



M.A. PART - II

**POLITICAL SCIENCE
PAPER - IV**

PUBLIC ADMINISTRATION

Dr. Sanjay Deshmukh

Vice Chancellor
University of Mumbai
Mumbai.

Dr. Ambuja Salgaonkar
Director Incharge
Institute of Distance and
Open Learning
University of Mumbai, Mumbai

Dr. D. Harichandan
Incharge Study Material
Section IDOL
University of Mumbai,
Mumbai

Project Co-ordinator :

Shri Anil Bankar,
Asst. Director and Asst. Professor,
Institute of Distance and Open Learning,
University of Mumbai, Mumbai

Programme Co-ordinator :

Ms. Rachel D'Silva
Institute of Distance and Open Learning,
University of Mumbai, Mumbai

Editor:

Dr. Mrudul Nile
Associate Professor,
Department of Civics and Politics
Pherozshah Mehta Bhavan,
University of Mumbai,
Mumbai-400 098

Course Writeters:

Dr. Medha Dhapre
Asst. Professor & HOD
Department of Political Science
Kirti M. Doongursee College, Dadar

Dr. Sanhita Joshi
Asst. Professor,
Deptt. of Civics & Politics
University of Mumbai.

Dr. Sumita Kanojia,
Lecturer, Political Science
D.Y. Patil, College of Law
Mumbai - 400 614

Dr. Avinash Kolhe
Asst. Professor, Political Science
D.G. Ruparel College,
Mahim, Mumbai-400 016

Prof. Kumbhar N.D.
Vice Principal,
Associate Professor & HOD
Department of Political Science
Patkar-Varde College
Goregaon(W) 400 062

Dr. Mrudul Nile
Associate Professor
Deptt. of Civics & Politics
University of Mumbai.

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Index

Unit No.	Page No.
1. Evolution and Changing character of the Discipline	1
2. Approaches to Public Administration	13
3. Civil Service: Theories of Civil Service	23
4. Personal Administration	44
5. Financial Administration	60
6. Administration law, Administration Tribunals, Delegated Legislation	79
7. Accountability and Control	93
8. Liberalization and Privatization, Forms, Rationale, Evaluation, Impact of Structural Adjustment Programmes on the Social Sector, Role of Public Sector Enterprises	111
9. Information Technology and Governance: Challenges for the future, Ethics and Values in use of information technology	125
10. Citizens and Administration.	145

SYLLABUS

M.A.PART-II, PAPER-IV, PUBLIC ADMINISTRATION

1. Evolution and Changing Character of the Discipline- Comparative Public Administration, Development Administration, New Public Administration. New Public Management Perspective, Public Policy.
2. Approaches to Public Administration: Traditional, Social-Psychological, Humanistic/Systemic.
3. Civil Service: Theories of Civil Service - Hegel, Max Weber's Concept of Bureaucracy, Marx and Post-Marxist, and Public Choice Theory.
4. Personnel Administration: Recruitment, Training, Promotion and Pay Structure. Civil service Reforms in Developed and Developing Countries, Role of World Bank, A Governance Approach.
5. Financial Administration: Budget - Concepts and Forms, Formulation and Execution of Budget, Deficit Financing, Public Debt, Accounts and Audit.
6. Administrative Law, Administrative Tribunals, Delegated Legislation.
7. Accountability and Control: The concept of accountability and control: Legislative, Executive and Judicial.
8. Liberalisation and Privatisation, Forms, Rationale, Evaluation. Impact of Structural Adjustment Programmes on the Social Sector. Role of Public Sector Enterprises.
9. Information Technology and Governance: Challenges for the future. Ethics and Values in use of Information Technology.
10. Citizens and Administration, People's Participation, Citizens Charter.

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UNIT - 1

EVOLUTION AND CHANGING CHARACTER OF THE DISCIPLINE

Comparative Public Administration, Development Administration, New Public Administration, New Public Management Perspective, Public Policy

Unit Structure

- 1.0 Objectives
- 1.1 Introduction
- 1.2 Comparative Public Administration
- 1.3 Development Administration
- 1.4 New Public Administration
- 1.5 New Public Management
- 1.6 Public Policy
- 1.7 Summary
- 1.8 Unit End Questions

1.0 OBJECTIVES

From This chapter we can understand

1. To understand the evolution of public administration as a discipline
2. To understand how and why public administration have changed over the year.
3. To get introduced to various perspectives in public administration.

1.1 INTRODUCTION

Public Administration is an aspect of the larger field of administration. Administration could be defined as a cooperative group effort to accomplish the desired ends.

L.D. White defines Public Administration as all those operations having for their purpose the fulfillment or enforcement of public policy. E.N.Gladden defines, "Public Administration as that which is concerned with the administration of government."

Public Administration is both an aspect of governmental activity and an academic discipline. Public Administration as an activity is as old as political society. But as an academic discipline is only 125 years old.

1.1.1 Stages of Evolution

Public Administration as an academic discipline has developed through a succession of paradigms, which are as follows:-

Stage I: Politics- Administration Dichotomy (1887-1926)

Stage II: Principles of Administration (1928-1937)

Stage III: Era of Challenge (1938-1947)

Stage IV: Identity Crisis (1948-1970)

Stage V: Public Policy Perspective (1971- continuing).

A further elaboration of these phases is as follows :-

1. Stage I: Politics- Administration Dichotomy (1887-1926)

The basic theme of this stage was the advocacy for the separation of politics from administration. It is regarded as the beginning of the evolution of Public Administration.

The publication of **Woodrow Wilson's** essay entitled "*The Study of Administration*" in *Political Studies Quarterly* in 1887. This essay laid the foundation for a separate, independent and systematic study in Public Administration. So, Woodrow Wilson is regarded as the "Father of Public Administration." Wilson argued that politics is concerned with policy-making while public administration is the implementation of policy decisions. He called for a separate study of public administration. He explained it in this way that, "it is getting harder to run a constitution than to frame one."

This line of thought further continued by **Frank J. Goodnow** in his book '*Politics and Administration*' published in 1900. Goodnow expressed his views as "politics has to do with policies and administration has to do with the execution of it."

In 1926 **L.D.White** 's '*Introduction to the Study of Public Administration*' was published. It was the first textbook in Public Administration which dealt systematically with administration in government. With this book the study of Public Administration began as a subject of academic study.

2. Stage II: Principles of Administration (1928-1937)

During this stage, the scholars believed that there are certain principles of administration which could be discovered and applied to increase the efficiency and economy of Public Administration. As the principles of administration have a universal validity and relevance it was said that public administration is a science.

The publication of **W.F. Willoughby's** "*Principles of Public Administration*" published in 1927 inaugurated the new principles approach. Willoughby believed that certain principles of administration can be derived through scientific research. This line of thought was taken further by **Henri Fayol's** "*Industrial and General Management*" and **Luther Gullick** and **Lyndal Urwick's** '*Papers on Science of Administration*'. Gullick and Urwick coined the acronym 'POSDCoRB' [i.e., Planning, Organisation, Staffing, Direction, Co-ordination, Reporting and Budgeting] to promote seven principles of administration.

3. Stage III: Era of Challenge (1938-1947)

The principles of administration were challenged and criticized on the ground that they lack scientific validity and universal relevance. Hence they were dubbed as mere proverbs of administration. Moreover the principles approach was criticized as a mechanistic approach due to its emphasis on formal structure of organization and neglect of socio-psychological aspects of organizational behavior.

Herbert Simon was the most critical of principles of administration and described them as proverbs of administration. He advocated the behavioral approach to Public Administration to make it a more scientific discipline. Simon rejected the idea of Politics- Administration dichotomy and recommended an empirical approach to Public Administration.

Robert Dahl emphasized the environmental effects on administrative behavior. He believed that Public Administration cannot escape the effects of national psychology and social, political and cultural environment in which it develops. So, he suggested comparative studies in public administration.

4. Stage IV: Identity Crisis (1948-1970)

With the rejection of Politics-Administration dichotomy, public administration suffered from crisis of identity. As a result some scholars returned to political science i.e., the mother science. Some

others moved towards administrative science. However in either case, public administration lost its separate identity.

Various developments took place like-

- Rise of New Relations Approach
- Growth of Comparative Public Administration
- Emergence of New Public Administration
- Advocacy of Public Choice Approach

5. Stage V: Public Policy Perspective (1971- continuing)

As governments seek to formulate and implement more and more welfare programmes, policy formulation and decision making have become the primary areas of study of Public Administration. Writers in Public Administration have shown interest in related areas like policy-science, political economy, the public policy-making process and its analysis. By adopting public policy analysis approach, Public Administration gained social relevance.

Since the 1990s Public Administration is facing some challenges as a consequence of changes in the global scenario i.e., disintegration of the USSR and communist states, which led to the rise of neo-liberalism and privatization. The advocates of public choice theory propose debureaucratization thus posing a serious challenge to Public Administration.

This process of evolution shows that Public Administration has withstood a number of shocks. Today it has become interdisciplinary and heterodox.

1.2 COMPARATIVE PUBLIC ADMINISTRATION

Comparative Public Administration is the first major development in the post war evolution of Public Administration. The Comparative Administration Group (CAG) was formed in 1963 under the chairmanship of Fred Riggs to study administrative problems of developing countries viewed in the systematic context of their social, cultural, political and economic environments.

The CAG has defined Comparative Public Administration as “theory of Public Administration applied to diverse cultures and national setting and body of factual data, by which it can be examined and tested.”

It stands for cross-cultural and cross-national Public Administration. It has two basic motivational concerns: (i) theory-building (ii) administrative problems of the developing countries.

At the macro level, Comparative Public Administration is the Public Administration in all countries. At the micro level, it deals with comparing and contrasting different administrative agencies, jurisdictions, techniques, and administrators in a single nation.

To illustrate, Comparative Public Administration

- a) Studies different administrative systems in their ecological settings.
- b) Emphasizes empirical methods such as field observation, experiments and organizations.
- c) Has developed an inter-disciplinary orientation.
- d) Lays stress on inter-action between administration and socio-economic-political-cultural phenomenon.
- e) Highlights the multi-organisational nature of Public Administration.

Finally, comparative analysis in Public Administration helps us to know whether the administrative practices in one country are applicable to other countries.

1.3 DEVELOPMENT ADMINISTRATION

After the Second World War a number of countries in Asia, Africa and Latin America emerged as independent nations facing immense problems like poverty, illiteracy, low agricultural productivity, lack of industrial development and socio-economic instability. In order to achieve these objectives the developing countries have undertaken various activities. The term Development Administration is used to refer to government led efforts to intervene in process of socio-economic transformation.

1.3.1 Definitions:

Edward Weidner defines Development Administration as, “an action-oriented, goal-oriented administrative system. It is a process of guiding an organization towards achievement, of progressive political, economic and social objectives.”

Merle Fainsod defines Development administration as follows - “ Development administration is a carrier of innovating values. It embraces the array of new functions assumed by developing countries embarking on the path of modernization and industrialization. Development administration ordinarily involves the establishment of machinery for planning , economic growth and mobilizing and allocating resources to expand national income.”

F.W.Riggs made a significant contribution to the field of development administration, and defined it as “ organized efforts to carry out programmes or projects thought by those who are involved to serve developmental objectives.”

1.3.2 Characteristics:

- 1] Change-oriented, that is, bringing about socio-economic change rather than maintenance of status-quo.
- 2] Goal-oriented (result-oriented), that is, achieving progress in social, economic, political and cultural goals.
- 3] Client-oriented, that is, meeting the needs of the specific target groups like small farmers, children etc.
- 4] Citizen participatory, that is, enlisting popular support and involvement in the formulation and implementation of the developmental programmes.
- 5] Time-oriented, that is, completing developmental programmes within a time limit.
- 6] Ecological perspective that is, interaction between developmental bureaucracy and its social, economic and political environment.
- 7] Commitment, that is, high moral and motivation in work situation to achieve the developmental goals.
- 8] Innovativeness, that is, replacing or improving the administrative structures, methods, and procedures for the effective realization of its goals.

1.3.3 Differences between Development Administration and Traditional Administration

Development Administration	Traditional Administration
It is action- oriented	It is structure- oriented
It is change- oriented	It is status quo- oriented
It is dynamic and flexible	It is hierarchical and rigid
It is concerned with new tasks	It is concerned with routine tasks
It believes in decentralization.	It believes in centralization.
It is creative and innovative	It opposes any change
It is time- oriented.	It is not time- oriented

1.4 NEW PUBLIC ADMINISTRATION

The 1960s and early 1970s were a turbulent period in West and particularly in the United States. The social sciences were shaken and affected by this revolution any period. The earlier dogmas of “economy” and efficiency were found inadequate and incomplete objectives of administrative activity. It began to be said that efficiency is not the whole of public administration. The centre of all administrative activity is the ‘man’ – a very complex being, not always necessarily subject to economic laws which symbolize efficiency. So public administration must be value-oriented This acquired the name “New Public Administration.”

In 1971 was published a book “Toward a New Public Administration The Minnowbrook Perspective” edited by Frank Marini. It was followed by another book carrying forward the same friend, published almost simultaneously in 1971. It was Public Administration in a Time of Turbulence” edited by Dwight waldo. This movement was part of the social ferment of that period.

1.4.1 Features and Nature of New Public Administration Ramesh K. Arora writes

New Public Administration is concerned with phenomenological approach conceptually i.e. an organization cannot exist independent thy of the image that is forms in the minds of the perceivers groups) It also has a humanistic oriented motivationally.

Thus there is no separation of value and facts in new public administration.

New Public Administration is goal oriented as well as change oriented.

According to golembewski there are five goals or features of New Public Administration

1. The New Public Administration mankind as having the potentiality of becoming perfect rafter than just regarding humans as ‘factors of production’.
2. It stresses the central role of personal and organizational values or ethics.
3. Realization of social equity should be the purpose of public administration. Social equity means that public administration should be come champions of the underprivileged sections of the society.
4. The New Public Administration is relational It wages a client centered approach with an emphasis not only on meeting client needs through goods and services but also on providing them a major voice in how and when, and what is to be provided.

It wages attention to the consequences of administration action in trams of impact on the character and attitudes of the citizens.

5. The New Public Administration places a definite emphasis on innovation and change

1.5 NEW PUBLIC MANAGEMENT

The New Public Management is the latest paradigm in the evolution of Public Administration. It came into existence in the 1990s. The book entitled 'Reinventing Government' by David Osborne and Ted Gaebler, published in 1992, indicates the birth of the New Public Management.

1.5.1 Origin:

The New Public Management has emerged out of the Thatcherism (Britain- the first country which initiated the privatization of public enterprises) and Reaganomics (USA) of the 1980s. It represents a synthesis of the Public Administration and Private Administration.

The New Public Management aims at 3 Es—

Economy—the eradication of waste

Efficiency --- the streamlining of services

Effectiveness – the specifications of the objectives.

Basic theme:

The emphasis of New Public Management is on – performance appraisal, managerial autonomy, cost cutting, financial incentives, output targets, innovation, responsiveness, competence, accountability, market orientation, quality improvement. Contracting out, flexibility, competition, choice, debureaucratization, decentralization, down-sizing, and entrepreneurialism.

New Public Management advocates basic change in the role of the state in society and economy. It emphasizes on the vital role of the 'market' as against the 'state' as the key regulator of the society and economy. It involves a shift from direct provision of services by government to indirect methods like policy-making, facilitating, contracting, providing information and coordinating other actors. The government should change from 'doer' of public activities to a 'distributor' of public benefits and 'facilitator' of change in society and economy.

1.5.2 Features / Principles of New Public Management

1. **Catalytic Government:** the government should concentrate on accelerating the public sector, private sector and voluntary/ non-governmental sector into action to solve the societal problems. The government should engage itself in steering rather than rowing.
2. **Community-owned Government :** The government should strengthen and empower the citizens, families, and communities to solve their own problems.
3. **Competitive Government :** The government should inject competition among different service and goods providers by rewarding efficiency and economy. This increases performance and reduces cost.
4. **Mission-driven Government:** The government should be driven by its goal and not by its rules and regulations. It involves transforming rule-oriented government into goal-oriented government.
5. **Result- oriented Government:** The government should find outcome by encouraging target achievement and mission-directed efforts. It should measure the performance of its agencies mainly in terms of outcomes and not inputs.
6. **Customer-driven Government:** The government should regard the clients as customers. It involves offering the customers choices, surveying their attitudes, making services convenient and allowing them to make suggestions.
7. **Enterprising Government:** The government should emphasize on earning money rather than spending. It should put its energy into resource mobilization by using fees, savings, enterprise funds and so on.
8. **Anticipatory Government:** The government should identify and prevent problems rather than cure them after they occur.
9. **Decentralized Government:** The government should decentralize authority, that is, distribute authority from higher to lower levels.
10. **Market- oriented Government:** The government should opt for market mechanism rather than bureaucratic mechanism. It should achieve goals not only by control and command but also by restructuring markets. It should leverage change through market forces.

1.6 PUBLIC POLICY

1.6.1 Introduction:

A policy is a blue print which guides the Government for the achievement of desired goals. It may be defined as a public need assuming importance and as far as possible, appropriately assessed for its actual fulfillment.

The core of public administration is policy making, policies are vital for planning a course of action. They supply a necessary guideline which helps in planning, implementing and realizing desired objectives and in keeping the activities of the objectives within a prescribed framework of action. Policies, thus, give meaning and form the objectives. Policies may take various forms such as legislation, executive orders, or other official acts.

A policy may be general or specific, broad or narrow, public or private, simple or complex, qualitative or quantitative, discretionary or detailed, explicit or implicit.

From the view point of public policies, governmental activities can be classified in to two categories, such as:

1. Those based on definite or specific policies.
2. Those based on general, vague and inconsistent policies.

1.6.2 Meaning:

Public policy is the principled guide to action taken by the administrative executive branches of the state with regard to a class of issues in a manner consistent with law and institutional customs. The foundation of public policy is composed of national and constitutional laws and regulations. Further substrates include both judicial interpretations and regulations which are generally authorized by legislation. Public policy is considered strong when it solves problems efficiently and effectively, serves justice, supports governmental institutions and policies, and encourages active citizenship.

1.6.3 Defining Public Policy

- refers to the actions of government and the intentions that determine those actions
- is whatever governments choose to do or not to do
- “a set of inter-related decisions taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle, be within the power of those actors to achieve”

1.6.4 Conceptualizing Public Policy

“Policy” is a special kind of response, the central ordering element of which is an *explicit statement of intent regarding future actions*.

The **policy response** concept denotes what the agencies do in responding to environmental and structural stimuli. This concept is subdivided into **policy statements, policy actions, and policy results**.

a **policy statement** is the intent of the government to do something about some issue

a **policy action** is what an agency does to accomplish the goals identified in the statement

a **policy result** is what happens in the environment (or, less importantly, in the structure) following the agency’s efforts to achieve the goal identified in the statements.

1.6.5 Indicators for Policy Action

- 1) Rhetorical attention (attention given to specific programs and agencies) [i.e. paragraph/page counts of testimony presented by agency personnel at hearings, agency reports, administrators’ speeches, etc.]
- 2) Planning actions [number of formal plans announced by agency]
- 3) Acquisitive Actions [number of authorization statutes & amendments enacted; # (number) of executive orders, department delegations, amount of appropriations, new personnel granted, acquisition of physical resources]
- 4) Implementing actions [disbursal of resources: expenditures, grants, loans, personnel assigned; directives issued, directives enforced (“cases”); information collected and disseminated by agency; contractual relations entered into, etc.]

1.6.6 Three distinct characteristics of Public Policy

1. multi-disciplinary
2. problem solving
3. normative

1. Multi-disciplinary:

Policy sciences would break from the narrow study of political institutions and structures and embrace the work and findings of fields such as sociology, economics, law and politics

2. Problem solving:

Policy science would adhere to a strict canon of relevance, orienting itself towards the solution of real world problems and not engaging in purely academic and often sterile debates

3. Normative:

Policy science should not be cloaked in the guise of “scientific objectivity”, but should recognize the impossibility of separating goals and means, or values and techniques, in the study of government actions.

1.7 SUMMARY

In this chapter we have seen how public administration as an academic discipline and as a field of government activity has evolved over a period of time. The evolution of public administration was the result of the changing times; and the various changes in social economic and political life.

The Evolution of Public Administration offered various perspectives and approaches to dealing with administration. From time to time they were used as solutions to problems, of administration the government. The discipline and practice of public administration have mutually contributed to each others growth and evolution in the course of time.

1.8 UNIT END QUESTIONS

1. Describe in detail the stages of Evolution of the Discipline of Public Administration.
2. Discuss Comparative Administration.
3. How has public administration changed from traditional administration to New Public Management.
4. Discuss the role of the government of New Public Management perspective.
5. What is Public Policy?

UNIT- 2

APPROACHES TO PUBLIC ADMINISTRATION

**Traditional, Social – Psychological,
Humanistic / Systemic**

Unit Structure

- 2.0 Objectives
- 2.1 Introduction
- 2.2 Traditional Approach
- 2.3 Social-psychological Approach
- 2.4 Humanistic/Systemic
- 2.5 Summary
- 2.6 Unit End Questions

2.0 OBJECTIVES

From This chapter we can understand

1. To understand the nature of Traditional or Classical Approach to public administration
2. To understand the social-psychological Approach to public administration
3. To understand the Humanistic Approach to public administration

2.1 INTRODUCTION

Public Administration emerged as an independent discipline towards the end of the nineteenth century. Since its inception the study of Public Administration has been growing in different directions. Numerous attempts have been made by different scholars to explain the different facets of Public Administration. As a result, Public Administration contains distinct approaches that grow out of the different perspectives on its nature. These approaches to the study of Public Administration

have developed as the ways in which to approach the study of administrative activity.

2.2 A TRADITIONAL APPROACH

Traditional Approach is also known as classical approach. It was developed during the first half of the 20th century. The exponents of this approach were Henri Fayol, Luther Gullick Lyndall Urwick and J D Mooney. These thinkers believed that efficiency and economy of the organization can be maximized when it is established in accordance with certain principles. Formulating principles of organization became their major concern. They believe that administration is same everywhere and therefore principles of organization have a universal validity.

2.2.1 Contribution of Henri Fayol:

Henri Fayol who was a mining engineer, is regarded as the Father of the Traditional Approach. His book 'General and Industrial Management' was published in 1916 in which he did not make any distinction between Public Administration and Private Administration.

Administration according to Fayol encompasses the 'POCCC' that is, Planning, Organising, Commanding, Coordinating and Controlling.

2.2.2 Principles of Management:

Fayol specified fourteen principles of administration, but he agreed that these are not complete or exhaustive, but are flexible and capable of adaptation.

1. Division of labor:

The division of work is the course of tasks assigned to, and completed by, a group of workers in order to increase efficiency. Division of work, which is also known as division of labor, is the breaking down of a job so as to have a number of different tasks that make up the whole. This means that for every one job, there can be any number of processes that must occur for the job to be complete.

1. **Authority** - Managers must be able to give orders. Authority gives them this right. Note that responsibility arises wherever authority is exercised.
2. **Discipline** - Employees must obey and respect the rules that govern the organization. Good discipline is the result of effective leadership.

3. **Unity of command** - Every employee should receive orders from only one superior.
4. **Unity of direction** - Each group of organizational activities that have the same objective should be directed by one manager using one plan for achievement of one common goal.
5. **Subordination** - The interests of any one employee or group of employees should not take precedence over the interests of the organization as a whole.
6. **Remuneration** - Workers must be paid a fair wage for their services.
7. **Centralization** - Centralization refers to the degree to which subordinates are involved in decision making.
8. **Scalar chain** - The line of authority from top management to the lowest ranks represents the scalar chain. Communications should follow this chain.
9. **Order** - this principle is concerned with systematic arrangement of men, machine, material etc. there should be a specific place for every employee in an organization
10. **Equity** - Managers should be kind and fair to their subordinates.
11. **Stability of tenure of personnel** - High employee turnover is inefficient. Management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.
12. **Initiative** - Employees who are allowed to originate and carry out plans will exert high levels of effort.
13. **Esprit de corps** - Promoting team spirit will build harmony and unity within the organization.

2.2.3 Contributions of Luther Gullick and Lyndall Urwick

The traditional approach reached its zenith in 1937 when *Papers on the Science of Administration* by Luther Gullick and Lyndall Urwick was published. They stressed the importance of structure of organization in determining its functioning. Thus, they neglected the human factor in organization.

They focused their efforts on the discovery of neutral principles, based on which the structure of the organization can be designed to enhance the degree of organizational efficiency.

According to Gulick, the administration consists of seven elements. He coined the acronym POSDCoRB to describe these functions.

Each letter stands for one function of the administration. They are as follows:

1. **Planning**, that is working out in broad outline the things that need to be done and the methods for doing them in order to accomplish the purpose set for the enterprise;
2. **Organizing**, that is the establishment of the formal structure of authority through which work subdivisions are arranged, defined, and co-ordinated for the defined objective;
3. **Staffing**, that is the whole personnel function of bringing in and training the staff and maintaining favorable conditions of work;
4. **Directing**, that is the continuous task of making decisions and embodying them in specific and general orders and instructions and serving as the leader of the enterprise;
5. **Co-Ordinating**, that is the all important duty of interrelating the various parts of the work;
6. **Reporting**, that is keeping those to whom the executive is responsible informed as to what is going on, which includes keeping himself and his subordinates informed through records, research, and inspection;
7. **Budgeting**, with all that goes budgeting in the form of planning, accounting and control.

Gulick identified 4 Ps as base the of the organization by which functions of specialized workers can be done they are:

- By the **purpose** (function) served, such as furnishing water, providing education, or controlling crime. Gulick lists these in his organizational tables as vertical organizations.
- By the **process** (skills) used, such as engineering, doctoring, lawyering, or statistics. Gulick lists these in his organizational tables as horizontal organizations.
- By the **persons** (clientele) , such as immigrants, veterans, forests, mines, or parks in government; or such as a department store's furniture department, clothing department, hardware department, or shoe department in the private sector.
- By the **place** (area) where the workers do their work.

2.3.4 Features of Traditional Approach

1. It emphasizes the anatomy of formal organization. It views administration as a structural arrangement by which work is divided and arranged.
2. It gives a generic view of administration; no distinction between public and private administration.

3. Certain principles are universal in its application i.e., to all forms of organization and in all types of environment.
4. It views Public Administration as non-political, technical organization designed to implement public policies with efficiency and economy.

2.3 SOCIAL-PSYCHOLOGICAL APPROACH

The Social-psychological approach is also known as 'Behavioural approach', it aims at a scientific study of organizational behaviour. It seeks to develop practical propositions about human behavior in organizational setting by undertaking systematic, objective and empirical study.

The thinkers are Herbert Simon, Chester Barnard, Abraham Maslow and Douglas McGregor. But the most important champion was Herbert Simon.

2.31 Herbert Simon (Decision making theory)

Herbert Simon is widely known for his decision making theory. He explains that decision making means choosing between a variety of alternatives available. Simon views an organization as a structure of decision makers. At every level within the organization an administrator has to make decisions, whether policy or day to day. Decisions are an integral part of managing and thus administration.

He seeks to develop a general theory of administration based on principles governing human behavior in decision making. The analysis of the actual process of decision making will lead to a successful study of administration.

Stages in decision making

Simon has identified three stages of the decision making

A) Intelligent Activity:

Decision making activity begins with the identification of the problem to be solved. Recognition of such a problem establishes the need for a decision.

B) Design Activity:

Once the problem is recognized, the administrator begins the search for all various possible courses of action or strategies which would achieve the solution to the defined problem.

C)Choice Activity:

As the alternatives have been developed, the administrator critically evaluates the different consequences of all alternative courses of action available. Then the selection of the most appropriate solution is selected.

2.3.2 Abraham Maslow

Another prominent social-psychologist was Abraham Maslow. His as its widely known theory of 'hierarchy of human needs' has as its roots human motivation. He identifies five types of human needs

Physiological needs:

Physiological needs are the physical requirements for human survival. If these requirements are not met, the human body cannot function properly and will ultimately fail. Physiological needs are thought to be the most important; they should be met first. e.g., Air, water, food, clothing and shelter

Safety needs:

With their physical needs relatively satisfied, the individual's safety needs take precedence and dominate behavior. Safety and Security needs include: Personal security, financial security, health and well-being, Safety net against accidents/illness and their adverse impacts.

Love and belonging:

After physiological and safety needs are fulfilled, the third level of human needs is interpersonal and involves feelings belongingness. Humans maintain emotionally significant relationships in general, such as: Friendship, Intimacy and Family. According to Maslow, humans need to feel a sense of belonging and acceptance among their social groups, regardless whether it is small or big. For example, some large social groups may include clubs, co-workers, religious groups, professional organizations, sports teams and gangs. Some examples of small social connections include family members, intimate partners, mentors, colleagues and confidants. Humans need to love and be loved – both sexually and non-sexually – by others.

Self Esteem:

All humans have a need to feel respected; this includes the need to have self esteem and self-respect. Esteem presents the

typical human desire to be accepted and valued by others. People often engage in a profession or hobby to gain recognition. These activities give the person a sense of contribution or value. Most people have a need for stable self-respect and self-esteem. Self-esteem needs are achievement, mastery, independence, status, dominance, prestige, managerial responsibility, etc.

Self-actualization:

"What a man can be, he must be." This quotation forms the basis of the perceived need for self-actualization. This level of need refers to what a person's full potential is and the realization of that potential. Maslow describes this level as the desire to accomplish everything that one can, to become the most that one can be. Individuals may perceive or focus on this need very specifically. Self-actualization is realising personal potential, self-fulfillment, seeking personal growth and peak experiences.

2.3.3 Douglas McGregor:

Douglas McGregor is a contemporary of Abraham Maslow. Likewise, he also contributed much to the development of the management and motivational theory. He is best known for his Theory X and Theory Y as presented in his book 'The Human Side of Enterprise' (1960), which proposed that manager's individual assumptions about human nature and behaviour determined how the individual manages their employees

Theory X

Theory X individuals are, in theory, inherently lazy and unhappy with their jobs. They tend to dislike work and attempt to avoid it. Therefore, an authoritarian management style is required to ensure fulfillment of the individuals' objectives. These workers need close supervision from their leaders. According to this theory, employees will show little ambition without an incentive program, and will avoid responsibility.

Theory Y

'Theory Y' managers assume employees can be ambitious, self-motivated and exercise self-control. Employees enjoy their mental and physical work duties and for them, work is as natural as play. They possess creative problem solving abilities, but their talents are underused in most organizations. 'Theory Y' managers believe that given the proper conditions, employees will learn to seek out and accept responsibility, exercise self-control and self-direction in accomplishing their objectives. A 'Theory Y' manager believes that, given the right conditions, most people will want to

do well at work. They believe that the satisfaction of doing a good job is a strong motivation.

2.3.4 Main Features of the Social-psychological approach

1. This approach regards organizations as system of interdependent human beings. The impact of social and psychological needs is seen on the organization.
2. It believes that the employees work best in an environment that treats them with regard and respect and encourages them to develop and utilize their abilities.
3. It expresses a positive attitude regarding human nature and believes in the synchronization of individual and organizational goals.

2.4 HUMANIST / SYSTEMIC APPROACH :

This approach is also known as 'Human Relations approach' and Elton Mayo is regarded as the 'Father of Human Relations approach'. Other thinkers who contributed to the growth of this approach are F W Roethlisberger, William Dickson, W. Lloyd, E. Warner.

Human Relations approach has three elements:

1) The Individual:

The theory recognises the importance of emotions and perceptions of individuals. The level of workers' production and output is determined by the human relations at work rather than the physical and economic conditions of work.

2) Informal Organisation :

As defined by L D White an informal organization is the set of work relationships that grow out of mutual interactions of persons working together over a long period of time. It plays a significant role in determining the organizational efficiency.

3) Participative management:

It implies the participation of workers in the decision making with regard to their work conditions. It permits the workers to discuss with supervisors. it develops a sense of participation which leads to higher productivity. It makes work environment more pleasant.

