DIRECTORATE OF DISTANCE EDUCATION

UNIVERSITY OF NORTH BENGAL

MASTER OF ARTS-HISTORY

SEMESTER -I

INDIAN ADMINISTRATION
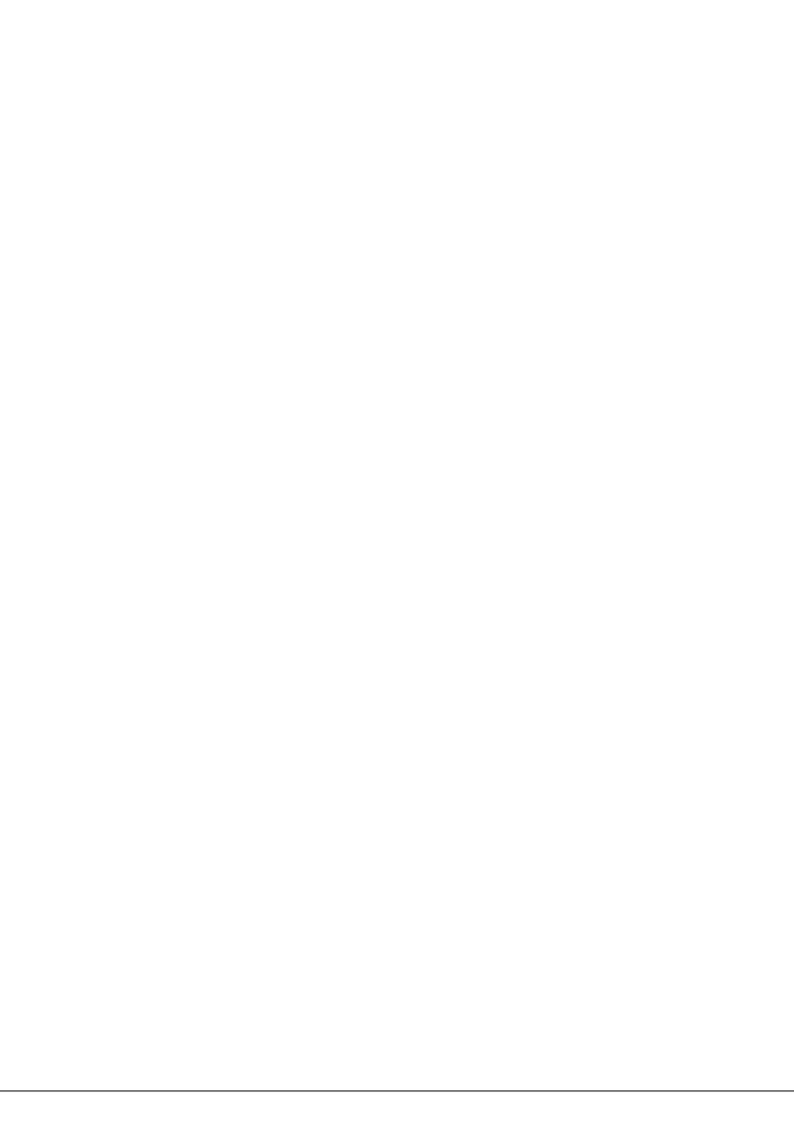
ELECTIVE-104

BLOCK-1

UNIVERSITY OF NORTH BENGAL

FOREWORD

The Self Learning Material (SLM) is written with the aim of providing simple and organized study content to all the learners. The SLMs are prepared on the framework of being mutually cohesive, internally consistent and structured as per the university's syllabi. It is a humble attempt to give glimpses of the various approaches and dimensions to the topic of study and to kindle the learner's interest to the subject

We have tried to put together information from various sources into this book that has been written in an engaging style with interesting and relevant examples. It introduces you to the insights of subject concepts and theories and presents them in a way that is easy to understand and comprehend.

We always believe in continuous improvement and would periodically update the content in the very interest of the learners. It may be added that despite enormous efforts and coordination, there is every possibility for some omission or inadequacy in few areas or topics, which would definitely be rectified in future.

We hope you enjoy learning from this book and the experience truly enrich your learning and help you to advance in your career and future endeavors.

INDIAN ADMINISTRATION

BLOCK 1

BLOCK 2

BLOCK-1: INDIAN ADMINISTRATION

Introduction to the Block

Unit 1: Development Administration as part of development strategy deals with meaning of development administration and to distinguish between traditional and development administration.

Unit 2: Bureaucracy and Development deals with the description of various aspects of the social background of bureaucracy

Unit 3: Role of Bureaucracy deals with the expanding role of state and bureaucracy

Unit 4: Role of voluntary and non-governmental organizations in development deals with the understanding concept of NGO and other voluntary organization for social welfare.

Unit 5: Civil Service System deals with the Civil service structure; To discuss the Recruitment process.

Unit 6: District Administration, Rural & Urban local self-government deals with the concept of District Administration and its functions.

Unit 7: Social and Economic Administration deals with Budget, Accounting and Auditing.

UNIT 1: DEVELOPMENT ADMINISTRATION AS PART OF DEVELOPMENT STRATEGY

STRUCTURE

1.0 Objectives

1.1 Introduction

1.2 Meaning and nature

1.3 Difference between Traditional Administration and Development Administration

1.4 Genesis of Development Administration

1.5 Features of Development Administration

    1.5.1   Change Orientation

    1.5.2   Goal Orientation

    1.5.3   Innovative Administration

    1.5.4   Client-Oriented Administration

    1.5.5   Participation-Oriented Administration

    1.5.6   Effective Co-ordination

    1.5.7   Ecological Perspective

1.6 Evolution of the concept

1.7 The application of development administration in India

    1.7.1   Regional Approaches

    1.7.2   Area Development Approach

    1.7.3   The Target-Group Approach

    1.7.4   Minimum Needs Programmed Approach

    1.7.5   The People-Centered Approach

1.8 Let us sum up

1.9 Key Words

1.10   Questions for Review

1.11   Suggested readings and references

1.12   Answers to Check Your Progress

1.0 OBJECTIVES

After reading this unit, you should be able to understand:

- To discuss the meaning of development administration
- To distinguish between traditional and development administration
- To trace the evolution and
- To highlight its features.

1.1 INTRODUCTION

The essence of development administration is to bring about change through integrated, organised and properly directed governmental action. In the recent past the governments in most of the developing nations have shifted their focus on development by means of planned change and people's participation. With this shift of administrative concern towards developmental objectives the researchers and practitioners of Public Administration have been forced to conceptualize the developmental situation and to bridge the gaps in administrative theory. The growing welfare functions of the government have brought into limelight the limitations of the traditional theory of administration. The essence of administration in the present conditions lies in its capacity to bring about change in the structure and behaviour of different administrative institutions, to develop an acceptance for the change and to create a system which can sustain change and improve the capacity of institutions to change. All this calls for renewed efforts on the part of institutions engaged in the tasks of development. Thus development administration as an area of study and as means to realise developmental goals assumes importance. This unit will highlight the meaning, features and genesis of development administration.

1.2 MEANING AND NATURE

There is no uniform definition of development administration which is agreeable to all. But we can at least arrive at certain basic features and characteristics of order to understand the concept of development

administration; we should try to understand the meaning of the concept viz., administration of development and development of administration.

1.2.1 Administration Of Development

Development is integral to the aims and activities of the government especially in the developing countries. Because of paucity of resources, human and material in their counties, the need for making optimum utilisation of available means and augmenting new means assumes a great importance. Development administration thus becomes a means through which the government brings quantitative and qualitative changes in an economy. Government is engaged in not only fixing priorities but also making efforts to realise them. Though Weidner is said to be the - first to conceptually explain the definition of development administration, many other scholars, like Riggs, Ferrel Heady, Montgomery, Gant, PaiPanandikar have attempted to define the term in their own ways. However, before we analyse the different definitions and meanings of the term, it should be mentioned that all of them agree that development administration is an effort towards planned transformation of the economy involving not only the sphere of administration but also formulation of policies and indeed the society as a whole. It is an effort at the synchronization of changes in all spheres of development-economic, political, social and cultural. Thus development is not only viewed in terms of growth process, but it includes a process of social change.

