regarding power relationships and a radical re-orientation of our attitudes toward the power structure in the government. As a political concept, 'democratic decentralization' aims at widening the area of people's participation, authority and autonomy through dispersion of powers from the top to the bottom.

The concept of democratic decentralization possesses two virtues viz. it is consistent with the democratic trend, and it is also technically the most efficient method of formulation and execution of the local developmental programmes. It is democratic in the sense that the source from which power is decentralized itself has its democratic basis, and the body to which power flows is also democratically

organized. Thus the scheme of democratic decentralization facilitates the combination of, and cooperation between, the official machinery of administration and the non-official political leadership and control.

While administrative decentralization originates in the quest for efficiency in administration in terms of intiative, speed and performance in the field and particularly at the lower levels of operation, democratic decentralization aims at something more. That is to say, administrative decentralization means delegation of powers to the subordinate bodies and officials to facilitate operating decisions, but administrative policy remains centralized. Democratic decentralization, on the other hand, associates the people with the local administration and recognizes the people's right to initiate and execute the policy decision in an autonomous way. This principle makes the scope and significance of democratic decentralization wider than those of administrative decentralization. Ensminger correctly points out : "...with Democratic Decentralization the administrative orientation must shift quite completely from making decisions and issuing orders to helping the people make decisions through their Panchayats, cooperatives and Samitis." ['Democratic Decentralization : A New Administrative Challenge', *Indian Journal of Public Administration,* July-Sept., 1961]

The idea of democratic decentralization stands in a special relation to the idea of local *self-government*. The two terms are not identical, though basically they refer to the same institutional pattern. Democratic decentralization is a political ideal and local self-government is its institutional form. Democratic decentralization believes in devolution and seeks to democratise self-administration (what is known in German language as *selbstverwaltung*). Properly speaking, self-government in small local area is not possible unless the local unit is made to exercise powers in its *own* ritht and independently execute its own decisions. Democratic decentralization puts stress upon local initiative and decision.

Through the mechanism of democratic decentralization are the elected local bodies created with powers and functions local in character. These local bodies constitute the basic structure of a democratic government. They provide a very good training ground for developing a sense of civic duties and responsibilities.

Furthermore, these local bodies provide the best agencies for realizing the welfare purpose of a social service state. They are very near the people and, therefore, are in the best position to know the needs of the people. They are best managed by the local poeple who are quite familiar with the local situation. By virtue of greater knowledge, wider experience, more financial power and better expertise, the superior government at the central and regional level may exercise general

superintendence over self-govering local authorities, but in no case local authorities should be reduced to the position of subordinate agents.

The self-governing local bodies in a country like India may impact on the planned programmes of the rural and urban local authorities in two ways. First, these local authorities may be used as instruments for development without administrative and political tension. They may help establish a valuable link between the people and the administration, and thereby lend stability to the entire administrative edifice. They serve as the basic unit nearest to the people and may manage the affairs of a small locality, provide rudimentary but essential municipal framework for the area, and also act as the simple judicial tribunal. The popular self-governing local bodies are always expected to mobilise that community spirit in the locality to which the larger, more artificial units of administration have no appeal. There is evidence that the village councils functioning in India's colonial period, with all their democratic imperfections, were successful in awakening the minds of the common folk to the idea of self-government. Once this awakening is achieved, it becomes easier for the people to abate the tyranny of petty officials. "A healthy system of local government", rightly observes Hugh Tinker, "offers almost the only method of keeping a check on the new bureaucracy created by the growth in the activities of the state." [Hugh Tinker, *Foundations of Local Self-Government in India, Pakistan and Burma* (Indian edn), Bombay, 1967, p. 346]

Secondly, there is the other side of the picture. The popular bodies in rural areas are mostly institutions whose inertia is strongly buttressed by the village tradition, popular emotions and local feelings. Owing to the rigours of the caste system and its divisive effects on the people, a deep feeling of prejudiced groupism among the villagers constituted the commonest feature of rural life in India. On some occasions this factor alone stands in the way of successful implementation of development programmes. Sometimes firm guidance from higher level government may be necessary to iron out the differences among rural leaders, even if that means the domination of local government by the superior goverment. Besides, the touch of the qualified expert hand becomes absolutely necessary in initiating the illiterate rural folk to the process of economic and technological development. But the purpose of development is likely to be defeated unless sufficient care be taken to prevent that expert hand from turning itself into a grip over these institutions of self-government. This important point must be borne in mind while implementing any development programme in a democratic context. As the Study Team on Community Projects and National Extension Service correctly pointed out, "the urgency for decentralization is the greatest in the field of development". [*Report of the Team for the Study of*

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Community Projects and National Extension Service, Committee on Plan Projects, Planning Commission, New Delhi, vol. 1, Sec. 2, p. 11 (1957)]. The fundamental purpose of decentralization in the Indian context, to quote from the report of an official committee, "should be to train the local leadership to assume higher responsibilities and to serve the people with maximum efficiency and economy and with minimum taxation so as to meet their growing needs within the resources at their disposal, giving priority where it is legitimately due". [*Report of the Committee on Democratic Decentralization*, Department of Cooperation and Rural Development, Government of Maharashtra, Bombay (1961), p. 52]

All these comments reveal the euphoric attachment to local government which was conceived purely in terms of deepening of democracy. A great loss of legitimacy of the centralized state and the resultant belief in decentralized governance as an alternative channel for better administration of public service delivery at lower cost and latest technological innovations, coupled with effective monitoring, may be viewed as responsible factors behind a 'rage' in matters of good governance. Today both the leftist and rightist ideologues appreciate the concept and ideology of democratic decentralization as an efficient and democratically satisfactory institutional process for re-allocating political power and financial resources from a higher and central authority to lower levels of governement. Today social thinkers ranging from post-modernists, multicultural philosophers and free-market economists to environmental activists, supporters of indigenous technology and democratic developmentalists clamour for decentralizing development. Every variety of social thinkers and political philosophers support the point that decentralization by way of devolution of powers and resources is vital for democratization as well as good governance.

3.6 Development Through Decentralization : Indian Experiments

India's tryst with development through decentralization began in the late-1950s, when the recommendation of the Balwantray Mehta Committee in favour of creating "Panchayat-i-Raj" institutions of local governance was accepted by the Government of India. The idea was to create three-tier rural government viz. Zilla Parishad at the district level, Panchayat Samiti at block level, and Gram Panchayat at the village level. These institutions were elected by the people (both direct election and indirect election) and given some powers and resources devolved to a limited extent from the state government. Very soon democratic platforms like All-India Panchayat Parishad,

Consultative Council on Panchayati Raj, and Central Council of Local Self-Government were created by the central government mainly to provide for national level initiatives for suggesting channels for coordination, improvement, training and research on decentralised rural development. Since its inauguration in 1959 till 1977 India's experiments with panchayat-i-raj meant, in actual performance, little genuine decentralization and more a pursuit of an "unhappy Utopia". During this period there were no meaningful constitutional and administrative changes for devolving powers, responsibilities, functions and resources (both financial and personal) to the elected panchayats. Rather, a number of development agencies like CADC, DPAP, IRDA, DRDA were created. These development agencies and panchayats were supposed to be working for implementing development schemes designed and funded by the central government.

Subsequently the debate over decentralization and genuine devolution for development began afresh with three committees appointed by the central government : Committee on Panchayati Raj Institutions (1978), Working Group on District Planning (1984) and Committee to Review the Existing Administrative Arrangements for Rural Development and Poverty Alleviation Programmes (CAARD) (1985). Ideas generated by these committees finally fructified into the Constitution (73rd and 74th) Amendments in 1992. The 73rd amendment related to panchayats and the 74th amendment related to municipalities and municipal corporations came into effect in 1993-94. This enactment, for the first time gave these local government institutions a constitutional status of their own. Befor this Constitution amendment, there was no genuine devolution and local goverment institutions used to function under an authoritarian style of administration. There was a disjunction between power and the people at the grassroots. The central and state governments were far removed from the masses, district administration by its very nature was isolated from the people. For the first time, a third tier of government was created and a structural change was effected in the style of decentralised governance. The basic theoretical advance was noticed in respect of efficiency, accountability and popular participation. The traditionally neglected sections of population like scheduled castes, scheduled tribes and other backward classes, and women were given opportunity to participate in decision-making and implementation of development programmes. These changes have already brought some beneficial results by creating, for the first time, a milieu of participatory democratic governance in isolated special socio-political environment. In majority of cases, the potentiality of devolution of power has been ruined by widespread corruption, which seems to be a permanent feature of India's body politic, and perverse political culture of dictating policy formulation and implementation in detail. This new decentralization project has replaced the old

power structure at the local level by a new party political power structure in rural and urban governance. The concept of *Self-Government* with its noble concomitant attributes are either not fully understood or very dimly appreciated. Stripping the enormous administrative power structure of its overload and shedding excessive concentration of power and unhealthy influence at higher levels are the essential prerequisites for genuine empowerment of self-governing local-level institutions.

In some States of India the authority and powers remain confined to the state executive to delegate powers and authority to different tiers of local government as it thinks best. Actual devolution of financial, executive and legal authority and power is yet to take place. In many states district planning has remained totally moribund in practice. Apart from the typical party political corruption and the administration-mafia-businessman nexus, the large number of central and state laws and regulations militate against the very scheme of devolution of powers, functions and funds to the institutions of local self-government. Even the international experience shows that it is not so easy to devolve real power and authority to the local level, because the entrenched interests would not like to part with their existing powers. [The World Bank, *Human Development Report 1996*, New Delhi, OUP, 1996, p. 74].

The National Declaration for Local Self-Government issued by, the national conference of the heads of panchayats on 6 April 2002, sought to devolve more powers to the local bodies. The consensus in the conference was that the Constitutional Amendments of 1992, although historic in importance, failed to meet the basic objectives of democratic decentralization. India's experiments of this fundamental principle have so far been essentially of a halting and hesitating character. People in India are not yet meaningfully involved in local-level planning and governance. They do not enjoy the full length of decision-making in respect of their path of development, exercising their discretion to fix priorities of development programmes and to mobilise financial resources. There is also the lack of comprehensive and effective accountability of the functionaries in local democracy. The concept of decentralizing for development represents a new social philosophy of democratic governance. It is no mere political rhetoric or electoral slogan, nor is it is an administrative or management technique only.

3.7 Conclusion

Decentralization, devolution and development are all interrelated concepts. It is futile to argue which is more important and which comes first. Both liberal and social democracy ideologies, despite their so many differences among themselves, come to

the ultimate objective of building a "participant society" where individuals would have the necessary ability to live with peace and dignity. Both liberty and equality are necessary, but as John Rawls concluded in his search for social justice, "liberty" is not negotiable, but there is enough scope to experiment with "equality" depending on the social, economic and technological conditions prevailing at particular time and place. Every human society, tribe or nation, should have a free choice to make as to the kind and dimension of development (social change) and the speed of developmental pace. The most acceptable criterion is to judge the human cost involved. Flexibility and adjustment are the most useful attitude to adopt.

To ensure that decentralization and devolution effort is not hijacked by the wealthy elites, and there is broad-based popular participation, both well-intentioned and sagacious political leadership, and also informed and well-mobilized civil society are required. Democratic theory insists that all endeavours of public authority as well as private corporate sector must be conducted with utmost accountability, transparency, and perfomance audit. Stable government and Rule of Law are the two indispensable prerequisites of good governance.

Participatory governance is a corrective remedial measure necessary to remove "democratic deficit". Examples of successful participative local planning and governance are rare in the world. The moot point is to generate requisite "capacity building" to manage decentralized responsibilities. The crucial issue of institutional 'capacity building' confronts the policy-makers and administrators at all levels of running the decentralized system. As the World Bank experts have rightly commented : "To debate whether decentralization is good or bad is unproductive and misleading since the impact of decentralization depends on design". Fiscal federalism is the starting point in devolution of powers. Beyond this is required capability of institutions and functionaries at different levels of government, in the private sector as well as the civil society actors. [J. Litvack, J. Ahmad, R. Bird, *Re-thinking Decentralization in Developing Countries,* Washington D. C. : World Bank, (1998).] As it is said, "the devil is in the details". A very well-designed plan and devolution scheme would fail if the details of implementation are tardy, inefficient and corrupt. New kinds of challenges do emerge always in devolution of resources, macro-economic problems, capital market development, service delivery mechnism, deterioration in governance and so on. Decentralization and development turn out to be much more complicated problems than they apparently appear to be.

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3.9 Sample Questions

Long-answer questions :

1. Explain the meaning of decentralization.

2. Explain the meaning of devolution.

3. Examine the meaning of development.

4. Write a note on the ideological debate on decentralization.

5. Discuss the meaning and implications of democratic decentralization.

6. Summarize the main points of India's experiments on development through decentralization.

Short-answer questions :

1. Distinguish briefly between 'decentralization' and 'devolution'.

2. What is meant by 'delegation'?

3. What are the general objectives of 'development'?

4. Define the concept of 'democratic decentralization'.

5. Who did recommend the establishment of Panchayat-i-Raj in India? When was Panchayat-i-Raj established?

6. Explain briefly the concept of 'self-government' of local authority.

7. When were the 73rd & 74th amendments to India's Constitution enacted?

8. Indicate the status of 'district planning' in Indian administration.

Unit 4 ❑ Good Governance in Indian Context

Structure

4.1 Introduction

Today the concept of 'good governance' occupies the centre stage in the development discourse. It is also taken as the crucial item in the development strategy. The World Bank was the first international body to use the term 'governance' in its publication *Governance and Development* (1992), in which 'governance' was defined as having three distinct aspects viz. (i) the form of a political regime, (ii) the process by which authority is exercised in managing economic and social resources; and (iii) the institutional capacity of the government to formulate and implement policies and, in general, to discharge its own functions.

In recent democratic theory, development and good governance are considered to be interrelated. Democracy will fail as a system of exercising authority if economic and social development do not take place. Similary, socio-economic development, however well-planned, will fail if 'good' of the people could not be achieved through good governance institutions. The thesis of linking development and good governance was further elaborated in a number of World Bank publications, namely, *Governance*

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: *The World Bank Experience* (1994), and *The State in a Changing World* (1997). Good Governance implies a suitable strategy of economic and administrative reforms and particular initiatives to strengthen civil society's functioning with the objective of making governance at the central, regional and local levels more efficient, decentralized, accountable, responsive, open, transparent, participatory, inclusive and people-friendly. That is to say, Rule of Law must be established and the form of government must not be autocratic in any manner. And the economy must be competitive and market-friendly.

4.2 The Indian Context

The 'Governance' concept reflects empirical reality much more sharply than what the focus on 'government' alone did. In the case of the developing societies, 'governance' points to networks in society that are involvd in policy-making. It moves away from the well-established notion of authoritative single agencies.

Governance is concerned with the changes taking place in the organization of the state and its relationship with corporate sector and civil society actors. In this respect academic attention turns from state-centric analysis towards an understanding of the wider public policy system in which government institutions appear to be involved in negotiation, bargaining and compromise in consonance with the ruling-power coalition controlling the government. Conventionally this is described as the transition from government to governance. The World Bank and International Monetary Fund have designed their aid programmes for strengthening the institutional capacity of recipient governments so that governmental machinery is not only smaller but also more efficient. Operationally the notion of good governance of the aid-giving countries or agencies refers to reducing corruption and encouraging rule-bound functioning of the government machinery. It reflects the concerns of the Weberian model insisting on recruitment on merit, professionalization and impartiality in enforcing rules and regulations. Asian Development Bank, for example, places "capacity-building" as the core dimension of its governance policy, The capacity-building exercise seeks to promote the role of the market, thinning of public bureaucracy and reducing overload of social spending on the state. In this perspective

the role of non-government organizations (NGO) and community-based organizations (CBO) and voluntary organizations (VO) assumes significant importance.

Side by side, Development Economists recognise that good governance is not merely a matter of promoting markets or encouraging private investment. Stable political regimes, appropriate legal framework, conducive social institutions and social values also matter. In this context, participatory democracy provides legitimation for good governance. [Paul A. Hirst, 'Democracy and Governance', in Jon Pierre (ed), *Debating Governance*, Oxford : OUP (2000).]

Democracy does not mean periodic elections and political parties alone. Genuine democracy is established through increased participation of people in the use and management of resources through greater decentralization, sharing power and greater responsiveness of the government to issues of equity and justice.

Governance points to networks in society that are involved in policy-making. Networks connect disperate set of actors who jointly realize that they need one another to craft effective political agreements. Governance is not state-centric. The state is one actor, albeit an important one, in steering society.

The agenda for good governance is not confined to civil service reform only. It touches virtually every aspect of politics, economy and society. Pursuing the ideal of good governance needs political commitment, in the absence of which legislative and technical strategies of building institutional capacities cannot work.

There cannot be any universal model of good governance. The experience of three decades of development administration movement and panchayati raj experiments in India has led one expert to conclude that decision-making is enmeshed so intricably and so deeply in the surrounding culture that it cannot be extricated as an autonomous and behaviour and transplanted in a society seeking to establish good governance. [Devesh Kapur and Pratap Bhanu Mehta (eds), *Public Instititions in India : Performance and Design*, Delhi : OUP, 2005]

That 'governance' is concerned with network of relationship of three actors—state, market and civil society—and that private corporate sector and other institutions of civil society have an important role to play in establishing good governance

entered the mind of Indian political leadership when the Indian economy faced its worst crisis in 1990-91. Henceforth liberalization of the economy became the immediate agenda of the effective political class as a whole except the die-hard left-minded ideologues. Very soon the term 'governance' gained currency in India and its necessity became clear to the policy-makers.

It was a remarkable change in the vocabulary of Indian politics. In the preceding three decades, especially in the Second and Third Five-year Plans, the Indian policy-makers believed in the importance of administrative and bureaucratic system in the strategy of planned economic development. It was the Eighth Five-Year Plan (1992-97) that pointed out, for the first time, the need to re-examine and to re-orient the role of government as well as the planning process. The re-structuring of public sector emerged as one of the urgent needs. It was also emphasized that the role of the government should be to create the right type of institutional infrasturcture so that people could participate more meaningfully and usefully through voluntary agencies, panchayats and cooperatives. Thus began India's journey towards 'good governance' discourse.

4.3 Good Governance : India's Initial Response

In governmental arena the concern for introducing good governance was seriously discussed in November 1996 at the Chief Secretaries' Conference. Presided over by the Cabinet Secretary of the central government, who is generally the senior-most officer in the bureaucracy, this conference considered 'An Agenda for an Effective and Responsive Administration'. It recommended to the government various reform measures in the machinery and processes of the administrative system. These measures were deemed necessary in the context of the increasing needs to open up India's economy to the forces of globalization and to liberalize the decision-making process in governance.

The Government, both at the centre and the state, shared the concern for ensuring responsive, accountable, tansparent, decentralised and people-friendly administration. The couclusions of the Conference of the Chief Secretaries were open for a national

debate to elicit views from a wide cross-section of people. Communications were received from officials, experts, voluntary agencies, citizens' groups, media etc.

The recommedations of the Chief Secretaries Conference were considered in May 1997 by the Chief Ministers Conference presided over by the Prime Minister. The highest level of political leaders in the country endorsed the recommendations of the Chief Secretaries and suggested an Action Plan. As a result, the 'good governance'' regime was officially ushered in Indian administration towards the end of the 20th century.

The introduction of liberal economic reforms and the adoption of a new agenda for improving governance in the country from 1991 set decentralization in a different perspective. The second generation of panchayats, created in the wake of the Asoka Mehta Committee on Panchayati Raj Institutions (1978), had evoked considerable ethusiasm during the 1980s, because the PRIs were designed more as political rather than as purely developmental entity. Subsequently the Constitution 73rd and 74th amendments, enforced in 1993, gave constitutional recognition to local self-government institutions and devolved powers to them, but this move towards devolution fell short of its expectation, because the amendments left devolution of powers on the discretion of the States.

However, this constitutional amendment achieved certain good things for local self-government. It made local elecions mandatory to be conducted by the State Election Commission, envisaged the directly elected village assembly (Gram Sabha) as the deliberative body of decentralised governance, women empowerment was mandated by reserving one-third seats in all elected bodies of the three-tier structure as well as among the office of chairpersons in each tier, reservations for scheduled castes and tribes and dalits (OBC) were provided, created State Finance Commission every five years for recommending principles of State grants to the local bodies and distribution of funds by the State to the local bodies. But here also there was some constraints as the district-level agencies of development, not accountable to local bodies, retained their powers. Secondly, Local Area Development Scheme gave the Members of Parliament the power of sanctioning upto Rs. 5 crores annually for

taking up development projects in their constituencies to be spent through the office of District Collector. In short, local government institutions virtually remained dependent on the State government and functioned as agencies of the State government. Only in Kerala the decentralization process through people's mobilization sought not only to devolve power to the local level but also to elicit people's participation in the process of local planning and development.