2.4.1 Elton Mayo and the Hawthorne Experiments:

Mayo's reputation as a management guru rests on the Hawthorne Experiments which he conducted from 1927 to 1932 at the Western Electric Hawthorne Works in Cicero, Illinois (a suburb of Chicago). The factory employed mainly women workers who assembled telephone cabling equipment. The aim of the study was to establish the impact of different conditions of work on employee productivity. Initially, Mayo examined the affect of changes in the factory environment such as lighting and humidity. He then went on to study the effect of changes in employment arrangements such as breaks, hours, and managerial leadership. Not only were the Hawthorne experiments the first large-scale studies of working people's conditions ever made; they also produced a range of remarkable results that changed the face of people management.

The Astonishing Results of the Relay Assembly Room Experiments:

Although Elton Mayo and his team conducted the Hawthorne Experiments over a number of years, it is his work with 6 women workers in the relay assembly room that made his name. Throughout the series of experiments, one of Mayo's team sat with the girls as they worked, noting everything they did, keeping them up-to-date with the experiment, asking for clarification, and listening to their views. The experiment began by introducing carefully controlled changes, each of which was continued for a test period of 4 to 12 weeks. The results of these changes were as follows:

- under normal conditions, with a 48-hour week, including Saturdays, and no breaks, the girls produced 2,400 relays a week each.
- they were then put on piece-work for 8 weeks. Output went up.
- two 5-minute rest pauses, morning and afternoon, were introduced for a period of 5 weeks. Output went up once more.
- the rest pauses were lengthened to 10 minutes each. Output went up sharply.
- six 5-minute pauses were introduced, and the girls complained that their work rhythm was broken by the frequent pauses. Output fell slightly.
- the 2 rest pauses were re-instated, the first with a hot meal supplied by the Company free of charge. Output went up.
- the girls finished at 4.30 pm instead of 5.00 pm. Output went up.

- the girls finished at 4.00 pm. Output remained the same. finally, all the improvements were taken away, and the girls went back to the same conditions that they had at the beginning of the experiment: work on Saturday, 48-hour week, no rest pauses, no piece work and no free meal. These conditions lasted for a period of 12 weeks. Output was the highest ever recorded with the girls averaging 3000 relays a week each.

Conclusions of the Hawthorne Experiments:

It took Elton Mayo some time to work through the results of his Hawthorne Experiments, particularly the seemingly illogical results of the Relay Assembly room notion experiments. His main conclusion was that, the prevailing of that time, that people went to work purely for money and a living, was deeply flawed. Work was much more. It was first and foremost a group activity in which the behaviour of other people be it their colleagues, managers or observers, affected how well people worked. People's morale and productivity were affected not so much by the conditions in which they worked but by the recognition they received. The rises in productivity in the Relay Assembly Room were achieved under the interested eye of the observers not because the conditions made the workers feel good but because the workers felt valued.

2.5 SUMMARY

The Various approaches to public administration discussed the way public administration should be studied as well as practiced. The classical approach focuses on the 'structure' – structure of organization, structure of activities, decisions, roles and functions. The social-psychological approach focuses on the social and psychological environment that influences public administration and productivity. Lastly the Humanistic Approach focusses on the human being or individual as the centre of administration.

2.6 UNIT END QUESTIONS

1. The traditional approach to public administration is also known as the Mechanistic approach. Elaborate.
 2. What is the socio- psychological approach to public administration.
 3. What were the major contributions to the Humanistic Approach.
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UNIT - 3

CIVIL SERVICE: THEORIES OF CIVIL SERVICE

Hegel, Max Weber's Concept of Bureaucracy, Marx and Post Marxist and Public Choice Theory

Unit Structure

- 3.0 Objective
- 3.1 Introduction
- 3.2 Meaning of Civil Services
- 3.3 Characteristics of Civil Services
- 3.4 Functions of Civil Services
- 3.5 The Concept of Bureaucracy
- 3.6 Weber's Theory of Bureaucracy
- 3.7 Criticism of Weber's Bureaucratic Theory
- 3.8 Marx's views on Bureaucracy
- 3.9 Lenin's views on Bureaucracy
- 3.10 Leo Trotsky on Bureaucracy
- 3.11 Hegel's Theory of the State and the Bureaucracy
- 3.12 Public Choice Theory
- 3.13 Salient Features of Public Choice Theory.
- 3.14 Unit end Questions
- 3.15 Selected Bibliography

3.0 OBJECTIVE

- 1) To understand the meaning of civil services
- 2) To understand the concept of Bureaucracy
- 3) To understand the Weberian model of bureaucracy
- 4) To discuss the similarities and differences between Marx and Hegel's theory of bureaucracy
- 5) To discuss the post-Marxist theories of bureaucracy
- 6) To understand the meaning and importance of Public Choice Theory

3.1 INTRODUCTION

The standard and efficiency of Public Administration in any country depends on the calibre, training and integrity of the members of the civil services (public services). In the establishment of a welfare state a political system has to embrace a wide range

of activities. The successful operation of these activities depends upon the availability of men of vision, ability, honesty and loyalty to man the administrative apparatus of the state.

3.2 MEANING OF CIVIL SERVICES

'Civil Services' are generally defined to mean the 'public services' constituted by the government to translate all its plans and programmes into implementable action. Civil service is the body of professional, full-time officials employed to handle the civil affairs of a state in a non-political capacity. A civil servant belongs to a body of persons who are directly employed in the administration of the internal affairs of the state and whose role and status are not political, ministerial, military or constabulary. They are the holders of civil posts, whose remuneration in India is paid out of consolidated Fund of India.

Definitions

E.N. Gladden – "Civil Service is the name of an important government institution comprising the staffs of central administration of the state. It stands for a spirit essential to the success of modern democracy, an ideal of vocation in public officials who devote their lives to the service of the community".

Herman Finer – "The Civil Service is a professional body of officials, permanent, paid and skilled".

3.3 CHARACTERISTICS OF CIVIL SERVICES

Certain characteristics are common to all civil services. They are:

1. **Professional:** Most civil servants become skilled professional in a branch of Public Administration. They are regarded as professional advisors to those who formulate state policy.
2. **Permanent:** The civil servants are recruited on the result of competitive examinations conducted by autonomous public service commissions and hold a permanent tenure with benefit of pensions on retirement. Permanent tenure enables them to gather varied administrative experience. In course of time he becomes an expert.
3. **Hierarchically Organised:** Civil services are organised upon standard bureaucratic lives in which a chain of command stretches in a pyramid like fashion from the highest to the lowest cadre. The command implies obedience to the lawful orders of a superior. The hierarchy of officers is marked by fixed positions, well defined duties, specific powers, salaries and privileges.

4. **Public Accountability:** Democratic systems of government have established devices to keep the civil servant accountable or responsible, to the representatives of the people.
5. **Anonymity and Impartiality:** Every country expects its civil servants to be impartial, and anonymous. Their role being to advise, warn and assist responsible for state policy and when the policy has been decided, to prove the organisation of thus implementation. Customarily, civil servants are protected from public blame or censure for their advice.
6. **Neutrality:** Civil service is an instrument that serves any kind of political regime without being aligned to it. It has commitment to work only and to no other value.
7. **Equality of Treatment:** Public Administration does not exist to make a profit, but to render services wherever they are most urgently needed. Inevitably the principle of equality imposes its demands upon officials: they must be fair, they must favour no one above another, and are only to be guided by the equal application of the law.
8. **Limited Enterprise:** Public officials are official; they are not politicians or statesmen; they are not legislators. They operate within the minimum and maximum permissions stated in the statutes. The statutes give them some discretion, under the safeguard, however, of political executive direction and control, and of legislative and judicial remedies.

3.4 FUNCTIONS OF CIVIL SERVICE

Civil service consists of two main classes: Lower clerical class and higher administrative class. Civil service includes 'generalist' administrators as well as specialists like engineers, doctors, economists, statisticians, lawyers, etc. The generalist administrators are directly connected with the political head of the department. They assist ministers in the formulations of policy.

The main function of civil service is formulation and implementation of public policy. The civil service engages itself in collection of relevant data and information in order to identify the crux of the problem. The civil service, especially at the secretariat level, is considered as the 'think tank' of the government and it helps in training sound and effective policies. The civil servants also administer the law of the land. They are to implement and execute the law of the land faithfully and impartially. In finance, the civil servants not only prepare the budget but also influence the taxation and expenditure policy of the government to a great extent. Today they perform quasi-legislative and quasi-judicial functions also. Public relations have become an important part to their official duties. Therefore, they are expected to explain the government policy to the people and to win their co-operation in its implementation.

Check Your Progress

Examine the features and functions of bureaucracy

3.5 THE CONCEPT OF BUREAUCRACY

In the modern nation-state bureaucracy is the dominant form of organisation in the public sector. It has occupied a significant place in contemporary society. It fulfils many needs of society. Its activities affect social, political, and economic aspects of human life. Most of today's societies and their governments have come to rely on bureaucracy to carry on administrative tasks. Whatever the system of government a bureaucracy is essential as a machinery for the implementation and execution of policies, programmes and governmental decisions. It is through bureaucracy that modern governmental authority becomes actual practice.

Meaning

A French economist Vincent de Gournay is said to have coined the term 'bureaucracy' in 1745. It is derived from the French word 'bureau', meaning a desk. In this sense, bureaucracy simply means a desk government, or rule by administrative offices. Today 'bureaucracy' and 'bureaucrats' are often used as terms of derision, connoting red-tape, in-efficiency and unresponsiveness.

Freed from its derogatory sense bureaucracy actually refers to any large-scale organisation of appointed officials whose primary function is to implement the policies of the decision-makers. Bureaucracy is a type of organisation designed to accomplish large-scale administrative tasks by systematically coordinating the work of many individuals. In organised structure that puts laws and policies into effect effectively and efficiently.

3.6 WEBER'S THEORY OF BUREAUCRACY

Marx Weber (1864-1920) was the first scholar to make a systematic analysis of bureaucracy as a specific method of administration. The credit for formulating bureaucratic theory systematically goes to him. His classic studies provide the starting point for a current examination of bureaucracy.

Weber on Authority

Max Weber attempted to study bureaucracy from the point of view of authority which characterises every organisation. Weber distinguished authority from power. While power is mere exercise of coercion, authority means the right to give orders and the expectation that they will be voluntarily obeyed by those receiving them. Authority, therefore, is based upon legitimacy.

Weber examined different types of authority found in organisation and classified them as: (1) traditional – rested upon people's belief in the age-old customs and traditions, (2) Charismatic – rested upon the extraordinary personal qualities of individuals and (3) Rational-legal which is based upon laws, statutes and regulations.

Weber regarded the last type of authority as better than the other two as the basis for effective organisation and from it was developed the concept of bureaucratic organisations.

Characteristics of Bureaucracy

As we have noted above, Max Weber identified bureaucracy with the exercise of rational-legal authority. For Weber the essence of bureaucracy is its rational character; it is governed by a set of rules that are easily discernible. He saw bureaucracy as an impersonal system operating on the basis of calculable rules and staffed by full-time appointed officials. Weberian model of bureaucracy, therefore, excludes the elected political officials. He regarded bureaucracy based on the rational-legal authority as an effective basis for organisation. He viewed it as a specific efficient organisational form for administrative purposes.

Weber developed the rational-legal ideal type bureaucracy to explain its defining features. Following are the characteristics of bureaucracy as described by Weber:

1. Administrative offices are organised hierarchically; that is, each lower office is under the control and supervision of a higher one.
2. Each office has a clearly defined sphere of activity in the legal sense.
3. Officials are selected on the basis of technical qualifications as determined by diplomas or examinations.
4. The officials are appointed, not elected, on the basis of a free contract. The official is always free to resign.
5. The officials receive fixed salaries in money according to rank in the hierarchy. For the most part they have a right to pensions.
6. The job is the sole, or at least the primary occupation of the official.
7. There is a career structure in which promotions are based on merit and/or seniority promotion is dependent on the judgement of the superior.
8. The official does not own his or her office and the means of administration. He cannot appropriate his position.

9. The official is subject to strict and systematic discipline and control in the conduct of the office.
10. The employees of a bureaucratic organisation are personally free and subject to authority only with regard to their impersonal official duties.

Attributes of Bureaucracy

The following are the important elements of Weber's Rational-Legal Bureaucracy.

Division of Labour

Bureaucracies are based on a systematic division of labour. In a bureaucratic organisation the total organisational task is broken down into a number of well-defined specialised functions. These functions are divided between officials positioned at different organisational levels. This implies that each position in the hierarchy has its own clearly specified sphere of duties and authority.

Hierarchy

Bureaucracy emphasises the principle of hierarchical arrangement of offices. Hierarchy manifests itself in a number of levels of differently graded functionaries in which each lower office is under the control and supervision of a higher one. It creates a system of superior-subordinate relationship under which each official is accountable to his superior for his subordinate's actions. This hierarchic order is strictly based on organisational rank, not on social status.

Rules

Bureaucracy operates according to a fixed set of detailed written rules. These rules specify the authority, rights and duties of the employees and the modes of doing work. These rules are more or less stable and comprehensive and are applicable uniformly. The object of these rules is to specify proper office procedure and to assure regularity in dealing with outsiders. These rules also seek to ensure impersonality and bolster hierarchical authority.

Records

In a bureaucratic organisation administration is based upon written records. These records containing administrative acts, decisions and rules provide a ready reference for future administrative action. The written records (documents) are stored in files, access to which is limited and is frequently a source of power. The body of officials and these records and files make up the bureau or office.

Impersonality

In a bureaucratic organisation the official business is conducted impersonally. The officials are not influenced by any primary group sentiments or emotional considerations in dealing with cases. They act according to rules in their contracts with others inside and outside the organisation. They do not discriminate between individuals on grounds of purely personal elements. Impersonality was considered by Weber to be bureaucracy's special 'virtue' because it eliminates irrational emotional elements from the performance of the individual bureaucrats and the organisation as a whole.

Rationality

Bureaucracy represents a rational form of organisation. Hence, by definition, it leaves no room for irrationality in decision-making. In making decisions there is no place for such elements as love and hatred, which escape calculation. On the other hand, decisions are made on strict evidence in accordance to rules. Alternatives are considered objectively to choose a decision or path on consideration of efficiency.

Neutrality

Neutrality, as a corollary of impersonality, implies absence of bias. Bureaucracy as an instrument serves any kind of political regime without being aligned to it. It is not intrinsic to any ism-communism or capitalism or socialism. It can exist in any type of society, with or without private property, and in a basically dictatorial or basically democratic climate. It has commitment to work only, and to no other value.

Reasons for the Growth of Bureaucracy

Weber was the first to describe the growth of bureaucracy and the reasons for its growth in the West. First, development of money economy, according to Weber, was an important cause for the birth and survival of bureaucracy. Bureaucratic administration, he observed, could survive only when there would be a developed money economy capable of sustained economic growth.

Secondly, the demand of a larger middle class for the benefits of mass democracy, especially for social and economic equality was another reason for the growth of bureaucracy. The development of a money economy and the emergence of mass democracy prepared the ground for the rise and growth of bureaucratic, administration. But, these in Weber's view, were not the cause of bureaucratic ascendancy in the modern state. The real causes could be traced to the human motivations springing from the protestant ethic and the capitalist system.

Thirdly, the protestant social ethic contributed to the ascendancy of bureaucracy. Weber's concept of protestant ethic was opposed to traditionalism, old customs and methods. It meant working to the fullest possible capacity of an individual whether entrepreneur or worker, and not just acquisitive greed, or single-minded pursuit of pecuniary gain. This new ethos helped modernisation of the economy, growth of production and increase in productivity. Protestantism and its work ethic engendered a social psychology supportive of rational planning, personal discipline, technology and bureaucratic organisation.

Fourthly, the capitalist system based on ruthless competition played a major role in the development of bureaucracy. In the face of fierce economic competition, capitalist enterprises needed a highly efficient bureaucratic form of organisation to accomplish the organisational goals.

3.7 CRITICISM OF WEBER'S BUREAUCRATIC THEORY

The Weberian model of bureaucracy has been attacked on several grounds by many social scientists such as Robert K. Merton, Philip Selznick, Alvin Gouldner and Warren Bennis. The research and analysis of the first three writers have suggested important dysfunctional consequences of bureaucratic organisations. Some of the important criticisms levelled against Weber's bureaucratic theory are as follows;

1. Robert K. Merton argues that bureaucratic emphasis on control through rules and hierarchical authority relationships leads to behavioural rigidity, ritualism, defensiveness and an unwillingness to make risky decisions. Bureaucratic rigidity also creates difficulties in dealing with the public.
2. Weber's theory is characterised by anti-humanist overtones. Weber is not attentive to the character of the human organism. He gives little attention to the interests, prejudices and fears of an individual as a social being. He ignores the social, psychological influences on the behaviour of the people in organisations. Weber's bureaucratic theory, therefore, is insufficient as a description of the actual functioning of organisations.
3. Bureaucracy is not as impersonal, predictable and precise as the Weberian ideal would have it. Bureaucrats are psychological beings. They seldom act in the sterile manner implied by Weber. In a bureaucracy, as in other types of organisations, improvisation, informality and unpredictability in the decision-making process are common. This is testified by the actual functioning of bureaucracy.
4. The Weberian theory lays emphasis on means and overlooks the importance of organisational goals. In Weber's theory the instrumental formalistic aspects of the bureaucratic job become more important than the substantive one (e.g., service to the people). As a result, the effectiveness of the whole system suffers.
5. Weber does not take notice of the pattern of interaction of bureaucracy with its environment—social, cultural, economic and political. In recent times, writers like F.W. Riggs have drawn attention to the continuing interaction between public bureaucracy and the environment within which it functions. Since bureaucracy has been greatly influenced by its environment, one cannot understand its real nature without understanding its relationship with its ecology.
6. Bureaucracy is criticised as an essentially self-seeking institution. It develops the tendency to become an interest group itself and places its own interests at the centre of things. When its own objectives displace the goals of administration, bureaucracy subverts the intended purposes of government agency and its offices as well as the essential public aspiration.
7. Bureaucracy and corruption are intertwined. The bureaucrats are often tempted to bend rules and regulations to benefit their friends and benefactors. They also seek to use their power and status to achieve their own, as opposed to organisational ends. These bureaucratic excesses are clear-cut examples of corruption.
8. Bureaucrats are presumed to be politically neutral and purely administrative. But, in reality, bureaucrats are not passive as far as policy-making is concerned. They are

active participants in the formulation of policies and laws. Elected political executives are often entirely dependent on the data and ideas provided by the career civil servants in policy-making.

9. The Weberian model of bureaucracy, a product of highly developed industrial societies of the West, does not suit the needs of developing nations of Asia and Africa. The developing nations require a flexible, imaginative bureaucracy with positive outlook to achieve quickly their socio-economic developmental objectives. But, the Weberian rule-bound rigid bureaucratic system is found to be incompatible with the many faceted complex tasks of socioeconomic development. Bureaucratic obsession with rules engenders inability to cope with the changing conditions in the developing nations. The bureaucratic dominance in these countries is also found to be frustrating any attempt to innovate new modes of administration.

Conclusion

Max Weber's essay on bureaucracy is only the beginning of a systematic study of bureaucratic organisation. Weber was the first social scientist to free the term 'bureaucracy' from pejorative connotation and give it a neutral meaning. It is used as a term descriptive of all big organisations, public and private. Weber has been widely recognised as the founder of the modern sociological study of bureaucracy. It is his perspective on bureaucracy that has had the most lasting influence on subsequent sociological studies of organisation. Upon the foundations of organisation thought supplied by Weber much of contemporary organisation theory has been built. Contemporary scholars have found much in Weber which is useful. The characteristics of bureaucracy suggested by him provide a valuable checklist by which to examine present day organisations.

Check Your Progress

Discuss Marx Weber's theory of bureaucracy

3.8 MARX'S VIEWS ON BUREAUCRACY

It is generally held that the German sociologist Max Weber was the foremost to study of bureaucracy and gave it a scientific treatment. However, much before Weber the greatest German revolutionary socialist thinker Karl Marx attempted an explanation of bureaucracy in a scientific manner and assessed its impact on the power structure of a modern society. In fact, Weber was influenced by Marx's views on bureaucracy.

The Bureaucracy

Bureaucracy is not central to Marx's thought. Yet, as a keen observer of the European Public administrative systems of his times, Marx could not ignore the significance of bureaucracy in the society. Unlike Weber, Marx did not write extensively on bureaucracy. But he made more than passing reference to bureaucracy in his "Critique of Hegel's Philosophy of Right". The section devoted to bureaucracy constituted an important part of the book. In it he had clearly expressed his views on the structure and behaviour of bureaucracy and its relationship with State and Society. His views on bureaucracy are also found in his numerous newspaper articles on free press and state, censorship, editorial comments, etc. he used the term bureaucracy in a pejorative sense. In Marx's usage bureaucracy refers both to the system of administration and to the men who implemented that system. He examined it as a set of relationships that arise in a specific socio-economic context. Therefore, Marx's interpretation of bureaucracy must be understood within the general framework of his theory of class conflict, the crisis of capitalism and the advent of Communism.

Marx introduced the idea of bureaucracy into his criticism of Hegel's conception of the executive powers of the State. In other words, Marx was led to examine bureaucracy while studying Hegel's Philosophy of the State. In his "Philosophy of Right" Hegel distinguished between the State and 'Civil Society'. Hegel saw the 'Civil society' as the social interaction of autonomous individuals whose relationship is essentially economic; they pursue their private interests. The State, according to Hegel, is the embodiment of a higher ethical principles appointed to contain civil society. Thus state is concerned with the common good. In Hegel's philosophy bureaucracy takes its meaning from the opposition between the particular interests of the various corporations and individuals in civil society and the general interest of the State.

The above Hegelian view of State and bureaucracy was not acceptable to Marx. In sharp opposition to Hegel's elevation of the State over civil society. Marx regarded the State merely as a façade, an important political front imperfectly concealing the substantial reality of civil society. He asserted the absolute interdependence of state and civil society. He rejected the view that the State could reasonably be expected to play a positive role in neutralising and ameliorating the effects of civil society. In other words, the State cannot transcend civil society. According to Marx, the opposition between the interests of the State and civil society is illusory. He argued that the State does not represent the general interest. It, on the other hand, represents the particular interests of the dominant class in society. Thus, under capitalism, state was the handmaid of the dominant capitalist class.

According to Marx, bureaucracy is the instrument of the dominant class to exercise its domination over other social classes. According to this logic, the interests of

bureaucracy are closely linked to those of the dominant class and the state. It therefore, is allied equally with the dominant class and the State.

Bureaucracy, Marx says, owes its origin to the external pathological divisions in the bourgeois class society, but not to functional imperatives as Hegel thinks. Bureaucracy, Marx argues, reflects the production relations in an exploitative society and acts as a mechanism for perpetuation of exploitation of weaker classes by the dominant class. In a capitalist society bureaucracy works in such a way as to support and consolidate the class division and domination. However, bureaucracy is not a social class by itself in class societies, although its existence is linked with the division of society into classes – the haves and have nots.

According to Marx, bureaucracy constitutes a very specific and particular closed social group within the State. As a specific group bureaucracy has corporate particular interest to defend against other specific corporations and classes in society. It uses state power in such a way as to promote and sustain its private ends. It acts to promote the safeguard, its particular interests which it cleverly distinguishes as general interest. The true purposes of the State are submerged in secrecy, mechanistic action, and faith in authority. The bureaucracy is the imaginary state alongside the individual bureaucrat, the State objective turns into his private objective, into the quest for higher positions in the hierarchy, the making of a career. Thus bureaucracy possesses the State as its private property. Information and other resources are manipulated to serve the private ambitions of individual careerists and completion for power among rival bureaucratic cliques. Thus bureaucracy also attempts to privatise the civil society as a whole. It is characterised by self-aggrandisement.

An important characteristic of bureaucracy is hierarchy. According to Marx, "...its hierarchy is a hierarchy of knowledge. The top entrusts the understanding of detail to the lower levels, whilst the lower levels credit the top with understanding of the general, and so, all are mutually deceived". Comprehensive knowledge is not possible in such a situation where knowledge is deliberately split up".

Bureaucracy is characterised by secrecy. It shrouds all of its actions in secrecy in order to achieve its objective of privatising the civil society. It is afraid of conducting the affairs of the State in public. It considers political consciousness as treason against its mystery which is its general spirit. Its spirit of mystery is persevered internally by hierarchy and externally (i.e., against the community) by its nature as a closed society. As Marx says, the truth is that bureaucracy captures and holds the substance of the state.

The bureaucratic mentality fully expresses itself in the worship of authority. Bureaucracy becomes an autonomous and oppressive force which is felt by the majority of the people as a mysterious and distant entity. The people look at it with awe and veneration as a sort of divinity in the face of which one feels helpless and

bewildered. Although bureaucracy regulates their lives, the people treat it as something beyond their control and comprehension. This bureaucracy contributes to the alienation of the people. According to Marx, even the paper qualifications of the bureaucrat are a mark of separation from the rest of society.

According to Marx, incompetence is a major feature of bureaucracy. Marx, does not agree with Hegel's view that bureaucracy has capacity to do anything better than any other group. Marx argues that it is incapable of fulfilling its actual task. A bureaucrat lacks initiative and imagination. He shies away from taking responsibility even though he thinks that he can do everything. Bureaucracy, Marx says, does not know better than other. The superior does not know the specifics of the case, the subordinate does not know the general principles; and none can appreciate the totality of a situation.

Marx says that the bureaucratic class is not directly connected with the production processes. It leads a parasitic existence. It does not occupy an organic position in the social structure of a society divided into the exploiters and the exploited. Marx simply calls bureaucracy a 'parasitic body' designed to maintain status quo and the privileges of its masters, the dominant section of the society.

For Marx bureaucracy is not detached from and independent of the state. It is inherent in and inseparable from the very existence of the state. In Marxian analysis, since bureaucracy is a class instrument, it will not exist in a communist classless society born out of the proletarian revolution. With the advent of classless communist society exploitation of one class by another and the state as an instrument of exploitation will come to an end. Bureaucracy as an integral part of the exploitive social system will become redundant in the stateless and classless society. In the communist society, the tasks of government are concerned with administration of things, and not of people. Hence, in the classless and stateless communist society "there will be no need for masses of haughty, brutal, repressive bureaucrats".

Conclusion

In conclusion we may say that although Marx wrote incisively on bureaucracy, it was never his purpose to build up a theory of Public administration as such. He examined bureaucracy from the larger social and political perspective and assessed its impact on the power structure of a modern society. It is not the structure of bureaucracy but its content that has attracted his attention. To Marx, the formal legalistic notion of bureaucracy does not represent its true nature; such an image is simply the false image that bureaucracy has of itself; an image which derives from law books and administrative regulations. He has brought out the distinctive aspect of bureaucracy as a social formation with its particular interests and relationships.

3.9 LENIN'S VIEWS ON BUREAUCRACY

Lenin agreed with Marx that bureaucracy is a parasite and is connected with bourgeois society. He said that two institutions are most characteristic of the state machine-bureaucracy and standing army. Bureaucracy is perceived by him as organically tied to the capitalist state. It cannot be treated as an independent unit of analysis. A revolt by the bureaucracy which strikes at the root and basis of the ruling class is not possible. According to him, the bureaucrats could not be neutral, let alone amiable to the proletariat; as a result of their social position, connections and conditioning, they would necessarily take the side of the bourgeoisie. They are simply unfit to carry out the orders of the proletarian state. He objected to bureaucracy because bureaucrats are a privileged group holding jobs remunerated on a high bourgeois scale, and also because police and bureaucracy are unanswerable to the people and placed above the people.

Lenin's basic thesis was that the workers, after winning political power will smash the old bureaucratic apparatus. They will shatter it to its very foundations and raze it to the ground. But he was conscious of the fact that some administrative apparatus would still be needed to manage the socialist society. He was of the view that the workers will replace the old apparatus with a new one. Measures will be taken to prevent the new workers from turning into bureaucrats. These measures were suggested by Marx and Engels;

- (1) Not only election, but also recall at any time;
- (2) Pay not to exceed that of a workman;
- (3) Immediate introduction of control and supervision by all.; so that all may become bureaucrats for a time and that therefore nobody may be able to become a bureaucrat.

Lenin repeatedly said that workers and peasants will administer better than bureaucrats. The functions of the old state power have become so simplified that these can be reduced to very simple operations of registration, filing and checking that they can be easily performed by an ordinary worker for an ordinary workman's wages. These functions can (and must) be stripped of every shadow of privilege of every semblance of official grandeur.

Unlike Marx, Lenin had to cope with the practical problems of socialist reconstruction in Russia as a leader of the communist government after 1917. He was aware that the new regime could not function without this apparatus. He recognised the need of engineers and other specialists in the Society. Even he fought for the better treatment and higher wages for bourgeois specialists, higher than those of workers and even of party leaders.

Conclusion

There seems to be a contradiction in Lenin's formulations on bureaucracy as a Marxist theoretician and his views as a leader of the Soviet Government engaged in the task of administering the state. He overcomes that by saying that the earlier functions of bureaucracy i.e. being an instrument of the bourgeois class, had ceased but that the effects of the bureaucracy system survived. Lenin knew that the increasing number of public officials in Soviet Russia was growing into a larger bureaucracy and that revolution had not eliminated it. He explained the difficulty when he said that the bureaucracy could be defeated only if the whole people could be mobilized to participate in the administration of the state.

3.10 LEO TROTSKY ON BUREAUCRACY

Trotsky subscribes to the Marxist thesis that bureaucracy serves the interests of the ruling bourgeois class. Bureaucracy was his major concern in the writings after 1923 (*The Revolution Betrayed*). He said that existence of bureaucracy characterises every class regime. Its power is of a reflected character. A Bureaucracy is an instrument, a hireling class rule which can be found in every class society. He believed since bureaucracy is connected to the bourgeois state, a proletarian revolution against the latter will also create the conditions necessary for the elimination of bureaucracy.

For Trotsky, bureaucratism is a social phenomenon. It is a definite system of administration of people and things. It is the typical ways of behaving, the psychological make up and working against the spread of bureaucratism which was the result of the transference to the party of the methods and the administrative manners accumulated during the last years. According to Trotsky, bureaucracy will disappear only in the communist society where no exploitation and no class differences exist. It will become superfluous. It will be absorbed by society and the administrative tasks lose their exploitative character.

Throughout the 1930s Trotsky insisted that the October Revolution had been betrayed by a stratum of self-seeking bureaucrats who had succeeded in destroying the true 'proletarian vanguard', the Bolshevik Party. As said above, he worked against the spread of bureaucratism. He was against bureaucratic dictatorship. He was convinced that ultimately the state structure with its distinct and privileged group of professional bureaucrats would be eliminated. But according to him during the transition bureaucracy must be maintained to arbitrate in the struggle for scarce resources, to stimulate maximum production and to police and regulate distribution as long as contradiction and scarcity persist. While these functions need to be performed, elements of capitalism, such as wage incentives, must survive to encourage the bureaucrats to perform.

As a true Marxist, Trotsky stuck to the view that bureaucracy was not an independent class, although he feared it sometimes. If the bureaucracy dominating the Soviet Union is a new governing class, then the proletariat has been expropriated and a new form of exploitative society has come into being. Trotsky was a critic of Stalinist regime in Russia and he regarded it as an abhorrent relapse in the process of transforming bourgeois society into a socialist society. If on the other hand, the Stalin regime was the first stage of a new exploiting society, then bureaucracy will become a new exploiting class. Despite these trends in the Soviet state and despite the enormous political power economic privilege, and degree of independence enjoyed by the Soviet bureaucracy, he did not regard it as an independent class.

Conclusion

According to Trotsky the bureaucracy had no independent role in production and no propriety in the means of production. It had neither stocks nor bonds. It is recruited, supplemented and renewed in the manner of administrative hierarchy independently of any special property relations of its own. The individual bureaucrat cannot transmit to his heirs his rights in the exploitation of the state apparatus. It certainly robs the society in which it exists, but so long as it does this on the basis of the property relations instituted in October 1917, its theft is social parasitism like that of the modern clergy, not class exploitation like that of the bourgeoisie.