The State plays a leading role in bringing about development through its administrative system. In order to discharge this role it requires a distinct type of support by administration which involves, as it has been observed by Swerdlow, special understanding of problems in the developing countries. These must be perceptible at different operative levels i.e., officials must make enough different decisions, adopt enough different policies and engage in enough different activities to warrant the different designations of development administration. Thus development administration is simply termed as an action or functioning part of the government administration. It is action-oriented and places the administration at the centre in order to facilitate the attainment of development objectives. For Harry J. Friedman development administration means:

i)   the implementation of programmes designed to bring about modernity (i.e. socioeconomic progress and nation-building), and

ii)   the changes within the administrative system which increase its capacity to implement the programmes. According to Hahn Beenlee, development administration is involved in managing a government or an agency so that it acquires an increasing capability to adapt to and act upon new and continuing social changes with a view to achieve sustained growth. Gant observed that development administration is "that aspect of Public Administration in which focus of attention is on organise administration public agencies in such a way. as to stimulate and facilitate &fined programmes of social and economic progress. It has the purpose of making change attractive and possible." Thus development administration involves two elements:

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

b.   mobilisation of administrative skills so as to speed up the development process. Development administration concentrates on the needs and desires of the people, It is concerned with formulation of plans, programmes, policies and projects and their implementation. It plays a central role in carrying out planned change i.e. it is concerned with planning, co-ordination, control, monitoring and evaluation of plans and programmes. It is not only concerned with the application of policies as determined by the political representatives in existing situation but also with introducing efforts to modify existing situations so as to serve the cause of the masses. The administration of development implies:

i) the execution of programmes designed to bring about progressive improvement;

ii) the changes within an administrative system which increases its capacity to implement such program. In brief, administration of development involves following objectives:

   a)   application of innovative strategies for development

   b)   emphasis on development at the grassroots level. Development has to be a need-oriented and self-reliant process

   c)   stress on social development and human capital as a major resource

   d)   development has to be viewed not merely as a technological problem but also as an ideological norm

   e)   profound and rapid change in order to establish a distinct and just social order

   f)   recognising and highlighting the unity, rather than dichotomy between politics and administration

   g)   effective and efficient use of scarce resources

   h)   creation of a politics-administrative environment which is oriented towards securing basic needs of the population

   i)   freedom of administrative machinery to express its values and beliefs without fear or favour on programmes and projects.

1.2.2 Development Of Administration Or Administrative Development

Development Administration has to be efficient and effective. For that purpose it has to aim at enlargement of administrative capabilities and structural and behavioural change. It is this aspect of administration that is called administrative development or development of administration. In simple terms it means development of administrative system, of administrative health by introducing-administrative rationalization and institution building. The purpose implicit in this concept is not merely changing the administrative procedures and channels but also bringing out fundamental change in administration that leads to:

1) political development,

2) economic growth, and

3). social change.

The administration should evolve so as to commensurate with societal goals. Development of administration further means cultural change in administration. The colonial administrative culture is unsuitable to the changed socio-political ethos of the developing world. Our British legacy has adversely affected the administration. The obsolete Acts e.g. Police Act, 1861,'cannot take us towards the path of change. Development of administration should refer to the creation of ability to adjust to new stimuli or changes. The development of administration aims at qualitative and quantitative transformations in administration with an eye on the performance of management of affairs. The term also implies technological changing administration so as to enable it to adopt new modes or techniques of administration. Thus administrative development focuses on adaptability, autonomy and coherence in administration. In short, administrative development is concerned with:

1) The capacity of an administrative system to take decisions in order to meet the ever increasing demands coming from the environment and with the objective of achieving larger political and socioeconomic goals.

2) Increase in size, in specialization and division of tasks and in the professionalization of its personnel.

3) A pattern of increasing effectiveness in the optimum utilization of available means and further augmentation of the means, if necessary.

4) Increase in administrative capability and capacity.

5) Transformation of existing administrative mechanism into the machinery through modernizing the bureaucracy by external inducement, transfer of technology and training. .

6) Replacement of initiative, practices etc.

7) Reducing the dependence on foreign experts by producing adequate trained manpower.

8) Promotion of development initiative.

9) Administrative reorganisation and rationalisation.

10) Making modernisation culturally related.

11) Removing or reducing bureaucratic immobility and widespread corruption.

12) Reorientation of established agencies, and the delegation of administrative powers to them.

13) Creation of administrators who can provide leadership in stimulating and supporting programmes of social and economic improvement. The meaning and importance of administrative development as an ingredient of development administration has been well summed up by Caiden in the following words, "Administrative reform is an essential element of development in any country, irrespective of the speed and direction of change. Administrative capacity becomes increasingly important in the implementation of new policies, plans and ideas.

The improvements in administrative capacity may involve the removal of environmental obstacles, structural alternatives in traditional and innovatory institutions bureaucratically organised or otherwise. This would also necessitate changing individual and group attitudes and performance." The behaviour pattern of bureaucrats is as crucial to development administration as the institutions and structures. The purpose of development of administration is to remove the administrative lag which seriously handicaps governments in planning and executing coordinated programmes of economic and social reforms. The predominant concern of development administration is to design and administer such development programmes which meet the developmental objectives. It is the administration geared to the task of achieving certain clear-cut and specified objectives and goals expressed in operational terms. Thus development administration is defined as a process of action motivated by and oriented to the achievement of certain predetermined goals. Actually administration of development and development of administration are interrelated concepts. Both are dependent on each other. Administration of development is as important as development of administration. To achieve development goals it is essential that there is proper assessment of resources, proper plan formulation, evaluation and. implementation, adequate involvement of people, emphasis on technological change and self-reliance. At the same time we also need developed bureaucracy, integrity in administration, initiative, innovativeness, delegation of powers, decentralized decision-making etc. Administrative development cannot take place without administrative change and reform. Both the concepts support each other and development of administration is needed for administration of

development. As per F. Riggs 'development administration' and 'administrative development' have a chicken and egg kind of relationship. Superiority of one concept over the other cannot be established.

1.3 DIFFERENCE BETWEEN TRADITIONAL ADMINISTRATION AND DEVELOPMENT ADMINISTRATION

Many scholars like George Gant, Ferrel Heady and others have sought to conceptualize development administration as different from traditional administration. They explain that these two types of administration differ from each other in terms of purpose, structure and organization, attitudes and behaviour, capabilities, techniques and methods. This is the implicit meaning of the observation of John Gunnel who says, "The increasing shift of development scenario requires increased diversification and specialization of knowledge and skills and high level of managerial ability for integrative coordination of the pace of development.

In the concept of development administration and traditional public administration; it has already been said earlier that public administration is employed for translating governmental programs into execution. Before its conceptual development, it was prevalent since the growth of government. As a process of operations in human activities and relationships, it can scarcely be reduced to any common principle except at relatively high levels of generality that are quite worthless for analytical or comparative purposes. So it is difficult to chalk out any usable principle on the basis of which development administration and traditional public administration can be distinguished.

There are some significant differences between development administration and traditional public administration respect of the various process. Such as:–

- **Leadership:** In traditional public administration leadership is authoritative. But in development administration, democratic leadership exercised for having legitimacy and cooperation from the people.
- **Decision Making:** Decision making is centralized in traditional public administration almost there is no access of the people to

decision making. In development administration, participative decision making is preferred. Here, there is demand for regional planning and thereby there is a decentralizing bias in development administration.

- **Communication**: Development administration requires multi-dimensional communication due to its very nature. Communication goes up and downward and lateral ways in development administration. But traditional public administration adheres to uni-dimensional communicational thus naturally development administration observes very complex network whereas the traditional public administration has the opposite.

- **Co-Ordination**: In the difference between development administration and traditional public administration, due to its complex structure, huge numbers of field office working different levels and multi-dimensional objectives development administration requires a well-developed co-ordination system. In any development administrative system, co-ordination not within the governmental units but also with the local government units and international trends. On the other hand, the traditional public administration is not acquainted with so serious coordination problem.

- **Motivation**: The methods of motivation in development administration are indirect and in traditional public administration, it is direct. Civil servants in traditional public administration try to motivate people through the fear of peace or of punishment. But in development administration, it is achieved through the confidence of the people. Civil servants in development administration motivate the people not by imposing anything upon them by inducing and stimulating them.

- **Budget**: In the difference between development administration and traditional public administration, traditional public administration generally formulates accounting type of budget. Deficit financing is hardly grasped by it. Development administration formulates two types of budgets as like revenue

budget and development budget with sectorial allocations, plans programs, the traditional public administration lacks it.