4.4 Civil Service Reforms

The Indian bureaucracy is often cited as having Weberian characteristics such as recruitment on merit, governed by law, rules and regulations, political anonimity, professional neutrality, assured tenure of service subject to good behaviour, and so on. But it is not known for creating inclination and interest for serving the people in the context of development. Over the decades the bureaucrats emerged as a powerful component of the decision-making process. Some academics complained about the close linkage of civil servants with caste or communal groups, business houses and the big farmer community with the purpose of serving their mutual interests. [C. P. Bhambhri, 'Of a Partisan, Self-Serving Bureaucracy', *The Pioneer* (Delhi), 23 Sept. 1998] The demands of career advancement are of paramount significance for a civil servant and an obliging politician is willing to do anything for the civil servant who bends rules to favour his political master.

The first serious assault on the nature of Indian civil service came from Prime Minister Indira Gandhi in 1969 in the form of demand for a "committed"bureaucracy. The political loyalty of a number of senior civil servants came to light in the report of the Shah Commission of Inquiry which enquired into excesses committed during the infamous Emergency (1975-77).

The first civil service reform effort, after neo-liberal economic reforms were introduced, was seen in the Report of the Fifth Central Pay Commission (1996). Down-sizing the Departments of the government was an important recommendation along with decent increase of pay-scales of the civil servants. The scope and responsibilities of the government was to be reduced, and the number as well as the

size of the government departments was to be cut down. The other important recommendations included "outsourcing" and "public-private partnership". The state is perceived as an enabling authority that facilitates business and civil society to work together for development. The idea is to replace the bureaucracy's attitude of domination by the attitude of partnership.

Civil service reform in terms of posting and transfer, promotion and punishment, however, has not been given high priority on the political agenda of the ruling parties. Side by side, powerful interests have developed in continuing the status quo. Moreover, there has been failure at the conceptual level in generating alternative reform strategies. Bureaucracy has not been able to rise above its interests. On the other hand, market has not responded with sufficient vigour and honesty. Corruption has spread like cancer in India's political and administrative systems. An expert has suggested the remedy of creating multiple bureaucratic, market and participatory institutions responding to the needs of the society. A congenial legal and constitutional situation needs to be created where this multiplicity of institutions can freely function. "The more important direction that reform can take is in providing facilitative legal and contractual arrangements, explicit codification of rights as well as attendant obligations for new institutions to emerge and sustain themselves". [Kuldeep Mathur, *From Government to Governance : A Brief Survey of the Indian Experience,* New Delhi : National Book Trust, 2008.]

4.5 Institutional Reforms : Citizens' Charter

The Eighth Five-Year Plan (1992-97) underlined the need to re-examine and re-orient the role of the government as well as the planning process. In this reorientation, the Plan *inter alia* underlined the need to create right type of institutional infrastructure to serve the people as customers of public services.

The Action Plan suggested by the Chief Secretaries Conference (1996) emphasized the need to build effective and responsive administration in order to enforce accountability interpreted in a larger sense of public satisfaction. It recommended a phased introduction of Citizens' Charter.

The concept of Citizens' Charter originated in the British administration in 1991-92 with a view to raising the standard of public service by making civil servants more responsive to the needs of the users of public services. The Charter aims to empower the citizens who have a right to be informed and of choosing for themselves the services offered by the government and public agencies. It was the centre-piece of British civil service reform in the 1990s.

India's Ninth Five-Year Plan (1997-2002) regretfully observed : "Lack of accountability of the implementing agencies either to the government or the people has been the single major cause for misappropriation of funds for development programmes" (Approach Paper, p. 19).

Hence the institution of a Citizens' Charter was considered very much necessary in achieving good governance inasmuch as it helps improve administrative accountability as well as transparency in administration. This decision was taken by the Government of India at a time when there was widespread frustration among the people of vulnerable groups regarding deteriorating standards of public services, and public administration at all levels of civil services suffered in terms of credibility and effectiveness. The media gave vent to increasing public frustration over the low levels of honesty and effectiveness of public administration machinery as a whole.

The key elements in Citizens' Charter are as follows :

(i) **Standards :** Setting, monitoring and publication of explicit standards for the public services that individual users can reasonably expect.

(ii) **Information and Openness :** Full, accurate information, readily available in simple language, about how well they perform and who is in charge of the service.

(iii) **Consultation and choice :** There should be regular and systematic consultation with the service-users whose needs and views about services and priorities are to be taken into account for final decision on standards.

(iv) **Courtesy and Helpfulness :** Courtesy and helpful service from public servants wearing name badge. Services to be available equally to all who are entitled to them.

(v) ***Puting Things Right :*** If services go wrong somewhere, an apology, a full explanation, swift and effective remedy are to be offered. Well-published and easy to use complaint procedures, wherever possible, is to be introduced and maintained.

(vi) ***Value for Money :*** Efficient and economical delivery of public services are to be offered within the resources that the nation can afford. And, independent scrutiny and validation of performance against standards is to be ensured with the involvement of citizenz groups.

Speaking simply, Citizens' Charter is an institutional arrangement symbolizing the moral and political commitment of the government and public agencies to the service of the people.

Indian Experience

There cannot be any general format of Citizens' Charter applicable uniformly to government departments, public sector undertakings, local authorities, banks, and other public agencies.

Till the Tenth Five-Year Plan (2002-2007) about forty public agencies have published their Citizens' Charter for delivering service mentioning the organization's mission and the quality of service it delivers and revealing the entitlements of the service-users. Among the prominent national level organizations, the following organizations may be mentioned as illustrations :

Ministry of Petroleum and Natural Gas, Ministry of Urban Affairs and Employment, Land & Development Office of Govt of India, Life Insurance Corporation, General Insurance Corporations in India, Public Distribution System in Ministry of Civil Supplies, Passport Division of Ministry of External Affairs, Indian Railways, Air India, Department of Industrial Policy and Promotion, State Bank of India and major public sector banks, important public hospitals, Delhi Development Authority, New Delhi Municipal Corporation, Central Public Works Department, Dept. of Post, Dept of Telecommunication and so on. Most of the Charters seek public cooperation and feedback from the users.

No doubt, the strategy and instrument of Citizens' Charter, if formulated and implemented in an objective and committed spirit to give to the citizens services to which they are entitled would lead India towards Good Governance. The most positive aspects of this programme relate to its emphasis on disseminating information to the general public and laying down some basic principles of public service delivery.

One of the most important conditions of success of the Charter scheme is to strengthen the efficiency of the government's grievance redressal machinery. In many cases the Charters do not prescribe such procedures, or even the names, addresses and phone numbers of the officials whom the sufferer can approach. Most often it has been found that either the phone call is not picked up or the official is not in his/her seat. The harassed citizen is ultimately fed up and frustrated. The suffered or harassed citizens in many cases do not receive the compensation. Hence a drastic change in the official attitude and organization's work culture is called for. Unless the officials are not conscientious and sensitive to public needs and their inconveniencies, good governance in a major aspect would remian an illusion.

There is need for greater coordination and consistency in the offices of public authorities in charge of public service delivery. Very many times any excuse offered by the officials prove good enough to make citizens frustrated and deprived of the benefits of Citizens'Charter.

Another important aspect of Charter's success is to keep the whole system of public services away from bureaucratic and party political influences. There is no place for politicization and bureaucratic indifference or obstruction in the Charter scheme if it is to be made an effective instrument of accountability and good governance.

4.6 Transparency in Governance : Right to Information

National Human Development Report (2000), published by the Planning Commission, while emphasizing the importance of good governance, observed *inter alia* that corruption seems to be endemic in all spheres of public affairs and it should be addressed urgently.

It was further observed that an all-out effort should be made by both Central and the State governments to ensure greater trasparency and create awareness among citizens about the manner in which development programmes are implemented and resources are distributed. Transparency in public administration is one of the urgent items of civil service reform. Transparency is equally needed at the level of local governance through panchayats and municipal bodies, and in the activities and administration of policies of non-government actors like the corporate sector and voluntary agencies.

The Chief Secretaries Conference (1996) had also felt that a new culture of openness and free information, as opposed to secrecy and mystification, should pervade all government offices. This Conference noted that, more the effort at secrecy in government, the greater the chances of abuse of authority by public and semi-public functionaries.

The Official Secrets Act (1923), as amended in 1989, and the Code of Conduct Rules for Government employees prevent most of the information about affairs of Government from being disclosed to the public and the media. The most damaging consequence of the secrecy legislation and the code of conduct is the generally secretive behaviour of civil servants and denial of items of unclassified information, and the details of development expenditure, to the citizens.

Since 1990 efforts are being made to introduce legislation to ensure freedom of information, and to amend the Official Secrets Act. Some State governments like Andhra Pradesh, Madhya Pradesh, Tamil Nadu issued government circulars to ensure the availability to the people of details of development expenditure and inspection of revenue records in public offices. The system of transparency in Public Distribution System (PDS) and Employment Exhanges has been in vogue in many States.

Simultaneously the government of India also formulated amendments to the Official Secrets Act and the Indian Evidence Act to bring them in line with the new trends in transparency in government. Meanwhile, the governmental authorities circulated instructions for greater openness in the style of functioning of government departments, public agencies and elected local bodies, especially in regard to assessment criteria and levy of taxes, sanction of building plans, details of allotment of land and housing property, award of work tenders, selection of beneficiaries under different government schemes, development expenditure on public works and so on.

It has beem decided that every public authority should periodically publish, through its website or otherwise, and keep updated information indicating (i) particulars of its organization, functions and responsibilities, (ii) description of its decision-making processes, (iii) norms of performance of activities, (iv) facilities provided for access to information, (v) names, designation and other relevant particulars of its Public Information Officer (PIO).

An integral aspect of administrative reforms, both in short-term and long-term perspective, is related to the easy and speedy access of information to the public on activities of government and public services, and development of appropriate Management Information Systems in government. Efforts have been made to develop appropriate computerised network of information in different public services and to ensure widespread and easy access of citizens to information about Government and its agencies.

A significant infrastructure to create a computerised public interface is available through National Informatics Centre (NIC), which is working closely with the state governments.

Finally, after a series of people's movements demanding public access to information regarding development expenditure in many states, especially in Rajasthan, the Right to Information Act (2005) has been passed by Parliament (Detailed discussion on it has been made in Unit II).

4.7 Good Governance Through e-Governance

Electronic Governance, popularly known as e-governance, is often used to describe the networking paradigm and its decentralizing and communicatory implications. The term 'governance' gained currency since the early 1990s when the World Bank underlined the importance of elected bodies, accountable government, transparent administration, role of non-government actors like private sector and voluntary agencies for successful implementation of development programmes. Since then the concept of 'good governance' has engaged the attention of academics, policy-makers, bureaucracy, civil society actors. To meet the diversities of needs and aspirations of the people in ex-colonial developing countries requires gigantic organised efforts of the government. To achieve this goal in a seamless way, the innovations in information and communication technology (ICT) were found very handy, useful and almost indispensable. E-governance strategy thus became a new dimension of governance, which enormously facilitates improvement of the quality

of governance. That is to say, 'e-governance' denotes the process of enabling the governance actors (government, private sector and civil society agents) to make governance effective in delivering services to citizens in terms of efficiency, transparency, reliability and cost effectiveness.

The advent of Internet and World Wide Web (www) in the 1990s has given rise to a digitally networked society. Manuel Castells has noted in his book *The Information Age : Economy, Society and Culture (Book-1)* : "As a historical trend, dominant functions and processes in the information age are increasingly organized around networks. Network constitutes the new social morphology of our societies, and the diffusion of networking logic substantially modifies the operation and outcomes in processes of production, experience, power and culture." [Oxford : Blackwel, 1996, p. 469].

E-governance is the technological process further than automating the public service delivery and involves direct participation of citizens in government activities. It needs new pattern of cooperation between public, private and civil society organizations. E-governance implies use of ICT viz. local area network (LAN), wide area network (WAN), international network (Internet), mobile and computing technology to transform government by—

(i) making it more accessible, effective, and accountable;

(ii) providing access to requisite information;

(iii) enabling the people to interact with officials;

(iv) making administrative operation transparent;

(v) offering public services on-line.

United Nations Development Programme (UNDP) refers to e-governance as multifaceted use of ICT for improving collective governance that includes making service delivery more accessible, efficient and responsive. E-governance is a technology tool for promoting efficiency and effectiveness in government with the goal of providing integrated, efficient and quick services to the people.

E-governance means digitization of government information and on-line transaction of public services. The Government of India looks at e-governance as the use of ICT to bring about SMART governance. That is, making governance Simple, Moral, Accountable, Responsive and Transparent. By using the Internet as the channel of communication, it is possible to provide electronic delivery of better public services at the national, regional and local, and even international, levels at affordable cost

and optimum time to the end-user. In a broader sense, e-governance is all about reform in governance facilitated by creative use of ICT. The SMART governance system ushers in Good Governance through creative use of ICT.

In India the 1980s saw the development of computerization in the government sector and the 1990s witnessed the importance of overall computerization with a centralised model. With the cost of communication and IT infrastructure going downwards and demand going upwards, the e-governance initiatives took shape in the first decade of the 21st century.

Demands generated from political leadership, capacity-building needs, and perceived citizen expectations all have contributed to ICT innovations. At the state level, many state governments started off their initiatives by taking up projects to serve their people through ICT. Currently every state has a State Electronic Mission (SEM) to provide e-government services to the citizens.

India's e-governance transformation has been progressing rapidly. By 2014 over one billion e-government transactions have been logged and the growth rate of e-government is rising exponentially. The government has taken several initiatives in the journey from e-governance vision to actual implementation. Some purposeful steps and "from vision to implementation" intiatives include :

(i) Thirty-one Mission Mode Projects (MMPs) across a wide range of public services under the National e-Governance Plan (NeGP) such as passport *seva*, e-procurement digitization of land records, national citizens database etc.

(ii) Eight e-Government Support Components to help set up the required infrastructure (State Wide Area Network, State Data Centre, Common Service Centres etc.) with technical and financial partnership with the private sector.

(iii) e-Government Management Structure comprising multiple committees to resolve bottlenecks and oversee programme execution.

Currently with the launch of State Electronic Mission and under the State Data Centre guidelines, inclusion of 'Citizen Services under Governance' has become a necessity at the state level. Online Monitoring of *Nirmal Bharat Abhiyan* (GoI), *Passport Seva* Project (GoI), *e-Sampark* in Chandigarh, *Mee Seva* in Andhra Pradesh, Haryana Land Records Information System, *Bhumi* project in Karnataka, *Gramsampark* in Madhya Pradesh, *Lok Mitra* project in Himachal Pradesh, *Mahiti Shakti* in Gujarat

are some of the better-functioning electronic services which have started bearing fruit of good governance.

Governments at all levels throughout India are moving towards e-governance on mobile telephony as well. Mobile telephony is revolutionizing the outreach of corporate social responsibility programmes and the government's outreach in both remote areas and in populated parts of the country. It offers one of the most effective channels for information access and dissemination anytime, anywhere, and can help governments provide citizen-centric public service. Some standard programmes and projects at the state and central levels which offer e-governance services to citizens include : certificates, licences, land records, utility services and tax payments in regard to health, education and pension, RTI and public grievance redressal, public distribution system, election, police, railways and air travel, agriculture, local government service, employment, commerce and industry, property registration, passport and visa, and state specific services.

Before the effective e-governance era, government delivery of services was manual and opaque which caused much difficulties to the citizens. Overcrowded government offices, long queues, employee absenteeism, arrogant and rent-seeking attitudes and inefficiencies were a common experience. The focus of employees was more on corrupt practices than on citizen's service delivery. Citizens used to face much hardship in having access to government services such as land and house property registration, booking of rail and air tickets for reservation of seats, birth and death certificates, municipal sanction of building plan and such other benefits under social welfare state system. E-governance has now been widely recognised as an important means for improved services in quality, efficiency and effectiveness of governance. However, important impact of e-governance is not felt in remote areas where people usually face immense challenges in getting any public service. Application of ICT has definitely helped fighting corruption and improving efficiency and effectiveness in public service delivery and, furthermore, streamlining governance system to create synergy for inclusive and sustainable development.

India, however, lags behind South Korea, Singapore, Japan, Malaysia, Israel, Uk, USA, France, Germany, Norway, Sweden, and Canada on e-governance front. [United Nations e-Governance Surveys for 2013 and 2014].

India has several challenges and contextual factors which form the milieu in which improvements in good governance and e-governance are sought to be brought about. India's huge population of 130 crore (in 2014) with extreme diversity of

culture, demography and style of living all brinbg up their own challenges. Furthermore, internal migrations to urban regions with relatively better facilities and employment opportunities create additional burden on delivery mechanisms of government services. The challenges are further accentuated due to large sections of the population being poor, the Indian economy being at different stages of growth in different sectors, and the fragmentation of the administrative structure.

E-governance has the capacity to empowered ordinary citizens. But, compared with the developed countries, India's e-governance efforts should place greater emphasis on 'institutional linkages' between and among tiered government structures at the national, regional and local levels in order to create synergy for inclusive and sustainable development. The UN e-Governance Data Base for 2014 shows that India does not even rank among the top ten (10) Asian countries. While ICT opens channels for government to reach citizens, much more has to be done by opening up ways and means for citizens to reach out to administration. The portability of data across the central government and the State/UT governments and also across different departments of government is important for good governance.

In India the institutional structures with rigid rules, lack of recognition for e-governance domain experience, poor linkages to career path, promotions and opportunities, and absence of incentive mechanism to attract, leverage and retain the scarce talented human resource to work on e-governance projects do not enable seamless deployment and movement of personnel. Challenges at National Informatics Centre (NIC) include its inability to attract, leverage and retain the scarce talent due to limitations of the government salary structure, government procedures regarding employee recruitment and training, contractual engagement, non-availability of professional programmes and lack of project management system in the country resulting in inadequate number and quality of personnel.

Finally, there are some inadequacies in capacity-building. The key challenges with regard to capacity-building include absence of institutionalised training and learning framework for e-governance, assessment of training needs, developing training strategies, and lack of trained personnel for training. Training in e-governance should be repositioned as an in-service mandate linked to career progression at all levels in the government. There is need for human resource interventions for the National Informatics Centre to include identifying human capital gaps, enhancing number of permanent posts and recruitment capacity-building.

4.8 Conclusion

E-governance has been recognized as a vital force for transformational improvement in quality, efficiency and effectiveness of governance. The importance of e-governance has been applied at the highest level by all the three partners in good governance viz. the government, private sector and civil society organizations. The websites have been the primary touch points for the citizens, administrators and research scholars. But India is lagging behind in terms of the range of e-governance coverage.

India's limited success in e-governance till date is due to some basic shortcomings. These shortcomings include (a) limited availability of internet infrastructure, (b) high cost of access and usage, (c) lack of awareness and low digital literacy among the population, (d) narrow range of applications and services, and (e) an unfavourable business environment. Successful leveraging of e-governance opportunity, therefore, involves building of institutional capabilities, adopting and implementing a comprehensive and sound e-governance policy, and deepening of technology platforms. Some experts feel that "there is the need to look at present e-governance initiatives from management perspective of "good governance". [R. K. Sapru and Y. Sapru, 'Good Governance Through E-governance with special reference to India', *Indian Journal of Public Administration,* LX (2), April-June 2014]

Technology in governance process mandates higher public accountability, a consensus among stakeholders and an integrated model of e-governance. E-governance is undoubtedly of great help in achieving Good Governance. But in the midst of euphoria about e-governance it would be necessary to pay heed to certain points in the Indian context.

Both psychologically and practically, the mentality and habits of the *aam janata* have been accustomed to the Weberian model of rule-bound, file-based administration. Hence a fundamental change in the orientation of the executive, legislature, even judiciary as well as of the management of medium and small industry and business and a significant part of the civil society organizations would be required. E-governance cannot improve efficiency and effectiveness unless party political interference in administration of all aspects of governance, especially in police administration, could be drastically reduced. The necessary changes in administrative procedures and the application of e-governance techniques would be fruitful and beneficial for 'good governance only when the people are generally willing and capable to understand, accept, internalise and adopt the changed form of communication and decision-making. The common people would have to be enabled to derive the benefits of technology in the midst of humanising level of poverty and

illiteracy. A new culture of mutual trust between public administrators and functionaries in charge of public service delivery, on the one hand, and the *aam admi*, on the other, must be created to reap the benefits of e-governance. What is absolutely necessary is the political will of the leaders in government and administration, ready cooperation of the informed civil society and of common people who have a stake in introducing and promoting Good Governance.