Check Your Progress

Discuss briefly post-Marxist theories of bureaucracy

3.11 HEGEL'S THEORY OF THE STATE AND THE BUREAUCRACY

Hegel's political theory appears in the Philosophy of Right and revolves around the concept of state. However, the Philosophy of Right does contain a more detailed discussion of the universal class, the bureaucracy. It is on the class of civil servants that Hegel's discussion of social classes in the Philosophy of Right concentrates. This class is the crucial link between the civil society and the state. On the one hand, it is one class among the classes of civil society; on the other, it does not have its own interests as the aim of its activities but is motivated by the interests of society as a whole. Hegel defines the civil servant as the universal class [the class of civil servants] has for its task the universal interest of the community. It must therefore be relieved from direct labour to supply its needs, either by having private means or by receiving an allowance.

Hegel's Concept of Bureaucracy

According to Hegel, bureaucracy is the main governing organisation in the modern state. The relationship between the individual's welfare and civil society is of high importance, especially the individual's need to be organised in order to guarantee one's personal welfare. In this context, Hegel wrote, "Given good laws, a state can flourish, and freedom of property is a fundamental condition of its prosperity." Hence, public administration must guarantee that good laws are executed in order to maximise the welfare of the individuals.

Nonetheless, it is important to keep in mind that Hegel considered it the individual's supreme duty to be a member of the state. In addition to individual welfare, the state ought to promote the welfare of society as a whole. According to Hegel, maximal public welfare is not the sum of individual welfare. Rather than relying on an invisible hand, the state should execute its tasks with a clearly visible hand in order to strike the right balance between the individual and the common will. Between individual and public welfare, there has to be formed a system of complete interdependence, wherein the livelihood, happiness, and legal status of one man is interwoven with the livelihood, happiness, and rights of all. Hegel specified the tasks of public administration more precisely. It has to undertake street-lighting, bridge-building, the pricing of daily necessities, and the care of public health. The individual must have the right to insist that essential risks shall be properly done. Both points of view must be satisfied, and freedom of trade should not be such as to jeopardise the general good. Bureaucracy, according to Hegel is needed for two reasons. First, it is indispensable for the protection of each individual's property and thus for the promotion of every individual's welfare. Second, the combination of personal and public welfare must be carefully organised in order to guarantee the happiness and rights of all.

Hegel's concept of bureaucracy is very similar to Weber's. Hegel also argued in favour of a formalised, rule-bound, administrative system. The nature of the executive functions [of public administration] according to him is that they are objective and that in their substance they have been explicitly fixed by previous decisions. Furthermore, he wanted the bureaucracy to be organised hierarchically for the security of the state and its subjects against the misuse of power by ministers and their officials. With regard to recruiting public servants, Hegel advocated a meritocratic system. Appointment to office should be open to everyone. He specified that individuals are not appointed to office on account of their birth or native personal gifts. The objective factor in their appointment is knowledge and proof of ability. Such proof guarantees that the state will get what it requires; and since it is the sole condition of appointment, it also guarantees to every citizen the chance of joining the class of civil servants. Hegel additionally stated, like Weber, that the professional public servant finds in his office his livelihood and the assured satisfaction of his particular interest.

Like Weber, Hegel saw the possibility of self-interested public servants, and thus the threat of self-perpetuating bureaucracy. One of his propositions to restrict the power of the administrative apparatus was, a hierarchical bureaucratic structure. In addition, he wanted control to come from within the bureaucracy and ultimately from within each bureaucrat. He hoped that a new class of servants to the common will, rather than rulers of that will, would be established. Civil servants and the members of the executive constitute the greater part of the middle, the class in which the consciousness of right and the developed intelligence of the mass of the people is found. In order to develop a consciousness of right, or to make the idea of the state the conscience of administration, public servants had to be educated. But not only was the moral education important to the Hegel. He also wanted the technical instruction of the public servant should be combined with ethical aspect for effective administration. Hence, a significant part of Hegel's solution to the problem of the selfishness of bureaucracy was to school bureaucrats in a moral as well as a functional mission.

Conclusion

Hegel, thus interpreted the bureaucracy as a mixed blessing, quite similarly to Weber. But his remedy for an overly potent position of public servants was not a politics-administration dichotomy. He preferred control to have its source inside the administration. He believed that if the bureaucrats lack political virtue, it will not be possible for citizens to identify with the political community. Consequently, there will be no political community, no rational state, but only sham. Furthermore, he described the public administration as formalised, professionalised, hierarchical, and meritocratic.

Check Your Progress

Discuss the features of Hegel's theory of bureaucracy

3.12 PUBLIC CHOICE THEORY

Politics and the government create the foundation upon which societies are built and also provide grounds for endless research about interactions of people, power and decisions. Twentieth century economists have addressed the complicated and intriguing questions of what processes occur when people make voting decisions and what happens in the minds of policymakers when they make decisions. The theory, which attempts to look at governments from the perspective of the bureaucrats and politicians, is known as the Public Choice Theory. The Theory uses

modern economic tools to address problems in the field of political science. Major contributors to the theory include James Buchanan, Gordon Tullock, and Mancur Olson. James Buchanan and Gordon Tullock coauthored *The Calculus of Consent: Logical Foundations of Constitutional Democracy* (1962).

A Brief History of Public Choice Theory

Public choice approach is the application of economics to the study of political process and institutions. It is an approach and methodology, which studies those processes by which people indicate preferences and choices in areas other than the market.

The methodology of public choice consists of two related elements. The first is methodological individualism, a term coined by Joseph Schumpeter. It rejects viewing the society as an organism and considers holistic approach misleading. Public choice theorists argue that even when studying collective entities and groups, the individual should be the unit of analysis. The second element of economic methodology, closely related the first is rational choice. People are assumed to be able to rank alternatives in order of preference, and choose the most preferred alternatives while being consistent in their choices. Applied to politics the basic implication that public choice theorists make is that politics should not be analysed from a 'public interest' perspective but from an 'individual gain-maximising' one. All participants in the political arena: politicians, bureaucrats, voters, etc. act to maximize their own gains.

The public choice literature has been of growing importance to Public Administration since 1963, when a small collection of scholars met to discuss, in their words, "developments in the 'no-name field of Public Administration". Since then Public choice and political economy are the terms most frequently used in describing this literature.

Public choice is defined by Dennis Mueller as "the economic study of non-market decision making or simply the application of economics to political science". When economics is applied to public administration its focus is on efficiency and rationality.

The public choice theory has been chiefly propounded by Vincent Ostrom (1974) and William Niskanen. Ostrom has been critical of the dominant governing organising theory which lays emphasis on "integration of public responsibility following reduction of decision centres and strengthening of the executive". Ostrom sought its replacement by his 'public choice theory'. This is an alternative paradigm and involves multiple decision centres. In his famous book, *The Intellectual Crisis in American Public Administration*, Ostrom observes, "Bureaucratic structures are necessary, but not sufficient structures for a productive and responsive public service economy". He further says, "Perfection in the hierarchical ordering of professionally trained public service, accountable to a single centre of power will reduce the capability of a larger administrative system to respond to diverse preferences among citizens for many different public goods and services and cope

with diverse environmental conditions.” According to him, a variety of diverse organisational arrangements can be used to provide different public goods and services. Such organisations can be coordinated through various multi-organisational arrangements.

Niskanen’s contribution marks a kind of revolution in the study of bureaucracy. An economist by profession, Niskanen studies bureaucracy with the methods of economics and with rewarding results. Disillusionment with bureaucracy is universal and social scientists are as a result engaged in a search of a way out. In his book *Bureaucracy and Representative Government*, William Niskanen criticises the career bureaucracy on many counts. ‘Civil servants’ attitude towards the consumers of their services is different from the attitude of private sector producer to his customers. The producer’s revenue comes from his customer but in government there is no clear correlation between public revenue and expenditure: the revenue comes from the finance ministry. Secondly, civil servant has little incentive to minimise the costs and maximum profits. In government he does not gain financially from any such transaction.

A bureaucrat, according to William is a budget-maximiser. He tries to get maximum budget allocations for his bureau in order to enhance his salary, perks, power, patronage and public reputation. The bureaucrat’s budget maximizing behaviour inevitably leads to over-supply of public service to justify expansion of the bureau, its staff and equipment – and also budget. According to Niskanen, to raise the performance of public bureaucracy the remedy has to be sought more and more in terms of private markets where the structure and incentive system exist for the supply of public services. The monopoly power of the bureaucracy must be reduced by exploring private sources of supply of public service. This being the case, Niskanen recommends the following package of reforms:

- (a) Increase the competition among the bureau for the supply of the same or similar public services.
- (b) Change in the incentives in the bureaucracy to include more efficient behaviour by the senior bureaucrats.
- (c) Increase the competition to the bureaucracy by greater use of private sources of supply of public services.

3.13 SALIENT FEATURES OF PUBLIC CHOICE THEORY

The public choice theory revolves around self-interest: a rational individual seeks to maximise his utility in the market. It advocated increased economic incentives or markets of public administration and adopt economic analysis to understand political behaviour. Their aim is to give greater choice to individuals and they encourage the government to provide a plurality of institutional choices or quasi-markets.

To sum up, the main features of public choice approach are:

1. It is an anti-bureaucratic approach.
2. It is critique of the bureaucratic model of administration.
3. It encourages institutional pluralism in the provisions of public goods and services.
4. Plurality of governments and public agencies is supported on the ground of consumer's preferences.
5. It applies economic logic to the problems of public service distribution.
6. It stands for diverse democratic decision-making centres, decentralisation and popular participation in administration.
7. More competition in the delivery of public services.
8. Privatisation or contracting out to reduce wastage.
9. Dissemination of more information for public benefit about the availability of alternatives to public services offered on a competitive basis, and at a competitive cost.

Critical Estimate

Criticisms against this approach to empowerment are numerous and rather too well known. It may develop an elite bias in the provision of public services as market is out of the reach of the poor. Secondly, in the public service context 'choice' is more apparent than real. Thirdly, public interest and the welfare State are rejected by the public choice writers; yet human development in history has been toward those concepts. The ideas of communitarianism and people's welfare have not evaporated from our societies; rather indications are that ideals of healthy collective life in the global village are more and more gaining in acceptance. To conclude, with Herbert Simon, "the major motivational premise of public choice, individual self-interest is false". Human beings make most of their decisions, not in terms of individual self-interest, but in terms of the perceived interest of the groups, families, organisations, ethnic groups and national states with which they identify and to whom they are loyal.

Critics of public choice theory have often viewed public choice theory as a handmaiden of New Right ideology, and it is seen as advocating untrammelled markets, minimal governments and drastically cut bureaucracies.

Check Your Progress

Discuss salient features of Public Choice Theory

3.14 UNIT END QUESTIONS

1. Examine the importance of Civil Services.
2. What is bureaucracy? Discuss Weberian model of bureaucracy.
3. What is bureaucracy? Bring out the features of bureaucracy.
4. Discuss the similarities and differences between Marx and Hegel's theory of bureaucracy.
5. Discuss briefly post-Marxist theories of bureaucracy.
6. What is Public Choice Theory? Discuss the importance of Public Choice Theory.

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UNIT- 4

Personnel Administration

(i) Recruitment (ii) Training (iii) Promotion (iv) Pay Structure
 Civil Service Reforms in Developed and developing countries
 Role of World Bank—a governance approach

[A] Personnel Administration

Unit Structure

- 4.0 Objectives
- 4.1 Introduction
- 4.2 (I) Recruitment
(II) Training
(III) Promotion
(IV) Pay Structure
- 4.3 Civil Service Reforms in Developed and Developing countries
- 4.4 Role of World Bank-a Governance approach
 Elements of governance
 - 4.4.1 Definition
 - 4.4.2 Aspects
 - 4.4.3 Elements of Governance
 - 4.4.5 Conclusion
- 4.5 Unit End Questions
- 4.6 Summary

4.0 OBJECTIVE

- 1) To understand recruitment, training, promotion, pay and structure.
- 2) To review the civil service reforms in Developed countries and developing of civil servants.
- 3) To understand the role of the World Bank as a governing institution.

4.1 INTRODUCTION

Introduction

“Many elements,” observes L.D. White, “combine to make good administration: leadership, organization, finance, morale, methods of procedure, but greater than any of these is manpower.”

Well thought out and well planned policies fail to succeed and the best organizations based on scientific principles may break down if the human material is not competent to execute the work. Under the impact of science and technology, the activities of States are multiplied. At every step the citizen comes into contact with the sovereign factor in public administration. A civil servant is one whose main function is to administer the law and order of the land. State reaches the citizens through the civil servants who are trained, skilled and permanent body of professional officials, and who have adopted government service as a career.

4.2 A. (I) RECRUITMENT

Recruitment implies attracting the proper and suitable type of candidates for particular jobs.

A (i) 1. Methods of Recruitment

Basically there are two types of methods of selection—

- I. Selection from without that is directly recruiting the personnel
- II. Selection from within that is through the promotions.

Now we will examine the relative merits and demerits of both the systems.

1) Direct recruitment- it was adopted by the Britishers.

The **merits** are –

- democratic i.e., equal opportunity to all.
- new blood is injected in the administration.
- technological innovations can be introduced.
- wide choice is available.
- best talent can be found.

The **demerits** are—

- huge expenses on training.
- reduces the incentive to good work.

- the examinations and tests are not the full-proof methods of judging the ability.

2) **Promotions** :- here those who are already in service are selected for the upper posts and are promoted

The **merits** are-

- incentive and rewards to the hardworking
- a morale booster to the conscientious and intelligent officers
- the efficient and experienced employees can be procured easily

The **demerits** are

- narrows the area of selection
- the principle of equality of opportunity is undermined.

Irrespective of merits and demerits of both the systems in practice, both the systems are followed in most of the countries.

A (i) 2 Qualifications

Some qualifications are laid down for entry in public services.

These qualifications are of two types—

- 1) General qualifications- these include citizenship, domicile and age.
- 2) Special qualifications- these include educational qualifications, experience, technical knowledge, and personal qualifications like resourcefulness, tact, reliability, and personal appearance.

Check your progress

Q1. What is recruitment?

Q2. What are the various methods of recruitment?

(ii) CIVIL SERVICE REFORMS IN DEVELOPED AND DEVELOPING COUNTRIES

Recruitment to the civil services in India

In India the services are classified into three categories—

- (1) All India Services (2) Central Services (3) State Services

The All India Services as provided in the Constitution are the Indian Administrative Service and the Indian Police Service. Recently a few more All India Services have been added namely

Indian Medical Service, Indian Statistical Service and Indian Engineering Service. The All India Services A are interchangeable between the Centre and the States. The creation of these services is an extra ordinary provision to develop a feeling national unity, integrity and uniformity.

(2) Central Services: are concerned with the administration of the Union Subjects such as Foreign Affairs, Defense, Income Tax, Customs, Post and Telegraphs etc. the officers are employees of Central Government.

(3) State Services: administer the subjects within the jurisdiction of the States such as Land Revenue, Agriculture, Forest, Education and Health. The officers of these services are exclusively in the employment of the State Government.

A (i) Systems of Recruitment:

The present day recruitment to the All India services and higher Central services in our country is based on recommendations made by different committees from time to time.

- 1) Kothari Committee Report 1976
- 2) Satish Chandra Committee Report 1988
- 3) Hota Committee Report 2004

Recommendations of the Kothari Committee on the Examination pattern

As per the recommendations of the Kothari Committee the revised pattern of examination was introduced in 1979. The salient features are as follows—

- 1) There is a single examination for IAS, IPS, IFS and other allied services.
- 2) The age limit is between 21 years and 28 years.
- 3) A candidate can take the examination with maximum three attempts.
- 4) The examination is to be conducted in two stages—Prelims (objective type) and the Main examination (Essay type). Those who will qualify prelims can only take the main examination.

Prelim examination was to consist of two papers of Multiple Choice Questions and carry 450 marks. Paper one of General Studies for 150 marks and Paper II is an optional paper 300 marks, to be chosen from 19 subjects like History, Political Science, Public Administration, Economics, Commerce, Physics, Chemistry, Maths, and Biology.

New scheme of examination

A revised scheme of examination was introduced in 2011 popularly known as CSAT. It carried out following change in the exam pattern.

Like the previous pattern the exam it was divided into Prelims, Mains and Interview.

(a) The Preliminary Examination:

The examination shall comprise of two compulsory papers of 200 marks each with Multiple Choice Questions and Objective type.

Paper I consists of Current events, History, Geography, Environment, Polity, and General Science.

Part II consists of English, General Mental Ability, and Basic Numerology.

(b) The Main examination:

The intention of the main examination is to assess the intellectual traits and depth of understanding of candidates than merely their information and memory. The written exam will consist of the following papers

Paper-I	Section 1 Essay	200 Marks
Section 2	English Comprehension & English Précis (Of Matriculation/ Xth standard level)	100 Marks
Paper-II	General Studies–I (Indian Heritage and Culture, History and Geography of the World and Society)	250 Marks
Paper-III	General Studies –II (Governance, Constitution, Polity, Social Justice and International relations)	250 Marks
Paper-IV	General Studies –III (Technology, Economic Development, Bio-diversity, Environment, Security and Disaster Management)	250 Marks
Paper-V	General Studies –IV (Ethics, Integrity and Aptitude)	250 Marks
Paper-VI	Optional Subject – Paper 1	250 Mark
Paper-VII	Optional Subject – Paper 2	250 Marks
Sub Total	(Written test)	1800 Marks
	Personality Test	275 Marks.
	Grand Total	2075 Marks

2. List of optional subjects for Main Examination:

Group-1

(i) Agriculture (ii) Animal Husbandry and Veterinary Science
 (iii) Anthropology (iv) Botany (v) Chemistry (vi) Civil Engineering
 (vii) Commerce and Accountancy (viii) Economics (ix) Electrical
 Engineering (x) Geography (xi) Geology (xii) History (xiii) Law (xiv)
 Management (xv) Mathematics (xvi) Mechanical Engineering (xvii)
 Medical Science (xviii) Philosophy (xix) Physics (xx) Political
 Science and International Relations (xxi) Psychology (xxii) Public
 Administration (xxiii) Sociology (xxiv) Statistics (xxv) Zoology

Group-2

Literature of any one of the following languages:

Assamese, Bengali, Bodo, Dogri, Gujarati, Hindi, Kannada,
 Kashmiri, Konkani, Maithili,
 Malayalam, Manipuri, Marathi, Nepali, Oriya, Punjabi, Sanskrit,
 Santhali, Sindhi, Tamil, Telugu, Urdu, English

Interview Test

The object of interview is to assess the mental caliber, intellectual qualities, social traits and the knowledge of current events. The technique of interview is a purposive conversation to reveal the qualities of the candidate like mental alertness, balance of judgment, ability for social cohesion and leadership. It consists of 275 marks,

Recruiting Agency

The UPSC is the central recruiting agency in India. It is an independent constitutional body. There are elaborate constitutional provisions regarding composition, appointment and removal of members, powers and functions and independence of the UPSC. The constitution provides for the State Public Service Commission for each state.

Check your progress

Q1. Explain the recruitment process in India

4.2 (II) TRAINING

(a) 1. Introduction Administrative activities are no longer simple. They have become complex and specialized that mere commonsense is not enough to carry them out. Hence there arise the necessity of both in service and post entry training.

(b) 2. Meaning In Public Administration, Training is a conscious effort made to improve or increase an employee's skill powers or intelligence and to develop his attitudes and schemes of values in a desired direction.

(c) 3 . Aims and objectives of training:

Training plays a vital role in Public Administration. It is essential not only for effecting efficiency of administration but also for broadening the vision of the employees.

The main aims of training are:-

- It enables an individual to perform current tasks more efficiently. It develops in him the capacity for future responsibilities.
- Training helps the employees to become people-oriented and inculcates in them respect for the general public.
- It broadens the vision and widens the outlook of the employees by explaining to them national objectives and working hard to make them a reality.
- It is vital a career service. It makes them fit for advancement.
- It improves the tone and adds to the quality of organization. With the increase in efficiency of employs the prestige of the organization also goes up.
- It fosters homogeneity of outlook among the employees.

(ii) 4 Types of Training:

Broadly training is divided into two types-formal and informal.

Informal training is obtained by actually doing the work, learning by trial and error and acquiring skills through the practice. The success of this system depends upon certain factors—namely experience and seniority of superior officers; his interest in the new entrant and the efforts on the part of the new entrant.

Formal training is a training which is carefully conceived, pre arranged and conducted under the expert guidance, Formal training is imparted with a view to inculcate administrative skill by well defined courses at proper stages.

Formal training may be discussed under four heads ———

(1) Pre entry (2) orientation (3) In-service (4) Post entry

(1) Pre entry training—as the name suggests is training imparted to aspirants to public service before they enter such service.

(2) Orientation- it aims to introduce an employee to the basic concept of one's job, new work environment, *organization* and its goal.

(2) In-service- it is a training imparted to the candidates after selection to the public service. It helps the employees to make best efforts and improve their performance. This type of training may be organized either centrally or department wise. It may be imparted currently or concurrently with practical application of actual work.

(3) Post entry- it is imparted during the course of employee's services. It aims at better performance of present work and preparation of advancement to the higher posts.

It is given through the Refresher courses. The periodic Refresher courses help the employee to get acquainted with the new techniques and skills.

Check your progress

Q1. What are the various types of training?

(iii) Training in India

To inculcate values of social service and to make the recruits community conscious, institutionalized training has been introduced in India. To enhance the efficiency further, different specialized institutes have been established.

National Academy of Administration:

It is a training institute for the IAS probationers. It was established in 1959 at Mussoorie, in Uttarakhand. In 1972 it was renamed as Lal Bahadur Shastri National Academy of Administration. It provides the following training courses.

I] A combined four month foundational course for all the probationers of All India Services and Group A Central services.

- II] Professional training for the IAS probationers in two spells.
- III] In service training courses for officers of All India and Central Services (Group A)

National Police Academy:

In 1948, the Central Police Training College was set up at Mount Abu. In 1976 it was shifted to Hyderabad and renamed as Sardar Vallabhbhai Patel National Police Academy. It provides the following training courses.

1. Professional training for IPS probationers.
2. Refresher Course for senior IPS officers.
3. Induction training for State Police Service Officers on their promotion to IPS.

Other than these, Foreign Service Institute, Indian Institute of Public Administration, National Institute for Rural Development are also some examples.

Check your progress

Q1. Discuss the training Process of civil services in India

4.2 (III) PROMOTION

Promotion of employees from one position to another is very important for the employees. It is either a reward or a possible reward. Actual promotion is a reward while an opportunity for promotion is a possible reward.

Definition L. D.White : Promotion is an appointment from a given position to a position of higher grade, involving a change of duties to a more difficult type of work and greater responsibility, accompanied by change of title and usually an increase in pay.

Thus promotion implies change in position, duties, responsibility, title and pay.

Principles of promotion system

There are three principles

- 1) Seniority principle
- 2) Merit principle
- 3) Seniority cum Merit principle

Sound promotion system

A sound promotion system should have

- standard specification of duties and qualifications,
- classification of positions into distinct classes and grades
- adoption of the principle of the recruitment.

Check your progress

Q1. What is promotion?

4.2 (IV) PAY STRUCTURE

The service conditions of Government servants include pay, allowances, periodical increments, leave, tenure of service, transfer, disciplinary action and retirement benefits.

Pay is also known as salary or remuneration. A sound and adequate compensation plan is very essential for the efficient functioning of the civil service in modern state. Various principles are considered in fixation of pay scales in government services like

- equal pay for equal work
- parity with outside employment
- cost of living
- economic position of the country
- maintenance of efficiency
- nature of job (risky and hazardous)

Thus we find that the efficiency and success of the administration depends on a proper recruitment, training, promotion and pay structure.

4.3 CIVIL SERVICE REFORMS IN DEVELOPED AND DEVELOPING COUNTRIES

Civil Service Reforms an important issue in development of the countries around the globe. In most developing countries, public sector organizations have been facing the challenges of abuse, neglect and corruption as a result there is a difficulty in performing the routine tasks.

Recent years have witnessed an increased pressure on third world countries to introduce reforms in management policies and practices with a major restructuring of governmental organization.

With the advent of globalization, the role of the state has undergone tremendous change calling for restructuring of the civil services itself. The responsive state needs an open and transparent functioning which can be realized through civil service. This was major shift in the evolution of Public Administration, as there is a paradigm shift to the New Public Management and Public Choice Theory. This shift was focusing the people oriented and citizen centric administration.

4.3.1 New Public Management

(i) Introduction New Public Management is a client centered approach laying emphasis on debureaucratization and decentralization. It is a merger of the traditional Public Administration with the orientation of private administration. Traditional Public Administration is associated with the implementation of rules and procedures whereas private administration is associated with achievements and performance.

ii) The definition of NPM by Garson and Overman NPM is an interdisciplinary study of the generic aspects of administration... a blend of the planning, organizing and controlling functions of human, financial physical information and political resources.

It is being described as *third way* between Public Administration and private administration, '*market-based Public Administration*', The NPM advocates a basic change in the role of the state in the society and economy. It emphasizes on the vital role of the market as against the state. The government is a facilitator and regulator then a doer of public activities and provider of services.

The NPM aims at 3Es

1. Economy i.e., the eradication of waste
2. Efficiency –the streamlining of services
3. Effectiveness—specific use of the resources

iii) Features of NPM

- emphasis on the adoption of management practices of private sector in public administration
- promotion of competition in public sector
- contractual arrangements and down-sizing in government
- emphasis on results rather than procedures
- ensuring performance, control and accountability
- optimizing information technology and output targets
- improving quality of regulation
- cost-cutting

- managerial autonomy
- innovation
- flexibility
- rolling back of the state

Thus NPM attempts to create a new entrepreneurial and client-oriented culture in public organizations, with emphasis on performance measurement and autonomy to organizations and individuals.

4.3.2 Public Choice Theory

The public choice approach to Public Administration came into existence in the 1960s with the New Public Administration. It advocates the replacement for the traditional doctrine of *bureaucratic administration* by the concept of *democratic administration*. It is the application of economics to the study of Public Administration.

Bureaucratic structures are necessary, but not sufficient structures for a productive and responsive public service economy. Public choice approach can be defined as the economics of non market decision-making.

The central issue in public choice is how to limit government and to check the natural tendency for over government. To counteract the bureaucratic monopoly the following measures are suggested

- (a) stricter control on bureaucrats through the executive or legislature;
- (b) more competition in the delivery of public services;
- (c) privatization or contracting out to reduce wastage;
- (d) dissemination of more information for public benefit;
- (e) availability of alternatives for the delivery of services to the citizens;

Thus, Public Choice Theory questions the hegemony of bureaucracy and criticizes the hierarchical administration. Bureaucracy should be pruned by downsizing government and passing many functions to the private agencies; by breaking the monopoly of the state as the provider and by introducing choice and participation. Under the Public Choice Theory, it may be noted the role of private sector has expanded and the state sector has shrunk through liberalization and privatization.

Check your progress

Q1 what are the different administrative reforms in the various countries?

4.4 ROLE OF WORLD BANK–A GOVERNANCE APPROACH

Introduction In recent years the World Bank has been a prolific producer of documentation discussing governance as a general tool in the international development process. However, during the course of the Twelfth Replenishment discussions for the International Development Association (IDA12), the concept of good governance was specifically mentioned in the context of institutional assessment criteria. The World Bank's perspective of good governance is set out below in general terms and then the view of the same concept as expressed in the IDA12 discussions is mentioned specifically.

4.4.1 Definition

In the 1992 report entitled "Governance and Development", the World Bank set out its definition of good governance. This term is defined as "the manner in which power is exercised in the management of a country's economic and social resources for development".

The report stated that the World Bank's interest in governance derives from its concern for the sustainability of the projects it helps finance. It concluded that sustainable development can only take place if a predictable and transparent framework of rules and institutions exists for the conduct of private and public business. The essence of good governance was described as predictable, open and enlightened policy, together with a bureaucracy imbued with a professional ethos and an executive arm of government accountable for its actions.

All these elements are present in a strong civil society participating in public affairs, where all members of the society act under the rule of law. In analyzing governance, the World Bank drew a clear distinction between the concept's political and

economic dimensions. As the World Bank's mandate is the promotion of sustainable development, its call for good governance exclusively concerns the contribution the concept makes generally to social and economic development and specifically to the World Bank's fundamental objective of sustainable poverty reduction in the developing world.

4.4.2 Aspects

The World Bank identified three distinct aspects of governance:

- (a) The form of the political regime;
- (b) The process by which authority is exercised in the management of a country's economic and social resources for development; and
- (c) The capacity of governments to design, formulate and implement policies and discharge functions. The first aspect is deemed to be outside the World Bank's mandate, thus its focus has been on the second and third aspects.

Check your progress

Q1. What is governance? What are the aspects of governance?

4.4.3 Elements of Governance

In the 1994 report entitled "Governance: The World Bank's Experience", the recent progress made by the Bank in this area is set out under four different aspects, which provide a template against which its governance work can be assessed:

- (a) *Public-sector management.* This is the most readily identified dimension of the World Bank's governance work. The language of public-sector management is predominantly technical, changing the organizational structure of a sector agency to reflect new objectives, making budgets work better, sharpening civil-service objectives and placing public-enterprise managers under performance contracts.
- (b) *Accountability.* Governments and their employees should be held responsible for their actions.
- (c) *Legal framework for development.* Appropriate legal systems should be created that provides stability and predictability, which are the essential elements in creating an economic

environment in which business risks may be rationally assessed.

- (d) *Transparency and information.* The themes of transparency and information pervade good governance and reinforce accountability. Access to information for the various players in the market is essential to a competitive market economy.

The working definition used by the British Council, however, emphasizes that “governance” is a broader notion than government (and for that matter also related concepts like the state, good government and regime), and goes on to state: “Governance involves interaction between the formal institutions and those in civil society. Governance refers to a process whereby elements in society wield power, authority and influence and enact policies and decisions concerning public life and social upliftment.

Peoples’ Participation in Governance

Governance comprises the mechanisms, processes and institutions through which collective decisions are made and implemented, citizens’ groups and communities pursue their vision, articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. (UNDP 1997).

Citizens’ participation in governance embodies a shift in the development paradigm from citizens as the recipients of development to one that views them as active participants in the development process. Equally, it involves a shift from a “top-down” to a “bottom-up” approach to development involving increasing decentralization of power away from the Union Government and closer to grassroots levels, i.e. “Subsidiary” which the Commission has gone into in detail in its Sixth Report on “Local Governance”. The concept of citizens’ participation in governance is essentially based on the premise that citizens have a legitimate role in influencing decision making processes that affect their lives, their businesses and their communities. In other words, citizens’ participation refers to the mechanism and modalities by which citizens can influence and take control over resources and decision making that directly impacts their lives. At the ideological level, direct citizens’ participation in governance is seen as contributing to a healthy democracy because it enhances and improves upon the traditional form of representative democracy to transform it into more participatory one.

4.4.4 Conclusion

“Governance”, therefore, not only encompasses but transcends the collective meaning of related concepts like the state, government, regime and good government. Many of the elements and principles underlying “good government” have become an integral part of the

meaning of “governance”. John Healey and Mark Robinson¹ define “good government” as follows: “It implies a high level of organizational effectiveness in relation to policy-formulation and the policies actually pursued, especially in the conduct of economic policy and its contribution to growth, stability and popular welfare. Good government also implies accountability, transparency, participation, openness and the rule of law. It does not necessarily presuppose a value judgment, for example, a healthy respect for civil and political liberties, although good government tends to be a prerequisite for political legitimacy.

4.5 UNIT END QUESTIONS

1. Discuss recruitment, training and promotion for public Servants.
2. What are the main reforms an civil service in Developing Countries
3. What is Good Governance?

4.6 SUMMARY

In this chapter we have discussed the meaning and procedure of recruitment training, promotion and pay structure in India. We have seen that the New Public Management based on efficiency and client approach and Public Choice Theory that focuses on downsizing the bureaucracy are key civil service Reforms in Developing Countries. Lastly. Good Governance Propounded by the World Bank is an approach that focuses on high level of organizational effectiveness in relation to policies and governance of the government.

UNIT - 5

FINANCIAL ADMINISTRATION

Budget – Concepts and forms, formulation and execution of Budget, Defecit Financing, Public Debt, Accounts and Audit.