Table: Difference between Development Administration and Traditional Public Administration

Topics	Development Administration	Traditional Public Administration
Ecology	Nation states exist	Colonial government
Objective	The total change of the system	To uphold the status quo
Scope	Very limited	Very wide
Nature	Innovative in nature, field oriented, managerial type, dynamics, denied dichotomy and attention on accountability	Lack of positive thinking, upper-class orientation, desk oriented, executive type, static, created dichotomy and unnecessary accountability
Structure	Complex structure, lightly used the departmental form of management and required local government units closely linking	Simple structure, highly used the departmental form of management and not required local government units closely linking
Process	Legitimacy leadership, multi-dimensional communication, acquainted with coordination, indirect motivation and formulated two types budgets as like revenue budget and development budget	Authoritative leadership, unidimensional communication, not acquainted with coordination, direct motivation and formulated accounting type of budget

Traditional administration has been visualized as one concerned with fulfilling all the legal requirements of governmental operations and maintenance of social stability. In the main, this type of administration confines itself to the maintenance of law and order, collection bf revenues and regulation of national life in accordance with the statutory requirements. The assumption behind the differentiation between development administration and traditional administration is that administration in newly emergent nations must switch completely from

law-and order values to developmental values. Thus the qualitative goals of development administration i.e. planning for the people, with people's support and co-operation distinguish it from the quantitative goals of Public Administration i.e. implementing rules. Another point that distinguishes development administration as a separate identity is that "it is not a closed system; the linkages with experts, relationships with the grassroots level and with the people is more important than Central structures. Though there are technical and behavioural techniques common to all forms of management, in development administration, external relations have to be optimisedtherefore resources can be focused on limited incremental goals. Development administration is concerned with attitudes and processes rather than procedures and structures." However, there are scholars, like W. Wood, who do not favour separation or division of administration into such distinct categories. Wood objects to such dichotomization on the grounds that:

i) the division of government servants into developers and non-developers might result in the loss of esteem to one and gain in over-importance to the others. This would demoralize administration;

ii) thepossibility of innovation and new design is neglected

iii) There is insufficient analysis of the term development in that, on the one hand, it is treated as an extension of the 'supposed' law and order and revenue collecting State and on the other, it appears to have a special relationship with independence and post-colonialisation. The commonness of the two could also be observed from the following facts as presented by V.A. PaiPanandikar:

1) The prevailing structure of general administration has a decisive influence on the strength and weakness of development administration.

2) Both have a common source of authority within the structure of the government, for instance, a Cabinet responsible to a legislature.

3) A number of key officials like divisional commissioner, and district collector, combine general and developmental functions.

4) Citizen sees and judges as a whole the acts of administration, drawing no fine distinction between general and development administration. The

differences of views on the question of dichotomy still persist leading to an inconclusive debate.

However, it may be maintained that the administration for fulfilling the developmental tasks needs to be exclusively studied and explained. The creation of new and separate development agencies and organisations is a further pointer to the growing incapability of the law and order function and revenue collecting administration. That is why in some states in India an attempt has been made to vest the office of deputy development .commissioner or district development officer with only the development administration, That development administration is not synonymous with Public Administration is pointed out by Gant in the following words: "Development administration is distinguished from, although not independent of, other aspects and concerns of Public Administration. Certainly, the maintenance of law and order is a prime function of government and is basicto development, although it precedes and is not usually encompassed within that definition of development administration.

Similarly, the provision of essential communications and educational facilities and the maintenance of judicial and diplomatic systems would have an impact on but not be an integral part of development administration." Thus a rigid distinction cannot be made between traditional and development administration. The traditional functions of maintenance of law and order are also basic to development. Development administration has assumed the responsibility of formulating and implementing various development and welfare functions because of growing complexities of administration and aspirations of people. These functions are not absolutely separate from traditional functions. In fact maintenance of law and order, and security is a precondition for an economy to undertake developmental tasks. But as development administration is wider, broader, participative, innovative and change-oriented, the traditional administration has to create the conditions for the effective working of development administration.

Check Your Progress 1

Note: i) Use the space given below for your answer.

1. What is meant by the term 'Administrative Development'?

    …………………………………………………………………
    …………………………………………………………………
    …………………………………………………………………

2. Distinguish between traditional administration and development administration.

    …………………………………………………………………
    …………………………………………………………………
    …………………………………………………………………

1.4 GENESIS OF DEVELOPMENT ADMINISTRATION

When India gained Independence from the British rule, we were confronted with the problems of unemployment, poverty, squalor, hunger and disease. We were short of material and human resources and our progress in industrial and agricultural fields was also nominal. Moreover, the private entrepreneurs were not ready to take up the tasks of development in a full-fledged manner. Thus the State had to shoulder the responsibility of bringing about systematic development through a process of comprehensive and uniform planning. This led to an increase in the functions of State. Our planners set before them the goals of achieving modernization, industrialization, self-reliance, social justice and economic growth. It was realized that the western concept of development and the ways to achieve development could not be applied to developing countries like India. The western countries had already achieved a certain level of development, had a strong bureaucracy, their problems were different and their resources were abundant. The western models of development were not conducive to the social, economic, political and cultural milieu of countries India. Thus a different kind of administrative system suitable for the needs of third world countries was

thought of. This model saw administrative system as a part of a larger socioeconomic and political system and established a certain definite relationship between the environment and administration. Development was then as an overall development, development in industrial, agricultural, technological, social, r cultural and political fields. Thus a new concept of development administration came into being with emphasis on people's participation and support and planned change. The Technical Assistance Programmes under the Marshall Plan and New Deal L Programme of Roosevelt failed to make an impact on the administration of third world nations. The realities of third world called for the adoption and execution of new approaches of change. This realisation led to the emergence of the concept of development administration. The demands of equity and justice called for renewed efforts to understand and define development as it was relevant to third world countries. Hence, development came to be defined as a holistic term inclusive of all elements-economic, social, cultured and political. Thus it was defined as a process, the aim of which was not only confined to economic development but on over all welfare activities. This changed the meaning of development and introduced thinking about the methods and techniques to be applied for bringing about development. For instance, it was emphasized that to achieve the developmental goals, the poor or developing nations should concentrate on their own internal resources, administrative mechanism and technology.

Thus dependence on the developed world was sought to be reduced or discarded and indigenous system was to be developed in which people would participate in the developmental process. Hence, mere insistence on the lack of infrastructure, industrialization, education and modernization etc. for the prevailing situation in the developing countries was held only - partially valid. Emphasis came to be laid on associating people with developmental tasks and provision of basic needs for all. Conceptually, therefore, development administration rests upon the discovery that the administrative practices and structures are not and should not be the same in all the countries. And also on the realization that administration in a given country can be understood and evaluated

only in the light of its cultural and political setting. These factors can be termed as environment or ecology of Public Administration. Therefore, to bring about development the State carries on its role of a change agent through its administrative machinery. In fact, it is the administration which is to be an instrument of development. It is the administration that carnies the services to the doorsteps of the people. The eradication of poverty, unemployment, ignorance and the like is impossible without an active and determined role performance by the administration. This leads us to an important question, whether the administrative systems of newly emergent nations of Asia, Africa and Latin America are adequate to meet the - developmental challenges facing these societies or not?

Many people believed that the old administrative system was unable to cope up-with the stupendous task of meeting the development needs and aspirations of the people who were subjected to discrimination, deprivation, exploitation and inhumanisation for decades. The colonial type of administration was suitable neither structurally nor behaviorally to the changing environment of these policies. Hence, the politicians, the administrators and the scholars thought alike to approach the problems of Public Administration from a different aspect. They coded a new concept of Public Administration known as 'development administration'. The emphasis shifted from the steel-frame to open structure, from maintenance of law and order to provision of basic amenities for all and general welfare. The objective was to emphasise on administrative ethos the purpose of which was to usher in, shape and direct development and change. Thus development became the central theme for analyzing the role of Public Administration. The end-objective of a separate focuses on development administration; says Edward Weidner, the architect of the concept, is to "relate different administrative roles, practices, organisational arrangements and procedures to the maximizing of development objectives." Ramesh K. Arora shares the same view when he says that the concept is designed to study how Public Administration in different ecological - settings operates and changes in order to achieve a set of social goals. The administration is to achieve the object of "change that is desirable and broadly predicted or planned. It means development administration is concerned with: increasing ability of

human societies to shape their physical, human and cultural environments."