The agenda for good governance is very long and complex. An expert in good governance theory has pointed out, good governance is deeply problematic as a guide to development. Good governance calls for improvements in virtually all aspects of the public sector : from institutions that set the rules of the game for economic and political interaction, to decision-making structures that determine priorities among public problems and allocate resources to respond to them; to organizations that manage administrative systems and deliver goods and services to citizens, to human resources that staff government bureaucracies, to the interface of officials and citizens in political and bureaucratic arenas. Getting good governance at times implies changes in political organization, the representation of interests, and processes for public debate and policy-making. [M. S. Grindle, 'Good Enough Governance : Poverty Reduction and Reform in Developing Countries', *Governance* (International Journal of Policy, Administration and Institutions), October 2004), referred in Kuldeep Mathur, *From Government to Governance*, New Delhi : NBT, 2008, p. 14]

The political system in India till now has provided opportunities to the elites to enhance governance through appropriate policies, institutions and processes. In his thought-provoking analysis of India's future, Bimal Jalan, a former Governor of the Reserve Bank of India, has argued that it is the interface between politics, economics and governance, and their combind effect on the functioning of Indian democracy, that will largely determine India's future. He has concluded that unless there is the political will to seize the new opportunities available in the new innovations made in the reforms of decentralization, devolution, larger accountability transparency, and enhanced fiscal viability, and a determined fight against politico-administrative corruption, the future of Indian democracy would remain unpredictable. [Bimal Jalan, *The Future of India : Politics, Economics and Governance*, New Delhi, (2006)]. Because of the interplay of caste, cash and criminality, politics of development is gaining ground whereas developmental politics is losing its efficacy.

'The Good Governance' discourse came into Indian administration in the wake of India opening to the politico-economic ideology of liberalization and privatization in the context of globalization. The state now shares power and responsibilities with the emerging non-state actors in building infrastructure and improving services in health and education by adopting public-private-partnership (PPP) model. The state

remains an important player in governance, but much of the policy-decisions are made in consultation with the private sector and civil soceity agencies. The governance issue is now a much more regionalised problematic for the Indian state in a political situation of persuading, bargaining and partnership with the states.

The Public Administration having adopted the agenda of good governance with emphasis on accountability and transparency as the guiding principles in the functioning of the executive, legislature and judiciary, the non-state actors in the governance process like the private sector, NGOs and the media have started to play a bigger role than before the 1990s. The governance scenerio in India is currently under the influence of a particular political and administrative culture. The Good Governance discourse has to confront the twin formidable challenges of fast-spreading corruption at all levels and the unputdownable assertion of different socio-political and economic pressure groups having their own interests and targets. Democracy in India exists in form with regular elections, but in substance it appears to be stunted. The old idea of state sovereignty seems to be no longer valid in the context of the compulsions of globalization and international obligations, on the one hand, and agitational violence and normlessness in the name of democratic movements, on the other.

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4.10 Sample Questions

Long-answer questions :

1. Discuss the context of the emergence of Good Governance discourse in India.

2. Analyse the main points of India's initial response to Good Governance regime.

3. Summarise the highlights of civil service reforms as part of the Good Governance programme.

4. Explain the concept of Citizens' Charter and discuss how India has introduced it in administrative reform programme.

5. Discuss the background of India's legislative achievement is ensuring people's right to information.

6. Examine the significance of e-governance as an instrument of building good governance in India.

Short-answer questions :

1. Mention the three distinct aspects of the definition of Governance.

2. Give a brief idea of the kind of governance implied in the term 'Good Governance'.

3. Mention the three actors involved in the governance process and briefly indicate their roles.

4. Identify the main points emerging from the Chief Secretaries Conference (1996) on Good Governance.

5. Give, in brief, the most important features of the 73rd Constitution Amendment (1992-93).

6. Mention briefly the significant recommendations made by the Fifth Central Pay Commission for ushering Good Governance in India.

7. What are the key elements of the idea of Citizens' Charter?

8. What is the crucial need for having the legislation on free access to information relating to governance?

9. What is the meaning of SMART governance?

10. Mention three important inadequacies in India's e-governance programme.

PAPER-VI

MODULE-4

PUBLIC ADMINISTRATION :
Emerging Issues in Public Administration

Unit 1 ❑ Gender and Public Administration

Structure

1.0 Objectives

If you go through this unit, you will be able to understand and analyse the following topics :

- Meaning of gender and public administration.

- Two theories—Human Capital Theory and Socio-psychological Theory exploining the state of differing representations of men and women in public administration and work-places from two opposite viewpoints.

- UNDP and other international reports focussing on the trend of gender–inequality in public administration.

- Existence of gender inequality is most societies of the world and the socio-cultural realities hindering efforts gender equality.

- Globalisation and its effects on the gender question.

- National and international laws to prevent gender-discrimination in public offices.

- An international case study on the gender question and an in-service training programme for greater gender equality.

1.1 Introduction

Women's role in securing water, shelter, food etc. i.e., house management have been accepted in the society but they had long been marginalised in the decision-making processes on matters of administration, work and governance. A gendered perspective needs to be integrated into the administrative processes of work, decisionmaking and management. Challenges for achieving equal participation of women and men in those spheres must be overcome and approaches for integrating a gender perspective into public administration must be devised. Gender dimension is central to all our efforts to develop more sustainable and safe ways of organising and managing the society.

1.2 Meanings of Gender and Public Adminstration

Gender denotes the state of being male or female. It is related to biological differences and is used with reference to social and cultural contexts. Gender differences arise from differences is biological chromosomes, brain structures and hormonal characters as well as from differences in socially constructed gender roles. Range of characteristics pertaining to differentiating between male and female may be biological (state of being male or female) gender identity or sex-based social structures (gender roles of social roles). The social interactions between members of the society result in socially constructed roles, responsibilities and identities as men, women, girls and boys. Gender issues are prevalent in society, operational and visible in daily life at the level of the individual, the family, the community and the society at large and reflected institutinally in the social and cultural norms.

Gender relations in society are broadly reflected in (i) **gendered identities** : a combination of physical and behavioural characteristics which set apart boys from girls, men from women; (ii) **perceptions** : views as to how they are differentiated in their roles as men and women, boys and girls. (iii) **attitudes** : actions guided by the perceptions. (iv) **status** : the place occupied by men and women in the family, the community and the society. Gender relations affect all spheres of life—cultural, personal, social, political and economic. They are not equitable and always unfavourable and biased against girls and women. Gender relations have evolved in such a way that women occupy a subordinate status within the family, the community or the society. Statistically they are desprived of basic amenities of life more than their male cointerparts irrespective of the stages of the social ladder they belong to. Within the same class or class category women have less power to affect change in comparison to the male category. Gender marginalisation is evident in terms of levels of poverty (among the world's poor more than 60% are women). Women have less wonership of assets and property, they earn less and are paid less than men for equal work; they are less skilled, get fewer opportunities to develop skills and have access to fewer decision-making possibilities within the family or the public sphere. They face greater risks of sexual abuse, domestic and other forms of violence and are dominated by the male members of the society. So women and girls are economically and socially weaker in comparion to men and boys and hold a subordinated status within their respective communities, leading to gender-based inequalities and volnerabilities.

Public Administration consists of those operations which have for their purpose the fulfillment or enforeement of public policy as declared by any competent authority. It is the bedrock of government and the central instrument, through which national policies and programmes are implemented. In an ideal world public adminstration is to be guided by principles of fairness, accountability, equality, justice and efficiency and non-discrimination; the civil service should serve as a model, where men and women equally participate and lead and both are included in decision making and management.

However, this is not a global reality, Despite the fact that the internationally agreed target of a minimum of 30% women in leadership positions applies equally to public administration, as it does to politics, women remain unrepresented in decisionmaking in public administration. In many developing and even developed countries, public administration often remian a patriarchal institution, perpetuating gender-based traditions, attitudes and practices.

1.3 Patrimony in Public Administration

Over the course of history, gender has played an importatnt role in Public Administration by influencing the ways, in which people think about administration and bureaucracy. It has become impossible to look at public administration without examining the place of the faminine-masculine dichotomy. In today's society Public Administration remains widely segregated in regard to gender, though it has become commonplace to advocate for greater numbers of equality and non-discriminatory policies.

During the early years of Public Administration, textbooks and carriculum largely overlooked minorities and dismissed those writings which reflected women's experiences or contributions as unimportant.

In the 20th century there was a shift in public perceptions. The Civil Rights Acts (USA) ensured equal opportunity initiatives and job protection laws, This shift caused public administration to more readily acknowledge the views and voices of those who framed the U. S. Constitution and of those who are credited with establishing public administration as an academic discipline. But we find that even in 1864 U.S. government declared that women employers in government should be paid one-half of the salary that a man would be paid to perform exactly the same job. Though equality in this context has improved later, there are innumerable instances of inequality. Equal Pay Act of 1963 (USA) could ensure some amount of equality at a much later stage. But still we find inequity in pay persisting even today—women earning 77.8 for every dollar that a man carns. With the processes of industrialisation, globalisation and liberalisation gender inequality in Public Administration grew wider in the modern world.

When people look at the role of gender in Public Administration, there are two opposite viewpoints—one focussing on efficaly and objectivity and the other on the subjective issues of social justice. The first is known as masculine approach and the second is regarded as faminine approach. Before the World War II, both the approaches were utilised harmoniously with men and women working together to emphasize on the principles of classical pragmatism and to focus on the efficient execution of policy, social cooperation and the strengthening public knowlege. After the outbreak of the world War II, there was a shift in American Public Administration. Public administration system became more dependent on male-dominated organisations, such as the Social Science Research Council's Advisory Committee of Public Administration. The system became suddenly more attached to efficiency approach. Then the Rockefeller Foundation began aggresive funding of programs

that encouraged scientific research in other organisations. In addition to the increased reliance on masculine principles, American society's approach to social science began to change and this influenced Public Administration also. For example, in the 1890s economists altered the way they studied the subject by focussing less on general trends and more on statistics and hard facts. Sociology, on the other hand, remained focussed on specialised knowledge based on the value-neutral pursuit of abstract generalisations about human relations and continued to promote social justice. This dichotomy is largely responsible for the relegation of women to more congenial specialities such as social work, while men remained leaders in finance and scientifically driven ventures.

1.4 Human Capital Theory and Socio-psychological Theory

Both the theories try to explain the state of differing representations of men and women in Public Administration and work-places in general. Human Capital Theory says that roles of men and women in government come from a historic separation based on the opposition of masculine and feminist thought. It further argues that women's decreased role comes from the inferior investment in their personal human capital. The theory opines that men reap benefits in society, because they are more inclined to pursue higher education and attain better jobs. They have more work experience.

But the theory has been attacked, because of the fact that women were unable to secure the same jobs as men with equal qualitications in many cases. Moreover, women were denied the opportunity to receive higher education like men.

Socio-phychological theory was developed by researchers in sociology in response to the criticism of the human capital theory. This theory, like the Human Capital Theory attributes a great deal of emphasis on the differeing qualifications between men and women. But the difference between the two is that this theory gives attention to the sociological constructs that inhibit women's ability to acquire equal qualifications. This theory points out that men are typically attributed with social characteristics, such as aggressiveness, ambition and self-confidence, while women are regarded as affectionate, kind, sensitive and soft-spoken. So women are viewed by an amployer as inferio to a man with the same qualifications. According to this theory, it is difficult for a womem to enter a profession heavily dominated by men because they are likely to be taken as incompetent or less competent than their male counterparts.

This theory also points out that women's representation in public work is also influenced by sociological stereotypes and stigmas about the place of women in the society. It is widely held that women are meant for domestic duties and child-bearing and child-rearing. This idea of domestic role has been so pervasive that they have been integrated into the very institutions of public administration and business organisations. So it has been difficult for them to advance progessionally.

1.5 Benefits of Gender Diversity in Public Administration

Gender diversity in public administration is imperative, if the discipline is to strive for the normative ideal of both efficiency and social justice. Public Administration was first established as a matter of technical implementation where the values of efficiency and effectiveness were paramount. This meant that the principles of social equity, ptotection of minority rights and equal opportunity took a back seat in administrative science. A fundamental arguement for the representation of women in public sector is that when the public sector reflects the composition of the society it serves, government will be more responsive and democratic. So closing the gender gap in Public Administration is important to ensure inclusive development and democratic governance. This helps to restore trust and confidence of the people in the public institutions and to enhance the sustainability and responsiveness of public policies. It is a curcial policy issue for both developed and developing countries. Women's equal participation in public administration and decision-making with men is viewed as a necessary condition for women's interest to be fully taken into account and addressed properly.

1.6 UNDP and other findings on Gender & Public Administration

United Nations Development Programme or UNDP recognises the importance of a healthy Public Administration for national development and implements many projects and programmes for gender equality in public administration, provides technical assistance to strengthen public service capacities, opens up training centres for woman public servants and managers and undertakes research in support of innovation, reform, human resource development and inter-ministerial coopeation.

Analysing the trend of the gender question in public administration, it listed the following trends in 2014 :

(1) According to UNDP women are unrepresented in top-levels of public adminstration. It states that there has been great developments of women in certain countries—Costa Rica 46%, Botsowana 45% & Colombia 40% But women persistently occupied junior positions and were engaged in soft spheres, like culture, education, health and tourism in all countries.

(2) There has been gender-bias in job categories. Women were engaged in support positions or soft jobs and not involved in decision-making or governance, which has been the sphere of men.

(3) Women were found mostly in short-term and contractual positions and not in permanent type jobs.

(4) More women were involved in local government jobs or sub-national bodies (Councils), but not is subnational executive branch (Mayor), this being the sphere of men.

(5) There has been increasing numbers of entries of women in politics, though these numbers are not encouraging (Elected women head of state and government was 8 in 2005; it rose to 17 in 2012. Women ministers were 14.2% in 2005 and 16.7 in 2012). Highest number of women entries in politics were found in Scandinavian countries.

(6) Gender-gap at the decision-making levels in private sectors has been less than one-third in senior positions and there were only one women for every ten men in boardroom.

(7) Women needed higher qualifications than men to reach the same top position.

Convention on the Elimination of all Forms of Discretion against Women or CEDAW was established in 1979 by the UN for reducing trafficing, advancing educational and vocational training and ending forced marrage or child marraige. It seeks to remove overt discrimination, ensure inheritance rights, guarantee the right to vote, help mothers, ensure the right to work and do business, implement special measures etc. and to correct the historical gender imbalances. CEDAW defined gender discrimination as any distinction, exclusion or restriction, made on the basis of sex, which has the purpose or effect of impairing and nullifying the recognition,

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enjoyment or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field.

Bejing Platform for Action, 1995, agreed on by 189 countries, includes specific commitments by governments to advance full participation of women in public life, and public administration.

South African Development Council (SADC) in its Gender and Protocol, 2008 agreed that members shall try to ensure that 50% of decision-making positions of the public and private sectors are held by women.

Basilia Consensus Document, 2010 adopted by 33 Latin American and Caribbean countries urged regional governments to safeguard women rights.

Art 21 of the Universal Declaration of Human Rights states that—

(1) Everyone has the right to take part in the government of his country either directly or through freely chosen representatives.

(2) Everyone has the right of equal access to public services in his country.

1.7 Women and Public Administration—Socio-cultural Realities

Gender inequality is found in varying degrees in most societies around the world. Social and cultural stereotypes and false beliefs underlie gender inequality, which though weakened since 1970 due to women movements, persist even now and hamper all efforts to achieve gender equality. In some cases discretion on women are overt, e.g public administration statutes that use gender-insensitive language by referring existing officials as masculine body. Some gender-neutral laws, regulations, policies or programmes are disadvantageons for women, because they donot take into account either women's biological differences (such as pregnancy, breast-feeding etc.) or differences that exist because of gender stereotypes, attitudes and expectations. So some gender-neutral laws or policies end up discrimating women in public administration. Failure to harmonise various laws or policies relevant to gender equality may also create problems. National labour laws may have provisions for certain levels of continued salary during maternity leave or for solving problems of sexual harassment, but laws of civil servants donot include the same in many instances.

Socio-cultural norms may shape gender roles positively or negatively. They often feed or deconstruct negative gender-based stereotypes. In some countries women willing to take on increasing responsibility and continued career of full employment are known as career women or bad mothers or too aggressive and manly. This stereotype may lead them to parttime work.

Opportunities for training and advancement are limited in part-time work. Many male workers donot take women workers seriously or equally as colleagues—some even make jokes on then.

To add to all these are the institutional cultures that donot penalise sexism and harassment, which create major barriers to women's confidence in public administration. Sexual harassment, present at workplace, bewilder women. Some women donot know how to report it, some are unwilling to do so. Many countries have provisions prohibiting workplace harrassment of women, even provisions to punish the offenders, but their impelementations are not consistent.

Women, facing the difficulty of balancing work and personal life, find it difficult to have equal participation in public administration. The socalled long hours of work or the requirment to demonstrate obedience to the organisation by working beyond contractual hours is held to he a masculine model of work. Cultures of long working hours and full commitment to the institution by doing long hours of work donot add to efficiency of bureaucracy; but that is the feature of many bureaucracies. Long hours of work is problematic for women, who have family responsibilities also. Time-pressure is greater on them than that on men. This deters women from aiming high. Some women even resign from work when they are mothers.

Lack of child-care infratructure creates imbalance. If such infrastructures are present, public administration can offer better benefits, as that would ensure work-life balance for women.

All these point to the following solutions of the problem for women workers—

 (i) flexible work options both for men and women,

 (ii) greater responsibility along with equal partnership at work,

 (iii) sexual harassment provisions and their proper implementation,

 (iv) removal of structural obstactes in office places,

 (v) doing away with cultural and social stereotypes in real life,

 (vi) provisions of children care centres during office work of women etc.

1.8 Globalisation — Oportunities and Challenges

Public Administration is no longer confined within the boundaries of national governments. Since the end of the 20th century the world market moves to a new era characterised by a globally integrated economy, where decisions regarding consumption, production and other aspects of social relations increasingly include transnational dimensions or globalisation. Forces of globalisation are real and its influences are felt everywhere. It entails free trade, free mobility of ideas and capital, rapid diffusion of products, technology, information, consumption patterns etc. Government's policy choices are consequently shiefted to openness of trade and financial flows, highter regulation of industry, privatisation of state-owned industries and enterprises and lower public spending. Liberalisation and technical advances accelerated the impact of economic integration, thus eroding conventional boundaries of nation-states. Governments, in some instances proceeded with deregulation, without the introduction of new forms of regulation to ensure the observance of social protection. This increased the risks of globalisation for many social groups. UNCTAD's Trade and Development Report (1907) and UNDP Human Development Reports (1997 and 1999) suggest that economic growth fostered by recent liberalisation policies can be accompanied by increased inequality and a decline in living standards. The Asean crisis has revealed that failures in the financial markets can cause severe dislocations in the economy of all countries. Social, cultural and political factors of increasing international integration has also been profound. Population around the world are being familiarised through economic exchanges and advertisements, media and telecom to a culture of instant gratification through material consumption. Globalisation is also linked with momentous political changes and giving rise to identity politics, transnational civil society, new forms of governance, universal human rights etc.

Globalisation has both positive and negative effects. Globalisation brings about opportunities, e.g. access to markets, technology-transfer, but it is also associated with instability, risks and uncertainties foreign investments and international competition can help poor economics of underdeveloped countries to modernise, to increase efficiency and productivity and to raise living standards of the workers. It can also threaten their livelihood, it can undermine banks, it can destabilise the whole economy. Globalisation offers opportunities as well as challenges for human development and gender equality.

1.9 Globalisation & Women

Globalisation process is closely related to gender equity questions. Bejing + 5 workshop (1999) has recognised the relevance of globalisation for transforming gender relations. It has been stated that because of gender inequality and discrimination in all parts of the world women can be affected negatively by globalisation to a greater extent than men. They may have some gains also. We are discussing a few sectors of economy relevant in this respect—

(1) Labour market :

Extension of the labour market as a result of globalisation may have positive effects. There would happen extension of employment opportunities in non-traditional sectors for women. This would enable them to earn income. This means empowering and enhancing of women's capacity to negotiate their role and status within the household and the society.

In the past two decades the relocation of labour-intensive industries from advanced market economy to middle income generating developing countries has increased labour-market participation of women in the latter.

Globalisation may also lead to increased exploitation and dependency on direct engagement with the market and particularly on the vagaries of the market. It has been found that women employment is concentrated in low-skill sectors and the gender-based wage gap show no signs of disapperaring. Still the rapid increase in female labour participation rate has a considerable positive effect on women's wellbeing and that of their families. Nevertheless the issue of the poor conditions under which many women enter the labour market need to the raised.