Unit Structure

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Budget : Concept and Forms
- 5.3 Formulation of Budget
- 5.4 Deficit Financing
- 5.5 Public Debt
- 5.6 Accounts and Audit
- 5.7 Summary
- 5.8 Unit and Questions

5.0 OBJECTIVE

1. To understand Budgets, forms of Budget, the process of formulation and execution of Budget.
 2. To understand the concepts of Deficit financing and public debt.
 3. To understand accounts and Audit process of government.
-

5.1 INTRODUCTION

Financial administration is one of the important aspects of Public Administration. It literally means the management of the finances of a state or of a public authority endowed with taxing and spending powers. According to W. F. Willoughby, “Sound financial Administration is of paramount importance to the economic health of a country”. He is right in saying so, since unsound financial administration by a Government (e. g. rising price levels) reflects poorly on the popularity of the government. Financial administration seeks to raise, spend and account for the funds needed for public expenditure. It involves the

activities of four agents-executive, which needs and spends funds, which grants the funds and appropriates them to particular ministries and departments of the Finance Ministry.

Financial administration of government can be viewed in two main components namely 1. budgeting and financial control and 2. fiscal and monetary policies.

5.1.1 Significance

Following are some popular statements made on the importance of financial administration to the government.

L.D. White: "Every administrative act has its financial implications; either creating a charge on the treasury or making a contribution to it".

5.2 BUDGET: CONCEPTS AND FORMS

Gladstone: "Budgets are not merely matters of arithmetic but in a thousand ways go to the root of prosperity of individuals, the relations of classes and the strength of kingdoms".

Aaron Wildavsky: "Budget is the life blood of the government".

Kautilya: "Budget is the life blood of the government"

Willoughby: Budget is "an integral and indispensable tool of administration." He also observed; "The real significance of the budget system lies in providing for the orderly administration of the financial affairs of a government.

5.2.1 Meaning

The origin of our word *budget* is the Latin *bulga*, a little pouch or knapsack. The word turned up in English in the fifteenth century, having travelled via the French *bougette*, a diminutive form of *bouge* "leather bag". Its first meaning in English indeed was "pouch, wallet, bag", and followed its French original in usually implying something made of leather. In the mid 18th century, the Chancellor of the Exchequer, in presenting his annual statement, was said 'to open the budget' which was leather bag. In the late 19th century the use of the term was extended from governmental to other finances.

Definitions

Harlod R. Bruce: "A budget is a financial statement, prepared in advance of the opening of a fiscal year of the estimated revenues and proposed expenditures of a given organisation for the ensuing fiscal year."

Taylor: "Budget is a financial plan of government for a definite period."

Munro: “Budget is a plan of financing for the incoming fiscal year. This involves an itemised estimate of all revenues on the one hand and all expenditure on the other”.

Rene Stourm: “Budget is a document containing a preliminary approved plan of public revenue and expenditure”.

Dimock: “A budget is a financial plan summarizing the financial experience of the past, stating a current plan and projecting it over a specified period of time in future.

Thus, Budget is an estimate of income and expenditure for a financial year. In other words, it is a financial document of the government as presented to the legislature and as sanctioned by the legislature.

From the above definitions of Budget, one can conclude that the following are four essential features of a Budget:

- It is a statement of expected revenues and proposed expenditure.
- It requires some authority to sanction it.
- It is for a limited period only, generally one year.
- It also sets forth the procedures and manner in which the collection of revenue and the administration of expenditures is to be executed.

5.2.2 Functions or purpose of budget

It ensures the financial and legal accountability of the executive to the legislature.

It ensures the accountability of subordinates to superiors in the administrative hierarchy.

It is a review of the past accomplishment as it contains the figures of the previous financial year.

It is an instrument of social and economic policy to serve the functions of allocation, distribution and stabilization.

It supplies data for decision making and acts as a guide to various departmental heads for what they have to do, during the budget year.

5.2.3 Principles

1. Annual Basis

Budgets are almost always annual (although the “fiscal year” can be the calendar year or some other 12-months period). It is considered ideal because a shorter period would be disruptive for management; a longer period would be subject to an increasing margin of uncertainty. A year corresponds with customary measures of human estimates. In case of India the Financial year is from 1st April to 31st March.

2. Estimates should be on Departmental Basis

The expenditure and revenue estimates of budget should be prepared by the department directly dealing with them, even if such expenditure or revenue is on account of another department. It helps to give a clear picture of the programmes and activities of every department and also ensures the financial solvency of every department.

3. It should be a Balanced One

The expenditure in the budget should not exceed the estimated revenue. In other words the estimated expenditure should match the estimated revenue.

4. Estimates should be on a Cash Basis

According to this principle the estimated expenditure and revenue of the budget should be prepared on the basis of what is expected to be actually spent or received during the financial year. The USA, UK and India have cash budgeting.

5. One Budget for all Financial Transactions

It means that all the revenues and expenditure of all the departments of the government should be incorporated in single budget. It helps to show the overall financial position of the government as a whole, that is, overall surplus or deficit. Opposite of single budget is plural budget where state departments-wise budgets are prepared. In India we have two budgets general budget and railway budget.

7. Budgeting should be gross and not net

All the transactions of receipts and expenditure of the government should be fully and separately shown in the budget and not merely the resultant net position.

8. Rule of lapse

It means if the money granted to executive by the legislature is not spent by the end of the financial year, then the balance would expire and should be returned to the treasury.

5.2.4 Forms or systems

1. Line-item Budgeting- It is also referred to as traditional budgeting or conventional budgeting. It is referred to as the "historical" approach because administrators and chief executives often base their expenditure requests on historical expenditure and revenue data. It presents budget in terms of objective wise (line-item) classification. In this budget the amount granted by the legislature on a specific item should be spent on that item only. Its objective is to

prevent wastage, over-spending and misuse of money granted by the legislature to the executive. This approach enhances organisational control and allows the accumulation of expenditure data at each functional level of public administration. Its main objective is to ensure legality and regularity of expenditure.

2. Performance Budgeting- It originated in USA. The term 'performance budget' was coined by the first Hoover Commission in 1949. It was introduced in 1950 by President Truman.

The performance budget emphasizes on the purpose of expenditure. The performance approach is generally considered superior to the line-item approach because it provides more useful information for legislative consideration and for evaluation by administrators. It presents budget in terms of functions, programmes, activities and projects. Further, performance budgeting includes narrative descriptions of each program or activity-that is, it organises the budget into quantitative estimates of costs and accomplishments and focuses on measuring and evaluating outcomes.

Finally, the performance approach eases legislative budget revisions because program activities and levels of service may be budgeted on the basis of standard cost inputs. However, performance budgeting has limitations owing to the lack of reliable standard cost information inherent in governmental organisations.

3. Program and Planning (Programming) Budgeting System (PPBS) - It also originated in USA and was introduced in 1965 by President Johnson. This system of budgeting integrates the planning, programming and budgeting functions. PPB systems place a great deal of emphasis on identifying the fundamental objectives of a governmental entity and on relating all program expenditures to these activities. This conceptual framework includes the practices of explicitly projecting long-term costs of programs and the evaluation of different program alternatives that may be used to reach long-term goals and objectives. The focus on long-range planning is the major advantage of this approach which helps the government to reach their stated goals and objectives.

4. Zero-based Budgeting (ZBB)- It also originated in USA. It was created in 1969 by Peter A. Pyhrr, a manager of a private industry. It was introduced in the USA government by President Jimmy Carter In 1978. The basic tenet of zero-based budgeting (ZBB) is that program activities and services must be justified annually during the budget development process. The budget is prepared by dividing all of a government's operations into decision units at relatively low levels of the organisation. It involves a total re-examination of all schemes afresh instead of following the incremental approach to budgeting which begins with the estimation of the current expenditure. The goal of

zero-based budgeting is to have no unassigned income after you've created the budget -- and no negative balance, either.

5. Sunset Legislation- Sunset budget is structured to 'self destruct' within a given pre-set duration to make certain that expenditure is stopped by an already fixed date. In the words of K.L. Handa, "It embodies the concept of self-retiring government programmes by providing for the termination of statutory authorization of programmes. This is achieved by placing time limits on government programmes in the legislative enactments themselves and providing for their automatic termination on the prescribed dates unless, affirmatively recreated by legislature after conducting detailed "review."

6. Top-Down Budgeting- Also known as 'Target Base Budgeting' Top-Down Budgeting was introduced in the USA in 1981. It consists elements of all earlier systems of budgeting, Performance budgeting, PPBS, ZBB and Sunset legislation. Top-Down Budgeting is where budgets are created by starting from the highest level working towards the bottom using parametric relationships. A monetary value is placed on an individual unit (product, service, materials, and labor hour). An estimate of the number of units required is then converted to currency by multiplying the quantity of units by the unit price.

According to Nicholas Henry it is a method of allocating public revenues to the agencies in which agency spending limits (and, often, agency goals) are set by the chief executive officer of the government, while agency heads are permitted to attain their goals in the manner that they deem to be most effective within these centrally set spending limits.

5.3 FORMULATION OF BUDGET

It is the first phase of the budget cycle and evolves over several months involving individual departments, their changing requirements over key parameters such as economic growth, inflation, demographic changes, etc and revenues. Financial year in India is from 1st April to 31st March.

Separation of railway Budget

The railway budget was separated from the general budget in 1921 on the recommendations of the Acworth Committee. As a result of these recommendations the budget of the Indian Railways is presented separately to Parliament, although the receipts and expenditure of the Railways form part of the Consolidated Fund of India and the figures relating to them are included in the 'Annual Financial Statement'.

There are four agencies who are involved in the formulation of the budget:

The Finance Ministry- It provides the required leadership and direction to other departments and has the overall responsibility for the formulation of the budget.

The Planning Commission- It helps in the incorporation of plan priorities in the budget.

The Administrative Ministries- Such as Department of Expenditure, Department of Economic Affairs, Department of Revenue etc., play an important role as they have detailed knowledge of administrative requirements.

The Comptroller and Auditor-General- He provides the accounting skills that are necessary for the formulation of the budget estimates.

5.3.1 Stages

1. Preparation of Estimates by the Drawing and Disbursing Officers

The Finance Ministry dispatches circulars and forms to the Administrative Ministry in the last week of September or the first fortnight of October every year inviting their estimates of expenditure for the ensuing financial year. The Administrative Ministry sends these forms to their local field offices, that is, to the disbursing officers.

2. Scrutiny and Consolidation of Estimates by the Departments and Ministries

After receiving the estimates from the drawing officer's head of each department scrutinises and consolidates them for the entire department and submits them to the Administrative Ministry which further scrutinises the estimates in the light of general policy and consolidates them for the whole ministry and submits them to the Finance Ministry.

3. Scrutiny by the Finance Ministry

It further scrutinises the estimates by taking into consideration the economy of expenditure and availability of revenues.

4. Settlements of Disputes

If in case Administrative Ministry and Finance Ministry have any difference of opinion on the inclusion of a scheme in the budget estimates, the former can submit such estimates to the Union Cabinet who will have a final say on it .

5. Consolidation by the Finance Ministry

The Finance Ministry consolidates the budget estimates on the expenditure and prepares the estimates of revenue based on it while doing so it consults Central Board of Direct Taxes and Central Board of Indirect Taxes.

6. Approval by the Cabinet

The budget can be presented in the parliament only after the approval of the cabinet.

Charged Expenditure

The estimates of budget consists of two types of expenditure- the expenditure 'charged' upon the Consolidated Fund of India and the expenditure 'made' from the Consolidated Fund of India. In case of former parliament can only discuss where as for the later one it has the right to vote.

Some examples of charged expenditure are as follows:

The allowances of the President and other expenditure relating to his office, The salaries and allowances of the Chairman and the Deputy Chairman of the Council of States and the Speaker and the Deputy Speaker of the House of people.

The salaries and allowances and pensions of the judges of Supreme Court The salaries and allowances and pensions of the Comptroller and Auditor General of India, all fall under the charged expenditure.

5.3.2 Enactment of Budget

The passage or approval of the budget by the Parliament and ratification by the president is called as 'Enactment of Budget'. In the Indian Constitution, nowhere the founding fathers have mentioned the word "Budget". The word which they have used for budget is "Annual Financial Statement". The Art-112 of Constitution provides for all the provisions to enact an Annual Financial Statement.

Stages in Enactment

1. Presentation of Budget:

The budget in India is presented in Lok Sabha in two parts- Railway Budget which is presented by the Railway Minister in the third week of February, and General Budget which is presented by the Finance Minister on the last working day of the February. The finance Minister presents the General Budget with a speech known as the "Budget Speech". At the end of the speech in Lok Sabha, the budget is laid before the Rajya sabha in which the members can only discuss it but has no power to vote on the demands for grants or resend the Bill for reconsideration of the President.

2. General Discussion:

Few days after the presentation of budget, general discussion takes place in both the Houses. In this stage, the Lok Sabha can discuss the budget as a whole or on any question of principle involved therein but no cut motion can be moved nor can the budget be submitted to the vote of the House. The Finance

Minister possesses general right to reply at the end of the discussion.

3. Scrutiny by the Departmental Standing Committees:

After the general discussion on the annual financial statement is over, the Houses are adjourned for about three to four weeks. During this period of time, 17 standing committees of Parliament thoroughly examine and discuss in detail about the demands for grants of the related Ministries and prepare reports on them. These reports are submitted to both the houses of Parliament for consideration. It is an inbound financial control over the administration in the country.

4. Voting on Demands for Grants:

Once the reports are been submitted by the standing committees, they are brought up in the Lok Sabha for the purpose of voting on demands for grants. A demand becomes a grant after it has been duly voted. The sole power to vote on grants is vested in the hands of Lok Sabha only, and this voting is confined to the votable part of the budget whereas the expenditure 'charged' upon the Consolidated Fund of India is not submitted to vote. When the Budget is voted, the members can even discuss the details of the budget. They can also move motions to reduce any demand for grant. Such motions are called as "Cut Motion".

There are three types of cut motions

Disapproval of Policy Cut Motion

It literally means the disapproval of the policy underlying the demand. It states that the amount of the demand to be reduced to Re 1. They can also advocate an alternative policy.

Economy Cut Motion

It represents the economy that can be affected in the proposed expenditure.

Token Cut Motion

It mirrors a specific grievance which is within the sphere of responsibility of the Government. It states that the demand be reduced by Rs.100. This motion represents two purposes. It helps in initiating a concentrated discussion on a specific demand for grant.

It upholds the principle of responsible government as it probes the activities of the government.

Passing of Appropriation Bill

According to constitution of India "no money shall be withdrawn from the Consolidated Fund of India except under appropriation made by law". In order to this an Appropriation Bill is introduced to provide for the appropriation out of the Consolidated Fund of India for all money required to meet

1. The grants voted by the Lok Sabha.
2. The expenditure charged on the Consolidated Fund of India.

Passing Of Finance Bill:

The finance bill is a finance proposal of the Government of India for the following year, it is subjected to all the conditions of a money bill (Art-110). Unlike Appropriation Bill, the amendments such as rejecting or reducing a tax can be moved in the case of Financial Bill.

5.3.3 Execution of the Budget

The enforcement or implementation of the budget by the executive is called the execution of the budget. The Finance Ministry plays a central role in execution of the budget which gives directions to other departments/ministries. It has two parts Expenditure and Revenue.

Consolidated Fund of India

All revenues received and all payments debited by the government of India is done through the Consolidated fund of India. Government of India makes all legal authorised payments from this fund.

Public Account of India

All other Public revenues received by or on behalf of Government of India except those which are credited in the consolidated fund of India is credited to the Public Account of India e.g., Provident fund deposits, Saving banks deposits, departmental deposits.

Contingency Fund of India

The Parliament has been authorized by the Constitution to establish a 'Contingency Fund of India'. This fund is placed at the disposal of the President. The fund is held by finance secretary on behalf of the President.

5.4 DEFICIT FINANCING

Any public expenditure that is excess of current public revenue is generally referred to as Deficit Finance. Dr. V.K.R.V. Rao defines deficit financing as "the financing of a deliberately created gap between public revenue and public expenditure or a budgetary deficit, the method of financing resorted to by borrowing or a type that results in a net addition to national outlay or aggregate expenditure."

Deficit financing implies creation of additional money supply. According to the Planning Commission of India deficit financing in India includes:

1. By running down its accumulated cash reserve from RBI.
2. Issue of new currency by the government itself.
3. Borrowing from Reserve Bank of India

5.4.1 Concepts

Revenue Deficit:

The excess of expenditure on revenue account over receipts on revenue account is referred as revenue deficit. The expenditure on revenue account comprises of those items which do not create assets like expenditure on civil administration, defence, law and order, justice etc, where as receipts on revenue account includes both tax and non-tax revenues.

Budget Deficit:

When the total receipts of the government is less than total expenditure it is called as budget deficit.

Fiscal Deficit:

Fiscal Deficit = Total Expenditure – (Revenue Receipts + Non-debt Capital Receipts). Fiscal deficit indicates the total borrowing requirements of the government from all sources. This may also be called Gross Fiscal Deficit (GFD). It measures that portion of government expenditure which is financed by borrowing and drawing down of cash balances.

Primary Deficit:

It is simply fiscal deficit minus interest payments. In other words, fiscal deficit minus amount of interest paid by the government is called as Primary Deficit.

Monetised Deficit:

The budget deficit can be financed in two ways either by borrowing from the public or by borrowing from the RBI. When it is financed through borrowing from the RBI, it is called as Monetised Deficit.

Modern states have resorted to deficit financing under following circumstances:

To Finance War- The modern states have resorted to deficit financing to finance war operations. It becomes difficult to mobilize adequate resources through normal methods during war time hence; government has to opt for deficit financing.

Economic Development- As many developing and under developed countries do not have sufficient resources to finance public investment. Hence, use of deficit financing becomes essential for promoting economic development in developing and under developed countries.

Remedy for depression- In developed countries deficit financing is used as an instrument of economic policy for removing the conditions of depression. Prof. Keynes has also advocated for deficit financing as a remedy for depression and unemployment.

Granting Subsidies- In country like India government grants subsidies to the producers to encourage them to produce a particular type of commodity, granting subsidies is a very costly affair which we cannot meet with regular methods hence deficit financing becomes must for it.

5.5 PUBLIC DEBT

Public debt is an instrument of resource mobilization by the modern government. If revenue collected through taxes and other sources is not adequate to cover government expenditure, government may resort to borrowing. Such borrowings become necessary during financial crises and emergencies like war, droughts, etc.

5.5.1 Definitions

Philip E. Taylor: "The debt is in the form of promises by the treasury to pay to the holders of these promises a principal sum and in most cases interest on that principal.

J.K. Mehta: "Public debt carries with it the obligation on the part of the

government to pay money back to the individuals from whom it has been obtained.

5.5.2 Classification

It is classified in following ways:

1. Productive and Unproductive-

Productive debt is one which is incurred for those projects which yield income to the government. If the borrowed money is invested in the construction of railways, irrigation projects, power generations, etc. it adds to the productivity of the economy and also provides a continuous flow of income to the government. Unproductive debt, on the other hand, is one which neither yields any income to the government nor creates any asset.

2. Voluntary and Compulsory- When governments borrow money from public on voluntary basis in the form of market loans, bonds, etc it is called voluntary debt. When governments in extraordinary circumstances like war, famine etc borrow money through legal compulsion, it is called compulsory debt.

3. Internal and External- Internal debt refers to the funds borrowed by the government from various sources within the country. External debt refers to the funds borrowed by the government from various sources outside the country.

4. Redeemable and Irredeemable- The debt which the government promises to pay off some future date is called redeemable debts. When the government on the other hand, borrows without any intention to repay the same in future, is called as Irredeemable.

5. Funded and Unfunded- Funded debt is repayable after a long period mostly more than one year it is incurred to create a permanent asset. Whereas duration of unfunded debt is short term mostly within a year it is incurred to meet temporary gap in budget.

5.5.3 Redemption

Refunding- The government issues new bonds and securities in order to repay

the matured loans in this method. In other words matured or old debts are replaced by new debts.

Terminable Annuities- Every year an equal installment of public debt is being repaid by the government by issuing terminable annuities.

Conversion- Once the rate of interest falls the government converts the old loan into a new loan and thus reduces its interest payments.

New Taxation- When the government imposes new taxes and raises money for the repayment of old debts, it is called as New Taxation.

Currency Expansion- Under this method, the government prints more currency to repay the debts.

Other methods used by government are Capital Levy, surplus Budget, Surplus Bop, Repudiation, etc.

5.5.4 Burden

Public debt is a burden as it has to be repaid with interest it can be studied under the following heads:

Direct Money Burden - There is no direct money burden on the community as whole here as, the repayment of principal amount and the interest involves a transfer of purchasing power from one set of people to another within the country. Thus the aggregate position of the community remains the same.

Indirect Money Burden - It results through both the debts that is internal as well as external in case of Internal debt the productive spending by the government creates the demand for commodities and services. This imposes additional burden on the community due to rise in their prices. In case of external debt, the debtor-country's interest payment to creditor country in kind causes a decline of the economic welfare of the community as a result of increase in the prices of goods and services within the country.

Direct Real Burden- Internal debt imposes direct real burden on the Community by increasing economic inequalities. It is measured in terms of loss of welfare suffered by the citizens depending upon the proportion in which various members of the society contribute towards repayment of loan and interest. Some economists argue that the direct real burden falls on future generations.

Indirect Real Burden- Internal debt also has indirect real burden. Higher taxes may de-motivate the tax payers to work hard for higher incomes. This may have an adverse effect on productive activities in the country.

5.6 ACCOUNTS AND AUDITS

5.6.1 Meaning of Accounts

Keeping a systematic record of financial transactions can be referred as Accounts; it involves the collecting, recording, classifying and summarizing transactions of a financial nature and interpreting the result thereof.

The primary functions of systematic accounts according to L.D. White are as follows:

- To make financial record
- To protect those handling funds
- To reveal the financial conditions of the organisation in all its branches.
- To facilitate necessary adjustments in the rates of expenditure.
- To give information to those who are in responsible positions on the basis of which plans for future financial and operating programmes can rest.
- To aid in the making of audit.

5.6.2 Meaning of Audit

The chief purpose of audit is to ensure that the money drawn from the exchequer should be in conformity with the provisions of the Budget. Through audit, accounts are examined and it is ascertained that whether the money spent was available to the authority who spent it; whether it was spent according to the rules and regulations; whether it was judiciously spent and spent for the purpose for which it was sanctioned by the legislature etc. The Audit Report hence points out to the legislature the cases of expenditure contrary to the grants made by the legislature.

It is an instrument of enforcing accountability of administration to the legislature. If the audit occurs after the money is spent it is referred to as post audit and when audit occurs before the money is spent or during the process it is referred to as pre-audit or concurrent audit.

5.6.3 Role of Audit

Regulatory Audit- It ensures the conformity of expenditure to laws, rules and regulations and sees that it is supported by adequate vouchers.

Propriety Audit- It is concerned with the wisdom, faithfulness and economy of expenditure.

Performance audit- It is concerned with the appraisal of accomplishments.

Preventive Audit- It locates the procedural and methodological errors in transacting financial operations and prevent their recurrence.

Curative Audit- It detects the cases of embezzlements and misappropriations and helps in taking disciplinary action against the guilty officers.

Promotive Audit- It helps in administrative improvements and reforms by laying down new procedures and practices after studying the existing ones.

5.6.4 Separation of Accounts from Audit

The Indian Audit and Accounts Department was created in India in 1753. The office of the Comptroller and Auditor General of India came into existence in 1857, following a major re-organisation carried out by Lord Canning.

The Comptroller and Auditor General of India used to execute dual responsibility of accounting and auditing till 1976. It was a relic of the British rule and came to be criticized. The separation of accounts and audit was recommended by the Public Accounts Committee and the Estimates Committee on the following ground.

- The efficiency of Audit Department would increase as it will be relieved of additional burden of accounting.

- The combined system gave rise to a strong network of corruption and frauds and prevented their coming to light
- The Comptroller and Auditor General had to audit the accounts compiled by him self which placed him in highly embarrassing position and is against the practice of other modern governments which had separated the two functions.
- It would increase the Independence of audit.

5.6.5 Departmentalisation of Accounts

With the adoption of new scheme of departmentalisation of accounts in 1976, the central government separated accounting from audit.

Some of the salient features of the scheme are as follows:

- The CAG of India has been relieved of the dual responsibilities of accounting and audit and is now concerned with auditing only.
- Most of the payment and receipt functions from the treasuries, has been taken over by the administrative departments.
- The secretary of the respective ministry is designated as the chief accounting authority for all the transactions of the ministry as well as its attached and subordinate offices.
- The head of the payment and accounting organization of the ministry is the Integrated Financial Advisor.

He executes the following responsibilities on behalf of Secretary of Ministry who is the chief accounting authority.

- I. Formulation of the budget of the ministry and its departments.
- II. Control of Expenditure.
- III. Arranging payments sanctioned by the Ministry.
- IV. Consolidation of the accounts of the ministry as whole.
- V. Internal audit of payments and accounts.

The Integrated Financial Advisor is assisted by principal accounts officers, the heads of pay and accounts offices, the Controller of Accounts, and the chief Controller of Accounts.

5.6.6 Controller General of Accounts

As a part of the Department of Expenditure of the Ministry of Finance, a new office of the Controller General of Accounts was established in 1976. Matters relating to the departmentalization of accounts of the Central Government are administered by him.

Some of his responsibilities are given below

- He prescribes general principles and form of accounts of Central as well as state government and also frames rules and manuals relating thereto.
- The budget control, payments, receipt collection and accounting functions for the central government are carried by him.
- His technical advice is binding to all civil ministers and departments on various accounting matters.
- The monthly and annual accounts of the Central Government are consolidated by him.

5.6.7 Structure of Accounts

Article 150 of the Constitution of India states that, the forms of the accounts of the central and state government's is prescribed by the President of India on the advice of the Comptroller and Auditor-General of India. Rule 204 of Lok Sabha states that the budget may be presented to the Lok Sabha in which ever form as the finance Ministry may settle. In practice, the form of budget corresponds the form of accounts which could not meet the requirements of performance Budgeting. As a result a revised accounting structure was introduced in 1974 by the Central Government to serve the objectives of management and the need of financial control and accountability.

As a result of this revised scheme, a five tier classification of accounts has been adopted.

- ❖ Sectoral
- ❖ Major Head- representing a major function of the government
- ❖ Sub-Major Head- representing a sub function of the government
- ❖ Minor Head- representing a programme of the government.
- ❖ Sub Head- representing a scheme.
- ❖ Detailed Head- representing a sub-scheme.
- ❖ Object head- representing economic nature of expenditure.

In relation to sectoral classification the functions of government have been divided into 3 sectors- General Services, Social and Community Services, and Economic Services.

For any change in the major head the approval of the Comptroller and Auditor-General of India is required.

5.7 SUMMARY

Budget formulation, Deficit financing. Accounts and Audit are the measures of financial administration in India. A sound procedure in finance administration ensures economic health of the country.

5.8 UNIT END QUESTIONS

1. Elucidate on the Indian audit system.
 2. Discuss the importance of separation of Accounts from Audits.
 3. Discuss the various forms of Budget.
 4. Write a note on Deficit Financing
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UNIT - 6

ADMINISTRATIVE LAW

ADMINISTRATIVE TRIBUNALS, DELEGATED LEGISLATION

Unit Structure

- 6.0 Objectives
- 6.1 Introduction
 - 6.1.1. Sources of Administrative law
 - 6.1.2. Characteristics of Administrative law
 - 6.1.3 Universal nature of Administrative Law
 - 6.1.4 Reasons for the growth of administrative law
 - 6.1.5 Functions of Administrative Law
- 6.2 Administrative Trabunals
- 6.3 Delegated Registration
- 6.4 Summary
- 6.5 Unit End Questions

6.0 OBJECTIVES

1. To understand Administrative law
2. To understand what are Administrative Tribunals
3. To understand the concept of Delegated Legislation.

6.1 INTRODUCTION

Historically speaking, administrative law has existed in all countries at all times. In modern time, its growth has been phenomenal thanks to Industrial revolution in Europe. Hence it is referred to as 'a new development'.

In 20th century, the concept of 'welfare state' became highly popular. Consequently it increased the functions of government. The government was expected to provide to

people 'womb to tomb' services. This is why the size of governments expanded beyond imagination with corresponding growth in the administrative law.

Administrative Law is new branch of law which is nothing but sum total of principles and practices relating to public administration. It is regarded as one of the two important branches of Public Law. The other branch is constitutional law.

Administrative law determines the organization, functions, powers and duties of administrative authorities. This branch also aims to provide legal limitations on uncontrolled discretion to power and use of authority. Administrative law includes laws which put controls on the administration as well as those laws made by the administrative authorities.

6.1.1. Sources of administrative law:

Normally administrative laws of a country springs from the Constitution of the country, enactments, resolutions, Ordinances, rules, regulations, orders issues by the administrative authorities, etc. In addition to these, the customs of the society, conventions and judicial decisions are also important sources of administrative law.

The purpose of the administrative law is to promote welfare of the people. The other side is to offer quick and inexpensive justice to the needy and poor. As it is noted, 'justice is delayed is justice denied'. This is precisely why administrative law plays an important role in rendering justice.

Definitions of administrative law

Many scholars have given definitions of administrative law. Here are some important definitions.

Jennings: 'Administrative law is the law relating to the administration. It determines the organization, powers and duties of administrative authority'.

Professor Wade: 'Administrative law is concerned with the operation and control of the powers of administrative authorities with emphasis on functions rather than on structure.'

Professor Hart: 'Broadly conceived, administrative law includes law that is made by as well as law that controls the administrative authorities of a government'.

Robson: 'Administrative law should be regarded as the law relating to Public Administration, in the same way as commercial law consists of law relating to commerce, or land law, the law relating to land law'.

Analysis of above definitions would reveal the **nature of administrative law**. This law deals with composition and powers of different organs of administration, the limits of their powers; the procedure which the administrative authorities adopt in the exercise of their powers and the various modes of control including particularly judicial control over the different kinds of powers exercised by them. It deals with quasi-legislative and quasi-judicial powers of the administrative authorities along with their executive powers and their control.

Thus administrative law is primarily concerned with the judicial restraints over administrative powers. The rules of judicial restraints are generally derived from some basic principles of constitutional law, rule of law and the principles of natural justice. The administrative authorities are supposed to act within the powers given to them by the acts and statutes. Though they are given discretionary powers, these must be used by them in public interest based on policy.

6.1.2. Characteristics of Administrative law

With above discussion, one can identify some characteristics of the administrative law, which are as follows:

First, it subordinates the common law rights of personnel freedom and private property to the conception of special or common goods. It emphasizes the social interest as against the individual's freedom.

Second, as the object of the administrative law is the enforcement of social policies, it lays down certain flexible standards to be applied to cases instead of strict legal rules to be followed.

Third, as many of the standards established by administrative law related to highly technical matters, their interpretation and application is left to the administrative tribunals especially put together for the purpose.

Four, administrative law places public interest in an advantageous position over the private individuals.

Five, administrative law is not codified and is essentially in an experimental and dynamic condition. In other words, it is law in the making.

Dicey on Administrative Law

British scholar Prof Dicey argued that one should focus on French system and compare it with other systems. The French system is known as French Droit Administrative. According to the French system, if citizens were not happy with official action, they

could seek justice not in regular judicial system but in administrative courts. These administrative courts are manned by senior civil servants.

Prof. Dicey was not happy with French system. He observed that the basic principle of British system was the 'rule of law'. Consequently there could be no room for administrative law in British system and hence the French system of Droit Administrative would have no role in British system.

Dicey pointed out three distinct features of Droit Administrative. Firstly, the rights of state are determined by a special body of law and rules which are not applicable to the citizens. Secondly, ordinary courts have no jurisdiction in cases in which the state or its officials in their official capacity are a party. Such cases can be tried only by administrative courts where the judges would be senior civil servants. And thirdly, the officials enjoy special protection for wrongful acts done in the course of their duty.

On the other hand, the British system has three different features. Firstly, the absolute supremacy of the administrative authorities and under which no person was punishable except for an actual breach of law proved before the ordinary courts. Secondly, the equal subjection of all the classes, official or non-official to the ordinary law of the land administered by the ordinary law courts. And thirdly, the primacy of the rights of the individuals, which has defined and enforced by the courts. These are the three features of British system. Same perspective prevails in the USA too.