Thus the main thrust of development administration is on directional change and on Public Administration as a mechanism for promoting and guiding modernization with the economic development. The aim of the governmental tasks was the rationalization of economic life, expansion of modern centers, stability, security, democracy, industrialization and gradual penetration into the traditional institutions of the rural periphery through the State bureaucracy. The concept of development administration came in vogue because of the shift of emphasis from mere maintenance of order in the society to enhanced responsibilities of development not only in terms of growth but also in terms of human development. This shift presupposes administration to be the prime-mover and energizer of this process of achieving the goals of welfare and well-being of the common masses. To up, in the words of Caiden, "It (Development Administration) is grounded in normative concepts-that development is desirable; that development can be planned, directed or controlled in some way by administrative systems, that improvements in quality and quantity of societal products is desirable; that obstacles to development c'an be overcome, and that macro problems handicapping societal progress can be solved. Because the conditions of mankind are so obvious, so real and so compelling, development administration is also grounded in reality- the practical solution of human problems, the nitty-gritty of Public Administration, the real world of people, the practitioner's domain." Thus the manifest objective underlying the notion of development administration is to introduce modernization through augmented socioeconomic change as per qualitatively and quantitatively.

1.5 FEATURES OF DEVELOPMENT ADMINISTRATION

There are certain distinct features of development administration. We would now discuss them briefly:

1.5.1 Change Orientation

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

1.5.2 Goal Orientation

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

1.5.3 Innovative Administration

Development administration focuses on replacing/ improving the existing governing structures and norms with the ones that suit the changing political and social environment. In other words deve1opment.administration is one that is dynamic and progressive in thought and action. It is interested in identifying and applying new structures, methods, procedures, techniques, policies, planning projects and programmes so that the objectives and goals of development are achieved with minimum possible resources and time. India, for example, has experimented with many new institutions and procedures which can be termed as the hallmarks of development administration. We have introduced various development programmes like IRDP (Integrated Rural Development Programme), TRYSEM (Training Rural Youth for Self Employment), NREP (National Rural Employment Programme), DWACRA (Development of Women and Children in Rural Areas),

Tribal Development Programmes etc. These pragrammes broadly aim at removal of unemployment, creation of job opportunities and reduction of poverty. These programmes will be discussed in detail in Block 4 of this course. We have also established some development agencies like the District Rural Development Agency, District Planning Cells, State Planning Boards, Co-operatives etc. Thus development administration has to be innovative enough in order to realise the pre-determined objectives of development. In fact, innovative and creative administration leads to speedy realisation of goals.

1.5.4 Client-Oriented Administration

Development administration is positively oriented towards meeting the needs of the specific target groups, like small and marginal farmers of landless agricultural labourers and rural artisans in India. The socio-cultural and politico economic progress of these sections forms the essential basis of performance appraisal of development administrators. Many target groups centred or beneficiary-group oriented organisations have to be created so as to provide these under-privileged sections the requisite goods and services. It has been suggested that development administration is 'people-oriented' administration which gives priority to the needs of its beneficiaries by preparing, reviewing and, if necessary, changing the programmes, policies and activities aimed at the satisfaction of the needs of people in question. The administration is involved in the betterment of the lot of the deprived and the weak. Their upliftment becomes a part of the whole administrative ethos. The welfare of the weaker sections is a part of the administrative value. 'This is possible if the people of initiative, extra dedication and perseverance are inducted into the development administrative structures. Training of personnel can be one effective method of creating such a team. Development administrators should not just formulate plans for the people but even monitor them in such a way that the beneficiaries are actually benefited.

1.5.5 Participation-Oriented Administration

Development administration accepts for its purposes the principle of associative and participative system of administration. Here, people are

not treated as mere passive recipients of benefits or goods and services. They are taken as active participants in the formulation and execution of development plans, policies and programmes. It is recognised that centralised administration will not only be unable to take cognizance of local problems in a realistic frame, but it would also be deprived of the use of local initiatives, energies and resources. Hence, effective formulation of programmes and their implementation with the help and association of the local people is now a well recognised principle of administration. It involves giving people an increasing share in the governance and management of developmental affairs of the government. That is why the involvement of Panchayati Raj institutions in planning and administration has found renewed support in the development strategy of India.

1.5.6 Effective Co-Ordination

Since development implies increasing specialization and professionalization, the number of agencies and organizations involved in development tasks has considerably gone up. In order to have the maximum benefit of this emergent administrative system, co-ordination between various administrative units and activities is essential. To achieve maximum results, wastage of resources, time and cost has to be avoided. Development .administration has to co-ordinate the activities of development agencies and organizations to integrate their efforts and energies for the realisation of development goals. This would even save the administration from the problems of duplication of functions, neglect of important functions and unnecessary focus on irrelevant or marginally relevant activities. It would thus minimize administrative lag.

1.5.7 Ecological Perspective

Development administration shapes the environment-political, social and economic and also gets affected by it in turn. It is not a closed system. It receives a feedback from the social system and responds to the demands put on it by the system. In a way, development administration is related to the environment and involves close interaction between the administration and environment. The environment sets forth the operative parameters of development administration. It requires the

qualities of flexibility and responsiveness in administrative actions and methods. The changes in administration affect its environment and changes in environment also have its bearing on administration.

Check Your Progress 2

Note: i) Use the space given below for your answers.

1. Highlight the genesis of development administration.

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

2. Discuss any three features of development administration.

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

1.6 EVOLUTION OF THE CONCEPT

India adopted the strategy of planned change which implied among other things that planning was to be the basic strategy of social reconstruction. Planning was to be used ix an instrument of socio-economic progress and nation-building. It was recognised as central to the societies where public sector has to play a role of commanding heights in the economy so as to fulfill the expectations and aspirations of the people Thus planning was regarded as a conscious effort to achieve the desired objectives. In 1936 Dr. M. Visveswarayya underscored the need for planning for industrialization of the country. He suggested a 60 member advisory body from different social sections and interests for the purposes of plan formulation and execution. He also recommended the setting up of a Planning Commission, responsible for day-to-day administration, and a Development Department at the Centre and Economic Councils in the provinces.

The Congress atter assuming pbwerin.the provinces in 1937, recommended the establishment of an Expert body for eyolving schemes for national reconstruction and planning. As a result of it, in 1944, a $arming committee under the chairmyship of Pandit Nehru was formed.

It published 3 plans-the Bombay Plan, the Gandhi Plan, and the Peoples Plan. A Planning and Advisory Board was formed in 1946. The major aim of these efforts was to bring about rapid improvement in the living standards of the people. After Independence, efforts were made to bring forth development and to fulfill basic needs of all concerned in accordance with the spirit of the Constitution through planned moves. The brief enumeration of the aims and objectives of the planning is as follows:

1) Growth of National Income

2) Reduction of inequality of income and inequality in the ownership of means of production.

3) Prevention of concentration of wealth in a few hands.

4) Reduction in unemployment and removal of poverty.

5) Provision of basic human needs.

6) Conservation of ecology and environment protection.

7) Self-reliance of the national economy.

A simple analysis of the objectives mentioned above will explain that the objectives of planning are basically aimed at securing growth with social justice and generating self-reliance.

1.7 THE APPLICATION OF DEVELOPMENT ADMINISTRATION IN INDIA

The development of administration is an integral pm of development administration. It is now well recognised that development goals cannot be achieved in the absence of a very capable and competent administrators. They (the administrators) have to cope with the emerging complex challenges with a different approach. Development administration does not stop at merely formulation of plans and programmes for development, the crux of development is the implementation of development plans and policies. Hence there is a need to build up administrative capabilities and capacities to deliver the goods. Administrative development refers to the behaviour necessary for the

formulation and execution of schemes and programmes and projects aiming at change and underlying the understanding in the belief that administration should be responsive to the needs and aspirations of the people. The civil services have to undergo behavioural and attitudinal change, besides the changes in the structures, procedures and methods or work so as to fit into the need of a developing country like India. It was with this view that Central government and many state governments appointed many committees and commissions to suggest measures to improve administrative capacities and capabilities. The most well-known among them were: N. GopalSwamyAyyangar Committee (1949), A.D. Gorwala (l951), and reports submitted by Paul H. Appleby in 1953 and 1956. The Appleby Report made important recommendations regarding work procedures recruitment, training etc. The Estimates Committee of the first LokSabha also suggested changes in administrative machinery of the Central Government through its reports presented in 1950-51 and 1953-54.

The successive Five Year Plans have been indicating the need for improvement of inservice training, performance evaluation on systematic basis, establishment of 0 and M (Organization and Method Division) etc. As the First Five Year Plan saw the actual advent of development administration in India (1951-56), some new agencies concerned with the responsibility of administrative evaluation were established : National Development Council (1952); Programme Evaluation Organisation in the Planning Commission, and Special Reorganisation Unit. Efforts have been made to attune the administrative structures, procedures, staffing patterns, techniques of planning, etc., to the goals and processes of development. Since late 70s it is increasingly realised that development need not merely mean changes in administrative technology, but it also entails changes in administrative culture.