In developed countries, as industrialisation relocate elsewhere in search of cheaper labour and production, labour demand shiefts towards relatively high skill manufacturing, while employment growth in low-skill sectors where women workers predminate, has been declining.

(2) Trade in services :

Trade is the primary vehicle to realise the benefits of industrialisation and globalisation. Trade policies affect employment, production, distribution, consumption-patterns, cultural values, social relations and environment, all of which affect both men and women, Increase in world trade, particularly in the services, has increased the involvement of women in the various occupations and professions of this sector. Women around the world have made impressive inroads into professional services,

e.g. law, banking, accounting, computing, tourism, information, services, offshore airline hooking, mail order, credit cards, word processing for publishers, telephone operators etc. The expanding numbers of aging population in developed countries (as a result of immense improvement of treatment, medicine and surgury facilities) and decrease in state povision of welfare services increased the demand for female labour from poor countries as cargivers or nurses.

(3) Governance :

Integration of national economy into the global economy is increasingly shiefting the focus of the formulation and implementation of policy away from national levels to the international level. Increased shieft of governance to the international level may undermine the modernist notion of citizenship, which over the years provided women's movements with a strong ground for advancing their civil identity and claims for equal rights vis-a-vis the sovereign state. New actors above (global) and below (local) the nation-state are now asserting alternative identities and roles for women, thus fragmenting their political citizenship.

Globalisation is generating an unprecedented understanding that economic and social rights are parts of the international human rights discourse. Moreover, the growing force of international women's movements and their influence over intergovernmental processes are empowering women and creaing space for international women's organisations at the national and local levels to grow.

(4) Poverty :

Under industrialization and globalisation, the limits of state ability to provide social protection, provision of needs and human capital investment are more strained. This poses a major challenge to poverty eradication programmes and the efforts to respond to the needs of the less viable sections of the population, specially women and children in responding to their rights to basic services and development of their capabilities.

Withering away of the welfare state and increasing cost of social services have produced uniformaly negative impact on poor women of both developed and developing countries. These have increased the household burden on finance. Poor women have to work inside and outside home and combine house-making work with job elsewhere. There is an increase in child labour also.

(5) Migration :

Emerging globalisation trends are changing the pattern of cross-border flow of labour and also the labour demand patterns. Globalisation favours short-term temporary

employment and so short term contracted labour migration is rising with distinct gender-differentiating consequences. Women are migrating into different big cities and entering new labour engagements more. While migration may improve women's life-chances, migrant women in some parts of the world are increasingly becoming victims to trafficing and sexual exploitation. Due to lack of effective international mechanisms that regulate labour rights for women moving across national borders, both legal and illegal women migrants have become vulnerable to human abuses.

(6) Technical changes :

Expanding reach of new communication technology has brought about increasing opportunities of employment for women. They are using internet, emails, networking, exchange and dissemination of information, creative e-commerce initiatives designed to help local artisans and producers and market products globally. But millions of poor men and women are denied access to internet facilities. Cost, location bias, time constraint etc. are impediments.

Employment apportunities in info-processing work, specially in the service sector opened up novel opportunities in some developing countries for men and women. Homebased teleworking, employment in telecentres, flexibility in location and hours of employment can overcome some costraints faced by women.

The massive entry of women into the workforce around the world coincides with the political mobilisation of women and the expansion of women organisations of all types. The sentiment behind this growing force is recognised in the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) and in the Bejing Platform for Action. World Survey on the Role of Women in Development states that national economy must be continually adjusting themselves to the changing conditions of the world economy in order to reap the economic benefits of globalisation. The challenges before Bejing + 5 Process and the agents of gender equality development and peace at national and international levels are to establish new alliances and develop new modalities towards building an inclusive global society, where the goals of Bejing Declaration and Bejing Platform for Action are realised.

In 2008 UN general secretary launched Unite to End Violence aganist Women campaign with the aim to raise public awareness and increase political will and resources for preventing and ending all forms of violence against women and girls in all parts of the world. Through its advocacy initiatives at the global, regional and national levels this campaign is mobilising individuals and communities, women organisations and civil society groups and men, young people, celebrities, artists, sports, personalities, private sectors etc. for achieving this goal.

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UNDP Global Initiative on Gender Equality in Public Administration (GEPA), 2014 was developed with two key priorities—

(i) Supporting women empowerment and expanded participation and leadership of the executive branch of the state.

(ii) Contributing to the availability of uptodate information on gender equality in public administration and of evidence and analysis to facilitate informed policy and decision-making.

Thirteen countries were selected for case study—Bangladesh, Botsowana, Burundi, Combodia, Columbia, Jordon, Kyrgyzsthan, Mali, Morocco, Mexico, Romania, Somalia and Uganda.

We have already seen that the economic policy of the developing world in the process of restructuring from an inward looking and state-directed political regime to an outword-looking economy in the direction of free market, liberalisation and globalisation creates difficulties for all, specially for women. New Indian economic policy of 1991 in the wake of debt crisis was launched as an essential part of the Structure Adjustment Policy urged by the IMF and World Bank. Substantial loans were provided by them. This Policy brought about globalisation of trade and commerce, decline of state interventionist policy and marketisation. These have led to an increased burden for women and is creating inequality between regions, between men and women and increased faminisation of poverty.

1.10 Laws (national and international) to Prevent Discrimination in Public Offices

Laws to prevent discrimination in public offices have become more visible in the present political scenario of the world. Some such laws are :

1. Employment of Non-Discrimination Act (USA)
   It prohits discrimination on any ground.

2. The Civil Rights Act, 1964 (USA)
   This federal law makes it illegal to discriminate against someone on the basis of race, colour, religion, national origin or sex.

3. Housson Equal Rights Ordinance (USA)
   It bans discrimination based just on sex, race, colour, ethnicity, national origin, age, religion, disability, pregnancy and genetic information, as well as faimily, marital or military status.

4. Equal pay Act, 1963 (USA)

5. Fair Employment Act 1941 (USA)

6. Employment Equity Act, 1998 (South Africa)

7. Provision of Equality and Prevention of Discrimination Act, 2000 (South Africa)

8. Section 9 of the Contribution of South Africa

9. Equal Pay Act, 1970 (UK)

10. Equality Acts (2006 and 2010) (UK)

11. Employment Equality Regulations, covering sexual orientation, religion, belief or age (UK)

12. Article 14 of the Constitution of India

13. Caste Disabilities Removal Act, 1850 (India)

14. Hindu Succession Act, 1956 (India)

15. The Scheduled Castes and Scheduled Tribes (Prevention of Atrocities Act, 1989 (India)

16. Canadian Employment Equity Act, 1986

17. Canadian Human Rights Act, 1977

18. Employment (Equal Opportunity) Law, 1988 (Israel)

19. Equal Remuneration Convention, 1951 (International)

20. Discrimination (Employment and Occupation) Convention 1958 (International)

21. Convention on the Elimination of all forms of Discretions against Women, 1965 (International)

22. Migrations in Abusive Conditions and the Promotion of Equality of Opportunity and Tratment Act of Migrant Workers. 1975 (International)

1.11 Marginalised Gender identity in Public Administration— An International Case study

Reserchers investigated 155 Spanish Municipalities and found that most departments of Public Administration favoured primarily male population. Of the

areas examined 14 were having a gender differential of at least 10% and six having a differentiation greater than 50%. In areas where equality existed, it was found that men dominated the upper-level positions of a system—more men in mayoral or similar positions, while women were mostly in the council. Men dominated also in economics and finance, women were found in are as mostly concerned with social justice. So the analysis concluded that even as women are becoming involved and employed in politics on a much larger scale than before, they remain in areas that are deemed faminine in a masculine and male-dominated system.

1.12 In-service Training Programme for Greater Gender Equality

The Lithuanian Institute of Public Administration in collaboration with the Office of the Equal Opportunities Ombudsman launched in 2004 the in-service training programme "Equal opportunities of Women and Men." The plan was to deliver the course once in every three months with 20 public officials, mostly heads of units or their deputies. It included courses and lectures on—

(1) Legislations and Directives concerning gender equality in the UN & EU,

(2) Institutional and legal mechanisms for the implementation of equal rights of women and men in Lithania, comprising parliamentary, governmental, non-governmental and local levels,

(3) Activities of the office of the Ombudsman for Equal Opportunities, including the legal situation regarding gender equality,

(4) Mechanisms for the protection of equal rights in the EU,

(5) Topics related to men and women in the labour market and in the institutions of public administration in particular,

(6) Issues regarding the position of men and women in politics and in working life,

(7) Activities of CEDAW (UN convention),

(8) Gender Equality issues at municipal levels.

Participants became acquainted with the relevant information concerning government programmes concerning gender equality.

The in-service training programme offered the participants opportunities to enrich their knowledge of gender equality situations and developed their skills of

dealing with day-to-day issues involving gender, such as domestic violence, sexual harassment at workplace.

If we want an advancement of the work for gender parity, then it is imperative that the decisionmakers must be informed of such issues—problems and prosspects of the issues, methods of realising those issues etc. So this type of in-service programmes are very much essential for the establishment of gender equality in public administration.

1.13 Conclusion

Gender equality is both an essential development goal in its own right and a driver of human development. Gender and diversity are necessary in Public Administration, if the discipline is to strive for the normative ideal of democratic governance. The goal of true integration of women into the workforce is the achieve a depolarised workplace where the worth of both men and women are appreciated. International law recognises that everyone has a right to participate in public life, but there are still challenges to women's equal participation in Public Administration, specially in decisionmaking; A critical mass of women in Public Administration, specially in senior decision-making positions is important for equity reasons. Without adequate number of women public administrators Public Administration is yet to tap the full potential of a country's workforce, capacity and creativity of women, who are almost half of the population and help economic development of the country to the right path. Women's contributions complement and enrich Public Administration and public policies.

Gender equality issue related to Public Administration is the capacity of public institutions to formulate policies and deliver programmes that—

(1) recognise and respond to different situations and needs of men and women.

(2) work towards narrowing inequality.

Governments make and implement legislations that affect people's rights and opportunities, government institutions influence communities, families and individuals fhtough its policies and government actions have often gender-based impacts, because of differences between men and women in the responsibilities they carry in the household, the type of work they do in the labour market and their access to key resources—capital, property and credit.

1.14 References

Commilla Stivers, *Gender Images in Public Administration*, 2002.

Maria J. Agostino and Helisse Levine, *Women in Public Administration: Theory and Practice*, 2011.

UN, Report of Economic and Social Council for 1997.

1.15 Sample Questions

Long-answer questions :

1. Discuss the arguments of the Human Capital Theory and Socio-psychological theory relating Public Administration and gender.

2. Discuss the basic points of the international reports on the trends of gender-inequality in Public Administration.

3. Analyse the effects of globalisation on the gender question.

4. Explain the in-service training programme for greater gender equality in Lithuania.

5. What are the different laws to prevent gender discrimination in public offices?

Short-answer questions :

1. What do you mean by gender?

2. What is the meaning of Public Administration?

3. What is the meaning of patrimony in Public Administration?

4. What is Gender diversity in Public Administration?

5. Mention three trends referred to by UNDP regarding gender and Public Administration.

6. What do you mean by socio-cultural realities concerning gender-inequality?

7. What are the major advantages and disadvantages of globalisation?

Unit 2 ❑ Public Administration and Civil Society

Structure

2.0 Objectives

A study of this unit will equip you to analyse the following topics :
- Concept of civil society and evolution of the concept.
- Changing nature of civil society and Public Administration.
- Relationship between civil society and government and their interactions.
- Civil society and Public Administration in India.

2.1 Introduction

Civil society and Public Administration are two very popular and important concepts among agencies and peple working on economic and social development. But there is no unanimous view and definition of them and both the concepts keep changing their meanings with change of times.

Let us first have a clear understanding of the two concepts. By civil society we generally mean the aggregate of non-governmental organisatisations (NGOs) and institutions that express the interests and the wills of the citizens. Civil society is the arena outside the state and the market, where people associate and voice their interests and is referred to as the "third secor" of society, distinct from government

and business. Volunteering is often considered as a defining characteristic of the organisations that make up the civil society.

Public Administration is concerned with governmental activities. It deals with federal, state and local government agencies that administer, oversee and manage public programmes and exercise executive, legislative and judicial control over other institutions within a given territorial unit. These government agencies also frame policies, make laws, adjudicate legal cases and provide safety and national defence. These agencies are engaged in the organisation and financing of the production of public goods and services, mostly free or at low prices.

2.2 Civil Society and Public Administration—Changing Perspectives

The term civil society goes back to the days of the ancient Greeks. In Aristotle's *Politics* it was referred to as a community commensurate with the Greek city-state or the *polis* and the end of both the civil society and the city state was common well being. The Greek ideal state was a just society in which people dedicated themselves to the common good and practiced civic virtues of wisdom, courage, moderation and justice. Roman writers, such as Cicero introduced the concept of civil cociety, which meant a good society ensuring peace and order among the people. Greek and Roman thinkers did not distinguish between the state and the society; they held that the state represented the civil form of society and civility represented the requirement of good citizenship. In the middle ages the concept of civil society practically disappered from the mainstream discussion due to the unique arrangements of feudalism; conversations were dominated rather by the concept of just war. This lasted until the end of Renaissance. Thirty years' war and the subsequent treaty of Westphalia brought about the birth of the sovereign nation-states. States became territory-based sovereign political units and monarchs began to exert domestic control by weakening the feudal lords. They did no longer depend on the armed forces provided by the feudal lords, but formed national armies. They also designed a professional bureaucracy and fiscal departments, which enabled them to maintain direct control and supreme authority over their subjects. In order to meet administrative expenditure monarchs began to control the economy. This gave birth to absolutism in mid-eighteenth century Europe.

In the Enlightenment period this concept of absolutism began to be questioned. The ruler's claim to political legitimacy and moral authority of the state was judged in different ways by different thinkers. For Hobbes human beings are motivated by

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self-interests, which are contradictory in nature. So the state of nature according to him, was a condition of war of all against all and anarchical in general. Rationality and self-interests impelled the people to protect themselvs from anarchy and so they agreed to surrender sovereignty by way of a contract to a common power, which was the state. Hobbes emphasised on the need of a powerful state to maintain civility in society.

Locke's time or the period of Glorious Revolution witnessed struggle between the rights of the crown and the political rights of the parliament. So Locke made the social contract theory of a limited state and a powerful civil society. According to Locke life of human beings, though peaceful and first, was not peaceful later and so people gathered together to sign a contract and constituted a common public authority by the first contract. This authority had the power to enact and maintain law. The second contract was concerned with the limitation of the authority of the state. The state, formed with the second contract, could not usurp the basic rights of human beings like right to life, liberty and property. He supported the right to revolution of the civil society, if the basic rights of human beings were not respected by the state. Hobbes and Locke did not regard the civil society as distinct from the state. They accepted the coexistence of the two.

Hegel changed the meaning of civil society. He provided a modern liberal understanding of the civil society as a form of market society, as opposed to institutions of modern nation-state. For Marx civil society was the foundation, in which productive forces and social relations were taking place, wheras political society was the superstructure. He accepted the link of the civil society with capitalism and held that the civil society represented the interest of the the bourgeoisie and that the state as the superstructure also represented the interests of the bourgeoisie. He rejected any positive role of the state and considered the state to he the executive arm of the bourgeoisie and predicted that the state will wither away, once the working class took democratic control of the society. Gramsci did not, like Marx, consider the civil society to be co-terminus with the socio-economic base of the state. He viewed civil society as the vehicle for bourgeois hegemony and located it in the political superstructure. The new Left assigned to the civil soicieity a key role in defending the people against the state and the market and in asserting the democratic will to influence the state. Neoliberals viewed the civil society as a site for struggle to subvert communist and authoritarian regimes. According to the theory of restructurisation of welfare systems the concept of civil society became a neoliberal ideology and a substitute for the welfare state and not for democratisation. Since 1980 with the emergence of non-governmental organisation, and the new social

movements on a global scene civil society became equated with a key terrain of strategic actions for an alternative social and world order. Jillan Schwelder points out that the civil society emerges when individuals and groups challenge the boundaries of permissible behaviour of the state by speaking out against the regime or demanding a government response to social needs.

In recent years NGO's action areas have expanded rapidly from local and national setting to the international level. In the context of globalisation there has occurred international transformations and there are now international actors—such as United Nations agencies, regional organisations, finance and trade institutions and transnational corporations—as well as international "summits". These have assumed an increasingly prominent role in global governance. NGOs are late-comers to this evolving system of global governance, but are having great influence on the international decision-making processes associated with development issues.

Public Administration prevailed as a regulatory activity of societal and state affairs since time immemorial. Roman emperor governed a vast territory and developed detailed administrative systems. Public administration plays a significant role in the life of an indidual at every stage even today. Practice of regulatory administration gradually changed into welfare administration and development administration. But Public Administration as a branch of study is a recent phenomenon. Initiation of the study of Public Administration goes to Woodrow Wilson, who in 1887 emphasised on the necessity of developing its scientific foundations. He made a distinction between politics and administration. Following him, Goodnow said that politics deals with expressions of the state will or policies of the state and public administration is concerned with the execution of those policies. All other writers following them, e.g. Willoughby, Luther Gulick, Henry Fayol, White etc. emphasized on the politics-administration dichotomy. (policy making versus implementation of policy).

In the next phase politics-public administration dichotomy came to the regarded as impracticable and undesirable, as administration was an instrument for fulfilling political goals and in reality policy and its administration were always mixed up.

Gradually Public Administration became concerned with managerial phenomenon and asserted that its results applied to all organisations. It had three features-scientific management, sociological studies and generic management.

In recent times (since 1940) behavioural, comparative, ecological of Weberian analysis grew and the tie of public administration and politics was reasserted. There are also post-behavioural, interdisciplinary and value-loadded approaches. In the

second half of the 20th century (1960) Development Administration (Weidner) and New Public Aministration (Waldo) became popular. Development efforts were initiated in the countries of Asia, Africa and Latin America along the capitalist lines. The new efforts were concerned with gender equity, environment-friendly development, child development, development of local level leadership, involvement of grassroot people in administration etc, giving rise to the concept of participatory administration.

2.3 Civil Society and State Administration

Relationship between government and the civil society and their interaction define the nature of the polity and the society. Through such interactions some ideas and projects emerge from the society and the are addressed to the decision-makers of the state. People come together as citizens and articulate their autonomous views to influence the political institution. Civil society is the organised expression of these views and the relation between the state and the civil society is the cornerstone of a democracy. Without an effective civil society capable of structuring and channelising citizen debates over diverse ideas and coflicting interests, the state drifts away from its subjects. State's interaction with citizenry is then reduced to the election time only and the time was to be decided by the politicians.

Civil society is the realm of organised social life, that is voluntary and self-generating, largely self-supporting, autonomous from the state, and bound by a legal order or set of rules. It consists of a vast array of organisations, both formal and informal : interest groups, cultural or religious organisations, civic and developmental associations, issue-oriented movements, the mass media, research and educational institutions and similar organisations. It includes economic, religious, kinship and political interest groups within the civil society and emphasises on their actors or agents. Civil society includes self-organising groups, movements and individuals autonomous from the state (including individual protestors and mobs).

Civil society also signifies the space within which interactions occur, e.g. neighbour's association, women's groups, religious groupings, intellectual currents and civic organisations from all classes of professions such as lawyers, journalists, trade unions, and enterprises. They all attempt to constitute themselves in an ensemble of arrangements so that they can express themselves and advance their interests. Universities, cultural institutions, informal networks of public opinion formation have traditionally been spaces of civil society. Now in the digital era mass media, internet and wireless communication are not only spaces of civil society and

public sphere, but they are also cultural repositary of values and projects that feed public debate. We can also analyse the structures associated with the functions of civil society. This gives us an understanding of the civil society not from the perspective of what it is, but from the perspective of what it dees.

The different functions of the civil society enable the members to—

(1) articulate own interests & make demands.

(2) defend their rights vis-a-vis the state and others.

(3) meet their needs directly, without depending on state agencies.

Civil society organisations help to ensure that pepole's interests, rights and needs are not suppressed, but are fulfilled. These functions may also be performed by the state. So people and the state are not in an oppositional relationship. Perfomance of civil society functions depend on the existence of a set of institutions and organisations. These organisations are reinforced by favourable conditions, policies, procedures, precedents, etc. ensured by the state.

Supportive cultural values and norms, beliefs and attitides may give legitimacy to these institutions and organisations, which together will encourage individuals and groups to take initiatives and the carry through independent actions, exercise self-determination and enjoy security of person and property.