Criticism of Dicey's views

This does not mean that Prof Dicey's views are acceptable to all scholars. Scholars like J H Morgan, Ivor Jennings W A Robson and others have observed that Dicey was wrong in his appraisal of the nature and effects of the French system. Dicey had noted that the French system offers special protection to civil servants in their dealings with the citizens. Here Dicey assumed that these courts manned by civil servants could not have independence of the ordinary courts and must be partial to the officials. This however was not factually correct.

Over a period of time, the independence status and well-developed jurisprudence which insisted of being a menace to the liberty of the citizens has in fact the bulwark of the protection. Every year, in hundreds of cases, these courts have given decisions in favour of citizens. Not only this, the government has paid compensation to citizens from government funds. Here the underlying principle is that the State is responsible for the acts of its officials while in UK it is not so.

6.1.3 Universal nature of Administrative Law

By now it should be clear that by its very nature, the administrative law is universal. Whether it is French-type of system or whether it is UK-type system, there exists administrative law in all countries. Wherever there is public administration, there must be administrative law. The level of its development may vary from country to country. In some countries, the legal study may not have reached advanced state, but there would exist administrative law in some form or the other. There is no denying this fact.

6.1.4 Reasons for the growth of administrative law

As we have already noted, the administrative law is a development of 20th century. Today it is formed in all parts of the world. It has witnessed rapid growth and at times it has left behind the constitutional law. The central concern of administrative law has been the legal limitation on administrative discretion. Scholars have identified some reasons for the growth of administrative law, which are mentioned below:

1] Socio-economic functions of the State: One of the important features of 20th century is the popularity of 'welfare state', which is supposed to offer people all types of services. In modern times, State has undertaken multifarious functions which were not performed by state in earlier times. Before the emergence of the welfare State, state was primarily concerned with maintenance of 'law and order' and 'revenue collection'. (Police state) A modern state is loaded with many socio-economic development functions like supply of potable water, primary education, Health services, etc. These new functions and are in addition to the conventional functions and not instead of them. Consequently, the ordinary citizens are bound to come in direct contact and at times confrontations with the administration. This is why administrative law is being increasingly developed to prevent the administration from degenerating into arbitrariness, unfairness and abuses of its powers.

2] Industrial development: With rapid industrialization, the responsibilities of the state towards its citizenry has increased manifold. Industrialization has created huge urban centres, metros and mega-metros. These centres have problems like housing, waste disposal, drinking water, slum development and various diseases. The administration has to intervene in the interests of public safety and health since state has today assumed the role of a maternal state. The role of state now covers problems like unemployment, old age security, production and control of essential commodities and other public utilities.

To fulfill these responsibilities, the State has to be armed with judicial and legislative powers. The Legislature finds it extremely difficult to work out the details of every legislation with competence. It normally lays down broad policies and leaves the details to the executive power to work out the details by framing rules, regulations as it may

deem fit. This aspect needs trained personnel who are available in the executive branch of government. In the other words it is called as delegated Legislation.

3] Scientific and Technological developments: On the one hand, the science and technological innovations have bettered human life, on the other hand these have brought in new problems for administrative authorities. These new problems are rapid urbanization, environmental pollution, traffic and rising unemployment. Modern societies have witnessed new problems like concentration of wealth in few hands, adulterated food items, drugs, smuggling, etc. All these problems demand new power to administrative authorities to deal effectively with these problems. This is why administrative law has emerged as new and fast growing branch of administration.

4] Control of administrative discretion: It is clear by now that in modern world, government administration has come to assume enormous powers. Quite often it leads to negation of the right of the people, rule of law and democracy. This is the importance of the administrative law which controls the government machinery. The administrative law attempts to devise all the modes to safeguard against the misuse of the power. In other words, one could attribute the tremendous growth of administrative law to phenomenal increase in powers of government.

With the expansion of state functions providing citizens 'womb-to-tomb' security, there is corresponding jump in the powers of the civil servants and ministers. They have got tremendous discretionary powers which may lead to corruption, nepotism and favoritism. The entire purpose of the administrative law is to curb these discretionary powers.

6.1.5 Functions of Administrative Law

As noted, modern legal system is unthinkable without administrative law. This branch of law has come to stay in modern life. Almost all countries of the world today believe in the concept of 'welfare state'. This automatically spells the functions of administrative law. It is mainly about finding ways and means to ensure that the government system does not indulge in favoritism. The purpose of administrative law is to keep check on the executive.

Other important function is the reconciliation of freedom of citizens and necessities of modern government to ensure distributive justice. Administrative law ensures that government does not function arbitrarily. Further, it also provides for a fair administrative procedure to minimize arbitrariness on the part of administration.

Conclusions:

It must be mentioned at the outset that the administrative law is negation of rule of law. Under administrative law, authorities get a privileged position vis-à-vis ordinary citizens. If there is no administrative law, the discretionary powers could be misused. This is why this branch of law has been criticized often. Lord Hewart even criticized administrative law as 'organized lawlessness'. This may be a harsh comment but then the reality is that the administrative law does privilege government authorities. One has to learn to live with the administrative law.

6.2 ADMINISTRATIVE TRIBUNALS

6.2.1. Introduction:

All over the world, today government is one of the biggest employers. In case of countries like India, government is the biggest employer. It means for government servants, government is employer. And there would be clashes between employer and employees. Such disputes would run into lakhs and crores. If the conventional judicial system were to look into these disputes, there would be huge backlog. And hence all over the world, tribunals are a popular form of adjudication.

They can be defined as administrative tribunals those authorities which function outside the ordinary judicial system. They interpret and also apply the laws when orders/actions of public administration are criticized in a formal suit or by some other established procedures'. This means an authority to be tribunal must be constituted by the state and be vested with some judicial powers of the state. This also means a certain body may be administrative, but if it performs the function of adjudicating the disputes between two parties and it exercises judicial power given to it by the state, then it can be characterized as a tribunal.

Tribunals are basically administrative bodies that are set up solely with the purpose of discharging quasi-judicial functions. They are expected to observe principles of natural justice of fair-hearing while deciding the cases.

Distinction between the Administrative Tribunal and the Court

If we refer to dictionary the word 'tribunal' means 'seat of judge'. These days, the tribunals are understood to mean a body other than the regular courts which are empowered by law to adjudicate.

In a way a tribunal is wider than conventional court. In fact we can say that all courts are tribunals but not all tribunals are courts. To understand this properly, we must first understand what a court is. A court enjoys following characteristics:

- a. A court must be recognized as court by law of the land.
- b. A court must decide the disputes on the basis of law and not by voluntary submission of the parties involved.
- c. A court decides the matter objectively.
- d. A court is normally bound by the precedents.

Compared to courts, tribunals do look like traditional courts in many ways. As we could see, both are established by the law of the land. Both are given specific judicial powers. Both decide the cases but their verdicts can be appealed to the higher authorities.

Despite these similarities, tribunals are not strictly courts. These differences are listed below:

- a. A court of law is part of traditional judicial system. On the other hand tribunals are the agency created by law and is given specific powers.
- b. Judges leading traditional courts are independent of executives in terms of their salaries, perks, retirement benefits, etc. Whereas the tribunals are under government influence to a great extent.
- c. Judges of traditional courts are formally trained in law whereas it may not be the case the tribunals.
- d. A court of law is bound by the rule of evidence and procedures, the tribunals work on the principle of natural justice.
- e. Most important, a court of law can declare a law as 'illegal law' but a tribunal does not enjoy any such power.

These are some important differences between conventional court and tribunal.

Growth of administrative tribunals:

As noted today we find administrative tribunals practically in all countries of the world. This is because it is the most convenient method of dispensing justice. Following reasons can be cited to understand their growth:

1. The justice obtained through administrative tribunals is quite inexpensive compared to justice received through conventional judicial system.

2. All over the world and especially in India, the judiciary is bogged down under the weight of backlog. In this context one can easily understand the growing popularity of administrative tribunals as they offer speedy justice and one does not have to wait many years for justice.
3. One of the most important reasons for the popularity of administrative tribunals is that they are administered by experts in the respective field.
4. While the conventional judicial system must function according to well established procedure, the administrative tribunals are quite flexible in functioning. The administrative tribunals are not bound by the conventional procedure that a court must follow.
5. The administrative tribunals offer tremendous relief to the conventional judicial system. This is because the tribunals approach people via-media before approaching the established judicial system. This is why the load on conventional judicial system is lessened to a considerable extent by the various tribunals.

These are the reasons as to why the administrative tribunals are quite popular today. No wonder they are growing all over the world for the advantages they offer.

Indian Constitution and Administrative Tribunals:

It is interesting to note that original Constitution of India did not mention tribunals. As Indian Republic progressed we realized the need for this and the end amendment 1976 provided for this. The 42nd amendment added a new Part XIV-A and the title of this part is tribunals' which has two articles- Article 323 A which deals with the administrative tribunals and Article 323 B which deals with tribunals for other matters.

Administrative Tribunals:

As noted the Article 323 A deals with the administrative tribunals. This article empowers the Parliament to provide for the establishment of administrative tribunals for the adjudication of disputes relating to recruitment and conditions of service of government servants of the Centre, the states, local bodies, corporations and other public authorities.

In other words, Article 323 A enables the Parliament to carry out the adjudication of disputes relating to service matters from civil courts and the high courts and place it before the administrative tribunals. On the basis of Article 323 A, the Parliament has passed the Administrative Tribunals Act in 1985. This act authorizes the Central government to establish one Central administrative tribunal and the state administrative tribunals.

This act opened a new chapter in the sphere of providing speedy and inexpensive justice to the aggrieved public servants.

Central Administrative Tribunal [CAT]:

Pursuant to the Administrative Tribunal Act, 1985, the Central Administrative Tribunal [CAT] was set up 1985 with head office at Delhi and branches in various states. At present, the CAT has 17 regular branches.

The CAT exercises original jurisdiction in relation to recruitment and all service matters of public servants covered by it.

6.2.2 Characteristics of Administrative Tribunals

It should be clear by now that the Administrative Tribunal is not a conventional court nor it is an executive body. It is placed somewhere in-between. It can be described as a compromise between the executive and the judiciary. The members of the tribunal are appointed by the government and more often than not, they are senior officials, yet they work independently. While deciding a matter they are required to follow the technical rules of procedure and evidence which are followed in a conventional court. With this, one can list some of the important characteristics of the tribunals:

1. Administrative tribunals are established by the government according to the legal provisions.
2. It is a quasi-judicial body.
3. It enjoys powers of a civil court
4. It is an independent body.
5. It is required to observe the principles of natural justice.
6. It is not a conventional court.

These characteristics should clarify the nature of administrative tribunals.

Tribunals in India:

Over a period of time we find many types of tribunals in India. Some of them are:

- [1] Appellate Tribunal for forfeited property [2] Customs, Excise and Service Tax Appellate Tribunal [3] Income Tax Appellate Tribunal [4] Railway Rates Tribunal [5] Industrial Tribunal and [6] Armed Forces Tribunal.

These are some of the important tribunals functioning in our country.

Conclusion:

Despite the reservations expressed by many scholars against the tribunals, one must accept the fact that in modern world, tribunals play a very important role.

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[1] 'Indian Polity' by Laxmikant

[2] Public Administration by B L Fadia and Kuldeep Fadia

6.3 DELEGATED LEGISLATION

Democracies all over the world use People's representative bodies to make new laws. This is regarded as primary function of democracy whether the country practices presidential form of government or parliamentary form.

For years this was the case. But with life getting more and more complicated and new techno-economic issues coming to surface, the ability of People's representatives to comprehend and legislate on such complex issues became less. This is how the concept of 'delegated legislation' came into existence.

Today, a great deal of legislation takes place outside the legislature i.e. in governments departments.

The concept of delegated legislation means that the people's representatives would give a broad skeleton of the law to be passed and the experts working in and outside the government would fill the details with their expertise. This is how the delegated legislation operates in everyday life. And the 'delegated legislation' is also known as 'secondary legislation', or 'subordinate legislation', the primary being the legislation created by the People's representatives. The purpose of delegated legislation is to grant the executive agency power to implement and administer the requirements of that primary legislation.

This is a global trend. Like England and America, the amount of delegated legislation in India far exceeds the number of Statute laws. The concept of delegated legislation has come to stay in modern governments.

What is Delegated Legislation?

- MP/MLAs make the law in a broad, skeletal form

- Then the executives [at union/state government level] fill up the minor technical details.
- It means the law-makers have partially outsourced the law-making.

6.3.2 Reasons for the growth of Delegated Legislation:

Scholars have noted the enormous growth in delegated legislation in recent years. This growth is parallel to the growth in the functions of the state in modern governments. One can list the factors responsible for this phenomenal growth, which are as below:

1. **Pressure of Legislative work:** In modern societies, even the legislatures have become very busy with various other activities. Also, each legislature has to function within the given life. It could be five years or four years, depending on the constitution of the country. Within this given span, the legislature has to attend to many things. This is precisely why they cannot go into minute details of the proposed act.
2. **Technicality:** Since modern societies have become complex, the laws to be passed for such societies too have become complex and highly technical in nature. The legislatures do need the help of technocrats and experts.
3. **Unforeseen Contingencies:** The legislature has to empower the executive with adequate authority to take care of contingencies like wars, epidemics or floods, etc.
4. **Flexibility:** To implement laws passed by the legislature, the executives make rules which are flexible. Such flexibility is possible under the delegated legislation.

These factors should inform us about the factors responsible for the growth of Delegated legislation. This is a global phenomenon.

6.3.3 Advantages of Delegated Legislation:

It should be clear by now that delegated legislation is an indispensable part of modern governments. This is because it offers following advantages:

- A] The delegated legislation saves a lot of time of the legislature and frees it from the burden of details.
- B] Here it possible to consult the interests affected. The technocrats and experts, who are entrusted with making operative rules, have the liberty of discussing the various issues with the parties which would be affected by the proposed act.

- C] Under delegated legislation, flexibility is possible as rules can be change as per the changed circumstances. This is not possible in case of laws passed by the legislature.
- D] Here experts get a chance to provide the details for an act to make it easily operative and pro-people. Such details can be worked out better by the experts than people's representatives.
- E] Most important, Parliament is not always in session. Some situations may demand immediate response which is possible only through delegated legislation.

6.3.4 Disadvantages of Delegated Legislation:

If delegated legislation enjoys above-mentioned advantages, it also suffers from following disadvantages:

- A] Though delegated legislations have become essential in modern societies, one should not forget that they pose a danger to democratic and free societies. Under this, the technocrats and experts get enormous amount of discriminatory powers. This may ultimately lead to arbitrary rule and undemocratic regime.
- B] Even though the delegated legislation should be given some limited powers, in reality they get enormous powers. This really defeats the purpose of delegated legislation.
- C] Since rule-making is entrusted to the technocrats and civil servants, the very purpose of the act may be lost as these people are not aware of its real purposes which the political class is well aware of.
- D] The power of rule-making in the hands of bureaucracy may lead to corruption in the government and ultimately in the whole society.
- E] Though the rule-making power given to bureaucracy brings in flexibility, too much flexibility and frequent changes may bring in chaos and confusion among the people.
- F] When rule-making power is given to civil servants, they may misuse it and serve the interests of powerful sections of society. This is the real danger.

These are the disadvantages of delegated legislations which must be guarded against.

6.3.5 Safeguards in Delegated Legislation:

Though delegated legislation has some serious disadvantages, there is no alternative to this. And hence, we must think of safeguards to prevent misuse of delegated legislation. These safeguards are discussed below:

- A] Normal Purposes: The delegation of legislative powers should not be done in the cases where the purpose is unusual and serious in nature. The delegation should take place in case of normal purpose where misuse is unlikely to happen.
- B] Publicity: Delegated legislation should be given adequate publicity through mass media and people should be invited to give their suggestions.
- C] Well defined limits: When the legislature delegates power, it must set proper limits within which the experts should frame rules and regulations.
- D] Judicial review: Modern democracies arm their judiciary with the power of judicial review. Delegated legislation should be under the purview of the judicial review. The judicial review has the power to declare any rule 'ultra vires'.
- E] Parliamentary scrutiny: In parliamentary democracies like UK and India, there exists an elaborate system of parliamentary scrutiny through parliamentary committees.

Through such safeguards, one can control the likely misuse of delegated legislation in democratic governments.

6.4 SUMMARY

Administrative Law, thus refers to the principles and practices of law relating to public administration. Administrative Tribunals are the tribunals that perform functions of adjudicating disputes related to public administration.

Let us not forget that like Tribunals, the concept of Delegated Legislation has come to stay. Today we are governed more by rules than by act of legislature. Hence we must not fear delegated legislation and learn to live with it and make it work for making our democracy better.

6.5 UNIT END QUESTIONS

1. What is Administrative Law
2. There has been growth in delegated legislation Explain.
3. Write a note on Administrative Tribunals.

UNIT - 7

ACCOUNTABILITY AND CONTROL

Concept of accountability and control: Legislative, Executive and Judicial

Structure

- 7.0 Objectives
- 7.1 Introduction
- 7.2 The Concepts of Accountability and Control
 - 7.2.1 Accountability
 - 7.2.2 Control
- 7.3 Legislative Control
 - 7.3.1 Parliamentary System
 - 7.3.2 Presidential System
 - 7.3.3 Limitations of Legislative control
- 7.4 Executive Control
 - 7.4.1 Types of Executive Control
- 7.5 Judicial control and administration
 - 7.5.1. Scope of Judicial Control
 - 7.5.2 Forms of Judiciary control
- 7.6 Summary
- 7.7 Unit End Questions

7.0 OBJECTIVE

1. To understand Legislative, executive and Judicial and accountable at control over administration.

7.1 INTRODUCTION

In a democratic government accountability and control are essential aspect of Public Administration. Accountability occurs after the job is complete or when some work has been done whereas control is performed simultaneously as the work is being done, side by side.

7.2 THE CONCEPTS OF ACCOUNTABILITY AND CONTROL

7.2.1 Accountability

The Oxford Dictionary defines it as “liable to be called to account, responsible (to, for)”. Accountability is to take complete responsibility by a person or an organisation for what he/she or the organisation did or failed to do (which was their duty). They must be able to give a satisfactory reason for it and for the use of authority entrusted in them to carry out that responsibility.

The two terms administrative accountability and administrative responsibility are often used interchangeably. According to L. D. White administrative responsibility consists of the sum total of the constitutional, statutory, administrative and judicial rules and precedents and the established practices by means of which public officials may be held accountable for their official actions on the other hand distinguished between accountability and responsibility. According to him, accountability refers to the formal and specific location of responsibility, where as responsibility has a highly personal, moral quality.

Administrative accountability, takes place in a double dimension-vertical and horizontal. In its vertical dimension Administrative accountability is a relationship that links inferior administrative positions with superior-political or administrative-ones. And in its horizontal dimension, administrative accountability links the individual administrator and the public administration as a whole 1.with the citizens as a concrete subject or user of the service, and also 2.with other external organs of supervision and control established to this purpose, such as oversight bodies, auditors, comptrollers.

Administrative officers though are not accountable to the people or their representatives but there are vigilance authorities and Ombudsman who keep a tab on them, they are also indirectly accountable for their actions/exercise of authority to the people through the political executives and court of law.

7.2.2 Control

The Oxford dictionary defines it as the power to influence or direct people's behavior or the course of events. It is a contemporaneous mechanism to check whether work is being done in a proper manner as specified, on time. Control is essential to ensure that the public servants exercise their powers and discretion in accordance with laws, formal rules and regulations, and established procedures and conventions. Accountability is a kind of

management control. It helps managers to check the effectiveness of managers.

There are two types of Administrative control

1) Internal Control: It is exercised by superior over the subordinates within the chain of hierarchy or by other parallel agencies in the executive branch of government. It consists of directing, regulating, supervising, advising, and evaluating, and it is embedded between in the administrative machinery itself.

- Hierarchical order- Every administrative department is arranged on scalar pattern and executives are organized in hierarchical order. The executives are linked with superior-subordinate-relationship with clear authority and responsibility. They are accountable to their respective superiors for their actions and dealings. Thus hierarchy itself a powerful instrument for monitoring subordinates behavior and for enforcing accountability.
- Personnel management control-Every official is made aware of his rank, grade and salary and there are rules and regulations that govern the work conditions and conduct of the personnel and if that is not followed, a pre-prescribed punishment is meted out.
- Organisational and method/management control- Regular inspections are done and requisite training is provided to officials for efficient execution of their responsibilities.
- Administrative ethics and professional standards - Moral and accepted beliefs of behavior are promoted amongst officials.
- Leadership - Leadership acceptance increases with an increase in hierarchy and position and that is encouraged to keep the motivation and morale of officials going. It should not be seen only in the negative light of a control mechanism for irrational patterns of individual's employees' activities but as a positive mechanism for harmonizing individual's activities into rational patterns.

2) External control: it operates from outside of administrative machinery and works within general constitutional framework of the system. It is exercised by the external bodies such as Legislature Executive and judiciary.

7.3 LEGISLATIVE CONTROL

In any representative democratic government, whether Parliamentary or presidential, the legislature is the supreme organ of the government as it consists of the representatives of the people. The public servant should not only be responsive but also responsible to the people i.e. must receive orders, must report compliance and must explain deviations to the people acting through their elected representatives.

7.3.1 Parliamentary System

The practice of the Parliamentary Government has devised a number of means by which the Parliament can keep the political executive as well as the civil servant responsible to them. Though civil servants in this system are not responsible directly to Parliament as they cannot be called to the Floor of the House but as they work under the cloak of ministerial responsibility the Parliament holds them accountable through their Ministers who have to assume responsibility for the officers working under them.

Control of Administrative Policy-

The Parliament lays down the general policy by enacting the necessary legislation. Since the Parliamentary Government is run by the rule of the law, legislative process provides a very important instrument to the Parliament to influence the Government policies. Even where the Parliament delegates the responsibility to make rules and regulations etc. it retains control by asking the executive to place these rules, regulations etc., on the floor of the House.

Law Making- it is the most essential function of the parliament. The Parliament lays down the policies of the government by enacting or amending or repealing laws. Parliamentary laws determine and condition the organisation, structure, powers, functions and procedures of the administration.

Question Hour - The first hour of business of the day in the Parliament is the question hour every day. During this period the Members of Parliament ask any questions to the Government and the concerned Ministers have to answer them. The questions are of three types, viz. starred, unstarred and short notice.

A starred questions requires an oral answer and hence supplementary questions can follow

An unstarred question requires a written answer and hence, supplementary questions cannot follow.

A short notice question is one which is asked by giving a notice of less than ten days.

This device has been found very effective in keeping the Ministers and the civil servants on their toes. While the Minister actually answers the question, the civil servants have first to prepare the answers and get them approved by the Minister.

Zero Hour- This is an Indian innovation in the field of Parliamentary practice. It has emerged since 1962. It is an informal device available to the members of the Parliament to raise matters without any prior notice. . It is an extra-regular method and is invoked by the Members in the House immediately after the question hour but before the regular business of the day is taken up. That is why it is called the zero hour.

Half-an-Hour Discussion- it is meant for raising a discussion on a matter of sufficient public importance which has been subjected to a lot of debate and the answer to which needs elucidation on a matter of fact.

Short Duration Discussion- it is also known as two hour discussion as the time allotted for such a discussion should not exceed two hours. The members of the parliament can raise such discussions on matters of urgent public importance.

Calling Attention- Sometimes the Members bring to the notice of the House some very urgent matters through the device of calling attention motion. In this matters of immediate concern can be raised in the House for example a terrorist attack, Railway accident etc.

Adjournment Motion- On intimation of an urgent matter for debate, the normal business of the House is adjourned and the debate on the topic ensues. If allowed by the Presiding Officer, it results in the suspension of all other business of the House and immediate discussion on the subject. However, this device of adjournment motion is usually not permitted by the Speaker.

No Confidence Motion- Article 75 of the constitution states that the Council of Ministers shall be collectively responsible to the Lok Sabha. It means that the ministry stays in office so long as it enjoys confidence of the majority of the members of the Lok Sabha.

Budgetary control - Every department and official is given information about the amount of funds they have and they have to perform within it, if it goes overboard then they are accountable. Such funds are passed by the Parliament/Legislature through voting and are not easy to get and once they are used they are

audited by the CAG. The Finance Ministry sanctions funds to the departments and Ministers once Parliament passes it.

Audit and Report-

The accounts of the Government are maintained and audited by the CAG (Comptroller and Auditor General) of India on behalf of the Parliament. The CAG audits the accounts of government and submits as annual 'Audit Report' about the financial transactions of the government. The report of CAG highlights the improper, illegal, unwise, uneconomical and irregular expenditures of the government. As CAG is an agent of Parliament the financial accountability of the government to the Parliament is secured through the Audit Report of CAG.

Public Accounts Committee -

It was set up in India in 1921 under the provision of Government of India Act of 1919, At present it consists of 22 members 15 from Lok Sabha and 7 from Rajya Sabha. The members of the committee are elected by the Parliament from among themselves according to the principle of proportional representation by means of a single transferable vote Thus, all parties get due representation in it. The function of the Committee is to examine the annual audit reports of the CAG of India which are laid before the Parliament by the President. A discussion on the report of the PAC provides the Parliament an opportunity to pinpoint comments on the working of the Government. These discussions often result in suggestions for the improvement of the working of the executive. This type of control exercised by the Parliament is often said to be in the nature of post-mortem examination. But, it also gives an opportunity to improve the future performance in the light of the past mistakes.

Estimates Committee-

This Committee of the Parliament examines the estimates of the Departments before they are included in the budget. The Committee also suggests measures of economy and efficiency in the Government which have a great bearing on the tone of administration. The discussion on the report of the Committee gives the Members an occasion to discuss and criticize the working of the Government Department which have been studied by the Committee.

Committee on Assurances

This Committee functions under the control of the Speaker. It examines the assurance, promises, undertakings, and so on, given by ministers. For this purpose it obtains the report on compliance from the concerned Ministries and departments. After examining them the Committee submits its periodical reports to the Parliament. This gives the Members of Parliament an opportunity to have a look at the report and thereby to exercise control over the fulfillment of the promises made by the ministers to the Parliament. The Committee has accordingly strengthened Parliaments control over the administration. Ministers can no longer afford to make false statements and exaggerate the promise.

Committee on Subordinate Legislation

During law making process Parliament leaves a number of matters to the executive for making rules, regulations etc. These rules, regulations should be in conformity with the general scheme of laws indicated by the Parliament. For this purpose, the Committee on Subordinate Legislation examines these rules, regulations, etc., and presents its report to the parliament. This gives the Parliament enough control to ensure that the powers of the delegated Legislation are not misused by the Government.

Committee on Public Undertakings-

It was created in 1964 on the recommendation of the Krishna Menon committee. Originally, it had 15 members which were raised to 22 in 1974. The members are elected in the same way as the members of PAC. The Chairman is appointed by the Speaker. Its main function is to examine the reports and accounts of Public Undertakings. It also examines the report, if any, of the CAG on Public undertakings. Further it also exercise such other functions vested in the CPA and CE in relation to public undertakings as may be allotted to the Committee by the Speaker from time to time.

Departmental Standing Committees-

There are some 17 standing committees in the Parliament which exercise control over the executive, particularly financial control. All the ministries/departments of the Central Government come under their jurisdiction. Each standing committee consists of 45 members 30 from Lok Sabha and 15 from Rajya Sabha. The important functions of each of the standing committees are as follows:

- a) To consider the demands for grants of the concerned ministers/departments and make a report on the same to the House.
- b) To examine bills pertaining to the concerned ministries/departments and make report thereon.
- c) To consider annual reports of ministries/departments and make reports thereon.

7.3.2 Presidential System

The system of legislative control over administration in the presidential form of government is different from that of parliamentary form of government. Under this system there is a greater separation of powers between the Executive and the Legislature. The executive does not sit in the Parliament nor is answerable to it very often the Executive does not even have the required majority in the House. In such a situation the usual device available in the Parliamentary form of Government, namely, questions, discussions, no confidence motion, etc., are not available in the Presidential system.

For e.g. The president of USA enjoys a fixed tenure of four years and cannot be removed before the completion of his tenure in normal circumstances. Further the President need not have majority support in the Congress for his continuity and survival in office as they are not the members of the Congress and do not participate in its proceedings. Under such circumstances, the Congress in the USA exercise control over administration through the following tools:

- a) The Congress creates executives, departments, commissions, boards and other administrative agencies. It also determines their structure, organization, powers and functions. In fact organisations like Independent Regulatory Commissions are directly answerable to Congress under specific statutes.
- b) The Congress appoints a number of committees to investigate various matters of importance pertaining to the actions of the executive. These Congressional Committees go into the working of the departments and are often dreaded by them.
- c) In Presidential system the congress lays down policies, methods and procedures it enacts laws or amends and repeals the existing laws to lay down public policies, methods and investigation.
- d) In Presidential system the Legislation is meant to exercise more control than in Parliamentary System. e.g. Budgetary Process. The Congress controls the receipts through taxation and expenditure through Appropriation Acts. It also fixes the purpose

and amounts of expenditure, ceilings on various items and examination of accounts and audits.

- e) Equivalent of No Confidence Motion. The equivalent of no confidence motion is impeachment. The Congress can remove the Chief Executive i.e. President through the process of impeachment which is a much more difficult process than the confidence motion available in the Parliamentary System. Direction of Administration by elected representatives as under the Commission plan of city government.

7.3.3 Limitations of Legislative control

Though the above information provides a scenario which shows that Legislature has immense control over administration but in reality, in Parliamentary countries like India the control is not as effective as it ought to be.

- Executive plays a decisive role in policy formulation. The bills are initiated by the Government. In fact, there are few private bills presented in the house and still fewer which are accepted. The legislative leadership is usually with the executive.
- The work of government has increased in such volume and complexity that the Legislatures are usually left with very little time to exercise control over the executives.
- The financial committees like Public Accounts Committee examine the public expenditure after it has been incurred by the executive. Thus, they do post mortem work.
- The Parliament cannot raise tax without an executive's proposals. Of course, it can reduce or reject the tax, but tax can be proposed or increased only when it is initiated by the executive.
- There are some areas on which the Control of the legislature is almost minimal. One such area is Defence. Defence matters are not thoroughly discussed due to the veil of secrecy surrounding them.
- Lack of a strong and steady opposition in the Parliament, and a setback in the parliamentary behavior and ethics, have also contributed to the ineffectiveness of legislative control over administration in India.
- How does the legislature keep a control over administrations?

7.4 EXECUTIVE CONTROL

Executive control over administration means the control exercised by the chief executive in case of USA President and his secretaries, and In case of India and Britain by the Cabinet and ministers over the function of bureaucracy. Executive Control is an

internal control over the civil servants provided within the machinery of the executive Government. This type of control works automatically and spontaneously with the movement of Government machinery. It is a sort of self-regulating device which controls the movement of machinery of which it is a part.

In a parliamentary form of government the Cabinet is collectively responsible to the Parliament for its policies and actions. Further each minister is also individually responsible for the acts of omission and commission in his Ministry/department. Administrative structure is hierarchical in nature where one level controls the other and no one is outside the chain of command. On one hand there are negative factors such as fear or reprimand, demotion, dismissal, losing favour of the superiors etc. which keeps the machinery moving on the other hand there are positive factors like promotion, recognition of services, which provides the incentive for the civil servants to play their part in the movement of Government machinery.

7.4.1 Types of Executive Control

The executive control over administration is exercised in many ways.

Political Control

The political executive who derives its authority from Parliament, exercise political control over public servants. The minister, who is in charge of one or more departments, lays down the departmental policy and directs, supervises and coordinates its implementation by the administrators. In Presidential form of Government this authority is derived by the Chief Executive by virtue of his direct election by the people. The political executive provides necessary policy direction to the administration and also exercises control over its activities. This control is exercised through various devices like getting information, analyzing the progress report, etc.

Personnel Management and Control (Appointment and Removal)

The basic feature of the administrative organization in Government is its hierarchic structure. Here each level of the administration controls the subordinate level and is controlled by a superior level. The executive plays an important role in personnel management and control and enjoys the power of recruitment, removal, promotions, conditions of service, etc, in India the executive is assisted by the Ministry of Finance, the Department of

Personnel and Training, and the UPSC. At the highest level, Minister plays an important role in the selection and appointment of secretaries and heads of departments. In USA, the Office of Personal Management (OPM) plays an important role in personnel management and control.