1.7.1 Regional Approaches

The first approach to development, especially rural development, was regional with emphasis on economic activities to be established in different sub-regions of the district. This approach is popularly known as Growth Centre Approach. The philosophy behind this approach is that

the process of development in rural areas can be fostered by developing natural resources, build up infrastructural facilities and social services, and foster the growth of towns and cities in a manner that would help the district to develop in a directed way. The assumption is that each village could not be provided with those facilities simultaneously because of financial limitations and for reasons of economic eminency. This approach is also known as Induced Economic Growth Approach.

1.7.2 Area Development Approach

The area development approach focuses on two points:

    i.   Development of the optimum infrastructural facilities; and

    ii.   Spatial and functional integration for the development of an area.

The purpose of these approaches was alleviation of rural poverty. In the last four decades, much area-based development programmes-Intensive Agricultural District Programme, Drought Prone Area Programme, Command Area Development Programme, and Desert Development Programme-were prepared and implemented. Since agriculture plays a very important role in the economy and in social life of the people, the area development strategy was considered essential.

The characteristic of such an area is maximum concentration of the poor and the unemployed. Hence, their development called for the use of appropriate technology of development. The Drought Prone Area Development-Programme included six major sectorial areas including fisheries, irrigation, forestry, horticulture. Similarly, Desert Development Programme was another area based programme aiming at:

i)   afforestation;

ii)   Maximum exploitation and conservation of water resources;

iii)   Creation of water harvesting structures;

iv)   rural electrification; and

v)   Development of agriculture, horticulture and animal husbandry.

1.7.3 The Target-Group Approach

The third approach to development is Target-Group Approach or Beneficiary Oriented Approach. This may also be termed as people-centered approach. It was realised that economic growth model of development which laid emphasis on trickledown theory (which believed that fruits of development will automatically reach to the people in rural areas. That is, the fruits will trickle down by themselves) was unsuitable to solve the problems of poverty and unemployment. Hence, it was considered necessary to undertake such programmes and projects which deliberately and in a determined manner aimed at reduction in poverty and lead to distributive justice.

1.7.4 Minimum Needs Programme Approach

The earlier approaches ignored the social aspect of development. The main thrust of those approaches was on economic development or income and assets generation for .the specific areas or target-groups. However, it was realised lately that social development was equally important. The provision of social services and basic necessities to improve quality of life occupied increasing attention of the planners and developers.

1.7.5 The People- Centred Approach

The main thrust of this approach is to treat the individual as an active participant in the development process, rather than viewing him merely as subject of development. The people-centred approach comprises human growth and well-being, equality, self-reliance and peoples' participation as its key elements. Similarly, the involvement of voluntary/non-government organizations is also becoming an important part of development administration in India.

Check Your Progress 3

Note: i) Use the space given below for your answers.

1. Write about the application of development administration in India.

…………………………………………………………………………

…………………………………………………………………………

…………………………………………………………………………

1.8   LET US SUM UP

In this unit we tried to explain the meaning of development administration, the concepts of administration of development and development of administration were discussed. We highlighted the difference between traditional and development administration. The evolution of development administration was traced and the various features of development administration were clearly dealt with.

1.9   KEY WORDS

Administrative Capacity: ability to mobilize resources and convert them into activities. This process has to be in conformity with the environment taking a comprehensive view of problems.

Administrative Lag: gap between the development needs and administrative response.

Beneficiary Group: is the target group identified for assistance under a development programme. The people who are identified as targets and who are to be benefited by the development schemes are called beneficiaries.

Delegation of Powers: delegation is one of the main ways for dividing and distributing authority. It is not abdication of responsibility and does not connote the transfer of final authority. The person delegating authority does not surrender his/her social responsibility and retains the power of inspection, supervision and control.

Marshal Plan or European Recovery Programme: a coordinated effort by the US and many nations of Europe to foster European economic recovery after World War II. First urged (5th June 1947) by US Secretary of State, George C. Marshal, the programme was administered by the Economic Co-operation Administration (.ECA) and from 1948 to 1951 dispensed more than $12 billion in American aid. Sixteen European countries led by the UK and France, set up the

Committee of European Economic Co-operation to co-ordinate the European participation. It later became the Organisation for European Economic do-operation (OEEC) (as per the Longman Encyclopedia).

New Deal Programme: Term for the domestic reform programme of President Roosevelt. It had two phases. The first (1933-34) attempted to provide recovew and relief from the Great Depression (explained in Block 2 of this course) through programmes of agricultural and business regulation, inflation, price stabilisation and public works, numerous emergency organisations, e.g. the National Recovery Administration were established. The second (1935-41) while continuing with relief and recovery measures, provided for social and economic e.g., social security, to benefit the mass of working people. Neither phase succeeded completely in restoring prosperity but remained intact till the end of World War II (the reference: Longman Encyclopedia).

Nitty-Gritty: realities or basic facts of a matter. Responsive Administration: administration that identifies the needs and fequirements of people and formulates plans in accordance with those needs. It evaluates development programmes in order to ascertain that people have been benefited and develops procedures for future improvements.

1.10 QUESTIONS FOR REVIEW

1. What is meant by the term 'Administrative Development'?
2. Distinguish between traditional administration and development administration.
3. Highlight the genesis of development administration.
4. Discuss any three features of development administration.

1.11 SUGGESTED READINGS AND REFERENCES

- Bansal, PremLata. 1974. Administrative Development in India. Sterling: New Delhi.
- Friedman Harry J. 1966. Articles on Development Administration in Pakistan. Michigan State University, Asian Studies Centre : Michigan.

- Gant George F. 1979. Development administration: Concepts, Goals, Methods. University of Wisconsin, Madison: Wisconsin.

- PaiPanandikar V.A. (ed.) 1974. Development administration in India. Macmillan: Delhi.

- SwerdlowIrwing (ed.) 1963. Development Administration: Concept and Problems. Syracuse University Press: Syracuse.

- Verma S.P. and S.K. Sharma (eds.) 1984. Development Administration. IIPA: New Delhi.

1.12 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

1)   See Section 1.2

2)   See Section 1.3

Check Your Progress 2

1)   See Section 1.4

2)   See Section 1.5

Check Your Progress 3

1)   See Section 1.7

UNIT 2: BUREAUCRACY AND DEVELOPMENT

STRUCTURE

2.0   OBJECTIVES

After reading this unit you should be able to:

- To describe the various aspects of the social background of bureaucracy;

- To discuss the influence of the social background of bureaucracy; and

- To suggest ways for bringing about a more representative bureaucracy.

2.1 INTRODUCTION

Bureaucracy as a social and administrative institution has been at the centre of attention in capitalist, socialist as well as the developing countries. The consequences of bureaucratization in the three worlds are, however, significantly different. The dilemma of the developing countries is especially severe. In the absence of alternative instruments of implementation of the programmes of social and economic change, the state has increasingly depended upon the bureaucracy as its principal machinery.

Theoretically as well as policy wise, the important question is: to what extent is the bureaucracy a viable instrument for implementation of development administration. Basically, are the values of bureaucracy and development administration congruent or is there any incompatibility between the two. And if there is, what are the options.

The present study examines these issues through empirical investigation and arrives at a set of new propositions. These deserve the attention of scholars and practitioners of public administration with a view to developing policy alternatives and options. All the more so as India is embarking upon new and more ambitious and complex plans and programmes of development with special emphasis on rural areas.

Studies of the social background of bureaucracy have been made in various countries in recent times. A study of higher civil servants in France by Bottomore was published in 1954, of those in Britain by Kelsall in 1955, and of those in America by Warner and others in 1963, in India V. Subramaniam's Social Background of lndia's Administrators was published in 1971. Research work on the social background of the Indian Administrative Service (IAS) was done by L.P. Singh and S.N. Singh. David C. Potter's lndia's Political Administrators 1919-1983 was published in 1986. In this book, he dealt with the Indian Civil Service

and the Indian Administrative Service and the social background of each of these Services. One of the objectives of making studies such as those mentioned above may be merely to find out which social economic groups do the senior civil servants come from."

The researcher ties to answer questions about the section of the society from which most civil servants of a certain category are drawn, their education, whether they lived in villages or cities, their caste, their religion, the extent to which women are able to get in to the services and so on. A second objective may be to relate the social background to attitudes, or in other words to study the influence of social class, education and such other factors on the nature of bureaucracy, and hence the administration.