Cultural values are important for the functioning of a civil society. Values preserve a substantial degree of autonomy for them. But it is people's capacities for initiative and independent action that give civil society effective scope for action. These capacities are largely created and sustained through institutions and organisations. It is actually the interplay between the state and the civil society that determines in practice how well a civil society functions are performed in a particular context. A totalitarian state can entirely absorb within itself all acceptable civil society activities and debar or criminalise unacceptable ones. In such a setting civil society can hardly be strong and effective. In a contrasting setting, the state may permit, facilitate and encourage multiple independent actions initiated by organised citizens. Civil society will obviously be stornger in such a setting. So the strength of civil society depend on what the state does and what the state permits. For the civil society to be strong, state institutions have to be more accuntable to the civil society and the state must function as protectors, coordinators and regulators of citizen's lives and this will lead to a democratic expansion of the civil society through state support. Operations of the civil society and performance of its functions depend on what the state institutions allow, facilitate and support. The power of the civil society

and the capacity of the state institutions can increase together in a positive way or decline together negatively. The actual outcome depends on state's policy making and administrative capacities and civil society's capacity for independent self-determined activity. So the relation between the two in not opposed to each other. Strengthening of both is necessary to deepen democracy and undermine injustice. Social movements seeking greater justice should work on both these fronts and increase the links between the civil society and the state. Civil society is not disassociated from state institutions. Some of the institutions and organisations that promote civil society purposes are surely independent of the state, but all need not be.

Institutions such as the legislature, the judiciary and subnational governments which are embedded within the state must be linked with non-state institutions and organisations, if they are to be effective. The ability of the more autonomous units of the civil society to protect citizen-interests or to help citizens engage on favourable terms with state actors depend largely on the orientation of such institutions that are embedded within the state. Non-state actors, called civil society should not be understood as operating all by themselves, because that is not how they exist and function. It is the nature of the links and relationships between the state and the non-state sectors that represents the true potentials of the civil society in any perticular context.

State institutions can be analysed in terms of six sets of actors. They create the power of the state, though their organisation may very from state to state.

State structures

1. The Executive : It exercises the broadest and the final authority of the state. It also known as the regime or the rulers. In Britain it called the government, in U.S.A. it is known as administration. The set of persons within the executive are not a part of the civil society. But they may be accountable and responsive to citizen's needs and interests. Civil society will be stronger if such is the case.

2. The administration : The permanent staff of government or the civil service, known as bureaucracy is in charge of administration. It acts quite autonomously, as the government depends on it on all matters and especially on matters of economic policy. It gives effects to the decisions of the government and acquires information, collects revenue and other resources needed to govern. Administration part of government has huge powers and it can advance the interests of the citizens and protect their rights. If this part functions properly and effectively, then all institutions and organisations performing civil society functions can be more successful in

advancing individual and group interests. If not, then it becomes the focus of civil society pressure and resistance.

3. The Armed force and the police : This branch includes all those persons who wield force in the name of the state. It includes intelligence services and security forces too. Where there is civilian supremacy, this branch is subordinate to the executive, the administration and the legislature and the civil society is strong. But when it acts in an autonomous manner or when the rulers are puppets of this branch, then civil society performance will he hindered and its organised expression may even he outlawed.

4. The Legislature : This branch of government is formed by the elected representatives of the public. It enacts laws, approves budget and in some countries determines the government or the executive. In same countries it is the rubberstamp for the executive or the military. Where legislatures operate independently, they are important voices and vehicles of civil society interests and they make civil society strong. Otherwise the civil society becomes weak.

5. The Judiciary : Judges are appointed by by the executive in most countries, they are in some cases elected by the legislature also. They are dependent on the executive, legislature and administration for resources and for enforcement of judicial decisions but they have the authority and legitimacy to limit these other braches of government. There is a hierarchy of judicial organs, culminating in the highest court at the national level. The judiciary is accessible to the members of the public, who can get an opportunity for getting justice there. The actions of the judiciary strengthens the civil society.

6. Sub-national governments : Governments which operate at provincial, regional or state levels have some spheres of autonomy from different branches of national governments. In federal systems they are able to act fairly independently, responding to and acting upon regional expressions of needs and interests. If they have their owon taxing powers, then they can serve the poeple of the region better. This makes the perfomance of civil society functions stronger.

Civil Society structures

There are some organisational structures that serve the interests of the civil

society. It is rather difficult to draw a boundary around civil society and regard is as a self-contained buffer. The various components that contribute to the functions of the civil society range from social structures that are more or less associated with state institutions to others that are practically autonomous. Various non-state institutions—depending on ther leadership and circumstances can contribute greatly to the autonomy of individuals and to the ability to speak up and speak back to the state. This is not achieved through autonomy only. There is need for cooperation and connection between these institutions and also between them and the state.

Important agencies in this regard are :

1. Political Parties : All political parties can present and represent people's needs and interests—sometimes quite forcefully. Political Parties are considered to be a part of the civil society when they represent regional, occupational, ideological or other interests within the political process at higher levels. History shows that single party structures become arms of the state vis-a-vis the public. However, they can be helpful for the civil society if they are internally democratic. History also shows that multiple parties serve the interests of the political elites, rather than that of the society al large. Having a large number of political parties in a country thus gives, no gurarantce of a stronger civil society. It is important to look at what they contribute to effective exchange among the citizens and the state.

2. The media : In many countries the media—television, radio, the major daily newspapers etc. are controlled by the state, but it does not happen so everywhere. Many journalists expose some malpractices by state institutions and work on behalf of non-state interests. They are regarded as parts of the civil society. Now the power of the media, with digital revolution, internet, wireless communication etc. have become very strong.

3. Local government : Depending on how much fincancial and legal autonomy they have, local government bodies at district, subdistrict, village or local levels can be parts of the civil service. If they operate with independence and carry out programmes that local citizens desire, then they promote non-state needs and interests, but when they are only an extension of central administration, then they cease to be parts of the civil society.

4. Business Sector : That part of business enterprise which is concerned only

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with producing goods and services for private profit are not parts of the civil society. But some businesses that are concerned with policy matters and engages in public service should be considered within the civil society. Businesses, with their own sources of income, can be more independent from the state than other parts of the civil society. Even the state depends on the business sector in terms of tax payments and employment generation. But it is known that a major part of the business sector is closely aligned with government. Business needs state approval and it can benefit from various concessions from the state and so some business leaders get attached to the state. Then the civil society role of the business sector is lost. The exposure of crony capitalism in many Asian countries has experienced this danger. But during the period of autocratic rule by Ferdinand Marcos in the Philippines, an organisation known as Philippine Businessmen for Social Progress played a key role in forcing a return to democratic governance.

5. Religious organisations : Religious organisations insist on remaining outside the control of the state, while others depend on the state. Churches, mosques, temples etc. are generally a part of the civil society. The Catholic Church of Philippines under the leadership of Cardinal Sin became an active part of the civil society since mid-1980s. Recent political transition in Indonesia was spurred partly by two national Muslim organisations which criticised the performance of the rulers.

In some countries separation of powers is so extreme that religious leaders focus fully on other-worldly concerns, never engaging with public affairs or challenging the power of the state even when exercised unconstitutionally, e.g. in Nigeria. There religious organisations are irrelevant to the civil society. When churches are closely aligned with the state, they become parts of the state apparatus and reduce the effectiveness of the civil society. How religious organisations are tied to the state or how independent they are in their country is an a empirical question.

6. Foundations : These are non-profit organisations dedicated to philanthropy of various sorts. They are small operations, but operate on their own, independently from or in cooperation with the state. They deal with issues and problems that their founders and directors consider important. They provide funding and expertise for select activities, that are mostly autonomous from the state. They make the civil society plralistic and strong.

7. Universities : Universities and institutions of higher learning that are publicly established and supported are considered as parts of the state and have little or no freedom of critical action. But a large number of privately operated educational institutions operate autonomously, even in opposition to government. In 1975 students from public and private institutions led the revolution which brought down the autocratic regime in Thailand. Students can be quite a radical force in society. When both idealism and knowledge get combined in university settings, there emerges important centres of civil society. So universities are regarded as hotbeds of criticism and opposition.

8. Trade Unions : They are organised channels through which the interests of a large number of citizens can be expressed and advanced, aggregated in terms of their respective means of earning livelihood. In some countries these structures are controlled by the state agencies. where they are so, they donot belong to civil society. In other situations they, as parts of the civil society, are major protectors of individuals' rights and interests.

Trade unions empower the workers as a group to engage in collective bargaining over wages and conditions of work. If no agreement is arrived at with employers, trade unions enable their workers to withhold their labour.

9. Professional Associations : Various professional associations have expanded in recent times and they are important both to the public and to the state. Lawyers as an organised group can challenge and work within the judical system and try to make it live up to the lofty ideal it possesses, like dispensing justice and providing equality before law, e.g. Ghanian lawyers' role. Medical associations have also been voicing indepently not only for its economic interests, but also for the needs and health of the public. These professional associations possess status and legitimacy and information as experts in the medical arena. So they can serve the interests of the public by contradicting state claims. These associations are voicing their concerns for environment conservation, construction of dans, preservation of animals or clear-cutting of forests.

Artistic community—writers, poets, musicians, playwrights etc. produce ideas, melodies, verses etc. that appeal to the mind. These creative people are generally independent in nature and even critical of state power and action. They form a

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powerful civil society group. They communicate with the civil society and inspire them with articles, songs, murals etc. American civil rights movement and anti-Vietnam war movement were made more powerful by the power of folk music.

10. NGOs or Non-governmental Organisations : These organisations are major actors of the civil society and are empedded in the society end. NGOs vary greatly in size and effectiveness, cover a wide range of functions and are autonomous. They are private sector non-profit organisations and are accountable to their founders, managers and contributors and are national, regional and local in character. But the local NGOs will be discussed in the next category as grass-root organisations. How well NGOs perform their functions depend on the quality of the linkages of NGOs and other sectors.

11. Grass-root organisations : These are local level organisations, but can extend upward to regional and national level, with a local base. Relations between these organisations and the state are not always conflicting in nature; there can be mutually beneficial cooperation with state agencies, e.g. farmers' organisation working with government agricultural extension services or water-user's associations cooperating with irrigation department of the government.

Horizontal linkage among grass-root organisations and vertical linkage with other kinds of civil society structures are an important part of the effectiveness, and the strength of the civil society. Interaction of the civil society and the state is shown in the chart given below :

Civil society organisations and institutions as a continuum of interaction among non-state institutions and with state institutions chart given below :

State Institutions and Organisations		Social institutions and organisations		
Core	Interface	Interface	Semi-autonomous	autonomouse
1. Executive	4. Legislature	1. Political parties	4. Business sector	8. Trade unions
2. Administration	5. Judiciary	2. Media	5. Religious organisations	9. Professional
3. Armed force &	6. Sub-national	3. Local Govt.	6. Foundations	Associations
police	govt.		7. Universities	10. Non-Govt.
				organisations
				11. Grass-root
				organisations

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2.4 Contributions of the Civil Society

Civil society's functional contribution to good government are :

(i) A civil society is a watchdog against violation of human rights and also against governing deficiencies.

(ii) Civil societiy advocates the point of view of the weaker sections of the society.

(iii) Civil society acts as an educator of the citizens on their rights, entitlements and responsibilies and the government about the pulses of the people.

(iv) Civil society provides service to areas and to people, which cannot be reached by official efforts or by the government agents.

(v) Civil society mobilises public opinion for or against a programme or policy.

(vi) Civil society acts through social capital.

Social capital is strong is a homogeneous and egalitarion society. There the people act tegether willingly in their common long-term interests.

2.5 Civil Society and Public Administration in India

India has adopted representative democracy, leaving the decision-making to a small group of elected representatives. This could result in a government of the people, but it is now becoming a government off the people. Progressive marketisation of traditional government functions has widened this gap.

Governance is the process by which a society manages itself through the mechanism of the state. The basic requirements of good governance are peoples' effective participation, transparency, equity and inclusiveness, rule of law, accoutability and strategic vision. Many administrative reform commissions were appointed in India to provide good governance, but none have produced any appreciable impact on the quality of our governance. The emphasis now is on facilitating external pressure from citizens on the system to improve through the Right to Information Act., Consumer Protection Act, Citizens' charter, whistleblower protection, e-governance, democratic centralisation, public interest litigation etc.

Civil society is exerting itself now, but is not yet able to play its full potential role in enforcing good governance in India, except when an issue is of common major cocern to all sections of people. Civil society of India is divided over narrow loyalties and interests. Individuals cannot take on the huge politico-bureaucratic machine that the government is, nor can the entire civil society act on behalf of every citizen.

The Government of India's National Policy on the Voluntary Sector, 2006, encourages an independent, creative and effective voluntary sector. But the government has to assess their suitability, capability and experience and evaluate their performance continually.

Efforts to improve governance will fail if the quality and calibre of the political executive is unsatisfactory. Civil society of India needs to note the deterioration in the quality, integrity and commitment of the elected representatives and the fact of the criminalisation of politics. Voter education, electoral reforms and periodical highlighting of the performance or non-performance of elected representatives are priority items. Only with civil society's active role can parliamentary democracy of India become paticipatory democracy in future.

2.6 Conclusion

Diverse ideas and projects from the civil society feed the public debate about protection of citizen rights, advancement of citizen interests or fulfillment of citizen needs and diverse forms of civil society institutions enact this public debate ultimately influencing state decisions. The state or the political institutions set the constitutional rules by which the debate is kept orderly and productive. Interactions between the citizens, the civil society and the state ensure that there is a balance between stability and social change. If the actors fail to fulfill the demands of this interaction or if the channels of communication among them are blocked, the whole system of decision-making comes to a statemate. This gives rise to a crisis of legitimacy. Citizens donot recognise themselves in the institutions of the society. This leads to crisis of authority, which again leads to a redefinition of power relationships embodied in the state. Socio-political forms are built upon cultural materials which are either produced unilaterally by the state as an expression of

domination or are coproduced by individuals, interest groups, civic associations (or the civil society) and the state together. How such forms are constituted and how they operate define the structure of any polity.

The set of institutions and organisations that enhance the power of the citizens is not the same in all situations or at all times. In some countries the media may be a vital part of what is understood as civil society, it is religion in Latin America and student movement in East Asia. Now women groups, environment protection groups, child development groups etc. are assuming importance in the civil society. It is imperative to empower them with state approval and also to decentralise the civil society groups, so that they can perform their functions more effectively.

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2.9   Sample Questions

Long-answer questions :

1. Discuss the changing perspectives of Public Administration and civil society.

2. Define the concept of the civil society and trace its evolution.

3. Write a note on the mutual influence of civil society and Public Administration.

4. Discuss the relationship between civil society and Public Administration.

5. Write a note on the functions of the six departments of government structure.

6. Discuss the functions of the different agencies of civil society.

Short-answer questions :

1. What is civil society?

2. What are the six components of the state structure?

3. What are the structures of civil society?

4. What are the advantages of civil society?

Unit 3 ❑ Globalisation and Public Administration

Structure

3.0 Objectives

- A reading of this unit will enable you to have clear ideas on the following topics:

- Meaning of globalisation and its history.

- Nature, characteristics and effects of globalisation including its advantages and disadvantage.

- Reciprocal relations between globalisation and Public Administration and different kinds of strategies adopted by Public Administration to cope with the challenges from globalisation.

3.1 Introduction

The major trend in the contemporary world is globalisation. Its goal is the establishment of a Global Village compressed into an ecological, financial, trading

and electronic system. It refers to the processes whereby cultural, ideological, economic and technological exchanges take place across national borders, prompting the emergence of a global society and ad hoc forms of global governance. Globalisation shifts the focus of our attention and discussion on public affairs from the national to the international domain and is increasingly constructed around global communication networks. Public Administration is reeling under the complex challenges and pressures in the face of changing trends in globalisation and the two trends of liberalisation and privatisation resulting therefrom.

3.2 Globalisation : Meaning and definitions

Roland Robertson defined globalisation as the process of compression of the world and intensification of the consciousness of the world as a whole. According to Martin Albrow, globalisation is the process by which people of the world are incorporated into a single whole society. All these processes of international integration arise from interchange of worldviews, products, ideas and other aspects of culture and are brought about by advances in transportation facilities and telecommunication infrastructures, including the telegraph, the internet and wireless communication techniques. These facilities and techniques generate further interdependence of economic and cultural activities.

International Monetary Fund defines globalisation "as the growing economic interdependence of countries worldwide through increasing volume and variety of cross-border transactions in goods and services, free international capital flows and more rapid and widespread diffusion of technology." The International Forum on Globalisation views globalisation as the present worldwide drive toward a globalised economic system dominated by supranational corporate trade and banking institutions that are not accountable to democratic processes or national governments. Wallerstein thinks that globalisation cannot be understood separately from the historical development of the capitalist world system.

The different definitions of globalisation highlight the roles and relationships of governments, corporations and individuals in maximising social welfare within the globalisation paradigms. It is clear that globalisation has economic, political, cultural and technological aspects that may be closely intertwined. These aspects are related to an individual's quality of life and so the social benefit and costs brought upon them by globalisation generate strong debates.

The globalisation process is driven economically by trade, investment and migration and are related to financial flows. The globalisation of trade entails that human beings have greater access to an array of goods and services never seen before

in human history. From German cars to Colombian coffee, from Chinese toys to Egyptian cotton, from Japanese Sushi to American Starbucks—a wide range of goods and services can be purchased by people inhabiting any part of the world. The globalisation of investment takes place through Foreign Direct Investment (FDI) which enables multinational companies to invest assets directly in a foreign country or to purchase financial assets of other countries or sell them in other countries by indirect investment. Migration allows individuals of different countries to find employment in places where there are labour shortages.

The political aspects of globalisation are evidenced by the emergence of transnational elites and phasing out of nation-states and also by the government-created international rules and institutions, which deal with issues such as trade, human rights and environment. New institutions that have come up as a result of globalisation are the IMF, World Trade Organisation, the North American Free Trade Agreement etc. Whether a government is to consciously open itself to cross border links is the central question of this age. Social activists and non-profit organisations, such as Amnesty International and Greenpeace are also becoming global in scope. Some of these organisations are concerned with some economic and political aspects of globalisation as they fear that economic interests either subvert the nation-state in its ability to protect its citizens from economic exploitation or support governments that violate the human rights of their citizens.

Cultural global ties also grow through globalisation, as exchange of songs, products, new ideas and fashions through trade, travel and media move around the global at lightning speed. Global bands such as Coca Cola, Nike and Sony serve as common reference to cosumers all over the world. An individual in India enjoys the same soft drink or uses the same products as an individual in America.

Revolutionary change in technology particularly in transport and communication, information technology and mass media enterrainment now create a Global Village. In 1950 it took nearly a year to sail around the world. Now a person can fly around the world in a day, send an email anywhere almost instantly or be a part of the billions of viewers watching the final cricket match of the World Cup. Transportation costs have come down as a result of technological advances that make foreign markets more accessible to trade. Connectivity available via cheaper telecommunications and modes of travel—made more accesible to more people—facilitate global exchanges and interactions at a rate unprecedented in history. Tuna caught in North Atlantic may be served the next day at a restaurant in Asian or African

countries. Billions of dollars in assets and currencies are exchanged daily around the globe by electronic means at virtually no cost. Globalisation has touched all spheres of human life—economy, technology, cultural phenomenon, social and political aspects, ecological and ideological factors etc.

Globalisation, generally described as the cause of much turbulence and change, is an umbrella term for the collective effect, the change itself. It is caused by four fundamental forms of capital movement throughout the global economy. The four important capital flows consist of :

(1) Human capital (immigration, migration, emigration, deportation, international trourism etc.)

(2) Financial capital (aid, equity, credit, debt, investment, lending etc.)

(3) Resource capital (energy, minerals, metals etc.)

(4) Power capital (Security forces, alliances, armed forces etc.)

In 2000 IMF (International Monetory Fund) listed four aspects of globalisation——trade and transaction, capital and investment movements, migration and movement of people and dissemination of knowledge. Environmental challenges, such as global warming, cross-border terrorism, water pollution and overfishing of the ocean are linked with globalisation. Globalisation processes affect and are being affected by business organisations, economic matters, socio-cultural resources and natural environment.

Globalisation is an ongoign process linking people, neighbourhoods, cities, regions and countries much more closely toegether than what had been done before. So the life of modern men is intertwined together with people in all other parts of the world via the food they eat, the music they listen to, the informations they collect and the ideas they adhere to. Interconnectedness among human beings on this planet earth is now referred to as Global Village, where the barriers of national or international boundaries become less relevant and the plant earth becomes a smaller place.