Budgetary Control

The budget provides the necessary finance to carry out various functions of the Government. The activities of the Government servants may, therefore, be controlled by controlling the extent of finances made available to them through the budget. The executive controls the administration through budgetary system. The budget formulated by the executive is enacted by the Parliament, further it also allocates the necessary funds to the administrative agencies to meet their expenditure.

The budgetary control is exercised at the Apex by the Finance Ministry in the following ways:

- a) Sanctioning expenditure subject to the powers which are delegated.
- b) Acceptance of provision in the budget estimates.
- c) Providing financial advice through the Integrated Financial Advisor.
- d) Internal Audit System.

Delegated legislation

It is an important tool in the hands of the executive to exercise control over administration. Once the Parliament makes law it authorizes the executive to fill in minor details. Therefore, the executive makes rules, regulations and byelaws which have to be observed by the administrators in execution of the law.

Civil Service Code

The administrators while exercising their official powers must observe and follow the civil service code prescribed by the executive. It is a set of conduct rules which prevent the administrators from misusing their powers.

Some important rules are as follows

- All-India Services (conduct) Rules, 1954
- Central Civil Services (conduct) Rules, 1955

Direct Control

There are some methods in the executive government which provide for a direct supervision and control over the activities of the public servants. One such method is the system of tours, under this system the senior officers visit the field areas interact with the public servants working in that area as well as the beneficiaries of their programmes which gives first-hand knowledge of any gap that exists between the policies enunciated by the Government and its implementation at the field level. This type of control is meant to enable the senior officers to correct such discrepancies right on the spot and give first hand guidance to the subordinates.

Ordinances

The president of India who is also the chief executive has the authority to promulgate ordinances during the recess of Parliament to meet situation demanding immediate action. An ordinance is as powerful as an act of Parliament and hence, governs the functioning of administration.

Staff Agencies

The executive also exercises control over administration through staff agencies. The important staff agencies in India are the Department of Administrative Reforms, the Planning Commission, the Cabinet Secretariat and the Prime Minister's office.

Discuss the accountability and control of executive over the administration

7.5 JUDICIAL CONTROL OVER ADMINISTRATION

Judicial control is the control which is exercised by the Courts over administrative acts, it helps to ensure their legality and to protect the citizens from official encroachment of their constitutional or statutory rights. Thus the primary objective of the judicial control is the protection of private rights of citizens which obviously is a task of great importance.

The judicial control over administrative acts stems from the doctrine of rule of law, which finds its classic exposition in the writings of the A. V. Dicey.

7.5.1 Scope of Judicial Control

The Courts of law may intervene in any of the following cases:

- Abuse of power;
- Lack of jurisdiction;
- Error in fact finding;
- Error of law;
- Error in Procedure

Usually the Courts intervene if the public servant uses the authority vindictively to harm the citizens. The courts also interfere if the administrator has acted ultra vires or without authority. Similarly, the error in discovering the facts or departure from the rules and procedures are also covered in the scope of judicial control. Above all if an administrative act violates the constitution under such conditions the judiciary can pronounce it unconstitutional.

7.5.2 Forms of judiciary control

Judicial control may take any of the following forms:

Judicial Review

Through this power the courts examines the legality and constitutionality of administrative acts. The courts can declare the administrative acts as illegal, unconstitutional and invalid by the courts if found to be violative of the Constitution (ultra vires). The patterns of judicial review vary from country to country. Even within a country there is a great variation according to the nature of the administrative act. In UK not all the administrative acts are covered by judicial review, whereas USA has much wider scope for judicial review. India falls in between the two due to the constitutional and statutory limitation on the scope of judicial review.

Statutory Appeal

Appeals to the courts of law or higher Administrative Tribunals are to be provided by statutes. The statutory provisions also make it clear as to whom the appeal will be and what action can be taken by the Appellate Court. Usually the Appellate Authority has wide direction. It can completely accept the decision, modify it or set aside by ordering the action de novo.

Suits Against Public Officials

The main question is how far the public officials are personally liable for their administrative actions. In most of the countries the heads of the State and judicial officials enjoy immunity from civil and criminal action in respect of their functions. Others usually do not enjoy such immunity. The position again varies from country to country. In India, the President and the state governors enjoy personal immunity from legal liability for their official acts. They are immune from any criminal proceedings, during their term in office. However, after giving two months notice, civil proceedings can be instituted against them during their term of office in respect of their personal acts. In UK the monarch is completely immune from legal liability for all actions whether performed in public or private capacity. In USA the President is immune from any process of the court during this term of office. Immunity does not extend to the period after he demits office.

Suits against Government

The suability of the State and Local bodies is subject to many limitations which vary from country to country. The liability to be sued may arise on account of the contract or torts. In India the state is suitable in contracts. This means that the contractual liability of the Indian Government is equivalent of an individual under the ordinary law of contract. However in case of torts i.e a wrongful action or injury for which a suit for damages lies, the position is different. Under such conditions a distinction is made between the sovereign and non sovereign functions of the state. The state, for the torturous acts of its servants, can be sued only in case of its non sovereign functions but not in case of its sovereign functions. In UK, no suit for torts lies against the Government exercising its sovereign power. In USA neither the Federal Government nor the States can be sued for the torts except to a very limited extent. In France and continental countries the Principle of 'Droit Administration' prevails. The liability of the state for the wrongful act of its employees is fully established. The administrative courts are freely awarding damages to the citizens against the wrongful acts of employees of the Government.

Writs

The origin of writs is in the English Judicial system precisely from the orders passed by the King's Bench in England which was an English court of common law created in the late 12th to early 13th century. Initially writs were issued by the crown for its own interest but with passage of time it became available for ordinary people. In case of India writs play an important role to safe guarding and proper enforcement of Fundamental rights. Both Supreme Court

(article 32) and High Court (article 226) have power to issue writs against any authority or state for the enforcement of fundamental rights. Thus the power to issue writ is provision has made Right to Constitutional Remedies available to every citizen.

The Judicial control over administration operates through a system of writs provided by the constitution following are five prerogative writs adopted by the Indian Constitution

Habeas Corpus

It literally means, 'to have the body of'. It has been defined as a, 'writ to the person detaining another and commanding him to produce the body of the prisoner at a certain time and place with the day of his arrest and detention to submit and receive whatever the court or the judge awarding the writ shall consider in this behalf. The purpose of the writ is to determine whether the person seeking remedy is detained legally or illegally.

The procedure for this writ laid down by the Supreme Court of India is indicated below:

The detained person himself or any other person if the former is not in a position to do so can move the application in the registry. If the court finds a prima facie case it issues rule asking the person against whom the writ is filed to appear and show cause why it should not be granted; On the day of hearing if no cause is shown or the court is not satisfied with the cause shown the detained person is set at liberty and the rule is discharged. It is a very powerful writ to safeguard the liberty of the citizens.

Mandamus

It literally means mandate or command it is a command issued by the court to a public official asking him to perform his official duties which he has failed to perform. It is a discretionary writ in which a court (Supreme Court or the High Court) can direct to do or not to do a specific act. It can be granted against a public authority if he has acted against the law or exceeded his limits of power, if he acted with malafides, if he had abused his discretionary powers. This writ cannot be issued against a private individual, it cannot be issued against the President or Governor or a State, when alternative remedies are available it cannot be issued.

Prohibition

Popularly known as Stay order it literally means 'to forbid' or to stop. It is issued by a higher court to an inferior court for transferring the records of proceedings. Here the term inferior courts can be used for special tribunals, commission, magistrates and officers who exercise judicial powers. It is primarily issued when an inferior court exceeds its jurisdiction, or acts contrary to the rule of natural justice. This writ can only be used against a body exercising public functions of judicial or quasi-judicial authorities and not against administrative authorities.

These Writs are either issued as "alternative" or "pre-emptory". In case of alternative Writ the recipient has to immediately act, or desist, and show cause as why the directive should not be made permanent. Whereas in case of preemptory Writ the recipient has to immediately act and return the writ, with certification of its compliance, within a certain time limit. Once Prohibition Writ is been issued the proceedings in the lower court comes to a halt. Moreover if the proceeding has matured into decision, writ will not lie as it can be issued only when the proceedings are pending in a court.

Certiorari

It means to be certified. If a higher court feels that there is irregularity in proceedings of lower court and it cannot do satisfactory work under such circumstances it can transfer records and proceedings of that case to give a fuller and more satisfactory effect on it. It lies against a judicial act only in case of substantial errors and cannot be granted where an adequate remedy is available. It is used as both preventive as well as curative unlike prohibition which is only used for preventive purpose.

The difference between prohibition and certiorari is best explained by former justice T.L. Venkatarama Ayyar of Supreme Court (1954-58) "When an inferior court takes up for hearing a matter over which it has no jurisdiction, the person against whom the proceedings are taken can move the superior court for a writ of prohibition and on that an order will issue forbidding the inferior court from continuing the proceedings.

On the other hand, if the court hears the cause or matter and gives a decision, the party aggrieved would have to move the superior court for a writ of certiorari and on that an order will be made quashing the decision on the ground of want of jurisdiction." It is typical administrative law remedy which plays an important role to control the quasi-judicial functions of administrative tribunals and officers.

Quo-Warranto

The word Quo-Warranto literally means “by what warrant or authority”. It is issued against a person who holds public office or enjoys governmental privileges, to enquire about the legality of his appointment to the respective office. The court would ask a person to stop his functions or to vacate the position all together if it's found that he has usurped the public office; it also protects a person being deprived of public office to which he may be have a right.

For example, if a person of 62 years has been appointed to fill a public office which has a retirement 58 years, under such circumstances the concerned court can issue a writ of Quo-Warranto against him and ask him to vacate his office.

Conditions under which the Writ of Quo-Warranto can be used are as follows:

- a) It should be a public office
- b) The office should be fundamental in nature in other words it should be an independent title unlike ministerial office who hold office at the pleasure of the Ministers.
- c) The respondent should not be legally eligible to hold the office or stay in power.

Injunction

Injunction has been defined as ‘a judicial process operating in person and requiring the person to whom it is directed to do or refrain from doing a particular thing’. It is of two kinds, mandatory and preventive. Mandatory injunction resembles Mandamus writ. However the difference between two is that mandamus cannot be used against private person while the injunction primarily is a process of private law. Mandamus is a remedy of a common law while the injunction is an arm of equity. Similarly preventive injunction resembles prohibition but with differences. In the words of M.P. Sharma, “Injunction is directed to the litigant parties while prohibition to the court itself. Also, while injunction recognizes the jurisdiction of the court in which the proceedings are pending, prohibition strikes at such jurisdiction.”

7.5.3 Limitations

- a) Parliament has Power to exclude certain matters from the courts jurisdictions hence it cannot control all administrative acts.
- b) In India due lack of judicial infrastructure and shortage of judges the judicial process has become very sluggish, time consuming and expensive.
- c) Judges being legal expert lack proper understanding of highly complex nature of administrative acts.

- d) The judiciary lacks suo motu power as it cannot intervene on its own, it can do so only when an aggrieved citizen has taken a matter before Court.
- e) The judiciary intervenes only after damage is done to the citizen and not before it as a result it is also called as a post mortem control.

7.6 SUMMARY

Administrative accountability and control are thus essential aspects of Public Administration. The control is exercised on Legislative, Executive, Judicial arms of government.

7.7 UNIT END QUESTIONS

1. What is meant by accountability and control in public administration.
2. The legislative proceedings are a tool of control over administrative officers
3. What are the forms of judicial control over administration?

UNIT - 8

Liberalisation and Privatisation, Forms, Rationale, Evaluation, Impact of Structural Adjustment Programmes on the Social Sector, Role of Public Sector Enterprises

Unit Structure

- 8.0 Objective
- 8.1 Introduction
- 8.2 Defining important terms
 - 8.2.1 Liberalisation
 - 8.2.2 Privatisation
- 8.3 Rationale of Liberalisation
 - 8.3.1 The central reasons behind liberalization could be Identified
 - 8.3.2 Important reasons behind Indian Liberalisation
- 8.4 Rationale for privatization
- 8.5 Methods of Privatisation
 - 8.5.1 Deregulation
 - 8.5.2 Demonopolisation
 - 8.5.3 Competitive tendering
 - 8.5.4 Initial Public Offering (IPO)
 - 8.5.5 Strategic Sale to Foreigners
 - 8.5.6 Equal-Access Voucher Programmes
 - 8.5.7 Management-Employee Buyouts
- 8.6 Structural Adjustment Programmes (SAPs).
 - 8.6.1 Meaning
 - 8.6.2 Impact of SAP
- 8.7 Role of Public Sector
 - 8.7.1 Maximizing the rate of economic growth
- 8.8 Unit End Questions
- 8.9 Reference

8.0 OBJECTIVE

In this module we shall go into examining in brief the idea of Liberalisation and Privatisation. Following that there is going to be a discussion on its rationale and its various forms. Later in the module we shall turn our attention to impact of Structural Adjustment Programmes on social sector. Finally students will be introduced to the role of Public sector in this renewed context.

8.1 INTRODUCTION

Public administration is a pertinent area of social sciences. This discipline has absorbed innumerable changes and challenges in last couple of decades especially. The pre-Wilsonian administration and its nonstructured character got transformed into a systematized and scientific body of knowledge, with the publication of paper on “science of administration” in 1887. Since then administration has acquired many forms and interpretations from Welfare state after World War II to new public administration to new public management to new day facilitator and regulator state. The whole idea of public administration has undergone changes due to changes in the public awareness, people’s expectations, technical development, Information Technology Revolution, liberalizing, privatizing and globalising economies etc.

Since the 1980s a number of countries, have been influenced by the concept of liberalisation, privatisation and globalisation. It began as a wave of reforms as part of the idea of New Public Management, under the influence of neo-liberalism, Washington consensus or New Right philosophy in some developed countries. Later it spread to developing nations of Asia and Africa too primarily under the dictates of international funding agencies as part of donor advocacy and Structural Adjustment Programme. In the 1980s India also started the process of liberalisation, privatisation and globalisation (LPG). In India 1990s have witnessed a fundamental shift in the orientation and style of functioning of administration. Liberalization has over taken state regulation and control. The emphasis has shifted from regulation to deregulation and from state control to privatization. The licensing, foreign currency, foreign capital investment, technical collaboration, import and export regulations have been either abolished altogether or reduced considerably. The role of public sector has been deemphasized and the government is no longer prepared to bear burden of the loss-making public sector undertakings and as a policy, decided to close down or sell out such units. Thus, the

socialist model has been replaced by the free market economy model and the change is taking place at an unprecedented speed.

8.2 DEFINING IMPORTANT TERMS

8.2.1 Liberalisation:

Basically liberalisation is a term associated with un-tightening the grip of government over multiple economic activities and releasing them from the clutches of government rule and regulation. It is the process of freeing the economy, from various governmental regulations such as industrial licensing, controls on pricing and distribution of products and services, imports and exports and foreign exchange regulations; control of capital issues by companies; credit controls, restriction on investment, etc., so that the development and operation of the economy is increasingly guided by freely operating market forces. Thus liberalisation is essentially a process of withdrawal of all direct controls on the economy.

8.2.2 Privatisation:

Fundamentally privatization presumes movement of economic activities away from the government and into the hands of private sector. It also means encouraging private sector in the areas earlier dominated by the government. It means transfer, of from the public to the private sector, ownership or control over assets or activities. Privatisation fosters efficiency, encourages investment – and thus new growth and employment – and frees public resources for development of infrastructure and social programmes.

8.3 RATIONALE OF LIBERALISATION

Liberalization of the economy means to free it from direct or physical controls imposed by the government. It also injects an element of competition in the economy there by paving way for greater efficiency and economy. Economic reforms introduced as part of policy of liberalization were based on the assumption that market forces could guide the economy in a more effective manner than government control. India took lessons from the experiences of undeveloped countries like Korea, Thailand, Singapore which had achieved rapid economic development as a result of liberalization.

Most of the liberal democracies of the western world in the early 1960's and 70's realized that the welfare state model was actually turning into an economic burden on the government. It led

to what is popularly called in western Europe-stagflation, combination of economic stagnation and inflation.

8.3.1 The central reasons behind liberalization could be identified as follows:

- 1) The public sector had grown elephantine in size and functions and had reached a point of unsustainability.
- 2) The overall economic downturn in Western Europe in the 1970's also questioned the viability of continuing with a ballooning public sector.
- 3) Public sector service provision was also under a scanner because of its inability to meet standards of customer-satisfaction.

8.3.2 Important reasons behind Indian Liberalisation:

- 1) A Balance of Payments crisis in 1991 which pushed the country to near bankruptcy.
- 2) Rupee devalued and economic reforms were forced upon India.
- 3) Indian central bank had refused new credit and foreign exchange reserves had reduced to the point that India could barely finance three weeks' worth of imports.

8.4 RATIONALE FOR PRIVATIZATION

Privatisation is a process by which the government transfers the productive activity from the public sector to the private sector. Many countries of the world—industrial market economies, the former socialist economies (belonging to Central and Eastern Europe and Soviet Union), and a large number of developing countries belonging to Asia, Africa and Latin America — have launched massive programmes of privatisation during the period of last two-three decades or so. While many industrial market economies (particularly OECD member countries) have carried out the programme of privatisation on their own accord, former communist countries and many developing countries were forced by the IMF and World Bank to carry out privatisation as a condition for assistance under the economic stabilisation and structural adjustment programmes.

The central reasons behind privatisation could be identified as follows:

1. Profit-oriented decision making process is facilitated with private sector participation in the working of the enterprise, leading to improved efficiency and performance.

2. Issues of accountability of public personnel was a major concern. Private sector allows people to seek explanations for any blunders committed by the private sector officials, whereas in public sector units, it is easy to pass the buck. Even when responsibility is defined in the public enterprises, there, are too many pressures and forces operating to reduce its effective implementation.

3. According to BimalJalan, political interference is unavoidable in public corporations and is a major cause of decline in operational efficiency. "Such political decision-making reflects itself in the less than optimal choice of technology or location, overstaffing, inefficient use of input, and purchase or price preferences for certain suppliers."

4. In a quick changing business environment it often becomes necessary to take spot decisions without having to worry too much about not having consulted others. In fact, 'delayed decision-making is often equivalent to making no decision at all.' In public enterprises, the concept of response time is almost totally absent as no one is willing to disturb the status quo. Not so in the case of private sector enterprises. Because of the very nature of management in these units, it becomes easier to react to changing situations fast.

5. Private sector firms are more subject to liquidation, threat of takeover, and loss of assets for owners than public sector enterprises. When owners stand to lose control over assets, there is greater likelihood of remedial measures being taken earlier.

6. According to BimalJalan, efforts to improve managerial efficiency in public enterprises by administrative measures are generally short-lived and, unsustainable as, sooner or later, political considerations take precedence over economic or commercial considerations. This has happened in many countries including Italy, France, Korea, India and Pakistan.

7. The very survival of private sector enterprises depends on customer satisfaction since only such satisfaction can ensure more widespread and repeat buying. As against this, so the argument; goes, caring for the customer is generally not a priority with public sector enterprises. Once privatisation occurs, the need to create and sustain markets will lead to a sea change in the attitude of these enterprises towards customers. Hence, quality of services will improve.

8.5 METHODS OF PRIVATISATION

The conservative government of Margaret Thatcher during 1980s initiated privatization in United Kingdom. This was a major policy shift under the influence of neo-liberal ideology. In this swift and widespread programme, a large number of public sector companies that dominated a wide swath of industry and services in UK, including railways, aerospace, oil, telecommunications mining, and bus services were sold off. This was followed by privatisation in France and many other OECD countries, former communist countries, and developing nations.

The methods of privatisation used were frequently one or a combination of the following methods.

8.5.1. Deregulation:

Under this form of privatization which mainly adopted first under Regan administration in US, unnecessary government regulations concerning both service sectors and general private business activities were removed.

8.5.2. Demonopolisation:

This means, breaking up natural utilities monopolies and introduce competition and market discipline, by inviting private sector participation in the areas earlier dominated by the government. In US it started with this being introduced in telecommunications and energy sector.

8.5.3. Competitive tendering:

It basically encourages state to expose public services to the market through the method of competitive tendering and increased use of private contracts. This was prominent method adopted in UK and also by the US. Osborne and Gabler termed this as American Perestroika.

8.5.4. Initial Public Offering (IPO).

This is the most important method used for privatisation in UK and OECD countries. Under this method, the shares of public sector undertakings (PSUs) are sold to the retail investors and institutions. The government may, in some cases, sell shares of a PSU in international market also. The IPO method is the best method in the case of those countries which have a strong capital market. The main advantage of the IPO method are as follows: (i) it ensures wide participation of retail investors and thus helps in a broad-based control of the public sector entity at the same time as it helps in the widening and deepening of the capital market; (ii) it is

likely to face less resistance from the PSU employees as there is a continuity in the management; (iii) it can be used to offer shares to the employees; and (iv) it can be employed usefully in those cases where the government wants to raise resources but does not want to lose control of the enterprise.

8.5.5. Strategic Sale to Foreigners

This is a variant of the strategic sales method where the buyer is not a domestic company but a foreign company. In small countries, the amount of domestic private capital is often limited. Therefore the government sells its stakes to a foreign company. At times, sales to a foreign company are preferred as the expectation is that the foreign company will bring with it world-class technology and expertise to run the PSU. For instance, Hungary received \$ 12 billion through privatisation over the period 1990 and 1998 and, of this, as much as 60 per cent was contributed by foreign investors. The countries of South America have also seen many key companies, including two water companies in Chile, pass into foreign hands in the 1990s. In cases where the government has set up a PSU in collaboration with a foreign company, it may simply sell its stake to the latter. This is what the Government of India has done in the case of MarutiUdyog Ltd. where it has sold its stake to the foreign collaborator Suzuki company of Japan.

8.5.6. Equal-Access Voucher Programmes.

This form of privatisation involves distribution of vouchers across the population and attempts to allocate assets approximately evenly among voucher holders. Such programmes excel in speed and fairness. The Czech Republic's equal-access voucher programme has been the most successful to date. In two successive waves, the Czech transferred more than half the assets of public enterprises into private hands. Citizens were free to invest their vouchers directly in the firms being auctioned.

8.5.7 Management - Employee Buyouts

In this route to privatisation, managements and employees themselves buy major stakes in their firms. This method has been widely used in Croatia, Poland, Romania, and Slovenia. In addition, several voucher-based programmes, such as those of Georgia and Russia, gave such large preferences to insiders that most privatised firms were initially owned mainly by managers and employees.

8.6 STRUCTURAL ADJUSTMENT PROGRAMMES (SAPS)

8.6.1. Meaning:

Structural Adjustment Programmes (SAPs) are economic policies for developing countries that have been promoted by the World Bank and International Monetary Fund (IMF) since the early 1980s by the provision of loans conditional on the adoption of such policies. Structural adjustment loans are loans made by the World Bank. They are designed to encourage the structural adjustment of an economy by, for example, removing “excess” government controls and promoting market competition as part of the neo-liberal agenda followed by the Bank. The Enhanced Structural Adjustment Facility is an IMF financing mechanism to support of macroeconomic policies and SAPs in low-income countries through loans or low interest subsidies.

SAPs policies reflect the neo-liberal ideology that drives globalization. They aim to achieve long-term or accelerated economic growth in poorer countries by restructuring the economy and reducing government intervention. SAPs policies include currency devaluation, managed balance of payments, reduction of government services through public spending cuts/budget deficit cuts, reducing tax on high earners, reducing inflation, wage suppression, privatization, lower tariffs on imports and tighter monetary policy, increased free trade, cuts in social spending, and business deregulation. Governments are also encouraged or forced to reduce their role in the economy by privatizing state-owned industries, including the health sector, and opening up their economies to foreign competition.

8.6.2 Impact of SAP

One important criticism of SAPs, which emerged shortly after they were first adopted and has continued since, concerns their impact on the social sector.

For instance, in health, SAPs affect both the supply of health services (by insisting on cuts in health spending) and the demand for health services (by reducing household income, thus leaving people with less money for health). Studies have shown that SAPs policies have slowed down improvements in, or worsened, the health status of people in countries implementing them. The results reported include worse nutritional status of children, increased incidence of infectious diseases, and higher infant and maternal mortality rates.

Drastic cuts especially of public expenditures on social services and other essential goods offered to the people, undermines the social conditions for the poor. Poor people's access to social services like health, education, social security and other social services gets reduced. An acceptance of the problems associated with SAPs is reflected in the post-Washington consensus and similar thinking that promotes economic reform while protecting and possibly increasing social expenditure.

Stabilization measures are closely related to SAPs policies and are taken to reduce the national rate of inflation. They usually include cutting the budget deficit and improving the balance of payments. Such measures are often made a condition for HIPC (Heavily indebted poor countries) countries to obtain fresh loans or further assistance and are therefore a part of the conditionality clause.

8.7 ROLE OF PUBLIC SECTOR

Public sector is considered a powerful engine of economic development and an important instrument of self-reliance. The main contributions of public enterprises to the country's economy maybe described as follows:

8.7.1. Maximizing the rate of economic growth:

Originally, the activity of the public sector enterprises was to be limited to a definite field of basic and key industries of strategic importance. There were certain fields where the private enterprise was shy to operate as they involved huge investment or risk. It was the public sector alone which could build the economic overheads such as power, transport, etc. Since then the ideological objective of capturing the "commanding heights" by the public-vector has been duly fulfilled, it succeeded in creating the necessary infrastructural base for sustained industrial growth. It has tremendously boosted the technological capabilities.

The public enterprises have firmly established the foundation for the construction of a self-generating, industrial economy. During the planned era, the public sector has diversified its activities to cover a wide spectrum of industries. The public sector today has entered into the production of consumer goods such as bread, paper, watches, scooters, T.V. and transistor parts, cement, drugs,, etc. Prof. Lakdawala is of the view that the public sector should now enter the fields of distribution and rural development as well.

8.7.2. Development of capital-intensive sector:

Industrial development of a country necessitates the foundation of an infrastructure base. This foundation is provided by the development of capital-intensive industries and the basic infrastructure. The private sector neither has the zeal nor the capacity to invest in such infrastructural programmes. From this point of view, the public sector has a magnificent record. The State has successfully implemented various schemes of multi-purpose river projects,, hydroelectric projects, transport and communication, atomic power steel, etc. It has vastly contributed in the fields such as nuclear or steel technology, aeronautics, defense materials, ship-building and so on. It has laid down a good network of transport and communications.

8.7.3. Development of agriculture:

The public sector has an important role in the field of agriculture as well. The public sector assists in the manufacture of fertilizers, pesticides, insecticides and mechanical implements used in agriculture. Through various research institutes the public sector has augmented agricultural productivity by introducing new high-yielding variety of seeds, preventing crop diseases and innovating new agricultural practices.

8.7.4. Balanced regional development:

In the pre-independence period a major problem was regional economic disparities. There were certain areas where there was a heavy concentration of industrial activity. On the other hand, there were certain backward areas which went without industries. Industrial development was highly lopsided. Thus Maharashtra, Gujarat and Tamil Nadu, etc., were highly developed industrially. States like Orissa, Assam, Bihar, Madhya Pradesh etc. were highly backward. Besides, industries used to be gravitated towards the metropolitan areas, rather than the smaller towns. But imbalanced economic development is as bad as underdevelopment.

Through the extension of public sector enterprises the Government desired to remove such regional imbalances. The State, consequently, participated in the industrial growth of the less developed areas by setting up public enterprises. Normally the private sector cannot be induced to start industries in the backward areas. While locating new public enterprises the claims of the relatively backward areas are given due consideration. The policy of dispersal of industries aims at removing regional disparities. A conscious attempt has been made-in the successive five-year plans to accelerate the development of relatively backward areas.

8.7.5. Development of ancillary industries:

Establishment of a few big public enterprises is not enough to unleash forces of industrial development in an area. There are states like Bihar where in spite of lavish public sector investment, industrial development has not been satisfactory. On the other hand, states like Punjab have made a vast progress because of the development of small and ancillary units. This realization made the public sector take a close interest in the development of small and ancillary units. It is expected that the development of ancillaries would have the way for rapid industrial growth of a region and lead to balanced economic development. The number of such ancillary units was 432 in 1974-75 and the number rose to 888 in 1979-80 with purchases from them increasing from Rs. 29 crores to Rs. 120 crores. It is expected that in future, ancillary development would receive more attention from the Government.

8.7.6. Increasing employment opportunities:

The growth of the public sector has led to the expression of gainful employment opportunities. In addition to the primary effect of the public sector in creating employment opportunities, public sector investments also have a multiplier effect on other sectors of the economy. This has a beneficial effect on the total employment position. In 1963-61, the number of people employed in public enterprises was only 1.82 lakhs. This figure rose to 14.08 lakhs in 1974-75 involving an increase of 671 per cent. Similarly the total amount of salaries and wages increased from Rs. 40.91 crores to Rs. 1,053.35 crores, involving an increase of 2,474.8 per cent, during the same period. In 1986-87 the number of working population in these industries stood at 22 lakhs.

8.7.7. Model employer:

Dr. R.K. Gupta has observed that in India "the State has inaugurated the era of the model employer in contrast to the employer with a feudal outlook. It has laid down guidelines for employer-employee relations and for developing good and efficient personnel." The public sector has been the pacesetter in the field of labour welfare and social security. The State aims at establishing an industrial democracy which will provide a fair deal to the workers. The public enterprises have been investing liberally on matters pertaining to labour welfare and social security. Not only the wages have been substantially increased, conditions of service have vastly improved. For instance, wages in the coal industry have nearly trebled since nationalization and many other amenities also are being provided.

8.7.8. Preventing concentration of economic power:

Preventing private monopolies and concentration of economic power is the avowed objective of our economic policy. Nationalization is considered as an antidote for the concentration of economic power in private hands. In India the public sector enterprises have grown both in number and in strength. Today, the public sector not only occupies the commanding heights in the economy, it has also penetrated into the production of essential consumer goods. The share of the public sector in the overall industrial production, has substantially gone up. This has effectively curbed the concentration of economic power. It has created a countervailing force against the growth of larger industrial houses.

8.7.9. Export promotion:

The public sector enterprises are substantially contributing to the country's export earnings. The public sector has built up a reputation abroad in selling plants, heavy equipment's, machine-tools and other industrial products. She has created a goodwill in the third world countries for her consultancy services and technical know-how. Public sector exports also include consumer goods. The role of the State Trading Corporation, or the Minerals and Metals Trading Corporation has been quite creditable in promoting exports. Between 1968-69' and 1984-85, the percentage share of public sector enterprises in India's export trade went up from 20.05 to 38.1 per cent. Public sector exports increased from Rs. 272 crores in 1968-69 to Rs. 4,522 crores in 1984-85. In 1976-77 the public enterprises earned Rs. 2,248 crores in foreign exchange. The public enterprises thus had a splendid performance.

8.7.10. Import substitution:

The public sector enterprises have also succeeded in their efforts in import substitution. Today many commodities starting from basic drugs to highly advanced equipments are manufactured in the public sector, which previously used to be imported from abroad. In certain fields public enterprises were specially started to reduce imports from abroad, and achieve self-sufficiency. Public enterprises like Hindustan Antibiotics Ltd. or Bharat Electronics Ltd. or Hindustan Machine Tools etc., have done a remarkable job in import substitution. This has resulted in saving of precious foreign exchange. Today there is a special drive in the public enterprises to utilize indigenous materials and domestic skill.

8.7.11. Production and sales:

While taking up the production of any goods or services, the private entrepreneur is guided solely by the profit motive. To maximize profit, he even does not hesitate to exploit the consumers. Very often maximization of profit is achieved at the cost of public welfare. It is only the public sector which can produce according to special needs. Sometimes it may even sell at a price lower than its cost. The total turnover of the State-owned manufacturing enterprises and service enterprises amounted to Rs. 2,650 crores in 1969-70; total turn-over of these enterprises increased to Rs. 3644.3 crore in 1981-82. This indicates that the contribution of the public sector to the flow of goods and services in the economy was quite considerable.

8.7.12. Mobilization of resources:

The public sector undertakings have played an important role in financing the planned development of the country. They have significantly contributed to the Central Exchequer in the form of interest and various taxes, etc. Besides public enterprises show an increasing trend in the generation of internal resources. From a mere Rs. 194 crores in 1969-70 it increased to Rs. 5,068 crores in 1986-87. In the total capital formation of the country more than 50 percent is contributed by the public sector.