A third objective may be to study how far the bureaucracy may be said to be representative of the society in general, that is to examine whether it is drawn from all sections or whether members of a certain class predominate. Representativeness is often considered to be related to responsiveness: it may not be fully responsive to the other classes in the society. Considerations such as these make the subject interesting. The bureaucracy may be conceived of as having a higher section, consisting of administrators who play a greater role in advising ministers on policy, and in guiding, supervising and controlling the lower section. The members of the lower section are responsible mainly for implementation. In India most of the top administrative posts at all levels are held by the IAS. Thus most of the officers in the secretariats, both Central and State, are drawn from the IAS. Many of the Heads of Departments of State Governments and Divisional Commissioners also belong to the IAS. At the local level,most Deputy Commissioners and Commissioners of city corporations also come from this Service. Hence the IAS may be said to constitute the hard core of the higher bureaucracy. That is why most studies of social background have been those of the IAS. In this unit, we will study the various aspects of social background of bureaucracy and the influence of this social background on administration. It will also give you an idea of various ways of making the bureaucracy representative.

Bureaucracy is an instrument and a means of Public Administration. But -because of its double, stable nature and expertise, it becomes a repository authorityand power in the. The political executive cannot do without the help of .bureaucracy. The citizen has more contacts with it than with the members of the political executive, Political democracy entails the attributes of responsiveness, responsibility and representativeness for the bureaucracy. The first two attributes have been realized, but the representativeness is difficult to realize. The factors in the sociological composition and economic structure of the society underline the environment for its realization. Bureaucracy, as an organized, systematic institution of the state as a part of the democratic, political structure, has come into existence first in the West and later in other polities. In this unit we shall Access about the concept of representative bureaucracy.

2.2 BUREAUCRACY AND DEVELOPMENT

2.2.1 Origin Of The Term

The term bureaucracy is derived from the Latin term 'bureau'. Bureau means a writing table or desk. In French 'La Bure' means a cloth used on tables of public authorities. From table cloth, the table covered by cloth got the name 'bureau'. Later 'bureau' began to be ' used for the office room where table is kept. Thus by 18th century the term began to be used to refer to a place where officials work. The suffix 'crack' in Greek means 'rule' thus bureaucracy refers to rule of officials. During 18th and 19th centuries, the term was I used consistently. It meant power of officials in Public Administration. It was also referred: ' to the authority or power which the government departments claim themselves. It was a Frenchman De'Cburnay'who first coined the term bureaucracy in the middle of the r 'eighteenth century. He used the term to complain against the bureaucracy. He said that 'we have an illness in Frank which plays havoc with us, thirstiness is called bureau mania'. This means de'Gournay used the term in a completing tone. This is evident I when he said that 'officials are not appointed to perform public interests, but public interest is established so that offices might exist,of governing

wherein the governing became an end in itself. There were some who believe that the term originated in Germany and was later popularized in France. This was mainly because German newspapers used the term when reporting about the French Revolution. Ever sinceit'soriginate rapidly became part of the international vocabulary of Political Science and Public Administration. In France, the term was first popularized by the novelist Balzac. Later the French bureaucratize became the German bureaucratize, the Italian Burocrazia and the English bureaucracy. Twenty I five conceptualizations, however, took place at the hands of Mosca, Michels and Max Weber.

2.2.2 Meaning Of 'Bureaucracy'

The term 'bureaucracy' is being used with different meanings to signify different things. : This made Fred Riggs to comment that the term 'can now be used without much sense of: strain for about forty marginally differentiated senses, falling under ten headings'. It is ' therefore? Necessary for us to understand what these different meanings are. After the term bureaucracy was coined by de'Gournay, it has attracted attrition from a number of scholars from different disciplines. It has its admirers as well as opponents. Max Weber, the Sociologist had almost "initialized" this concept;' whereas writers like Warren Benniscondensed the behavioural aspects of bureaucracy and even predicted demise. There are also other writers who took a balanced view of the concept. Bureaucracy, however, was originally conceived as a negative or perverse concept. It was Max Weber, a German sociologist, who gave it a respectable and positive implication. Bureaucracy, in its simplest form, and be seen as "officials in power" or "a class of officials" or "bureaucrats exercising their power to carry on their constitutional duties and' obligations ". The need, to use it as an equivalent to the term "officials" or.

2.2.3 Situation In India

The researchers conducted on the sociological profiles of the higher civil services, particularly the Indian Administrative Service, are very few. But by and large, these studies have brought out that the higher civil

services-generalist as well as specialist-contain a large representation of upper castes, higher income level families and urban dwellers. The lower castes and classes, and rural dwellers are represented in them in smaller numbers. The principal reasons are three. Firstly, the spread of higher education among the lower castes and classes is slow, although after independence it has picked up in extent and pace. Secondly, the proportions of drop-outs from primary to secondary, and from secoiidary to university level have still been high mainly due to economic reasons. Thirdly, the minimum educational standard for eligibility for the competitive examinations at the higher services is graduation. But the preparation for the competitive examination takes couple of years more after the passing of the first graduation: B.A., B.Sc., B.Com. etc. Several concessions have been given to the scheduled castes and tribes by the central and state governments. The normal age of recruitment for various services is relaxed by a few years in favour of these weaker sections. Application and examination fees are exempted for them. Migration Certificate is issued to the SC/ST persons irrespective of whether the state to which they have migrated has or has not recognized their caste as scheduled. Coaching classes have been set up by government and universities at various places in the count to prepare the candidates of these sections for appearing at the competitive examinations conducted by the union and state governments, nationalized banks and other public authorities. Scholarships are liberally granted to the candidates of these communities to embank them to avail the coaching provided at these classes. Arrangements have been made for orientation/application training for their knowledge of the safeguards in regard to recruitment prescribed by various governments. 1nsekice training is also imparted to them for the improvement of their efficiency in service. Machinery has been set up for the redressal of their grievances in these respects. The Commission for Scheduled Caste and Scheduled Tribes set up by the Government of India in 19.78 has established field officers to investigate into and report the status in this regard all over the country. These field offices have been authorized to establish contacts with the various government departments and agencies to ensure the observance of the reservation andother safeguards, concessions and facilities by them in

regard to services, social, economic and legal treatment and execution of development schemes andprogrammes.

2.2.4 Critics' View Of Bureaucracy

Critics of bureaucratic behaviour (i.e., negative behaviour) have attributed a number of characteristic features to the term. One of Robert C. Stone's definition includes-red tape, rigid rules and procedural emphasis, as fdatures of bureaucratic organisations.ReinhardBenedix, has mentioned some of the negative characteristics of bureaucracy, such as

(1) failure to allocate clear cut responsibilities;

(2) rigid rules and routines;

(3) blundering officials;

(4) slow operation and buck-passing;

(5) conflicting directives;

(6) empire building; and

(7) concentration of control in the hands of a few. Webster's Dictionary enlisted several negative characteristics of the term.

They are

(1) constant striving for' invested functions and power;

(2) lack of initiative and flexibility;

(3) indifference to human needs and public opinion;

(4) tendency to refer decisions to the superiors; and

(5) block action through red tape. Though, social scientists in general have the negative connotations ofthe term frequently, somehow the negative connotations and the meanings have become popular.

2.3   SOCIAL BACKGROUND OF THE BUREAUCRACY

i) Occupation of the Father or Guardian

The main finding of research studies is that most members of the higher bureaucracy have been drawn from the professional middle class of India, consisting of higher civil and military officers, lawyers, doctors, university teachers and business executives. Thus the father or guardian of about 94 per cent of the direct recruits to the IAS up to 1956 belonged

to this class. Very few of the IAS officers recruited between 1947 and 1956 come from families of Zamindars or farmers: they constituted only 4 per cent of the total. The situation with regard to other higher services was basically similar, but the difference between the numbers of those drawn from the professional middle class and from landowning families was less.