3.3 History of Globalisation

Globalisation is generally regarded as a recent phenomenon and is traced back from the 18th century or even to the age of enlightenment, when the concept of modernity began to emerge. But it did not happen all of a sudden. It has a long and

continuous history. Human beings have crossed long distances for thousand years and interacted with different kinds of people. The overland Silk Road that connected Africa, Asia and Europe is an example of coss-border voyages and of the transformative power of trans-local exchanges that existed in the old world. Philosophy, language, religion, arts, and other aspects of culture spread and got mixed up, as nations exchanged products and ideas. In the 15th and 16th centuries Europeans made important discorveries in their exploration of the oceans, including the start of the transatlantic travel to the New World of America. In the 16th and 17th centuries there happened the rise of European empires—first the Portugese and the Spanish and then British and Dutch emprires. Chartered companies like the British East India company or the Dutch East India Company contributed to the development of world trade; global movement of people, goods and ideas expanded in the following centruries. Eighteenth Century witnessed industrial revolution and in the early 19th century there were development of standard arised production in industries and also new forms of transport—railroad and steamship—and telecommunication—telegraph and telephone. All these brought about increasingly rapid rate of global interchanges. As a result the connectedness of the world's economies and culture grew very quickly in the late 19th and the 20th centuries. We found then improved roads, vehicles, airlines, electronic communication, mobile, internet etc., which connected millions in the later part of the 20th century in trade, commerce or other relations. Globalisation is thus an ongoing process, not a new one.

Globalisation gave rise to liberalisation, which meant the acceptance of the neo-classical economic model which is based on the unrestricted flow of goods and services between economic and political jurisdictions. This led to specialisations of nations in exports and the pressure to end protective tariffs and other barriers to trade. The period of the liberalisation and gold standard of the 19th Century is often known as the first era of globalistion. This era brought about industrialisation. The theoretical foundation of this era was David Ricardo's work on comparative advantage and the law of general equilibrium. It was argued that nations would trade effectively in a free environment and that any temporary disruptions in supply or demand would correct themselves automatically. The institution of Gold Standard came in steps in major industrialised nations between 1850 and 1880.

Since World War II there has been an accelerated growth and development of globalistion in different countries around the world. Globalisation in this era has been driven by trade negotiation rounds, originally under the anspices of GATT, which led to a series of agreements to remove restrictions on free trade. International Moneytary Fund or IMF was created as an international institution to favour money growth of nations. The Uruguay round led to a treaty to create the WTO or World Trade

Organisation (1970) to mediate trade disputes. Other bi-and tri-lateral trade agreements, sections of Europes' Maastricht Treaty and the North American Free Trade Agreement have also been signed in pursuit of free trade. Gradually muti-national companies or MNCs appeared on the scene. To name a few General Motors. Ford Toyota as vehicle manifacturing companies , Samsung, LG, Sony as electronic companies and MacDonald's as fast food company. They offered mutiple national outlets.

In the political field, the power of the nation-state began to decline and there arose supranational, regional or international institutions—EU (European Union) G-8, EEC, NAFTA etc. and non-governmental institutionas or NGOs which were not bound by national laws and regulations, but operated internationally. The global scene changed from a few sovereign nation-states to a globalised and unified world.

3.4 Effects of Globalisation

Effects of globalisation are felt (a) across Europe and USA and also (b) in the third world countries—some are favourable for growth and development of the country, some are not.

(a) Effects across Europe :

Significant changes have taken place across Europe and USA on account of globalisation, particularly in the field of international business politics. Such changes gave rise to changes in cultural and social aspects as well. The economy of the European countries and US are getting integrated with the global economy. Different arrangements were made in consequence :—

(1) Free trade Area :

It is an agreement among a group of countries to ablish all trade restrictions and barriers in carrying out international trade.

(2) Customs Union :

The member countries abolish all restrictions and barriers and adopt a uniform commercial policy.

(3) EEC\European Economic Community :

It was created on 1.1.1958 with six countries—France, Federal Republic of Germany, Italy, Belgium, Netherlands and Luxemberg. Its membership later increased to fifteen. All its members are European and all are democratic.

Its activities consist of the following :

(i) Elimination of customs duties and quantity restrictions on export and import of goods.

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(ii) Devising a common transport policy.

(iii) Formulation of a common agricultural policy.

(iv) Control of disequilibrium in balance of payments.

(v) Development of a common commercial policy.

(4) North American Free Trade Agreement (NAFTA)

It was created in 1994, Developed countries like USA and Canada and a developing Country Mexico, became its members. The activities of NAFTA are :

(i) Removing of trade barriers among the member countries and opening of the facilities of free trade.

(ii) To enhance industrial development.

(iii) To enhance competition.

(iv) To improve political relationship among member countries.

(v) To develop industries in Mexico.

(5) European Free Trade Association (EFTA) :

It was formed in 1959 and its member countries are Austria, Norway, Sweeden, Denmark, Switzerland and Britain. Its activities are :

(i) To eliminate trade barrier.

(ii) To remove tariffs.

(iii) To encourage free trade.

(iv) To enhance economic development of member countries.

(b) Effects in the Third World Countries

In the present seenario the concept of the third world does not have much significance now. Before the disintegration of the Soviet Union, USA and Soviet Union were considered super powers (number one and number two) and most of the countries of the world were aligned with any one of them. The countries which did not have any alliance with either of them were known as third world countries. With the disintigration of the Soviet Union the Second World disappeared. But still the term 'third world countries' is used.

Changes and effects across third world countries are as follows :

(1) Trade Blocks in Asia

South Asian Association for Regional Cooperation (SAARC) came into being in 1983. India, Pakistan, Bangladesh, Bhutan, Maldives and Srilanka adopted the SAARC declaration. Later on Afganistan and Nepal joined it.

Its objectives and activities are :

(i) To promote economic, social and cultural development among member-countries.

(ii) To improve the quality of life of the people of member-states.

(iii) To enhance cooperation with other developing economics.

(iv) To liberalise trade among member-countries.

(v) To promote economic cooperation among member-countries.

(2) Chinese merket :

Communist China introduced many economic reforms and started privatisation in 1984. It has formed special economic zones and has attracted heavy foreign investments. It has also formed economic and technical development zones in towns and cities. These zones are free ones and allow quick business operations.

(3) Japanese market :

There has been a rapid growth in Japan's economy during the past fifty years. Japan maintained a close link with the ministry of international trade and investment. The strategies of Japanese corporate sector was deirected by the ministry of international trade and investment.

(4) Impact on India :

Globalisation has its effects on the Indian economy. It participates actively in global politics and there has been relations of increasing economic inter-dependence between India and other countries of the world. Globalisation offered extensive opportunities for India's telecom sector, information technology, research, development of productivity and bilateral treaties to promote free trade. It is a member of WTO, which facilitates global trade. India is also amending its domestic laws to suit the requirements of a liberalised economy, e.g, FEMA.

There has been significant changes across the developed and developing countries all over the world as a result of the globalisation process.

3.5 Nature and Characteristics of Globalisation

Globalisation describes the political, economic, cultural and technological atmosphere of today's interdependent world. People around the globe are more connected to each other than even before. Information and money flow more quickly than ever before. Goods and services produced in one part of the world are now increasingly available in other parts of the world. International travel is more frequent. International communication has increased more greately than ever before.

Globalisation has become identified with a number of trends since the World War II, which include greater international movements of money, commodities, information, people etc. and the development of technology, organisations, legal systems and infrastructures which help such movement. *

Economically there is increase in international trade at a faster rate than the growth in the world economy. International Organisations like WTO, OPEC are created through international agreements to control the economy. The role of theres international organisations is of increasing significance today. Some MNCs take to the economic practice of outsourcing.

Culturally greater international cultural exchange, spreading of multiculturalism and better individual access to cultural diversity are happening now, e.g. export of Hollywood and bollywood movies. But imported culture may assimilate local culture, leading to westernisation. Greater international travel and tourism lead to greater immigration and even illegal inmigration, spread of local food like pizza, chinese food etc. to other countries and worldwide fads and pop-cultures like Pokeman, Soduku, Origami etc. change human habits is a different way.

Increasing use of foreign phrases are common among people who use them without actually knowing the language. Technologies like telephone, mobile phone, internet etc. are developing global telecom infrastructure and enabling greater transborder dataflow. Copyrights and patent laws are now applied globally. There is harmonistion of intellectual property laws globally. Even terrorism has been influenced by globalisation. Since World Was II barriers to international trade has been lowered through GATT or General Agreement on Tariffs and Trade, which promotes free trade of goods, reduces or eliminates tariffs, constructs free trade zones with small or no traiffs etc. Establishment of Free Trade Zones has become an essential feature of modern governments to handle preferential trading arrangements with foreign and multi-national entities. There are different kinds of Free Trade Zones :

(a) Special Economic Zones (SEZs)—these are zones in which laws on tax or customs regulations are financially more libertarian than a country's national laws. Within SEZ there may be (i) Free Trade Zones (FTZ), (ii) Free Zones (FZ) and open borders, (iii) Industrial Park and free ports. The purpose of SEZ is to increase foreign direct investment.

    (i) **Free Trade Zones (FTZ) :** These are zones where goods may be landed, manufactured, handled, reexported without intervention by the custom authorities of the concerned nation. These goods become subject to custom duties only when they are moved into other parts from Free Trade Zones, FTZs are generally situated near areas with geographical advantage for trade, e.g. near major seaports or international airports. It is a zone where a group of countries agree to reduce or eliminate trade barriers.

    (ii) **Free Zones (FZ) and Open Borders :** FZ is a trade block whose member-countries have signed a trade agreement which eliminates tariffs and import quotas. If people are free to move between countries, the space is called open border. European union is both a FZ and on open border.

    (iii) **Industrial Park or Qualifying Industrial Zones (QIZ) :** Industrial parks in Jordon and Eqypt allow traders to take advantage of free trade agreement between USA and Israel. These are known as Qualifying Industrial Zones (QIZ).

    (iv) **Asia Pacific :** It is the most integrated trading region of the world. Its intra-regional trade accounts for 50-60% of the region's total import and export.

(b) Tax haven : It is the state or country or territory where certain taxes are levied at a low rate or are not levied at all. Its laws can he used to evade or avoid tax or regulations of other jurisdictions. There are often accumulation of idle cash in these tax havens. These idle cash are expensive and useless for companies. They often have connections to fraud, money laundering and terrorism.

(c) Blackmarkets and Transnational Organisations : These operate on a transnational basis and are often associated with crime. In 2010 UN office on Drugs and Crime reported that global drug trade generated more than US $320 billion a year in revenues and that 50 million regular users of heroin, cocaine etc. existed worldwide. International trade of endangered species is

related to smuggling industries—and are associated with the use of parts of seahorses or rhinoceros horns or tiger bones or elbows or antilope horns. The trade with endangered species resulted in blackmarketing by poachers who hunt restricted animals.

Globalisation is reducing the importance of nation-states and strengthening supra-national institutions like European Union, G-8, International Criminal Court, International Court of Justice etc. which facilitate international agreements—nation-states have no role.

Non-governmental institutions are now influencing public policy relating to humanitarian and developmental programmes. Philanthropic associations with global missions are very powerful now, e.g. Bill Melinda Gates Foundation, Echoing Green etc. They are combining business model with philanthropy. There are Global Philanthropy Groups and Global Philanthropy Forums, which are carrying on philanthropy activities on the international scale with business model. A few of the states follow the isolationist policy and they are excluded from the non-governmental activities of the regional groups or forums.

There has been a new social movement voicing anti-global concerns. People are organining anti-global movements, expressing their views in the social media, forming NGOs to spread their concern, using Twitter or Facebook and organing protests. An important movement was the battle of seatle, 1999, which intended to make people conscious of the problems of globalisation and organised protests before the offices of WTO, IMF, World Bank, G-8 etc. Despite these feeble protest movements, globalisation is still moving with full strength.

3.6 Globalisation—Advantages and Disadvantages

Globalisation has drastically improved the access of the people to different kinds of technology, Internet facility, mobile phones etc., which have helped the process of international integration of the world and gave rise to an interdependent global picture. MNCs of different countries brought about tremendous increase in the production of goods and extended the opportunities of employment. It has abolished trade barriers among nations and helped the infrestructure development of individual countries, contributed to efficiency in production, quality service and freedom from political interference of nation-states.

It allows businesses to operate as if national horders did not exist; it also allows social activists, labour organisers, journalists, academicians to work together on a global stage.

Globalisation has its problems and defects too. It has increased the inequalities among countries. Its effects were beneficial to developed countries, some developing countries like China have become very successful, but all developing countries are not. They are facing economic problems of severe kinds. It increased job opportunities but failed to guarantee job security for the employees. Farmers of developing countries are facing serious competition from powerful agricultural industries. Cheaply produced agro-products of developed countries are sometimes dumped into less developed countries. Mass movement of goods and cars across the world has resulted in gas emission. Developing or underdeveloped countries are mostly exploited by the developed ones in this respect. Some of the projects financed by the world Bank are essentially devastating to the ecological balance of the country, e.g. extensive import or export of meat. MNCs which are the driving force behind globalisation can dictate states on certain aspects of the economy. They are emerging as growing corporate power. They are exploiting the cheap labour and natural resources of the host countries. Globalisation is a threat to national sovereignty. It shifts economic power from independent countries to international organisations like the UNO, WTO etc. The sovereignty of elected governments of different countries are undermined, as the policies are formulated internationally in favour of globalisation.

The immediate effect of globalisation is liberalisation, known as free trade. It demands removal of restrictions and barriers to free trade. Globalisation leads also to privatisation, which can be defined as trasfer of ownership and control of public sector units to private individuals or companies. It has become inevitable as a result of structural adjustment programmes impossed by the IMF. Globalisation can be destabilising. The global market is irrational, and there are sudden changes in exchange rate, interest rate or investment decisions, coupled with extreme vulnerability of the poorest and the most marginalised in emerging economies. There can also be a bizarre situation where everyone privately thinks that the currency is already too low, but continues to sell hard because everyone apprehend that currency may fall still further. In a mass wave of panic selling rates fall through the floor.

Altrough the term globalisation is widespread, some scholars prefer to use the term internationalisation rather than globalisation. In internationalisation the role of the states and the importance of nations are greater, while globalisation, in its complete form, eliminates nation-states. They also argue that the frontiers of states are far from being dissolved.

Some argue that globalisation is not a real phenomenon, but an analytical artefact or a myth. But we have to admit that globalisation has changed the way the world does business. It at least, for now seems unstoppable and inevitable.

3.7 Globalisation and Public Administration

Dramatic changes brought about by globalisation produced profound changes and transformations in government, political systems, governance, public administration and civil society-state relationship. Many old and traditional ways of perceptions and thinking regarding philosophy of mangement, governance, economy and international relations were altered. There has also been many institutional changes in the traditional structural forms and substance of governance and administration. It can indeed he said that the dawn of the new modern globalisation process has begun with the rapid fall of the established industrial civilisation, with which many parts of the world are still trying to catch up. While a few are making leaping advancements and progress, the majority is still desperately struggling to survive. The phenomenon of globalisation is affecting societies, people, government and Public Administration systems in myriad ways.

Change is both inevitable and necessary, but chaotic change is not. Quantitative changes are important for societies, government and humanity, but qualitative changes alter the longstanding characteristics of human civilisation. Massive qualitative changes are now taking place in the name of globalisation and they are alterning the planet Earth and its societies and communities.

Globalisation brings about some degree of interdependence which goes far beyond the simple expansion of international trade—the main indication of internationalisation of the economy in the past. It now includes integration of production across national boundaries and significant increases in international investment by MNCs. Production of commodities was concentrated for nearly a century at national levels. It is now done at global levels with accessories being assembled by a large number of supplier companies from a dozen countries. One aspect of globalisation is the extensive and complex network of suppliers. Globalisation is not just a change in production and supply relationship, it affects the service sector and delivery and sale of both private and public services, which still cater to the local markets, but are increasingly coming from MNCs. Gobalisation means unprecedented and massive movement of capital, which is linked to some new technology like IT and a new ideology like free marketism.

Globalisation has profound social and political implications. It can bring the threat of exclusion for a large portion of the world's population, severe problems of unemployment and growing wage and income disparities. It makes it diffult to deal with economic policy or corporate behaviour on a purely national basis. It brings about a certain degree of loss of control by democratic institutions of development and economic policy. Over the last few years the highly paid employees within the

industrialised countries have seen their rise much faster than the average, while a growing number of families depend on insecure, lowpaid jobs or social benefits.

The challenge of globalisation now is to find ways to manage change and regulate the structure of the society so that it is subject to the popular will, supports fundamental rights and brings prosperity to as many people as possible. The global task of trade unions is to influence policy at the international level, convince governments and enterprises to assume the responsibilities of globalisation and engage in practical and effective solidarity.

Developed countries (Western European and North American countries) have been benefitted far more from globalisation than others because of the nature of globalisation and strong public administration systems. Contrastingly, many developing countries have benefitted less from globalisation because they have considerable disadvantages in the global market place in addition to weak Public Administration systems. The nature of globalisation and the global market systems are beyond the reach of Public Administration systems.

Globalisation has been primarily caused by capitalism and the markets, not by Public Administration, politics or democracy. When national capitalism shifted to global capitalism, the logic of capital and markets began to dominate over democratic principles. Capitalism needs a strong state with a stable environment for its prosperity. Global markets would not function efficiently without an appropriate national or global intervention for market failures. Market failures hinder domestic and international markets from working efficiently. In the global market place there are unfair competitions, unfair trade, unfair price controls and manipilation of financial flows. Some Asian countries (from South Korea to Taiwan) were financially devastated in 1990s due to the unregulated financial and currency flow from the major international financial agents. Millions of private and public employees in those countries lost their jobs and their human and social interests were sacrificed. Public Administration in those countries could not effectively respond to financial devastation, because global financial problems were beyond the arena of public administration systems. They require states to be interdependent in handling domestic and international issues. The emerging contemporary issues like environmental or ecological protection and war on terror cannot be controlled within national boundaries. They are universal and have common global roots.

Strong Public Administration systems help the countries to have more benefits from globalisation than others in spite of the fact plural social and political systems limit a proactive role of Public Administration. Public Administration in Western European and North American countries have significantly streamlined numerous areas including budget, pensonnel and entire organisations by privatising, outsourcing,

deregulating or restructuring government functions and services and has become more efficient, effective, productive, responsive and transperent. This helps those countries to maintain strong economic, financial and trade systems. So they have some advantages with regard to multi-national or transnational corporations and global supranational or nongovernmental organisations.

It is a matter of debate whether weak administration systems lead the developing countries to have far less benefits from globalisation than others, because Public Administration systems and governance in those countries are more likely to be determined by unstable political structure and behaviour, underdeveloped economic system, poor technology, weak infrastructure and poor education. Poor nations have considerable disadvantage in the global marketplace due to fewer resources, few skilled manpower, less technology and fewer information-based tangible products beyond public administration systems. Moreover, poor nations and their citizens are unilaterally under the influence of the wealthy nations whose national interests and corporate interests are generally fulfilled at the expense of the interests of the economically and technologically desadvantagious nations. In this situation the autonomy of public administration and the role of public administration as responding to global forces are likely to be limited.

Both developed and developing countries have been attempting to streamline public bureaucracies by privatising, downsizing or deregulating government functions and services and mobilise IT in Public Adiministration.

3.8 Changes in Public Administration

Globalisation, liberalisation and privatisation are now increasingly changing the character of the state and the nature of the public administration. Responding to such changes has not been an easy matter for Public Administration. A number of strategies have been adopted by scholars and practitioners in this regard :

(1) **Public service reforms :** One of the reasons for public service reforms is the adoption of free market economy in 1980 in UK and other western countries and in 1990 in India. New economic policy, Structural Adjustment Programmes, deregulation, privatisation etc. are the names of such reforms. The consequences of free market reforms of government and government businesses are generally described as the new way of governance, government by the market, new public management, sharing power, slimming of state, hallowing out of state etc. The impact of free market economy on the concept of government, structure of government and the method of governance are now on the agenda of discussion throught the world.

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(2) **Reinventing Government :** New Public Management (NPM) has the most significant impact on reshaping Public Administration to cope with the challenges of globalisation. The policies of developed and developing nations are beeing increasingly influenced by NPM and reinventing government prescriptions. These are privatisations, deregulation, establishing market like mechanisms, decentralisation and deburcaucratisation. It is now emphasised that business principles need to be introduced and effectely adhered to in conducting public business. NPM and reinventing government advocate that the government should not only adopt the techniques of business administration, but also adopt the values of business like steering rather than serving, injecting competition into the service delivery, meeting needs of the consumers, leveraging change through the market etc. NPM focuses on management, performance apprisal and efficiency. It seeks to convert public bureaucracies into agencies which deal with each other on user pay basis. It depends on quasi-market and contracting out and fostering of competition. Its style of management is to cut cost, reduce public expenditure and provide moneytary incentives to help increased performance.