8.7.13. Research and development:

Today no country can industrially prosper without research and development. Such research is highly essential for the introduction of new goods and new technologies of production, lowering the cost of production and improving the quality of the product. In this respect the public sector is playing a crucial role. A lot of research activities are being carried on in the laboratories of the public sector undertakings. In 1976-77, the total expenditure on research and development amounted to Rs. 32.79 crores.

8.7.14. Establishment of a socialist pattern:

In India the public sector was desired to be extended rapidly so as to establish a socialist pattern of economy. There was abject misery and poverty all round prior to the adoption of planning. Through our planned effort we not only wanted rapid economic growth but also social justice. The public enterprises aim at achieving equality of opportunity and reduction of economic inequalities.

8.8 UNIT END QUESTIONS

- 1) Critically evaluate the concepts of privatization and liberalization in the light of various examples.
- 2) Explain the rationale behind privatization and liberalization.
- 3) What is Structural Adjustment Programme?
- 4) Write a brief note on the impact of SAP.
- 5) Explain the Role of Public Sector especially in the context of Indian Economy in the post liberalization period.

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UNIT - 9

Public Administration

Information Technology and Governance: Challenges for the future, Ethics and Values in use of Information Technology

Unit structures

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Barriers of E-government Implementation
- 9.3 Ethics and values in use of IT
- 9.4 Unit End Questions

9.0 OBJECTIVES

1. This chapter will introduce students to the concept of e-governance.
2. It will outline, Barriers in E-government implementation and the ethics and values that need to be considered in the use of IT.

9.1 INTRODUCTION

Modern day governance is fundamentally driven by information. It is central to taking some important decisions and also facilitates governance processes large and small. Electronic governance or government driven by information has received massive attention since early 1990s. Information and communication technologies today are considered central to improve efficiency of bureaucracy and encourage people's participation in the government. Over the last two decades, computing power has spread to businesses and citizens in all developed and developing countries. The availability of affordable networked hard- and software by the early 1990s made it possible for these computers to become connected to a global information infrastructure most commonly referred to as the "Internet." Combined with drastically reduced telecommunication costs, these developments have provided the foundation for delivering public services electronically.

21st century today has virtually become an information society. With increasing popularity of electronic commerce, today online delivery of essential or all public services is considered as a next step in the way government functions. By the late 1990s, many government had device electronic

government strategies. Consultants busied themselves. Helping governments implement ambitious strategies and benchmarking implementation successes. Electronic government, it was suggested, would evolve swiftly through defined stages, beginning with a web presence of public agencies ("information") to a means for citizens to communicate with these agencies ("interaction") to offering public services online to citizens around the clock seven days a week in the convenience of their homes ("transaction"). This in turn would lead to a transformation of the public sector. Electronic government so defined focuses on the interface between citizens and government, and on how it changes due to technology. This flavor of electronic government promised to make it easier, faster and cheaper for citizens (as customers) to transact with public agencies. responding to customer demand to "build services around citizens" choices. The attention given to this transaction-oriented view of electronic government has translated into a significant increase in public online services.

Facilitating interaction with government lowers the cost of dealing with public authorities in terms of time and money-for citizens and the private sector. This benefits society at large by reducing overall transaction costs. The DECO has highlighted this contribution of electronic government to economic policy objectives in its electronic government report, followed recently by another report on how electronic government is contributing to overall economic competitiveness. Such a transactional perspective on electronic government requires that citizens be willing to transact with their government online. Not surprisingly, electronic government so conceived faces two kinds of challenges. First, just as is the case with electronic commerce, a prerequisite to its success is that citizens have the equipment and skills and feel comfortable and safe transacting online. General ease of use, but also security, integrity and privacy of transactional and personal data have to be maintained, as well as the authenticity of the transactional partners. Successful implementation may therefore require significant engineering, marketing, and education efforts. Second, the online provision of public services requires governments to address equity question between the digital haves and have-nots in a way that is not true of private actors, the position of the government to mandate certain behaviors by its citizens creates a reciprocal obligation on the government to not make those behaviors onerous. Thus, while it may be acceptable for firms to abandon brick-and-mortar outlets for cheaper online distribution channels, such a limited benefit-cost calculation is not appropriate for government agencies. In contrast with this "narrow" perspective of electronic government that is focused on citizen-government transactions online. many commentators have suggested much broader definition of

electronic government, covering the entire use of information and communication technologies in the public sector. According to this view, electronic government is yet another step in a continuous process of achieving public-sector efficiencies through the use of technology. a process that began with filing cabinets, type writers, and calculators and continued with the introduction of copy machines and word processors. In this sense. Electronic from Electronic Government to Information Government is an extension of the long history of office automation in the public sector. From this perspective, the purpose of electronic government is similar to the use of all information-handling technologies before: to save public resources and to make public-sector activity) more efficient. Electronic government is seen as a mechanism with which a given level of service can be offered with a reduced budget, oran increased amount of work may be achieved with a constant budget. Either way.e1ectronic government is the tool to "achieve better government".

While this broader definition of electronic government encompasses online public services the "narrow" view of electronic government-the focus shifts from the interface between government and citizens to the inner workings of government This shift reflects the belief that efficiency gains through the use of the Internet and related information and communication technologies are realized primarily within government rather than directly by citizens. Not surprisingly given this impetus, such a conception sees electronic governance as tool of or closely related to new public management, with its aim to improve performance of given public objective sat reduced cost. In contrast to the narrow definition, the hurdles encountered when implementing electronic government writ large are not primarily about citizen privacy, security user-friendliness, or equity but track the more general hurdles of organizational and structural reform of the public sector, from rethinking hierarchies to cross agency collaboration. This lays emphasis on the challenges to bring about institutional change and highlights the path dependent nature of technology adoption. It also focuses the role that existing institutions play in how technology is utilized within government.

Electronic government is an explicitly incorporating democratic process. The technology enables citizens to become more involved in the policymaking process, It also raises questions like how does this capability then exacerbate or ameliorate existing biases in the political participation. Taken together, these views of electronic government are helpful in drawing attention to particular elements of the use of information and communication technologies in the public sector, from the online interface between government and citizens to technology's role in

reforming public administration. Despite its many merits, electronic government has thus become a catchall tag for the practice of using technologies in the public sector. In academic literature, electronic government has frequently turned into an epiphenomenal term, covering research that utilizes the entire spectrum of methods and theories to explain and analyze technology's impact on the functions of government. Since the mid-1980s, strategic efforts have been exerted by many countries to build their telecommute information infrastructures. The mobilization of information technology (IT) is deemed crucial in fostering national competitiveness in the context of a rapidly changing global economy. Increasingly, strong IT capacity is perceived to make a difference not only in the marketplace but also in the field of governance.

9.1.1 The Role of IT in Good Governance

Advances in IT offer potentially beneficial effects on governance. For instance, the increased performance and availability at reduced cost of microelectronics, fiber optics, voice and video compression, fast-packet switching and high-density storage technology could be utilized to make public administration more efficient. Technology convergence due to digitalization, wide band transmission, compression technologies, and standards development lends support for the low cost provision of public services such as health care and education. The pursuit of democratic governance could be fostered with a nation's access to a much greater diversity of communication sources and network designs.

This is facilitated by the unbundling of communication functions services due to the emergence of competing technologies the dispersal of intelligence through diverse communication networks, the demands of large users, and the institution of competitive markets. In developing countries like the Philippines, the expansion of two-way interactive media can support local grassroots participation. Democratic politics could be enhanced through the utilization of updated networking capabilities due to improvements in integration and switching technologies such as routers, intelligent hubs and asynchronous transfer mode, together with advances in wide band transmission technologies and software support applications. The increased mobility and portability arising from distributed intelligence and innovations in wireless technologies such as satellite receivers, cellular telephony, radio paging, private branch exchange equipment, and local area and wide area networks also provide a rich environment for cultivating good governance.

IT promotes good governance in three basic ways:

- (1) by increasing transparency, information. And accountability:
- (2) by facilitating accurate decision-making and public participation:
- (3) by enhancing the efficient delivery of public goods and services.

The citizen's right to gain access to public documents is supported under the country's constitutional framework. Promotion of this right is pursued through the government's computerization program and the availability of these documents through the Internet. Many government agencies use IT facilities to tell the public about their accomplishments, achievements, programs, and plans. The availability of information helps people, especially those who live in the provinces, to access the data that they need without going to the nation's capital. Information about government operations is a basic requirement in fostering transparency in governance. The use of IT could enable the government, as well as civil society, to inform the people of their rights and privileges.

Government web sites allow the citizens to send their reactions and feedback on issues that affect them. For example, the Department of Trade and Industry (DTI) web site provides entries where the consumer's exporters, and business people are afforded the opportunity to ask questions, provide suggestions, and file complaints. Increased transparency in the running of government cultivates a more informed citizenry. The drafting of the Implementing Rules and Regulations of the Electronic Commerce Act was posted in the web and was able to accelerate the speed for conducting public consultations since concerned stakeholders were able to express their opinions directly through the net.

Aside from the Internet, there are other means by which transparency and accountability is promoted through the use of IT. Through computer kiosks, people gain access to information especially on contributions to insurance and loan applications, similar to what is provided by the Social Security Service. The increased ability of government agencies and citizens to interact provides a favorable setting where more accurate and appropriate decisions can be made. The IT office of the Department of Environment and Natural Resources (DENR) evolved from a data retrieval office to a body that provides decision options. An important thing to consider in this instance is the ability of IT to connect the central offices to the local areas. This paves the way for the enhancement of local inputs to decision-making.

The amount of paper used by the government is greatly reduced by using updated information and database systems. As their documents and processes become digitized the cost of administrative maintenance is reduced. This freed more resources for use in the distribution of other valuable social goods. Transaction time with the bureaucracy is shortened. Efficient service provision entail having the right services delivered to the right people and delivered fast when the people need it most.

9.2 BARRIERS OF E-GOVERNMENT IMPLEMENTATION

There are several challenges that can delay progress towards realizing the promise of e-government. The variety and complexity of e-government initiatives implies the existence of a wide range of challenges and barriers to its implementation and management. This section, will briefly introduce the most important and common challenges and barriers as follows.

1. ICT Infrastructure

The implementation of e-government initiatives face some technological difficulties such as lack of shared standards and compatible infrastructure among departments and agencies. ICT infrastructure is recognised to be one of the main challenges for e government. Internetworking is required to enable appropriate sharing of information and open up new channels for communication and delivery of new services (Ndou. 2004). For a transition to electronic government, an architecture providing a uniform guiding set of principles, models and. Standards is needed. Shanna & Gupta (2003) point out that implementation of the whole e-government framework requires a strong technology infrastructure. In order to deliver e-government services, government must therefore develop an effective telecommunication infrastructure. In addition, they stated that successful e- government implementation would depend upon how the capacities of various infrastructures are structured and how they are capitalized with an integrated focus.

2. Privacy:

Privacy and security are critical obstacles in implementation of e-government in citizen concern (DECD, 2003). Privacy refers to the guarantee of an appropriate level of protection regarding information attributed to an individual (8asu, 2004). Government has an obligation to ensure citizens' rights regarding privacy, processing and collecting personal data for legitimate purposes only (Sharma & Gupta, 2003).

Concerns about website tracking, information sharing, and the disclosure or mishandling of private information are universally frequent. There is also the concern that e-government itself will be used to monitor citizens and invade their privacy. Seifert (2003) emphasised that e-government should be approached with an eye toward the protection of individual privacy. Both technical and policy responses may be required when addressing the privacy issue in an e-government context. In addition, there is a need to respond effectively to privacy issues in networks in order to increase citizen confidence in the use of e-government services. Citizen confidence in the privacy and careful handling of any personal information shared with governmental organizations is essential to e-government applications. Basu (2004) mentioned that in developing countries, many people are so concerned with privacy and confidentiality issues they decide to forego e-government opportunities. A comprehensive privacy policy should specify citizens' rights to privacy and mandate that personal data be collected and processed only for legitimate purposes (Teeter & Hart, 2003).

3. Security:

Security of an information system means protection of information and systems against accidental or intentional disclosure to unauthorized access, or unauthorized modifications or destruction (Layton, 2007). It refers to protection of the information architecture including network, hardware and software assets and the control of access to the information itself (Basu, 2004). Furthermore, Seifert, (2003) points out that information security, referred to as cyber security or computer security, is an important e-government challenge as it is a vital component in the trust relationship between citizens and government. Thus security policies and standards that meet citizen expectations are an important step toward addressing these concerns (Sharma & Gupta, 2003). Security can be classified into two elements: network security and documents security.

It should include maintenance and e-infrastructure protection in the form of firewalls and limits on those who have access to data. Furthermore the use of security technology, including digital signatures and encryption, to protect user IDs, passwords, credit card numbers, bank account numbers, and other such data being transmitted over the Internet and stored electronically is essential to fulfilling security goals in e-government applications (Feng in 2003). People need to be educated on the importance of security measures such as private passwords, to ensure their own protection. Cohen & Emicke (2002) point out that while security will remain an obstacle to e-government, it will not

extensively affect its progress as the public learns to work with and accept its occasional lapses. Also, they mentioned three keys that affect the success of security)". The first involves continuous improvement and upgrades in an attempt to stay ahead of criminals. The second is that security be visible and foreboding to deter would be criminals. Finally, it must be accepted that no security system is perfect and that all can eventually be overcome. However, governmental organizations, being responsible for the collection, maintenance, and distribution of sensitive or confidential information, should consider methods of providing security for collected information as well as for their websites. Thus, a body of security professionals should be setup to respond to threats and breaches. Also the need for authority and an infrastructure encryption system has to be given top-priority (Feng, 2003).

4. Policy and Regulation Issues:

Feng (2003) points out that e-government is not a technical issue, but rather an organizational issue. Implementation of e-government principles and functions requires a range of new rules, policies. Laws and government changes to address electronic activities including electronic archiving, electronic signatures, transmission of information. data protection, computer crime, intellectual property rights and copy right issues. Dealing with e- government means signing a contract or a digital agreement, which has to be protected and recognized by a formalized law, which protect and secure these kinds of activities or processes. In many countries, e-business and e- government laws are not yet available. Establishing protections legal reforms will be needed to ensure. among other things. the privacy. security and legal recognition of electronic interactions and electronic signatures (Caldow, 1999). The effort must incorporate a holistic view, one that is not just focused on technology. Legal reforms and new policy directives may have to be adopted before the online world can function smoothly. Archaic laws, old regulatory regimes, overlapping and conflicting authorities can all greatly complicate or altogether halt a project.

5. Lack of Qualified Personnel and Training:

Another major challenge of an e- government initiative can be the lack of ICT skills. This is a particular problem in developing countries, where the constant lack of qualified and inadequate human resource straining has been a problem for years (UNPA&ASPA, 2001). The availability of appropriate skills is essential for successful e- government implementation. E-government requires human capacities: technological, commercial and management. Technical skills for implementation, maintenance. Designing and installation

of ICT infrastructure, as well as skills for using and managing online processes, functions all customers, are compulsory. To address human capital development issues, knowledge management initiatives are required focusing on staff training in order to create and develop the basic skills for e- government usage. Ongoing access to training is a fundamental prerequisite as the rate of change increases and new technologies, practices and complete models appear. The full economic benefits of ICT depends on a process of training and learning skills, this is universal for all governments (DECO, 2003).

6. Lack Partnership and Collaboration:

Collaboration and cooperation at local regional and national levels, as well as between public and private organizations, are important elements in the e- government development process. However, collaboration and cooperation are not easy factor to achieve. Governments often exhibit considerable resistance to open and transparent systems as they try to preserve their authority, power and hierarchical status (Nodu, 2004). Citizens distrust their governments, especially where there has been a history of dictatorship, political instability or large-scale corruption. To ensure that the public and stakeholders will be partners in the e- government effort, it is important to try to build trust in government (Carvin, 2004). Collaboration between the private and public sectors is needed too, in order to provide resources, skills and capabilities that the government may lack. A 'new' development model is emerging that focuses on partnership among stakeholders in the knowledge-based development program. Government should play the role of facilitator and encourage the private sector to participate in e-government development and implementation (Nodu, 200- J). IADIS International Conference ICT, Society and Human Beings.

7. Digital Divide:

The ability to use computers and the Internet has become a crucial success factor in e-government implementation, and the lack of such skills may lead to marginalization or even social exclusion (UNPA & ASPA, 1001). The digital divide refers to the gap in opportunity between those who have access to the interact and those who do not. Those who do not have access to the Interact will be unable to benefit from online services (OECD. 2003). In the case of the digital divide, not all citizens currently have equal access to computers and Internet, whether due to a lack of financial resources, necessary skills or other reasons. In fact, computer literacy is required for people to be able to take advantage of e-government applications. Government should train its employees and citizens in basic skills of

dealing with the computer and Internet in order to let them participate in e-government development applications. In addition, Smith (2002) points out that making computer available in public locations, such as grocery stores, post offices, libraries, and shopping malls, may help in addressing the gap between those households that have access to the Internet and data services and those who do not. Feng (2003) mentioned that the lack of Internet access among certain sections of the population was considered the most important barrier to e-government development. Indeed, this lack of access among vulnerable or low-income citizens prevents them from being able to make use of those services provided specifically to them. UN (2008) survey found that an increasing in digital divide in developing countries increases the cost of technical barriers in launching and sustaining e-government services.

8. Culture:

Some barriers to the implementation of e-government are new technical but the cultural implications of new technologies. Personal characteristics and subjective conditions are more likely to be influenced by cultural factors than are the objective conditions surrounding the development and diffusion of new technology (Delhi, 1990). Cultural norms and individual behaviour patterns play a role in how citizens and policy makers use technology. Because culture plays a significant role in an individual's outlook, many people resistance and adopt new technologies slowly and with great deliberation (Feng, 2003). Hackney & Jones (2002) identified that improving working relationships between internal departments and external agencies, and adopting a corporate approach as keys to successful e-government. To achieve this, it was felt that major cultural changes are necessary. Organizational development should be included in the e-government implementation process so that internal cultural changes are accommodated. Chang (2002) states that culture can be determined by several factors: social structure, religion, language, education, economic philosophy and political philosophy. Technical enhancements are not only structural changes, but also cultural changes. These cultural change. Is though not as easily tangible, must receive at least as much planning so that technical changes is implemented successfully.

9. Leaders and Management Support:

The literature shows that without support from the top management, an innovation is less likely to be adopted. Thus, e-government implementation needs the support from the highest level of government for successful implementation. Top management support refers to the commitment from top management to provide a positive

environment that encourages participation in e-government applications. Therefore, it plays a significant role in the adoption and implementation of e-government (Akbulut, 2003). Leadership involvement and clear lines of accountability for making management improvements are required in order to overcome the natural resistance to organizational change, to gather the resources necessary for improving management, and to build and maintain the organization-wide commitment to new methods of conducting government (McClure, 2001). The involvement of high level leadership, as well as an integrated of high-level to vertical e-government planning, the acquisition of necessary resources, the motivation of officials, the support of dealings with external partners and stakeholders, to interagency and ministry co-ordination. As can be observed in transitional democracies and developing countries, political leadership and an integrate division of IT are what drive the development of e-government. Leaders who perceive a potential gain from the promotion of e-government are more likely to support such initiatives, even in the face of obstacles, while those who believe that they stand to lose from the implementation of e-government cannot be counted on for sustained support (Seifert & Bonham, 2003). Therefore government needs to educate the upcoming ranks of government leaders, managers and administrators in planning and managing ICTs across all public sectors, focusing on access opportunity, economic development, and effective delivery of public information and services (DECO. 2003).

9.3 ETHICS AND VALUES IN USE OF IT

Dealing with negative impact of IT

Ethics is a branch u.(philosophy that deals with what is considered to be right or wrong. Definitions of ethics have been widely proposed, such as "codes or morals or a particular profession", "the standards of conduct of a given profession", "agreement among people to do the right and to avoid wrong". Webster's Collegiate Dictionary defines ethics as "the discipline dealing with what is good and bad and with moral duty and obligation". In more simple words, it is the study of what is right to do in a given situation, and what we ought to do. With the advanced computer technology, it is in portent to understand computer ethics related to security. privacy issues, and major negative impacts of IT (Information Teleology). Strategies must be developed which address a growing number of global ethical questions resulting from these negative impacts of IT in Cyber space and IT society.

Here are some of the questions that need to be addressed:

- 1) What information about individual can be revealed to others?
- 2) What information about individuals should be kept in databases, and how secure is the information in the computer systems?
- 3) How should one handle data piracy on the computer networks?
- 4) Who is allowed to access the data and information?
- 5) How can safeguards be introduced to ensure that the information can be accessed only by the right person or organizations?

9.3.1 ETHICAL ISSUES IN COMPUTING

Information Technology (IT) has a central role in commerce, industry, government, medicine, education, entertainment and society to large. Its economic and social benefits hardly need explanation. But like any other technologies, IT also has problematic implications, and some negative impacts on our society, poses and creates some problems related to ethics, and contains in general three main types of ethical issues: personal privacy, Access right, and harmful actions. let us look more closely at these, issues, exploring in each case the ways in which they affect the public reactions to this technological change.

- 1) In terms of personal privacy, IT enables data exchange of information on a large scale from any body on any locations or any parts of the world, at any times. In this situation, there is increased potential for disclosing information and violating the privacy of any individuals and groups of people due to its widespread disseminations worldwide. It is our challenge and responsibility to maintain the privacy and integrity of data regarding individuals. This also includes taking precautions to ensure the accuracy of data, as well as protecting it from unauthorized access or accidental disclosure to inappropriate individuals.
- 2) The second aspect of ethical issues in computing systems is access to right. Due to the current popularity of international commerce on the Internet. The topic of computer security and access to right has moved quickly from being a low priority for corporations and government agencies to a high priority. This interest has been height tened by computer break-ins at places like Los Alamos National Laboratories and NASA in the US. Many attempts of

such illegal access to United States government and military computers by computer hackers have been widely reported. Without implementation of proper computer security policies and strategies network connections on the internet can't be made secure from illegal accesses.

- 3) In computer ethics, harmful action means injury or negative consequences, such as undesirable loss of information, loss of property, property damage, or unwanted environmental impacts. This principle prohibits use of computing technology in ways that result in harm to any of users, the general public, employees, and employers. Harmful actions include intentional destruction or modification of files and programs leading to serious loss of resources or unnecessary expenditure of human resources such as the time and effort required to purge systems from "computer viruses."

The new world of information society with global networks and cyber space will inevitably generate a wide variety of social, political, and ethical problems. Many problems related to human relationships and the community become apparent, when most human activity are carried on in cyberspace. Some basic ethical issues on the use of IT on global networks consist of personal privacy, data access rights, and harmful actions on the Internet. These basic issues have been solved partially using technological approaches, such as encryption technique, SSL, digital IDs and computer firewalls. Besides these protection technologies, legal laws are also needed in cyberspace to address hundreds of countries, which are incorporated into one global network, Guidelines and strategies should be implemented so that global information can be exploited in a socially and ethically sensitive way for our future benefit and applications. These and many more ethical issues urgently need the attention of governments, businesses, educational institutions, public and private individuals worldwide.

9.3.2 Impact on public service values

Democratic values

Political neutrality: Public servants are expected to meet the needs of their political superiors in a politically neutral fashion by avoiding activities that impair or seem to impair their impartiality or the impartiality of the public service. Political neutrality is a constitutional convention and a public service value that includes, for example, the components of anonymity and public comment, both affected by advances in IT. One reason for the ongoing decline in public service anonymity is the rapid increase in online engagement

between public servants and citizens, in part through social media tools. For example, public servants in Canada's federal Department of Foreign Affairs and International Trade (DFAIT) have often officially countered the arguments of seal hunt critics on online forums and through social media (Lambert 2010).

Public comment in the form of criticism of government policies, programs and personalities will likely become more frequent as public servants expand personal and professional communications through social media and increasingly through a single mobile device. An example of questionable comment is the case of the DFAIT employee disciplined for making disparaging comments on Facebook about government policy and the prime minister (Weston 2009). The kinds of practical questions to be considered are what types of things the government employee should consider before posting personal comments about a government policy or decision, and the risks associated with an employee acting as a political advocate on his or her personal blog. The more fundamental question is the extent to which public servants should be permitted to exercise the democratic right of freedom of expression in the information age.

Openness and transparency : The public service value of openness is used here in the sense of transparency, defined as effective citizen access to government information. The Internet, mobile devices and social media enable governments to foster greater openness by providing effortless access to information, and developments in data analytics allow governments to manage larger volumes of information. Transparency of government information is commonly viewed as a moral good, but the Open Data and Big Data movements present large management issues. Open Data has greatly increased the pressure for easy and full access to government information, including information widely perceived as unduly restricted under access to information laws and public service practices. Moreover, Big Data will require a substantial number of skilled analysts who can extract useful insights from the data. There will be an explosion of data resulting from M2M and the need to determine how much data should be released and in what form. The demand for openness has to be reconciled with the demand for privacy that has become a dominant concern in public sector management of IT.

9.3.3 Ethical values

Accountability: The values of openness and accountability have become more tightly linked as Open Data policies and practices give citizens more substantial access to government information. The related development of Big

Data analytics enables organizations to pursue stricter accountability by providing them with substantial data on employee performance (for example, on resource a location, absenteeism). In the private sector this development has been termed "accountability creep" to signify that "[t] the more data organizations gather from more sources and algorithmically analyze, the more individuals, managers and executives become accountable for any unpleasant surprises and/or inefficiencies that emerge" (Schrage2003).The quest [or accountability has also been complicated by the growing need to ensure horizontal accountability; "the mutual accountability of collaborators, partners or co-producers of policy and services to each other and the accountability of each to citizens and users" (Howard and Phillips 2012:315-6). The expansion of horizontal governance in the form of collaborative arrangements among departments, governments and/or sectors raises difficult questions as to who is accountable for what. Advances in IT have facilitated many of these arrangements, especially those involving the integration of services and service channels. The anticipated growth of digital connections and data sharing between public organizations, the private and third sectors, and citizens suggests that collaboration-and consequent concerns about accountability-will continue to increase. Among other IT-driven accountability issues is the extent to which public servants should-and can-be held accountable for privacy and security lapses involving government's electronic records. In their zeal to improve service and cut costs through innovative use of new technologies, public servants should be sensitive to fair treatment of the technologically disadvantaged

Honesty and integrity: Governments are increasingly obliged to deal with values and ethics concerns arising from public servants' use of their organization's electronic networks for such purposes as social networking and accessing or contributing to blogs, wikis and podcasts. The ethical problem-areas include surfing the Web for personal enjoyment or personal business, accessing pornographic and other questionable materials, deliberately or unintentionally releasing confidential information, engaging in prohibited political activities, and criticizing government policies, programs and personalities.

The nature and extent of the problem are suggested in a government report (Cribb 2010) disclosed by a whistle blower asserting that public servants in a Canadian province were involved in:

- Tens of thousands of hits to sites with content described as "illegal or questionable;" "drugs;" "racism and hate;" "militancy and extremist.

- More than 40,000 attempts to circumvent the province's computer security system.
- As many as 145 million hits a month on websites focused on spots, entertainment, travel, shopping, games and real estate.
- Up to 15 million monthly visits to streaming video sites including. comsn.ca.msn.com, Google Videos, entertainment siteebaumsworld.com and other large Internet services that carry television and video content. Moreover, each month there are dozens of investigations into computer related fraud, extortion, disclosure of confidential information and 'operating a business. Punishment ranged from suspensions and fines to dismissals and requests for a police investigation.

9.3.4 People values

Fairness: In their zeal to improve service and cut costs through innovative use of new technologically public servants should be sensitive to fair treatment of the technologically disadvantaged. The underlying principle is that citizens should be able to use the channel of their choice to access the level of service they require regardless of their technological circumstance. This is especially important in respect of obligations (for example, submitting tax that governments impose on their citizens. There are, however, steadily increasing pressures to achieve cost savings by migrating users to one or more of the self-service channels. The Canada Revenue Agency is encouraging online tax filing by eliminating its routine mailing of income tax forms, its Teleflex service permitting many citizens to file returns by telephone and its in-person payment and inquiry counter services in its field offices. The Danish public sector is replacing its surface mail communications with a digital mailbox for each citizen and business while promising to continue in-person service for those who need it. The UK government is implementing a "digital by default" system that aims to make online services much more attractive than alternative channels, while recognizing the need for "assisted digital for citizens unable or unwilling to access online services. Fairness is a key value for the digital inclusion of persons whose access to online services is limited because of such factors as physical disabilities, low income or age. Canada's Federal Court of Appeal ruled in 2010 that the federal government must provide effective access to its websites for blind and visually impaired persons, stay abreast of changing accessibility standards and update its web content to keep up with advances in assistive technology (Johdan v. Attorney General [2010] F.C. 1197 (CanLII). For both low income and elderly persons, governments must ensure that the traditional digital divide does not widen as more and more services move online.

Responsiveness : Fairness is closely linked to the value of responsiveness in the sense of the commitment of public servants to engage citizens in developing and delivering government programs in a sensitive, caring manner. Public organizations are expanding their use of social media and self-service technologies to enhance citizens' input on policy development and access to government information and services. For example, healthcare organizations are examining how social media and other data can be mined for research and treatment purposes. Kiosks are increasingly used to permit patients to check in at hospitals and other health care facilities. IVR applications are helping to improve service in health care as, for example, in New York State's Department of Health which allows residents to use IVR to conduct background checks on health care providers (Plum Voice). The expansion of M2M and is enabling patients to use wearable or implanted sensors to monitor themselves and to allow health care providers to monitor patients' vital signs remotely and continuously, avoiding hospitalization and possible infection. Technological initiatives to improve responsiveness to citizens can have care benefits and ethical costs. For example, advances in robotics can foster improved care for the elderly by monitoring their health and safety and providing companionship (such as robot pets), but robot applications can have such adverse effects as reducing the extent of human contact, individual privacy, and personal liberty (Sharkey and Sharkey 2012; 27).

9.3.5 Professional values

The 1996 Task Force on Public Service Values and Ethics noted the increasing importance of certain "new" or "emerging" professional values, including, most notably, service and innovation (Canada, 5+-6). These two values have been inextricably linked since the mid-1980s when the New Public Management movement and public demands for new and better services fostered improved service delivery. and budgetary constraints encouraged or required public servants to seek innovative ways of delivering services. By the early 2000s, a Service and Innovation Sector had been created in the federal Treasury Board Secretariat and the Institute for Citizen-Centred Service established to promote citizen-central research, service and innovation. References to service as a central public service value began to appear in values and ethics documents, sometimes linked to service improvement through technological innovation. For example, the Province of Manitoba's Value alit! Ethics Guide asserts in a section on citizen-centred service that the public service is "continually reviewing ways to improve our programs and services in response to the public's changing needs.

Whether it is through the use of new technology, forging new partnerships. or streamlining our processes, we will ensure we are flexible and adapt quickly to change" (2007)

Service: While a broad range of factors (for example, employee engagement, partnerships and organizational forms like service agencies) is driving improved public sector service delivery, the focus here is on improvements facilitated by new IT. Enabling self-service through various technologies has become a major component of the broad notion of service, evident in the surge of migration from the traditional service delivery channels to self-service ones. While SSTs enable citizens to help themselves, they also promote cost savings through that: pursuit of another professional value-that of efficiency. As noted above, however, there is growing tension between enhancing service and reducing costs by encouraging or requiring migration to the self service channels and ensuring fairness by preserving access to the traditional channels. Improved service is also being sought by governments' increasing use of social media to transmit information to citizens and, to a lesser extent, to receive citizen input on service design and delivery. As noted, Open Data is making substantial volumes of data available to the public so that citizens and businesses can use the data to develop new services and better modes of delivery. Moreover, Big Data analytics is expected to provide governments with information and actionable insights that will spark innovations in service design and delivery. While each of these technologies can bring substantial benefits, they also pose very tough challenges to the preservation of individual privacy.