Thus, of the recruits to the Indian Police Service, about 81 per cent came from the professional middle class and about 16 per cent from the landowning class. Of the recruits to the Indian Foreign Service, 82 per cent came from the professional middle class and 12 per cent from the landowning class. In short, in the first decade after independence, most of the entrants to the higher bureaucracy belonged to the English educated, salaried or professional, upper middle class; there were very few entrants from other sections of the society. Recruitment to the higher bureaucracy was highly biased in favour of the professional middle class, since it constituted less than 10 percent of the population but more than 80 per cent of the recruits were drawn from it. During the period 1957-63, the proportion of recruits from landowning families improved somewhat, although it remained low. Of the recruits to the IAS in this period 81 per cent came from the professional middle class and 12 per cent from the landowning class. In the case of the IPS also the direction of change was the same, the percentages of recruitment from the two classes being 77 and 19 respectively. In the case of certain other Central Services also the proportion of recruits from landowning families improved a little, although it went down in respect of the Indian Foreign Service. In the years 1980 and 1981,71 per cent of the IAS recruits came from the professional middle class and 19 per cent from the landowning class. The above data indicates that while the proportion of persons from farming families has been increasing gradually, the vast majority (about 70 per cent) of those joining the higher bureaucracy still come from the professional middle class.

ii) Education

Research studies show that most of the entrants into the higher bureaucracy are drawn from among those educated at exclusive schools

and colleges. The phrase "exclusive schools and colleges" refers to educational institutions which charge high fees and hence are generally joined only by children from the upper and richer sections of the society. The medium of instruction in these institutions is usually English only. What is even more interesting; there has been an increasing role of education at exclusive schools for entry into the higher echelons of the civil service. Of those recruited to the IAS in the period 1947-56, about 15 per cent had been educated at convent and public schools; in the period 1957-63, about 16 per cent had been so educated. There was a big jump by the seventies. Of those who entered the IAS between 1974 and 1979, more than 60 per cent had been educated in such schools. Thus since Independence, the proportion of recruits educated at exclusive schools had gone up by four times. The significance of education in exclusive colleges has also been unmistakable. More than half of the IAS recruits, 56 per cent in the period 1947-56, and 59 per cent in theperiod 1957-63, had been educated in only a dozen well-known colleges in India; all the other colleges put together had contributed less than half. A similar picture emerges when we consider the role of education at the better known universities. About 79 per cent of the IAS recruits in the period 1947-56, and about 70 per cent of those in 1957- 63, had been educated at the six universities of Madras, Bombay,Calcutta, Delhi, Punjab and Allahabad. These six universities also contributed 79 per cent of the recruits to the Indian Foreign Service in the whole of the period 1947-63. The trend has undergone a change in the recent years. The students of universities in the North feature more in the services. There are some medical doctors, engineers, and research degree holders also. Thus among the 129 recruits to the IAS in 1981 there were 13 with a bachelor's degree and 106 with a master's degree. They included 5 doctors and 17 engineers. There were 10 research degree holders also.

iii) Rural-Urban Residence

The higher bureaucracy in India has been recruited predominantly from the urban areas. There has not been much change in this scenario over the years. Thus of the 1981 recruits to the IAS, 72 per cent had an urban background and 28 per cent a rural one. If we compare these figures with

those for 1957, we find a change of only 2 per cent. 74 per cent then had an urban background and 26 per cent a rural one. Thus there may at best be a slight tendency for more rural residents to get into the higher bureaucracy.

iv) Caste

The higher bureaucracy is recruited predominantly from the so called higher castes. People of low caste are also generally poor and cannot afford higher education for their children. To compensate for the age old discrimination against those having a low social status, the Constitution of India provided for "reverse discrimination" in the shape of reservation of jobs for scheduled castes and classes in Public Administration. For long, however, these quotas neither were nor filled, since candidates of scheduled castes and tribes could often not get qualifying marks in the competitive examination. Government coaching centres were therefore started to help such candidates in preparing for the examination. By the end of 1970s quotas were being filled. Thus while in 1967 only 11 per cent of the recruits to the IAS belonged to scheduled castes, in 1981, 15 per cent belonged to the scheduled castes. Similarly, the percentage of scheduled tribes recruits had risen from 4 to 7. By 1982, 10 per cent of the total number of IAS officers was from scheduled castes and 5 per cent from scheduled tribes. These percentages were, however, still lower than their proportion in the population. In other words, persons of low social status were still under-represented in the higher bureaucracy.

v) Religion

While all the important religions of India are represented in the higher bureaucracy, some of them have fewer members than their proportion in the population. Thus among the IAS recruits in 1981, about 88 per cent were Hindus, only one per cent were Muslims, 4 per cent were Christians and 5 per cent were Sikhs. The representation of Muslim has varied between 1 and 6 per cent since 1957 and has been much lower of than their proportion in the population.

vi) Gender

The representation of women in the higher bureaucracy has increased consistently. Among IAS recruits for the year 1957, 1967, 1977, 1980 and 1981, their percentage was about 3, 8, 9 and 12 respectively. While there has been an increase in the number of women getting into the IAS, they constituted only 7 per cent of the IAS officers in 1983. Since women constitute about half of the population, they may be said to be still grossly under-represented. So far we have studied the social background of the higher bureaucracy in India on the basis of research studies made from time to time. Comparable studies for the lower bureaucracy have not been made, presumably because it is not considered to play as important a role in the political system. However, some comparison of the social background of the two sections of the bureaucracy can be attempted on the basis of available data. M.V. SubbiahChaudhary made a study of the Andhra Pradeshbureaucracy and presented it at a seminar in 1989. While the study suffered from certain limitations. It does provide some data for purposes of comparison, as discussed below.

We find that in the Andhra Pradesh bureaucracy, while about 69 per cent of officers in the secretariat came from the professional middle class, 62 per cent of the assistants and 17 per cent of the clerks belonged to this class. Also, while 21 per cent of the officers belonged to farming families, 20 per cent of the assistant's aid 65 per cent of the clerks belonged to such families. Thus there is clear contrast in the social extraction of officers and clerks: while a majority of the officers have an urban professional middle class background, a majority of the clerks have a rural, farming, background. It has also been found that while about 76 per cent of the officers came from upper and upper middle classes, 75 percent of the clerks came from the lower and lower middle classes. In this study, castes were divided into three categories: forward, backward and scheduled. It was found that 69 per cent of the officers, 53 per cent of the assistants and 41 per cent of the clerks belonged to forward castes. Also, while 3 per cent of the officers belonged to scheduled castes and tribes, 6 per cent of the assistants and 17 per cent of the clerks also belonged to these categories. Thus while the highest

proportion of forward castes was among officers, the highest proportion of scheduled castes and tribes was to be found among clerks. This indicates a clear relationship between caste status and bureaucratic status. The distribution of backward castes was also on the same pattern. About 14 per cent of the clerks belonged to backward castes. These data indicate that the higher the status of a person in the bureaucracy, the more likely he/she is to belong to a high caste.

Check Your Progress 1

Note:i) Use the space given below for your answers.

1. Discuss the social background of the higher bureaucracy?

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

2. "The higher bureaucracy is recruited pre-dominantly from the so-called lower castes". Comment.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

2.4 INFLUENCE OF BUREAUCRACY'S SOCIAL BACKGROUND ON ADMINISTRATION

We have noted earlier that our higher bureaucracy is drawn largely from the urban professional middle class. It can at best be said to be drawn from 10 per cent of the society. Hence the higher bureaucracy cannot be said to be representative of the society as whole. This influences the administration in several ways. We shall deal with these influences one by one.

2.4.1 Lack Of Communication

There are great differences between the values, norms, feelings, beliefs and information of the higher bureaucracy, the lower bureaucracy and the people. This makes for lack of communication. We have noted above

that the majority of members of the higher bureaucracy, or administrators, have been educated in exclusive schools. One view is that such schools develop qualities of leadership and inculcate discipline and good manners among the administrators. The other view, represented by Bertrand Russell, is that the education at these schools is "as destructive to life and thought as the medieval church. According to him its evils arise from two sources: "it's perfect assurance of its own rightness, and its belief that correct manners are more to be desired than intellect, or artistic creation, or vital energy".

With whichever of these views we agree, the fact remains that the early education of those who join exclusive schools is in many ways different from that of the vast majority of children, resulting in very important and substantial differences in attitudes. The combined influence of upper middle class homes and exclusive schools tend to inculcate among their children, values such as those of consumerism, gigantisms and the hoarding of material goods, and attitudes such as those of lack of empathy for the poor, considering one to be superior to others, seeking success at any cost and aping the West. Their very joys and sufferings tend to be different from those of the vast majority. Their upbringing and education at exclusive colleges and schools tend to keep them aloof from those belonging to the lower strata. They rarely ever get an opportunity to live in villages where the vast majority of the people live. Hence their information and understanding of the conditions of living problems and needs of vast sections of the people are little. These differences of values, beliefs and information make for lack of communication between the higher bureaucracy, lower bureaucracy and the people.