(3) **Entrepreneurial Government :** Government office, generally viewed as a dusty, dingy, paper-infested place, where babus with feudal outlook work. Hierarchical structure, complicated procdures, dilatory examination of issues and sercretive dealing with customers are its features. The common man views the government functionaries as exploiters and not as facilitators. The enterpreneurial government is the answer to the present administrative malaise. Efficiency and productivity, the hallmark of entrepreneurial government are the areas where considerable changes have happened due to constant pressure of globalisation. Public sector organisations are now under immense worldwide pressures to enhance their productivity by increasing efficiency. Public bureaucracies are now trying to cut down waste and increase output and also to facilitate better delivery of services.

(4) **Changing Role of Bureaucracy :** The process of economic liberalisation in it basic concetpual formulation seeks a reduced government intervention in the economic sector, thus implying a reduced role for the bureaucracy in the process of development. There has to be a realisation that with the switch over to globalisation, liberalisation and privatisation, the bureaucracy wll have to play the role of a catalyst for change—its role will be that of a booster, accelerator and helper to facilitate the process of liberalisation and privatisation.

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(5) **Good Governance** : Governance deals with the capacity of the government to design, formulate and implement policies. Good governance means efficient Public Administration. It is the process of building bridges between the state and the society at large through effective and people-oriented mechanisms of administration.

The concept of good governance was conceived in 1989 and was mentioned first in the World Bank report of Sub-saharan Africa. It defined Good Governance as a public service that is efficient, a judicial system that is reliable and an administration that is accountable to the public. Good Governance is purposive, development-oriented and committed to improvement in the quality of life of the people. It implies high level of organisational efficiency and effectiveness and association with a democratic framework. It is citizen-friendly, citizen-caring and responsive administration.

(6) **E-governance** : E-governance is the application of information technology IT to the process of government functioning, which ensures simple, moral, accountable, responsive and transparent (SMART) governance. The speed and transpereancy of E-governance makes Public Administration responsive, people-friendly and efficient.

(7) **Bringing the State back in** : Globalisation is perceived as the spread of liberalisation on a universal scale and liberalisation essentially means the process of freeing the economy from state control—the economy operates as per market forces and not as per rules and regulations laid down by the state. As a consequence of globalisation the state has been withdrawing or retreating or abstraining from many areas of the economy. A liberalising state focuses on the core areas, such as defence and foreign affairs, leaving other areas to private players, both domestic and foreign. At the same time when the state was retreating, private enterprises and non-state actors such as voluntary agencies, self-help groups and community-based organisations are automatically filling the vacuum. But so far as the third world is cocerned, the issue is not state versus market; the issue is to change the character of the state in order that a vital shift can take place from the bourgeois-feudalism-bureaucracy combine to a genuine people's democracy. The developed market-friendly states would pave the way for capitalist world development, but the third world states need an altogether different model of development—a model that will assure general welfare of the masses and an equality-oriented social life, free from exploitation and deprivation. World Bank sponsored 'rethinking the state' is now important

in Public Administration. State minimalism and free market policy would be injurious to the third world states; there the government has to mobilise social efforts to sturggle against poverty, ill-health, malnutrition and also against the forces of inequity and injustice of the feudal-capitalist social regime. The real issue in the third world is to have a strong state with an expanded agenda, though a different one; the state will not be deprived of its regulatory functions, it may withdraw from non-essential sectors of the economy but it should continue to maintain a visible presence in social sectors like education and health.

(8) **Empowering Citizens** : Globalisation has seen the rise of people's active participation at local levels in areas, such as, women's empowerment, education, human rights, consumer rights, environment protection and decentralisation. So empowering citizens has been an important part of recent reform trends in Public Administration.

3.9 Conclusion

Since the nineties of the last century globalisation has come to dominate the world. This trend brought about increased reliance on the market-economy and renewed faith in private capital and resources, a process of structural adjustments etc. Also globalisation has brought about new opportunities to developing nations. Greater access to the markets of the developed countries and technology transfer ensure improved productivity and higher living standards to them. But globalisation has also thrown up new challages like growing inequality across and within nations, volatility in financial markets and environmental pollution. Another negative aspect of globalisation is that many developing countries remain detached from the process. But the implications of globalisation for a national economy are many. It has intensified interdependence and competition between economies in the world market. This is reflected in interdependence in respect of trading in goods and services and in movement of capital. As a result, domestic economic developments are no longer determined entirely by domestic policies and markets; they are influenced by both domestic and international policies and economic conditions. So a globalising economy cannot afford to ingnore the possible actions and reactions of policies and developments in the rest of the world while formulating its domestic policy. This implies loss of policy autonomy to some extent in decision-making at the national level.

The world, it is claimed is becoming boundaryless, the role of the state is declining while the role of individuals and entrepreneurial companies are growing. Powerful technologies like computers, internet and telecommunications are helping individuals to connect to each other with or without the approval of the state. Nowadays cross-border integration is happening at a rapid pace, specially in the spheres of economic and financial activities. This was facilitated by revolutionary advances in IT. The world is becoming increasingly interconnected, creating a global orientation of consumer goods. Globalisation is thus weakening local ties and local identities. What is emerging is a new global society with a new global culture. Public Administration is moving towards protection of citizens' rights, ethical values, accountability, research and training. Emphasis is now shifted to good governance, e-governance and corporate governance as the framework of administrative analysis. The concepts of state the authority etc. are changing. The emphasis is on transparency, participation, responsiveness, accountability and decentralisation. Globalisation is inducing scholars and other experts to revamp the administrative structure to meet emerging challenges created by it.

3.10 References

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3.11 Sample Questions

Long-answer questions :

1. Evaluate the changes that occur in the economic, political, cultural and technological spheres of the society as a result of globalisation?

2. Trace the history of globalisation.

3. What are the effects of globalisation in the Western developed states and in the states of the Third World?

4. Analyse the nature of globalisation.

5. Analyse the advantages and disadvantages of globalisation.

6. Discuss the mutual relationship between globalisation and Public Administration.

7. What are the different strategies adopted by Public Administration to cope with the problems of globalisation?

Short-answer questions :

1. What do you mean by globalisation?

2. What are the changes brought about by globalisation in the economic sphere?

3. What are the political impacts of globalisation?

4. Mention the changes brought about by globalisation in the cultural sphere.

5. How is globalisation related to technological innovations?

6. What are the different types of Free Trade Zones?

7. How is globalisation being resisted?

Unit 4 ☐ Indian Administration in the Era of Liberalisation

Structure

4.0 Objectives

If you study this unit, you will be able to know the following topics and would be able to use them for your research purposes:

- Concept of liberalism and its changing perspectives.

- New independent India's journey towards social welfare and state-controlled economy, but introduction of liberalism first in 1966 and then in 1985 to save Indian economy from devastaking balance of payment crisis and continuance of tiberalism since then, with some exceptions at some periods.

- Objectives of India's new economic policy of liberalisation (1991) and some new laws is that respect.

- Impact of liberalisation on the Indian economy.
- Advantages and disadvantages of liberalisation policies in the Indian context.

4.1 Introduction

Liberalisation is closely linked with globalisation and it leads to the process of privatisation. Globalisation, liberalisation and privatisation, the three interlinked process known as LPG have touched and influenced all spheres of modern life, such as economy, politics, technology, government, cultural phenomenon and social aspects throughout the world and have produced immense changes in the programmes and policies of all governments. Indian case is no exception to this. Before embarking on a discussion of Indian administration in the era of liberalisation, let us be clear about the meaning of the three terms.

Globalisation may be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shared by events occurring many miles away. It reflects a more comprehensive level of interaction than has occurred in the past, suggesting something different from the word international. It implies a diministing importance of national borders. It is because of globalisation that people, goods, service, funds, economic activities, ideas, even epidemics and terrorism and the adverse effects of pollution and environmental degradation, as well as knowledge of science and technology cross political boundaries of countries in an easy manner.

Liberalisation, commonly known as free trade or laissez faire on the economic front implies removal of all trade barriers and restrictions between countries. Liberalisation encourages, in the political sphere, an open society based on civil liberties, limited government, and a democratic and equal society based on equality before law. Socially it means equal opportunities for all men and women to realise their potentialities and limitation of discriminations among human beings on grounds of gender, colour, language, religion etc.

Privatization has become an order of the day and can be defined as the transfer of ownership and control of public sector units to private individuals or companies.

4.2 Liberalism—A Changing Philosophy

The three process of globalisation, liberalisation and privatisation (LPG) are linked with the liberal philosophy, which is regarded as a philosophy of individual

liberty, individual freedom and individual rights and generally anti-state in character. But it has been expressed in different forms and in different ways in different states and at different times.

Emergence of classical liberalism is traced back to the 16th and 17th century. In the 16th century there happened a liberal and realistic outlook about the world and a breaking away from the religious atmosphere of feudalism. In the seventeenth century liberalism attained the importance of a political and intellectural doctrine in the hands of Locke, who is known as the founder of liberalism. Glorious Revolution of England in 1688 laid its foundation by constitutionally limiting the power of the monarch, affirming political sovereignty, passing bill of rights and establishing the principle of the consent of the governed. In 1777 Declaration of Independence of USA founded the American government as a republic—without hereditary aristocracy and accepted the principle that all men are created equal. French revolution of 1789 overthrew hereditary aristocracy, raised the slogan of "liberty, equality and fraternity" and adopted universal male sufferage. Its declaration of the rights of man and citizens inspired powerful revolutionary movements, which toppled many autocratic ancient regims of Europe, Latin America and North America. Thus liberalism attained the status of a revolutionary political doctrine.

This classical liberalism emphasised on freedom of speech, press, religion, civil rights etc., free markets and laissez faire style of goverment with minimum interference on the lives of individuals. It was committed to individualism, individual liberty and a negative state.

In the later part of the 19th century classical liberalism was replaced by social or new liberalism and the concept of the negative state was changed into that of the positive one, because the development of capitalism brought about, during this period of time, a huge gap between the rich and the poor, giving rise to a general discontent among the majority of the people and there were demands of individual liberty under fouraurable economic and social conditions ensured by the state. This gave rise to state-directed reforms measures in political and social spheres. It was then realised that dependence on the market economy would cause neglect of the minimum requirements of health, education, food etc. of the majority of the people. All these came to be decided by public policy. Green, an exponent of liberalism of this stage emphasised on the concept of the welfare state, which would extend its activities in the interests of the people and which was not a minimal state, as prescribed by the classical liberal thinkers. Keynes advocated that the state would take full responsiblility for economic development of the state and its citizens.

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Both types of liberal approaches protested against the established system—classical liberalism against feudal autocracy and new liberalism against the evils of capitalism and both were interested in the development of the individual.

After the Second World War, the situation changed again, as it was apparent that the government could not fulfill the hopes and aspirations of the people; the government was also suffereing from shortage of funds. Since 1960 and 1970 there developed neo-liberalism, which is known as the revival of classical liberalism. It emphasized on individual liberty, spontaneous activity of individuals and free economy. F. A. Hayek, John Rawls, Robert Nozik etc. are exponents of this neoliberalism.

In general, liberalism evolved through three stage—(i) Classical liberalism from 16th & 17th century, (ii) Social or new liberalism from the later part of the 19th and (iii) Neo-liberalism from 1960-70 (revival of classical liberalism).

India achieved independence from British rule in 1947 and the first Indian government led by Nehru accepted social liberalism and state-controlled social welfare politics from the first stage of its journey to the path of growth and developent. But in 1991 government of India resorted to neo-liberalism and policies of liberalisation, free economy and lesser control of the society by the state and paved the way for globalisation and privatisation.

4.3 Indian Economy—Towards Social Welfare and State-Controlled Administration

Indian economic policy after independence in 1947 was influenced, on the one hand, by India's colonial experience, which was exploitative in nature and, on the other hand, by the views of fabian socialism, as exposed to some Indian, leaders. The objective of putting the Indian state on the path of development impelled the Indian leaders of that time to undertake the goals of a welfare state, to meet the demands of distributive justice and to ensure fast economic growth. Indian leaders felt that mainenance of law and order was not enough. The government policy tended towards, protectionion, with a strong emphasis on import substitution, industrialisation under state monitoring, state intervention at the macro level in all businesses, especially in labour and financial market, a large public sector alongside a feeble private sector, business regulations and central planning. Five-year Plans of India resembled central planning of the Soviet Union. Steel, mining, water, machine tools, telecommunications, insurance, electric plants etc were effectively nationalised in the mid-1950s. Elaborate licences, regulations and accompanying red tape, commonly known as licence raj, were required to set up a business in India between 1947 and

1990. During this period the government attempted to close the Indian economy to the onside world. High tariffs and import licencing prevented foreign goods from reaching the Indian market. The central pillar of the policy was import substitution, the belief that India needed to rely on internal markets for development, not on international trade. Planning and state control rather than free markets, and laissez faire policies were resorted to by the Indian government. The state would determine how much investment was needed in which sectors, what was to be produced, how much, at what price etc. and the bureaucracy often led to absurd restrictions—upto 80 agencies had to be satisfied before a firm could be granted a licence to produce.

The goals of development and welfare state and of demands of distributive justice and fast economic growth called for state intervention in a variety of forms and fields and it was increaingly felt that the civil service should play an important role in fields of health, education, agriculture, industry and focus on the upliftment of the vast multitude of rural people and the weaker sections of the society in general.

Nehru, as the first prime minister of India opted for the socialist pattern and encouraged the policy of planning for development. In the fifties two important institutions were set up—one was the Planning Commission and the other was National Development Council. The planning commision was set up in 1950 by a resolution of the government of India. It was not a statutory body. Briefly, its functions were assessment of resources, priorities of allocation of resources, formulation of development plans both for the central and the state governments, determination of the machinery for implementation of the plan, apprisal of the progress achieved in the execution of each state of the plan.

The National Development Council was set up by a government resolution in 1952 with the objective to secure the cooperation of the states in the execution of the plans, to mobilise the resources and efforts of the country for the implementation of the plan, to evolve common policies in all vital spheres and to ensure balanced development of all regions of the country.

The Administrative Reforms Commission was set up in 1966 by the government of India. Its aim was to ensure the highest standard of efficiency and integrity in the public services, to make public administration a fit instrument for carrying out social and economic policies of the government, to achieve social and economic goals of development and to make public administration responsive to the people.

In 1962 the Planning Commission suggested to the state governments to set up State Planning Boards on the lines of the Planning Commission for formualtion of plans in the light of the resources and the needs of the state. In 1966 the Administrative Reforms Commission recommended a three-tier machinery—a state agency, sectoral planning agencies and regional and district planning agencies. Accepting the

recommendations of the Administrative Reforms Committee, the Planning Commission instructed the states to set up Planning Boards and strengthen the planning machinery in general. Then State Planning Boards were formed in some states. At the state level each government department prepares its own plan. The Planning Department of the state government consolidates and prepares them into draft form, which after subsequent approval of the State Planning Board is sent to the Planning Commission for consideration. There are planning machineries at the district and block levels also. There are institutions of local government—panchayats in rural areas and municipalities in urban areas. There has thus been decentralisation of the planning process below the level of the state, but these lower levels are weak and function primarily as data collection centres, final decisions are generally not taken by them—they are taken by central or state governments.

The Constitution of India contained provisions for the socially disadvantageous sections including scheduled castes, scheduled tribes, women and children. Consequently a network of policies and programmes and a set of institutional arrangements have emerged. In 1964 the Department of social security was created for ensuring social welfare at the union level. In 1966 it was named the Department of Social Welfare and in 1979 it was turned into a ministry—Ministry of Education and Social Welfare. In 1984 it was renamed as the Ministry of social and women welfare. In 1985 the Ministry of Welfare was formed with responsibilities of welfare of the SC, ST and OBCs and also the welfare of the disabled, The Department of Women and Child Development was placed in 1986 under the Ministry of Human Resources Development. At the state level Social Welfare Departments administer social welfare programmes for the improvement of the weaker sections of the population. Implementation of the schemes is the responsibility of the state Welfare Depertment under a ministry. The department has its district and block level offices.

The Department of Women and Child Development works for holistic development of women and children—it formulates plans, policies and programmes, enacts legislation, coordinates the efforts of both governmental and non-governmental organisations working for women and child development. It established National Commission for Women, Rastriya Mahila Kosh, adopted a National Nutrition policy, set up National Creche Fund, launched Indira Mahila Yojna, Rural Womens Development and Empowerment Projects, Integrated Child Development Services etc.

The central govt. adopted the National Policy on children in 1974 to ensure equality of opportunity to the children. The girl child is often regarded as a burden by parents. To ensure that a girl child is not discrimanted against the central government started the slogan "A happy girl is the future of our country". It also seeks to prevent female infenticide and prohibited discrimination on the basis of

Gender. Other institutions in this field are National Institute of Public Cooperation and Child Development, National Commission for Children etc. Important programmes like the schemes for the welfare of *devdasi* girls were also undertaken.

Eco-feminist sentiments and movements around such issues are becoming very popular now. In India Chipko and Normoda Bachao Andolan are two such movements. These movements centre around women's rights and are concerned with access to resources to meet basic needs of water, fuel and fodder. Various laws were passed by the government of India in different times for prevention and control of environmental pollution, like Water (Prevention and Control of Pollution) Act, 1974, The Air (Prevention and Control of Pollution) Act, 1981, The Environment Protection Act, 1986. In 1980 a separate department of environment and in 1985 an integrated Ministry of Environment and Forest were set up at the centre. Indian government set up National Afforestation and Eco-Development Board and National Wasteland Development Board. Environment Action Programmes of the Government of India seek to conserve bio diversity (forest, marine life, soil etc.) to lessen industrial pollution and waste, the access to clean technology and alternative energy plant to the Indians.

From the 1st plan special needs of the Scheduled Castes / Scheduled Tribes/ OBCs were looked after. Special consideration is accorded to them in the Integrated Rural Development Plan (IRDP). The constitution of India contains special provisions for the advancement and protection of the Scheduled Castes and Scheduled Tribes. A National Commission for Scheduled Castes and Tribes was created to investigate, monitor and evaluate all matters relationg to constitutional safeguards provided to them. In 1950 a special officer designated as Commissioner for Scheduled Castes and Scheduled Tribes was appointed to look after their welfare and evaluate different government schemes. State and district level officers were also created to administrer tribal welfare.

The first backward class commission was appoined in 1953 for social, economic and cultural development of the group designated as backward. The second such commission was set up in 1978.

Government of Indias social welfare programmes were essentially preventive, promotive, developmental and rehabilitative. They were designed to enable targeted sections of the society to realise their full potential for growth. Central, state and local governments along with NGOs are involved in the implementation of welfare policies.

To associate people with the administration Panchayati Raj institutions were established in Indian states.

4.4 Indian Economy—Embracing Liberalisation

Attempts to liberalise the economy were made in 1966, but it was reversed in 1967, when a stronger version of socialism was adopted. Again another attempt was made in 1985 by Prime Minister Rajiv Gandhi. He started light reforms, reduced licencse raj slighly and promoted telecommunication industries, but the process was halted in 1987. Prime Ministrers Viswanath Pratap Singh (1989-90) and Chandrasekhar (1990-91) did not add any significant reforms.

Following the policies of liberalisation–privatisation–globalisation (LPG) India accepted many reforms measures in 1991. These reform measures were necessitated in the light of the devastating conditions of the economy of India. The impact of social welfare policies of the government of India was not conducive for economic growth. Annual growth rate of India from 1950-80 was 3.5% while at the same period of time Pakistan grew by 5%, indonesia grew by 9%, Thailand by 9%, South Korea by 10% and Taiwan by 12%. The growth of per capita income at this time was 1-3% only. Deficit in expenditure was 10 billions in 1983-84, 32 billions in 1984-85 and 36 billion in 1985-86. Foreign debt in 1961 was 1073 crores, in 1965 it was 2341 crores and in 1980 it was ten to fifteen times more. 30% of India's capital was spent for repayment of foreign debt. In 1990 GDP was 3.2% and 76% of GP was spent for foreign debt. Export trade was meagre. In 1989 number of government employees were 18.5 million while that of private agencies were 7.4 millions. A major part of our money was spent for salaries of these huge number of employees. So no development could be possible at this time. Most of our public sector companies were then suffereing from proper technological infrastructure and overburdened with excessive number of employees. Very few licenses were given. Those who were licence owners built up huge powerful empires. Public sector monopoly destroyed competition and hindered infrastructural development and investments. State-owned industries made large losses. Licence raj created an irresponsible and self-perpetuating bureaucracy, and corruption flourished under the system.