Innovation: The public administration community is acutely aware that since the mid-1980's IT advances have driven countless innovations in public policy and management, especially for service delivery, Current. And emerging technologies such as those described above - and others on the horizon - will accelerate the pace of innovation. Some public organizations have innovatively and effectively integrated social media and digital applications into their operations, but many others are falling behind. The latter "need to catch up with the nearly decade-old social media revolution, not only to benefit now, but also to be prepared for innovations to come"(Partnership for Public Service 2013: 3) The ubiquity of electronic devices and the massive increase in the volume of data will both oblige and enable public organizations to adopt innovative initiatives to improve service and efficiency, and support and strengthen other public service values. But adopting innovative technologies can have adverse implications for public service values, including political neutrality, fairness, accountability, integrity and privacy.

Values and ethics Guidelines;

Many governments have taken steps to foster sensitivity to the values and ethics implications of their increasingly complex technological workplace-and. thereby. to respond to some of the concerns noted above. These initiatives followed the historical pattern of focusing initially on drafting ethical guidelines, supplemented by a scattering of training opportunities and instances of public service leadership. Several governments in Canada have provided guidance on appropriate use of Web 2.0 tools by adopting dedicated guidelines. The Province of Alberta has a policy on the use of freely accessible online (social media or web 2.0) tools used to produce, post and interact using text, images, Video, and audio to communicate, share, collaborate, or network. This includes blogs, social networks, videos and photos file sharing, folk sonomic tagging, podcasting and vadcasting, wikis and other similar tools" (2010: 1). The policy includes a long list of risks for public servants to keep in mind when using Government 2.0 tools and warns:

In their capacity as private citizens, GoA employees have the same rights of free speech as other citizens, however they may not represent the Government of Alberta on their own personal social media sites. and they are reminded that they are bound by the official Oath of Confidentiality, the Code of Conduct, the Communications policy, the Freedom of Information and Protection of Privacy Act and the Internet and Email Use policy), and must not disclose any GoA information or content that they are not specifically authorized to disclose. Similarly, the federal *Guideline for External Use of Web. 2.0* (Treasury Board of Canada Secretariat 2011) gives detailed practical advice to supplement the Public Sector Values and Ethics Code and other official documents. 'In addition to coverage of the key managerial considerations of governance and oversight. planning and design. rules of engagement, and evaluation and measurement, the Guideline provides advice on such matters as web accessibility (for example, for persons with disabilities), workplace Internet use, political neutrality, privacy and confidentiality, and encourages departmental training on the use of Web 2.0 tools and services individual departments have taken measures to support government wide rules and guidelines. Several federal departments, for example, have amended their codes of ethics to deal with the implications of IT advances. Fisheries and Oceans Canada's code to as sections on Use of Social Networks and on Electronic Networks Access and Use, and Environment Canada' s code warns against "conflicts of interest that may

arise from messages and information transmitted via the Internet and other media.'

Disclaimer: No claim is made here by the author of this study material that this piece is an original work. This is just compilation of the works of other authors for the benefit of students.

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9.4 UNIT END QUESTIONS

1. What is E-Governance ?
2. What is some ethical issues in computing ?

UNIT – 10

CITIZENS AND ADMINISTRATION PEOPLES PARTICIPATION

Unit structures

- 10.0 Objectives
- 10.1 Introduction
- 10.2 Conceptual Aspects
- 10.3 Nature participation
- 10.4 People participation in developed & developing countries
- 10.5 Mechanism for the Redress of Citizens Grievances
- 10.6 People's participation & Related Issues
- 10.7 Modes of People's Participation
- 10.8 Limitations of People's Participation
- 10.9 Conclusion & Current Scenario
- 10.10 Unit End Questions

10.0 OBJECTIVES

1. To understand the Relationship between citizens & Administration.
2. To understand the concept & spirit of People's participation.
3. To understand the Role & Importance of People's participation in Administration.

"Administration not only has to be good but, also to be felt to be good by the people"

- **Pandit Nehru.**

10.1 INTRODUCTION

There is a close relation between the citizen and administration. In fact the citizen is a centre of administration from past to present. The politician represents the wish & will of the people through the law and in order to fulfill the will and wishes of the people Administrators implement the law properly and effectively.

In a Democratic state the administration has to consider the will and wishes of the people because the people are ultimately the sovereign in democracy. So to

keep continuous contact with people, to provide proper and right information to the people, to fulfill the aspirations of the people through the policies and programmes are the main duties of administration.

Since Modern Democracy has adopted the principle of welfare state the government and administration has to undertake different welfare functions and in this process, for every work the citizen has to go to the administration which ultimately develops close relationship between the citizens and administration. This close relationship demands the active and effective participation of the citizens in the process of administration.

10.2 CONCEPTUAL ASPECTS OF PUBLIC & ADMINISTRATION

It is a matter of fact today that administration and public are inseparable entities, both in theory as well as in practice. In fact the very term indicates that the administration is meant for the public. The very nature of public administration provides the best for the co-relation between the citizen and administration. As a matter of fact, public administration is an instrument of governance, success and failure of the modern welfare-state and its government is related with the performance of the administration. Thus administration has become the corner stone of the civilized society.

The concept of public participation originated in ancient Greece, because of Direct Democracy, since then, the importance of people's participation in administration has been universally accepted. But in late 1960's the term citizen participation became popular. As rightly remarked by, R.K. Sapru in book, "Development Administration" that people's participation represents a revived interest the philosophy of Participatory Democracy promoted by the French philosopher Alexis Tocqueville who propounded that individual citizen's participation is essential for survival of the Democracy and that Democracy is undermined when citizens are incapable of influencing government decisions. This is known as Bottom Up-rule.

The concept of people's participation is well defined by the United Nations Research Institute of Social Development in the following terms; "It is the organized effort to increase control over the resources and regulative institutions in given social situation on the part groups and movements of those hitherto excluded from such control".

In fact people is participation involves the deliberate and systematic mobilization of citizens around

issues and problems of common concerns. In a broader sense participation comprises all forms of actions in the form of decision- making, implementation and evaluation. In its narrow sense, participation consists in convergent action by the citizens take part in the accomplishment of administrative services without belonging to governing or managing organs.

10.3 NATURE OF PARTICIPATION

The nature of people's participation may be direct or indirect, formal or informal. It may be social, political or administrative by nature. The effectiveness of citizen participation in public administration depends on three factors like degree of seriousness of participants, level of consultation of the public administration, degree of delegation of certain functions by public administration to the participant body or agency. The rationale of the people's participation can be summarized as follow:-

- I. Responsive administration-Citizen Participation makes the administration responsive to the needs of the people.
- II. Through participation people show their interest and action capability to assume responsibility.
- III. It is a means of expressing their feelings and thoughts.
- IV. It provides an opportunity to the people to demonstrate their willingness to do constructive work for the nation and show the image of good citizen.
- V. It also provides an opportunity to participate in the development process of nation.
- VI. It transforms the representative democracy into participatory democracy.

10.4. PEOPLE'S PARTICIPATION IN (DEVELOPED & DEVELOPING COUNTRIES

Participation of people in the political process including administration is regarded as a most important factor of democracy. As rightly described by Almond as participatory culture. It implies a meaningful participation of the people in the political process. Here Almond differentiates the types of the participative culture in both developed and developing nations. According to him western democracies are regarded as representative of, "Participatory Culture" because there is a constant interaction that takes place between the ruler and the ruled, the government and the people.

On the other hand most of the under developed and developing societies are the representatives of, "Subject Culture", because although the opportunities of participation are available but either the majority of the people are not conscious of these or they are tradition-minded as they prefer to obey the orders of the leaders. Since the level of political consciousness is low, the media of mass communication are inadequate, the percentage of illiteracy is very high, there is a communication gap between the ruler and ruled-government and people. Thus developing societies are transitional societies and special efforts on the part of government and administration is essential to bring about and increase the participation of the people in the political process. Development government in the rural areas was implemented by government in almost all states 73rd constitutional amendment of 1992 provided additional power, process of decentralization and opportunity to participate for different weaker sections of society through reservation.

II. Voluntary Association:-

It is the matter of fact that citizen participation is also carried out by local organizations formed on voluntary basis which is true about western as well as developing countries like India. As one of the basis of democratic government in USA there is a large number of voluntary organizations playing a significant role in national life. In India too the NGOs (Non-government organizations) are creating development awareness among the people thus and prove their participation in the development process.

III. Educating the Citizen:-

It implies the need to generate a sense of local patriotism and civic consciousness among the citizens which will develop the efficiency of citizen and bring about their meaningful participation in development process.

10.5. MECHANISM FOR THE REDRESS OF CITIZENS GRIEVANCES:-

There is a need to find ways and means of redressal of Citizens of Grievances effectively & speedily. Today R.T.I Right to information, Lokpal & Lokayukta are the measures & institutions that can play a major role in this direction.

Promoting the institutional base for peoples participation, they are main agencies that encourages the

people participation at large. The institutional bases like Gramsabha and Panchayat Raj at rural level and Municipal Corporation at Urban level and Encouragement to the Consumer Movement. Women and youth participation becomes meaningful today in order to develop the participative culture among common people of the country like India.

10.6 BASIC ISSUES RELATED TO PEOPLE'S PARTICIPATION IN ADMINISTRATION

Non-Public attitude Citizen & Bureaucracy today. It is an accepted fact that for the successful working of public administration there is a level for active citizenship and self-help. In fact in a democracy public administration must be based on public concern and support. It denotes the two way process (People's mind must be known to the administration and at the same time administrators efforts must be actively supported by the people.) In-fact, People's active participation depends upon administration response to the aspiration of the people.

Here it is important to point out the issues related to the relation between citizen and bureaucracy as an administrative unit. The relationship between the citizens and public servants lack cordial and mutual understanding. The main complains of citizens against the civil servants are:-Inordinate delays, in-disposal of cases, corruption, lack of proper communication, aversion of responsibility, exploitation, favouritism, arbitrary and high handed functioning and indifferent attitude. In-fact public suspicions about the integrity of the public. Servants and regards right contracts. public administration pulls, 'Speed money' etc. as the ways of means to get the things done.

In this regard it is interesting to see the finding of the administrative reform commission on public view of administration. They are as follows:-

- a. Unhelpful attitude on the part of the officials.
- b. In-ordinate delays in transacting government business.
- c. Corruption among officials.
- d. Non availability of essential commodities.
- e. Lack of proper attention from government agencies in-providing services to the common man.
- f. Favouritism and nepotism in-dealing with the general public.
- g. Unsatisfactory progress of community development programme.

- h. Public-dissatisfaction with the Panchayat Raj institution.
- i. Inefficient machinery for redress of public grievances at the district level.

In the above mentioned fact, it is important to note that, by and large the Indian Bureaucracy is Urban-middle class & those whom they serve is the rural mass or illiterate and poor. Thus, there is a wide cultural gap between the class of administrators and vast majority masses and it's because major dead code in the process of active public participation in-administration.

All thus matters raise the basic question of how to and why there is need for reconciliation of the both public and administration. The answer to such question lies in the following facts.

1. Need for democratic temper:-

It is a matter of fact that in a Democratic State Administration has to be democratic in-temper, because in a democratic administration people are the master to whom due attention and courtesy must be given.

2. Linkage Between Public & Administration:-

It reflects the fact that public administration must be well aware about the public thinking of the administrative acts & politics as well as what hopes and desires are entertained by the public, it also needs a quick and efficient machinery to attend promptly to the public grievances.

10.7. MODES OF PEOPLE'S PARTICIPATION

Peoples participation in administration may be Direct or Indirect, it may be formal or informal in nature. The process's participation may be in the process of policy formation or in the process of policy implementation. In-fact people can participate indirectly through observation & expressing their opinion or submitting complains about Administration. People's participation may be voluntary or promoted by government. It may be individual level or at the organisational level. People may participate through the political and non-political organisations like political party, pressure groups. Interest groups or in-formal government organisation.

10.8. LIMITATION'S OF PEOPLE'S PARTICIPATION

1) Administrator's behaviour and culture

If behaviour of administration is rude, selfish, disinterested in people's problem, chances of peoples participation is very less.

2) Position of the population:

When the is problem of illiteracy, poverty, ignorance, unemployment, discrimination exists in society, then people have less chances of participation in administration as they lack civic awareness and knowledge about administration public administration process.

3) Type of leadership:

In order to motivate the people for their effective participation in administration, the role played by capable, competent and effective leader is more important. If a leadership is not mature and illiterate dictator type then it can work as limitation on the part of people as they get less opportunity to participate in administration process.

4) Types of government:

People's participation is also depended upon the type of government that exists in the country. Where there is centralized government, there is less chances of peoples participation and where there is more decentralization then peoples participation is more and this is proved in India by Panchayati Raj system and specially after the 73rd & 74th constitutional amendment in 1992. Which provided an excellent opportunity to all section of urban and rural population to participate in social & economic planning, five year planning and implementation and evaluation of the plans and programmes etc.

10.9. CONCLUSION

In short it can be concluded that people's participation in administration or government process, in decision making or decision implementation, direct or indirect formal or informal is most important for the

success of democratic polity. In fact effective people's participation makes administration more efficient and effective one. But the effective participation of people requires for long things.

1. People must have up to date information about Administrative process:
2. Need a solid support of people for Government policy and programmes.
3. People should be competent enough to evaluate the work and administrator.
4. Both should understand each other wishes and aspiration & developmental understanding & corporation.
5. The Administrators should be honest & efficient.
6. Administrators should understand common man's issues & must have will to solve it.
7. Public Administration leadership should be developmental-oriented sensitive.
8. People must have will to participate in all types of Administration process.

Today's Government and Peoples Participation:- Present government of BJP under the PM. Narendra Modi provided website called mygov.nic.in for the purpose of increasing peoples participation in administration. (Reference-News paper and T.V news)

10.10UNIT END QUESTIONS

1. Discuss the concept of peoples participation in public administration.
2. What are the limitations to people participation in public administration.
3. Discuss the relationship between citizens and administration and its subsequent impact on citizen participation.

Unit- II

CITIZENS CHARTER

- A customer is the most important visitor on our premises.
- He is not dependent on us; We are dependent on him.
- He is not an interruption in our work; he is purpose of it.
- He is not outsider to our business; he is part of it.
- We are not doing favour by serving him.

He is doing us a favour by giving an opportunity do so.

-Mahatma Gandhi

Unit Structure

- 10.0 Objectives
- 10.1 Introduction
- 10.2 Concept of Citizens charter
- 10.3 Main factors of Citizens Charters
- 10.4 Philosophy of the Citizen's Charters
- 10.5 Objectives & Goals and Nature of Citizens Charters
- 10.6 Components of citizen's charter's
- 10.7 Emergence & Development of the concept of citizen's charter
- 10.8 Rationale of a Citizens Charter
- 10.9 Development Of The Concept Of Citizen's Charter In Other Countries
- 10.10 Emergence of the concept of Citizens Charter In India
- 10.11 Exemplary implementation of the citizen's charters
- 10.12 Citizen's charter and Grievances Redresses bill 2011
- 10.13 Evaluation of Citizens Charters
- 10.14 Conclusion
- 10.15 Future Vision
- 10.16 Unit End Questions

10.0 OBJECTIVES

1. To understand the concept of citizens charter
2. To grasp knowledge about citizens charter at world level

3. To understand the development and implementation of citizen charter in India

10.1 INTRODUCTION

The term citizen in the citizens charters implies the clients or customers whose interest and values are addressed by the citizen's charter & therefore it includes not only the citizens but also all the stakeholders like citizens, customers, clients beneficiaries ministries/ Department/ Organization/ State government, Union Territory Administrators etc.

10.2 CONCEPT OF CITIZENS CHARTER

Citizens charter is a document which represent in systematic effort the focus on the commitment of the organization towards its citizens in respect of standards of services, information, choice and consultation, non-discrimination and accountability, grievance redress, courtesy and value for money.

This also includes expectation of the organization from the citizens for fulfilling the commitment of the organization. Thus the citizen's charter includes the following elements:-

- I. Vision and mission statement.
- II. Details of business transacted by the organization.
- III. Details of clients.
- IV. Details of services provides to each client's group.
- V. Details of Grievances redressed mechanism and how to access it.
- VI. Expectations from clients.
- VII. Philosophy goals and objectives of the organization.
- VIII. Main features of organization.
- IX. Best practices in the organization.
- X. Standards and time norms.

10.3 MAIN FACTORS OF CITIZENS CHARTERS

1. Standards:

The citizens must have clear cut information about the standard of services, proper choice in order to get best services from government. In-fact care should be taken that there is no difference between standards shown and services provided. It is necessary to provide wide publicity of services.

2. Information and Openness:

It includes the information about, How services will be provided and who will be in-charge. Complete and detailed information should be provided to are people in writing in easy language. In-fact it must have openness and transparency.

3. Choice and Consultation:

In-order to improve the quality of services. The citizen's charters must provide a wide choice specially in public sector. It must provide a suitable mechanism or body to provide continuous and systematic advice to the clients. There is a need to understand the attitude and responses of clients towards services provided by the organization.

4. Courtesy and Helpfulness:

It is a central aspect of citizens charter which demands that the group servants should have courtesy and co-operative nature towards public and they must provide services to all as per the law and process.

5. Putting Things Right:

It demands that since the government servant are services providers they must provide good atmosphere and polite service to the citizens and for that develop such system in their departments.

6. Value f or Money:

It stress on the fact that people must get satisfaction through proper service because they must get the value of money they spent for public services. Thus, in short the citizen's charter reflects the total quality approach (TQA) and expects drastic changes in the standard & quality of public sector and services.

10.4 PHILOSOPHY OF THE CITIZEN'S CHARTERS: -

a. WELFARISM:

The citizen's charters reflects the philosophy of modern government that is Welfarism, where public welfare with public choice & satisfaction is stressed and government decides policy and programmes and provides services according to needs of the people.

b. Good governance:

It has been recognised world over that good governance is essential for sustainable development both in the economic and social field. The three essential aspects emphasized in good governance-Transparency, Accountability and Responsiveness of the administration. In this light the citizen charters initiative is the response to the quest for solving the problem which a citizen encounters, day in and day out, while dealing with the organisation providing public services. (Good Government is the Technology & citizens charter is the tool)

c. TQM/TQA:

The citizen charters reflects the Total Quality Approach (TQA) which stress on the improvement in the standard and quality of public services. It also reflects the quest for making public services citizen centric and shows the service quality approach. It opens the gates for Total Quality Management (TQM). As it focuses on meeting customer's/citizen's requirement and conformance to standards, stake-holder involvement and continuous improvement.

10.5 OBJECTIVES, GOALS AND NATURE OF CITIZENS CHARTERS

The basic objective of the Citizens charter is to empower the citizens in relation to public service delivery. These objectives were later elaborated by the labour government of U.K as following nine principles of services delivery in 1998.

1. Set standards of services.
2. Be open and provide full information.
3. Consult and involve.
4. Encourage access and the promotion of choice.
5. Treat all fairly.
6. Put things right when they go wrong.
7. Use resource effectively
8. Innovate and improve.
9. Work with other providers.

The six principles of the citizen's charter movement as originally framed were as follows:

1. Quality- Improving the quality of services.
2. Choice- Where possible.

3. Standards- Specify what to expect and how to act if standards are not met.
4. Value- For tax-payers money.
5. Accountability- Individuals and Organization.
6. Transparency-Rules/procedures/scheme/grievances.

10.6 COMPONENTS OF CITIZEN'S CHARTER'S

- Vision and mission statement
- Details of business transacted by the organization
- Details of clients
- Details of services provided to each client group
- Details of grievance redress mechanism and how to access it; and
- Expectations from the client What makes good charter?
- Focus on customer requirements
- Simple language
- Service standards
- Effectives remedies
- Training
- Delegation
- Feedback mechanism
- Close monitoring
- Periodic review

If successfully implemented, the charter can enable the following:

- ✓ Improved services delivery;
- ✓ Greater responsiveness of officials towards the public and
- ✓ Greater public satisfaction with services.

The citizen's charter's is generally not legally enforceable so it is non-justiciable. However, in practice it is a tool for facilitating the delivery of services to citizens with specified standards quality and time frame etc. with commitment from the organisation & its clients.

10.7 EMERREENCE & DEVELOPMENT OF THE CONCEPT OF CITIZEN'S CHARTER

The concept has emerged in United Kingdom during the Prime Ministership of Margarate Thacher in which the stress was given on the principle of welfarism Specially 1980's The government started thinking seriously about the quality and standard of public service

and the British administration brought the reforms in administration and services which were featured by efficiency and effectiveness.

The foundation for the emergence of citizen's charter was provided by the events like efficiency scrutiniser-(1979), finance management initiative-FMI-(1982) and next step program>NSP-(1988). After word in 1991 the conservative government of John major launched the national program with a simple aim; to continuously improve the quality of public services for the people of country, so that these services respond to the needs and wishes of the users. This program was re-lunched in 1998 by the labour government of Tony Blair which renamed it as **services first**.

The key aspects of the citizen's charter are:

a. Public agencies publish commitment to standards of services, b. Existence of independent monitoring and publication of standards achieved, c. Mechanism should be established so that the customers can achieve satisfaction, when standards are not met. It includes various forms of compensation and alternative arrangement for service provisions where agencies do not live up to their promises.

10.8 RATIONALE OF A CITIZENS CHARTER

1) A citizen's charter is the expression of an understanding between the citizens and the Public service provider about the quantity and quality of service citizens receive in exchange for their taxes. It is essentially about the rights of the public and the obligations of the public servants as well as expectations from citizens.

2) As public services are funded by citizens, either directly or indirectly through taxes, they have the right to expect a particular quality of service that is responsive to their needs and is provided efficiently and a reasonable cost. The citizen's charter is a written, voluntary declaration by service provides about service standards, choice, accessibility, non-discrimination, transparency and accountability. It should be in accordance with the expectations of citizens. Therefore, it is a useful way of defining to customers the nature of service provision and explicit standards of services delivery.

3) A further rationale for the charters is to help change the mind-set of the public official from someone with power over the public to someone collected through taxes and in providing them with necessary services.

4) However, the citizen's charter should not simply be a document of assurance or a formula which imposes a uniform pattern on every service. It is meant to be a tool kit of initiative and ideas to raise the level of standards of service delivery and increased public participation, in the most appropriate way. The charter should be an effective tool to ensure transparency and accountability and should ensure good governance if implemented successfully by the government departments.

10.9 DEVELOPMENT OF THE CONCEPT OF CITIZEN'S CHARTER IN OTHER COUNTRIES

The UK's citizen charters initiative aroused considerable interest around the world and several countries implemented similar programs. These countries are Australia (Service Charter-1997), Belgium (Public service users chartered-1992), Canada (Service Standard Initiative-1995), France (Service Chartered-1992), India (Citizen Charter-1997), Jamaica (Citizen Chartered-1994), Malaysia (Client Chartered-1993), Portugal (The Polity Chartered in Public Service-1993), Spain (The Quality Observatory-1992), etc.

Although some of these initiatives are very similar to the UK model. The new ground and program is related to the service quality paradigm of the Total Quality Management (TQM). New quality tools and programs are adopted for improving public services like business, excellence model, investors in people charter mark, ISO 9000 and best value etc.

The international scene about citizen's charter can be explained with the few examples of countries who initiated such programme in their countries. They are as follows:

1. **Malaysia**-The Government of Malaysia used guidelines on the client's charter in 1993 to assist government agencies to prepare and implement client's charter, which is written commitment by an agency to deliver output or services according to specified standards of quality (Government Of Malaysia 1998). A best client's charter award was instituted in 1998. The Malaysian system of client's charter closely follows the UK model. A distinction is made between agency wide and unit charter. The concept of 'service recovery' enjoins taking steps to restore the trust and confidence of the client in a proactive manner when things go wrong.

2. Australia- The Commonwealth Government of Australia launched its Serve Charter initiative in 1997 as part of its on-going commitments to improve the quality of service provided by agencies to the Australian Community by moving the government organisation away from bureaucratic process to customer focus requires outcomes, Service charters are considered a powerful tool for fostering change and require the organisation to focus on service delivered, to measure and assess performance and to initiate performance improvement by providing goals for agencies to strive towards a charter. It acts as a surrogate for competition where none exists (Department Of Finance and Administration 1991) central is a one-stop shop that provides access to Australian government services for over six million customers. Centre link has adopted one-to-one service as an innovative and personalised approach to service delivery. One-to-one service treats customers with respects and consistency and takes the complexity out of dealing with government.

3. Canada- The Treasury board of Canada secretariats started a service standard initiative in 1995 which took its clue from the citizens charters of the United Kingdom ,but enlarged the scope considerably. This service standard initiative in Canada was started against the backdrop of citizens expectations relating to friendly, respectful and courteous service, faster response ,time extended hours at government offices and 'one-stop shopping'. At the same time there was a need to reduce the deficit and provide value for money through more efficient use of resources.

10.10 EMERGENCE OF THE CONCEPT OF CITIZENS CHARTER IN INDIA:

1. Conference of Chief Secretaries (1996):-

With the changing scenario at the international level about the standard and quality public servant, the India made an impact on the Indian administration. In order to make government more effective and responsive a conference of chief secretaries was organised in 1996 to develop an agenda for an effective and responsive administration to make the public servants more efficient, clean, transparent, accountable and citizen-friendly.

The conference recommended that accountability should be interpreted in a larger sense in relation to public satisfaction and responsive delivery of services and introduction of citizen's charter for as many service institutions as possible.

2: Conference of Chief Ministers 1997:-

In the conference of chief ministers of various states and union territories held on 24th May 1997 in New Delhi, presided over by the Prime Minister of India, an action plan for effective and responsive government at the centre and state level was adopted. One of the major decisions at that conference was that the centre and state government would formulate citizen's charters starting with those sections that have a large public interface such as railways, telecom, post, public distribution systems. These charters were required to include standards of service and time limits of the public can reasonably expect avenues of grievance redress and a provision for independent scrutiny with the involvement of citizen and consumer groups. The action plan stressed on three main areas they are:

- 1: making administration accountable and citizen friendly
- 2: ensuring transparency and right to information

3: taking measures to cleanse and motivate civil services.

Role of administrative reform and public grievance - (DARPG) The Department of Administrative Reforms and Public Grievance in Government of India initiated the task of coordinating formulating and operationalizing citizen's charters. For the formulation of charters, the government agencies at the centre and state levels were advised to constitute a task force with representation from users, senior management and cutting edge staff. A handbook on citizen's charter was seen developed by the department and sent to all the State government and union territory administrations.

The guidelines for formulating the charters are provided. In fact the charters are expected to incorporate the following elements:

- (1) Vision and mission statement
- (2) Details of business transacted by the organisation
- (3) Details of clients
- (4) Details of services provided to each client group
- (5) Details of grievances redress mechanism and how to access it
- (6) Expectations from the clients

Till April, 111 citizens charters were formulated by the central government ministries /department/organisation and 668 charters by various agencies of union territories. Most of the national charters are posted on the government's websites and are open to public scrutiny. The organisation with citizen's charter are advised to give

publicity to their charters through such means as print/ electronic media and awareness campaigns.

3: Comprehensive website on citizen's charters: A comprehensive website of citizen's charter of government of India www.goicharters.nic.in, has been developed and was launched by the department of administrative reforms and public grievances on 31st may, 2002.

This contains the citizen's charters issued by various central government ministries / departments / organisations.

The website provides useful information, data and links.

10.11 EXEMPLARY IMPLEMENTATION OF THE CITIZEN'S CHARTERS

While overall efforts and initiatives of the government on citizens charter were continuing. It was realised that their exemplary implementation of the charter in a major public interface of government would not only establish the new concept in the interim-prone bureaucracy but also act as a role model for replication in other sectors/ areas. The best model of citizen's charter is provided by home ministry, government of Maharashtra specially for police department and Maharashtra administrative tribunals 2012.

The booklet published by Home Ministry of Maharashtra Government, the main objectives of the preparations of citizen's charters related to police administration areas:(1) effective implementation of law and order system in the state .(2)to protect the life and property and live a peaceful life by the citizen (3)To make police administration more speedy, transparent, responsible and people oriented.

This charter provides the information about the nature and structure of the police administration, the working of the police station, how and where to launch the complaint, information about the law process, facilities for women, complainants and other such information about police administration. The booklet published by Maharashtra administrative tribunals Mumbai (1912) related to citizens charter provides the basic information about the structure, working and duties of Mumbai office, detail information about powers & duties of officers, information about the rules/ regulations/ circulars and government decisions related to tribunal. It also provides

the information about formats of application forms and their necessary information about tribunal process.

10.12 CITIZEN'S CHARTER AND GRIEVANCES REDRESSES BILL 2011:-

The citizen charter and Grievance redresses bill 2011 also known as the right of citizens for the right delivery of goods and services and redresses of their grievances bill 2011 or citizen charter bill was a proposed, Indian Central legislation. It was tabled by V. Narayan Swamy minister of state for personal public, grievances and pensions in Loksabha in 2011. The bill lapsed due to dissolution of the 15th Loksabha.

Main Aspect:-

The Bill seeks to confer on every citizen the right to time bound delivery of specified goods & services and to provide mechanisms for grievance redress at. The Bill makes it mandatory for every public authority to publish Citizens charter within 6 months of the commencement of the act failing which the official concerned would face action including a fine of Rs. 46 to Rs. 50,000 from his salary & disciplinary proceeding. The Bill came after Anna Hazare asked for its provision to be included in the Jan-Lokpal Bill.

Formulation of citizen's charters by control ministers/ Department/Organisation 11th December 2013.

1. Ministry of Agriculture & Corporation.
2. Department of Atomic Energy.
3. Ministry of Chemicals & Fertilizers.
4. Ministry of Civil Aviation.
5. Ministry Of Coal.
6. Ministry of Commerce & Industry.
7. Ministry of Consumers affairs, Food & Public Distribution.
8. Ministry of Culture.
9. Ministry of External affairs.
10. Ministry of Finances.

Citizen's charter formulated by state government & Union Territories on 24th January 2011, Specifically Government of Maharashtra.

List of formulation of Citizen's Charter by central government and state government specially Maharashtra

1. Food, Civil supplies & consumers protection.
2. Home Department.

3. Animal Husbandry.
4. Rural development & water conservation.
5. Housing and Area development authority.
6. Municipal Corporation of Brihan Mumbai.

10.13 EVALUATION OF CITIZENS CHARTERS

The effective working of the citizen's charter was evaluated by different neutral agencies like DARPG consumer coordination, Consumer coordination council, in New Delhi and govt. act 1998 and by DARPG in 2002-03. This evaluation of implementation of charters in five central governmental organisation and 15 Department / Organisation of states of Andhra Pradesh, Maharashtra & Uttar Pradesh provide the information about following finding.

- 1) In majority of cases charters were not formulated through a consultation process.
- 2) By & large service providers are familiar with the philosophy, goals and main features of the charters.
- 3) Adequate publicity to the charters had not been given in any of the departments evaluated. In most department the charters are only in the initial or middle stage of implementation.
- 4) No funds have been specifically earmarked for awareness generation or citizen's charter or for orientation of staff on various components of the charter.

On the basis of these findings the following suggestions or provided:-

- 1) Need for citizens and staff to be consulted at every stage of formation of the charter.
- 2) Orientation of staff about the main features and goals / objectives of the charter; vision and mission statement of the department.
- 3) Need to develop skills such as team building, problem solving, handling of the grievance & communication skills.
- 4) Need for wider publicity of the charter through print media, posters, banners, leaflets, hand bills, mass Media etc.
- 5) Replication of best practices in the field.

10.14 CONCLUSION

Although the main objective of the citizen's charter is to provide standard and qualitative service to the people & to make Government transparent, accountable and responsible on the line of good Governance. It is not

easy specially in India because the old Bureaucracy set up, procedure, rigid attitude of the work force, peoples attitude towards administration & lack of awareness of people about citizen's charter. Here it can stated that in-order to achieve the dream of good Governance there is need to build a special mechanism related to publicity monitoring process evaluation and special effort to create wider and visionary awareness among the people about citizens charter.

10.15 FUTURE VISION

The implementation of citizens charters is an on-going exercise because it has to reflect the extensive and continual changes taking place in the domain of public services. Indian government continuously strives to serve the citizens in an effective & efficient way so it is not only to meet but to exceed their expectation. The citizen's charter initiative is a major step in this direction.

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10.16 Unit End Questions.

1. Discuss the concept and rationale of citizens charter
2. Discuss the citizen's charter and Grievances Redressed Bill 2011.