In addition to all these, there developed a unique balance of payment crisis since 1985. India started having balance of payment problems and by the end of 1990 it became serious. India was close to default. Its central bank had refused new credit. India's foreign exchange reserve had reduced to the point that India could barely finance three weeks' worth of imports. It had to pledge 20 tonnes of gold to the union Bank of Switzerland and 47 tonnes to the Bank of England as part of a bail out deal with the International Moneytary Fund (IMF). The balance of payment crisis pushed India near bankruptcy. India had to accept the alternative development policy of

macro- economic adjustment and follow the policies of structural Adjustment, top-down development of Indian economy and programmes of good governence. Most of the economic reforms were forced upon India as a part of IMF bail out process.

Prime Minister Narshimha Rao had to resort to policies of liberalisation, privalisation and globalisation (LPG) to free the country from balance of payment crisis. He together with his finance Minister Manmohan Singh introduced the new economic policy for India, which meant liberalisation (did away with license raj and ended public monopolies), privatisation (encouraged the private sectors) and globalisation (approved foreign investment and F. D. I). Economic reforms were then the incitable to unshackle the economy. Rao's economic reform bill was passed in the parliament, though his party did not have the required majority. His party had only 232 seats out of 520 in parliament; seven months later his party got 12 more seats from the Punjab election. He reached the required magic fisure of 272 with supports from DMK and other regional parties (232+12+28 out of 520+23).

Economic Reform Bill of Rao introduced new reforms in the economy. Controls started to be dismantled, license system was abolished, tarifs, duties and taxes were progressively lowered, the economy was opened to trade and investment by Indian private companies, foreign private sector enterprises and competitions were encouraged and policies of denationalisation were adhered to.

The main objective of liberalisation is transformation in the use of capital; the motive behind the use of capital is to increase profit from capital and not to keep money in banks is lieu of interest. Capital is to be invested cautiously, intelligently and realistically. Money from provident fund-pension project etc. are to be invested in the market. In addition to savings and deposits in banks and post offices, there are mutual funds in the market with advertisement of caution written on them. Foreign capital in now rampant in the economy. Market of India is divided at present into three types—market of indian goods, market of foreign goods and money market.

After Narsimha Rao the Bharatiya Janata Party-led NDA government under Vajpeyee continued with reforms for five years. This government began privatising under-performing government-owned business ventures including hotels, VSNL, Maruti Suzuki and airports and reduced taxes further. An overall fiscal-policy aimed at reducing deficits and debts.

Congress-led UPA-1 coalition government under Manmohan Singh attempted a progressive budget that encouraged liberal reforms, but the 1997 ASEAN financial crisis and political instability created stagnation.

Towards the end of 2011 the congress-led UPA-2 coalition government initiated the introduction of 51% FDI in retail sector. But due to the pressure from fellow coalition parties and the opposition, the decision was rolled back. However, the policy was approved in 2012.

In the early months of 2015 the 2nd BJP-led NDA government under Narendra Modi further opened up the insurance sector by allowing upto 49% FDI. This came seven years after the previous government attempted and failed to push through the same reforms and sixteen years after the sector was first opened to foreign investors. The 2nd BJP-led NDA government under Modi also opened the coal industry and ended the central governments monopoly over the mining of coal.

The reform process and liberalisation continues still today and they are now accepted by almost all political parties, but the speed is often held hostage by coalition politics and vested interests.

4.5 New Economic Policy of Liberalisation and some new laws

The objectives of India's new economic policy of liberalisation are :

(i) To achieve higher economic growth rate

(ii) to reduce inflation

(iii) to rebuild foreign exhange reserves.

Some new laws were passed by the parliament of India to bring about India's liberalisation programme. Some of them are :

(I) FEMA (Foreign Exchange Management Act)

Foreign Exchange Regulation Act, 1973 was repealed and FEMA was passed with clauses, which have facilitated easy entry of MNCs. Its main features are :

(1) reduction of import tariffs

(2) removal of export subsidies

(3) full convertibility of rupee on current account

(4) encouraging foreign direct investment (FDI)

(5) joint ventures with foreign companies.

(II) Coal Mines (special provisions) Bill of 2015

It ended monopoly of the Indian government over the mining of coal, which existed since nationalisation in 1973 through socialist controls. It has opened

up the path for private foreign investments in the sector, since Indian arms of foreign companies can bid for coal blocks and licences as well as for commercial mining of coals. This could result in billions of dollars investments by domestic and foreign miners. The move is also beneficial for the state-owned Coal India Limited, which may now get the elbow room to bring in much needed technology and best practices, while opening up prospects of a better future for millions of mine workers.

(III) RTI Act of 2005

RTI or Right to Information Act, 2005, covers all government bodies from those at the centre to those at local government levels. Under this act, information is defined as any material in any form including records, documents, opinions, advices, press release, circulars, oders, log-books, contract reports, papers etc. RTI provides access to information held by government bodies and includes the right to inspect records, documents etc. Use of this act makes the government accountable to the citizens, who can force public servants to respond to the poorest citizen of the land.

4.6 Impact of Liberalisation on Indian Economy

Impact of liberalisation on Indian economy can be felt in three spheres—(i) Rural agriculture and village economy (ii) Industry and commerce (iii) Development of technology and information.

Liberalisation, privatisation and globalisation (LPG) has brought about speedy development of heavy industries. In 1954-55 growth of industrial output was 8.4% and economists say that national income would increase from 6% to 11% within 2025. In the sphere of industrial development India occupies now the third position—after USA and China. LPG has given rise to greater competition towards markets and investments. Like other nations of the world, India is also changing its old economic behaviour and traditional practices. MRTP Act, 1969 (amended), tax reforms, regulation of inflation, privatisation, overseas transactions, deregulation, foreign technological agreements, foreign investments etc. created a new industrial enviroment suitable for development. In fact, industrial development is imperative for underdeveloped economics as a part of their development process.

Agricultural production of rural India after LPG has increased with the use of fertilisers, machines, improved seeds, application of the knowledge of science and technology etc, thought the growth has been slow and not very impressive at first. But improvements in communication, improved roads and vehicles etc. are breaking

the ageold seclusion and isolation of the villages; electricity, television and motorbike are influencing the village culture immensely; computer, mobile phones etc. are also entering the villages. Panchayats are becoming centres of local decision-making and implementation and dissemination of information. Decentralisation and devolution are now being sought to be carried down to the grass-roots. Educational centres— schools, colleges etc. are available in villages, where village boys and girls are getting educated. Village people are now politically conscious and voice their demands through the media, which are now accessible in villages also.

Liberalisation policies of Indian government, by reducing licensing requirements, removing restrictions on investment and expansion, facilitating easy access to foreign trade and FDI have linked Indian economy with world economy in a harmonised manner and brought about gobalisation. Over-protective Indian market was opened to foreign companies and investment. Industry registered an unprecedented growth, number of industries increased manifold in the last two decades. India achived prosperity and modernisation in the industrial field. Industrial policy around industrial licensing, industrial enterpreneur memoranda, locational policy, policy relating to small scale undertakings, environment issues etc. underwent rapid changes and there has been enormous increase of various sectors of industry. Most striking of them is software industries, wcith grew from US $ 150 million in 1991-92 to US $ 5.7 billions in 1999-2000 against global competition.

The then Prime Minister Manmohan Singh announced on January 3, 2013 at the 100th science congress held in Calcutta that there would be a change in the 2003 policy on science and technology. After that, long discussions were held in seven meetings, where representatives from various industries and noted scientific exponents came together and ultimately the new science and technology policy was declared on December 26, 2013. Its aim was to strengthen the impact of the reforms brought under LPG initiative of India. Total foreign investments (including foreign direct investment, portfolio investment, and investment raised on international capital markets) in India grew from US $ 132 billion in 1991-92 to US $5.3 billion in 1995-96. Annual growth of GDP per capita has increased from just $1\frac{1}{4}\%$ in the three decades after independence to $7\frac{1}{2}\%$. Its a few years, the rate of growth will be double, as many people expect.

In the service sector where government regulations have been eased significantly —such as communications, insurance, asset management and information technology, —output has grown rapidly, with exports of information technology-enabled services becoming   particularly strong. In those infrastructure sectors, which have been opened to competition, such as telecoms and civil aviation, the private sector has proven to be effective and growth has been phenomenal.

Cities like Chennai, Bangalore, Hyderbad, Noida, Gurgaon, Ghazaiabad, Pune, Jaipur, Indore and Ahmedabad have risen in prominence and economic importance. They have now become destinations for foreign investments and firms. India set up research institutions in Biotechnology, Chemical Science, Earth Science, Life Science, Atmospheric Science and also encouraged women scientists. New scientific and technological policy was a part of the 12th five year plan. It was expected to ensure quick economic growth in the decades ahead.

Liberalisation of India brough about improvements in pharmacy industries, which ensured faster growth of health and life-expectancy of the people. New economic policy of liberalisation added to the development of banking and insurance sectors and emphasised on greater sustainable development on the basis of improvements in energy and food sectors.

Major industries of India can be found in the sectors of cement, steel, software, mining, petroleum, pharmacy, textile, communication and IT, wool, silk and pottery industries are also flourishing. All of them were restructured and modernised. India is inviting FDI and foreign companies and encouraging non-resident Indians or NRIs with attractive offers. Privatisation is happening in education sphere also. Private engineering and medical colleges and general colleges and schools are springing up, which extended the scope of education to millions.

Stock market is the platform where corporate securities can be traded and it is the backbone of free market. In India stock market is emerging as the centre, where industries are now getting opportunities for buying and selling their securities freely.

IT. and telecom private services reached their pinacles and quality of television service improved significantly since liberalisation, privatisation and globalisation in India. There has been increase in exports of Indian software goods, foreign exchange earnings also increased sufficiently. 3.5 million people are engaged in software industries. Demand for IT education has increased so much that private IT educational institutions are marshrooming in India.

Competition of public and private sectors influenced the quality and quantity of production and also their cost and the share prices, moneytary policy, budget etc. are now influenced by international financial market. National economy is now linked with world economy.

4.7 Disadvantages of Liberalisation

There has been significant debates around the question whether liberalisation is an inclusive growth strategy or not. Liberalisation has been challenged because of the disadvantages it produces on a developing economy like India. These are as follows :

In India agriculture is the main pillar of the economy, where 60% people are engaged. But there has been slow rate of growth of agricultural sectors. The peasant buy fertilisers or technologies for his plot of land from big firms with bank loans or mortgage of valuable like gold. In both cases they have to pay high rates of interests. If the peasant fails to produce as expected by him or if the produce is spoiled by too much rain or heavy draught or if he does not get sufficient price for the production, then the depressed peasant has to resort to sucide. 2009 statistics of government says that 2½ lakh peasants committed suicide in the last 15 years. Farmer suicide is rampant in Andhra Pradesh, Karnataka, Tamilnadu, Maharastra, Punjab and Rajasthan. Modern village economy of India has been affected badly with liberalisation privatisation-globalisation processes, when there was a contract between Indian government and European Union (E. U) in 2009 that states of the union would export skimmed milk in the Indian markets. 14.8 million Indian people are engaged with production and distribution of milk products. Export of skimmed milk from the states of E. U. would reduce their incme by 60%. Again, 50% of landless labourers are engaged with poultry farming and earn their living by selling eggs or meat. European MNCS are entering this market also. This is affecting India's poultry farming badly and the people connected with them are facing scarcity of food and lodging.

Thirty-five to thirty-eight millions of people are engaged in India in buying and selling different kinds of goods either in the markets or on the streets. They are affected by big MNCs like Metro, Big Bazar, Spencer etc. which sell different kinds of things under one roof.

In 2005 there was an agreement between USA and India concerning 'Initiative on Agriculture, Education, Training, Research, service and commercial linkage' known as AKI. According to this agreement gene manufactured seeds (GM) would employed for agricultural production. G.M. production requires plenty of water and application of insectisides, which contain arsenic and floride so GM production is bringing about increasing arsenic and floride pollution, level of water under the earth is getting reduced and there is increasing pollution. GM use not only damages the environment but makes the land barren also. Moreover, GM agricultural produce is spreading incurable diseases among the village people. In West-Bengal there were more than four thousand varieties of rice, many of these varieties are now lost for ever.

Land acquisition Bill of 1894 is still unchanged, though it requires changes in the interests of the businessmen and industrialists of India.

All matters of food processing industries are under the control either of MNCs like Wallmart or Indian industrialists like Tata, Ambani etc, who aspire only after profit. This leads to dependence on foreign nations and multinational companies and loss to domestic units.

Ultra-modern and ultra-primitive production patterns are existing side by side in India. There are personal lawboards existing side by side with khap and kangaroo courts. Weath and poverty reside side by side in India—big and beautiful palacial buildings coexist beside dirty and unhygienic devolving, unown as bastees.

IT revolution and free flow of information combined with improvement of communication facilities have given rise to instances of terrorism and terrorist destruction.

Industrial growth in general improved substantially after liberalisation, but that was not impressive enough. So import substitution was not possible. There has been a lag in research activities along scientific and technical lines.

Competition of public and private sectors leads sometimes to the elimination or destruction of the public sector. The principle is to remove sick units. This is affecting the job market seriously.

Globalisation and global ties are weakening the nationalistic spirit of India and the concept of Indian state or Indian Nation in dying down. The spirit of westernism or imitation of western-culture is now rampart in India. This destroys indigenous culture. Problems in the field of industry arise from or give rise highly restrictive labour laws, high inflation, high poverty and reduction in jobs, increasing cases of corruption and graft and increasing numbers of frauds, lack of political consensus and will and increase of income inequality in India since 1992. It has been found that consumption among the poorest are staying stable, while the wealthiest generate consumption growth. Moreover, India's gross national product (GDP) growth became the lowest in 2012-13, growing merely at 5%.

New Economic policy failed to address employment growth, nutritional growth in terms of food intake in calories and also exports growth, thereby leading to a worsening level of current account deficit.

IT and telecom development are leading to increasing cases of cyber crimes and increasing problems of security, both internal and external.

India's 17% peasants occupy 80% land rights, while 83% have only 20% land rights. Landless peasants could not be given the right to ownership of land.

4.8 Advantages of Liberalisation

In the agricultural sector there has not been much improvement initially but the situation changed soon. And Indian farmers could attain self-sufficiency in some spheres e.g. production of cereal crops like wheat, paddy, maize etc, oil seed production like mastard, sunflower oils etc., sugar-yielding plant, like sugarcane, beet etc., pulses, tea, coffe, medicinal, plants etc. Basamati rice of India has earned export money in foreign currency.

In IT and software engineering plenty of job opportunities are created and Indian experts in these fields are very much in demand in developed countries. There has been BPO and KPO boom in India. Indian exports and foreign exchange earnings have also increased from them.

Liberalisation has brought about flexibility in policy, increase in quantity and quality of industrial production, increase in creativity, new scope for experiment etc. There is competition in the public and private secors among different agencies. This competition enhances efficiency and effectiveness, transperancy and responsiveness, higher techniques of business and modern business principle etc.

Functions are now being contracted out to private sectors and functions of bureaucracies are transfered to non-government organisations and private agencies. Government is now concentrating only on developmental functions for the underpriviledged. Power and functions of bureaucracy are now getting reduced. Control of administration over the economy and the commercial activities of the country are now getting loosened and there is less work on administration.

Competition among firms and consequent specialisation and efficiency ensure not only better quality of products, but also reduced price, technological and managerial improvements and higher living standards of the people. Modern management processes increase the efficiency of administration. There is a change is the traditional administrative process of file keeping, secrecy, lengthy process and delay of red tape. All these are replaced by deregulation and data coommunication networks. Number of enployees involved is administration gets reduced.

There is increasing public-private collaboration. Many public sector liberal India.

Proliferation of communication and publicity, media and internet facilities help people to know about government, administration and different business organisations. These agencies offer the people the opportunity to express their opinions. These agencies increase people's awareness of administration and accelerate people's participation in administrative activities.

With the liberalised economy of India many functions of administration are updated—such as, PDS or Public Distribution System, ration card preparations, implementation of national and rural employment guarantee, regulation of land records, driving licence, pension, national insurance schemes etc. So with the introduction of LPG, the role of public sector is now limited, while the role of the private sector is increasing and there is competitive relations among public and private and among private sectors. Private enterprises of not only Indian, but also foreign origin are encouraged in modern India. Thus Indian economy is linked with world economy, there are inter-dependence and integration of the world economy. Indian economy is being increasingly opened to FDI and there is free flow of foreign capital in India. India is now able to participate in global politics.

Liberalisation, privalisation and globalisation has brought about new technologies and development of technologies in India, development of infrastructure of industrial units, optimum utilisation of resources, accountability, innovations, reasearch and development, increase in our currency value (which is however low now), GDP growth, adoption of a new and high life style, increase in consumption, control over price, reduction of dependence on external commercial borrowings etc.

Development of the economy is now possible without capital investment and there has happened great increase of foreign investment and foreign exchange reserve.

Liberalisation has offered extensive opportunities in the fields of I.T., telecom sector etc in India and bilateral treaties to promote free trade are being signed by India with many states. India is now a member of WTO, SAARC and UN. India has now realised that its business cannot surive without focusing on changes in other countries. Indian economy has become now a major economy in the world and a trade partner of many. Modern business organisations have now adopted global management practices every functional area of management is now being studied with a global parspective.

4.9 Conclusion

We may conclude our discussion with the findings of the Organisation for Economic Cooperation and Development (OECD) report. Its observations about India's reform activities are as follows : "In labour markets, employment growth has been concentrated in firms that operate in sectors not covered by India's highly restrictive labour laws. In the formal sectors, where there labour laws apply, employment has been falling and firms are becoming more capital intensive, despite abundant low-cost labour. Labour-market reform is essential to achieve a broad-based development and to provide sufficient and higher productivity jobs for the growing labour force. In product markets, inefficient government procedures, particularly in some of the states act as a barrier to enterpreneurship and these need to be improved. Public companies are generally less productive than private firms and the privatisation prgramme should be revitalised. A number of barriers to competition in financial markets and some of the infra-structure sectors, which are other constraints of growth, also need to be addressed. The indirect tax system need to be simplified to create a true national market, while for direct taxes, the tax base should be broadened and rates lowred. Public expenditure should be reoriented towards infra-structure.

Election of Bajpeyee as Prime Minister and his agenda of liberalisation together with privatisation and globalisation (free economy, private sectors and opening of FDI) was a welcome change in the Indian economy which since independence was following the policy of social welfare and protective guardianship. In a few years the west was developing a bit of fascination to India's brainpowr of IT and BPO. By 2004 the west was considering investment in India, if the conditions were suitable. By the end of Bajpeyee's term as Prime Minister, a framework of foreign investment has been established. Later governments are further strengthening the required infrastructure to welcome FDI.

Today, attraction of India as an investment destination is translated into active consideration of India as a destination for FDI. The A.T. Kearney study puts India as the second-most likely destination for FDI in 2005 behind China. To quote A. T. Kearney, "India's strong performances among manufacturing and telecom and utility firms was driven largely by the desire to make productivity enhancing investments in IT, business process outsourcing, research and development, and knowledge

management activities." Investment by reducing subsidies. Furthermore, the social policies should be improved to better reach the poor and given the importance of human capital—the education system also needs to be made more efficient."

The report concludes with the hope that if complementary neasures for better delivery of infrastructure, education and basic services were implemented, they would boost employment creation and poverty reduction.

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4.11 Sample Questions

Long-answer questions :

1. Discuss the philosophy of liberalism in its changing perspective.

2. Explain the economic policy of social welfare and state-controlled administration of newly independent India.

3. Why did Indian government accept liberalisation in the later part of the 20th century?

4. Discuss the impact of liberalisation on the Indian economy.

5. What are the advantages of liberalisation?

6. What are the disadvantages of liberalisation?

Short-answer questions :

1. What do you mean by liberalism?

2. Why was the economic policy of social welfare abandoned by Indian Government?

3. What were the major objectives of the new economic policy of liberalisation of the Indian government?

4. Mention the specific laws passed by the Indian parliament to introduce liberalization in India.

মানুষের জ্ঞান ও ভাবকে বইয়ের মধ্যে সঞ্চিত করিবার যে একটা প্রচুর সুবিধা আছে, সে কথা কেহই অস্বীকার করিতে পারে না। কিন্তু সেই সুবিধার দ্বারা মনের স্বাভাবিক শক্তিকে একেবারে আচ্ছন্ন করিয়া ফেলিলে বুদ্ধিকে বাবু করিয়া তোলা হয়।

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—সুভাষচন্দ্র বসু

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