2.4.2 Lack Of Effectiveness

One of the important functions of the bureaucracy in developing countries is to deal with poverty, its causes and consequences. If the upper section of the bureaucracy, which plays an important role in policy formulation as well as implementation, has little understanding of the nature of poverty in the country, ineffectiveness is bound to result. If the common people are afraid of administrators and can hardly speak a language understood by them, administrators understanding of people's

problems remains wanting, and hence policies for dealing with these remain unsatisfactory. Thus lack of communication leads to lack of effectiveness. Lack of effectiveness also results from lack of participation by the people. Due to social distance between the administrators and the people, and differences in their values and beliefs, administrators are unable to enthuse the people and seek their cooperation and participation. Ineffectiveness also results from lack of feedback to the administrators. Due to lack of communication with the people, and their lack of cooperation, administrators are unable to assess the success of programmes, and the problems in the way of their fulfillment properly. Lack of effectiveness also results from lack of adjustment between members of the higher and lower bureaucracy. B. Mook made a study of the bureaucracy in Tamil Nadu in 1982. He found that the subordinate officials suffered from feelings of insecurity, hostility and isolation. They felt that they had no influence, had to only obey instructions, and stick to rules. Thus differences in the status and culture of the higher and lower bureaucracy made for frustration, hostility and lack of initiative on the part of the large, lower, section of the bureaucracy whose function was to give effect to policies.

2.4.3 Perception Of Injustice

One of the principles of democracy is equality of opportunity. It implies that everyone should have the same opportunity to achieve desired goals, in keeping with his abilities and effort. Since high level administrative positions in our society have a high prestige, large numbers of youth wish to obtain them. However because of their socio-economic background, a large number cannot avail of this opportunity. The vast majority of our people live in villages where they have little opportunity to pursue the kind of education which would make for success at the competitive examination. Many among those who live in cities also cannot afford good quality higher education. Hence the poor, and those living in villages, have the feeling that they are unjustly being denied entry into the society.

2.4.4 Representative Bureaucracy

Representative bureaucracy makes a modest contribution to the stability of the political institutions by ensuring that the general feeling and interests of all groups are taken into consideration by the bureaucracy while formulating policies and implementing them. But the fact that bureaucratic responsiveness to the public is influences by the representative character and more by other factors should be overlooked. What is important is that bureaucracy should be responsive, responsible and efficient in every count, more so in developing countries regardless of whether it is representative or not. There are two important assumptions behind the concept of representative bureaucracy. Firstly, every group has equal political rights in accordance with their proportion. Secondly, civil servants carry the attitudes and prejudices of their class into the bureaucratic positions. But both the assumptions are questionable. Firstly, in no society is political power equally shared by all groups. Similarly the behavioural patterns of individual civil servants are not found merely based on his location in a social group. Behaviour, it is generally agreed, is shaped-by the dominant influences like experience, education, socialization, etc. This is evident from what V. Subramaniarn says on the subject: "We are familiar with aristocrats and rich heirs who have passionate sympathy for the working class. On the other hand, the proportion of deviants among' the members of the lower classes who work their way up is held by many observers to be high .... It has been suggested that the men who climb out of the lower classes, the upward-mobiles, 'under present conditions anyway, shed their class sympathies either at the beginning of the climb itself or halfway through. The proven existence of deviants from class nouns and the probability of their high proportion among recruits from the lower classes shake the foundations of the basic argument for representative bureaucracy."

2.5 WAYS OF MAKING BUREAUCRACY MORE REPRESENTATIVES

We have seen earlier that our bureaucracy cannot at present be said to be representative of the society as a whole. This results in ineffectiveness of administration and a feeling of injustice among those who are left out.

Hence we have to seek ways of having a more representative bureaucracy without compromising with the principle of selection on the basis of merit. We shall consider these below.

2.5.1 Spread Of Education

At present only a small proportion of the people in India receive education. Only about 36 per cent of the people are literate. However literacy constitutes just the beginning of education. For getting a job one needs education appropriate to it. The proportion of those who get secondary and higher education is small. Many of course, never go to school. Even among those who join a school, the majority drop out. Of 100 children who enroll in class I, only 23 reach class VIII. Higher education is limited to only 4.8 per cent of those in the relevant age group. Wider spread of education is required to provide for social justice and also to help in social, economic and political development. Having a more preventative bureaucracy is an aspect of development. Spread of education can be improved by having more schools, reducing the cost of education, vocationalising education, providing mid-day meals, books and uniforms to children of the poor, providing for more teachers, improving the method of teaching, and so on. If those who get left out today also get educated, they can compete for the public bureaucracy. This will benefit the administration since the bureaucracy will be drawn from a larger pool, thus tapping the potential of more people; it will also make for a more representative bureaucracy.

2.5.2 Emphasis On Specialization And Position Classification

In developing countries like India the system of personnel administration also remains underdeveloped. The system of recruiting people for a service, instead of a job, is one aspect of such underdevelopment. This has three consequences:

    (i)   Lack of emphasis on specialization,

    (ii)   Rank-in-man instead of rank-in-job, and

    (iii)   Recruitment from a limited section of the society.

Thus when we recruit people for the IPS, the method of recruitment results in the selection of persons mainly from a small section of the society:This is because the test is for abilities which mainly candidates from the upper middle class have developed. These abilities, however, may not be relevant for all the jobs which IPS officers may have to perform. The result is that while we exclude candidates from classes other than the upper middle class, we still do not select those who are really suited for the work which they have to do. Thus at present, the athletic ability of candidates is not tested. While an advisor to the government on security might not need it, a dissect police officer might be in great need of it. If position classification was there, and we were recruiting district police officers, we might test their athletic ability also. Many boys from the poorer section might have it in greater measure than those from richer ones. Similarly, we might require other specialized qualifications appropriate for particular jobs. In this way we would be able to recruit persons with specialized qualifications and abilities suited to particular jobs, and also with diverse social backgrounds. Hence introduction of position classification and recruitment for specialized jobs would lead to both, personnel who are better suited to their jobs and a more representative bureaucracy.

2.5.3 Improvement In Methods Of Recruitment

At present recruitment to services like the IAS, IPS, IFS and IA&AS (Indian Audit and Accounts Service) is made on the basis of a written examination followed by an interview. The examination and the interview, however, do not test all the abilities of a person. According to David C. Potter, cramming also helps some people to succeed in a written examination. An objective type examination has recently been introduced to reduce the emphasis on cramming. However, there is a need for further improvement. According to the Harvard psychologist, Howard Gardner, intelligence is of seven kinds:

    (i)   Linguistic,

    (ii)   Logical-Mathematical,

    (iii)   Spatial,

    (iv)   Bodily-Kinesthetic

Perceive for various jobs we should test these different kinds of intelligence according to job requirements. The interview is called the personality test. However, no scientific personality tests, such as those used in the armed forces, are employed. By testing candidates more scientifically, we would not only be able to select persons more suited to their jobs, we would also be able to spread our net wide. Various abilities may be said to be distributed widely over different sections of the society. Hence if we test for various abilities, instead of mainly that of essay writing, we would be able to get people who are more suited to their jobs from diverse social backgrounds.

Check Your Progress 2

Note: i) Use the space given below for your answers.

1. How does the social background of bureaucracy effect administration?

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

2. How can we have a more representative bureaucracy without compromising with the merit principle?

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

2.6 LET US SUM UP

The higher bureaucracy in India is drawn mainly from the urban, salaried or professional, middle class consisting of higher civil and military officer, lawyers, doctors, university teachers and business executives. Most administrators have received education at exclusive schools, colleges and universities. Three-fourths of them have lived in cities. About one-tenth of them belong to scheduled castes and about one twentieth to scheduled tribes. Muslims and women are also under-represented. Such a narrow field of extraction of the higher bureaucracy makes for differences in values norms, beliefs and orientations between

the higher and lower bureaucracy and the people at large. This results in lack of communication, ineffectiveness of administration and the perception of injustice. A more representative bureaucracy, selected by merit, can be had through greater spread of education, more emphasis on position classification and specialization, and the adoption of more scientific methods of recruitment for testing various abilities and personality traits.

In this Unit we have discussed origin of the term bureaucracy and its varied weaning's. It is ' used to signify a polity, as an organization, as a society, as office holders, as inefficiency, as rational organization, as an ideal construct and as an exercise of power by a body of officials. We have distinguished between four types of bureaucracy viz., guardian, patronage, caste and merit. We have also seen that bureaucracy suffers from many maladies like unresponsiveness, inflexibility, obsession for precedents and emphasis on rules and regulations to the neglect of societal demands.

2.7   KEY WORDS

Bodily-Kinesthetic Intelligence: Process of learning through bodily movements and sensation.

Communication: The imparting or interchange of thoughts, opinions or information or knowledge, partaking of ideas and a sense of participating and sharing.

Consumerism: The tendency in the modem age to promote production, consumptionamongst producers to promote their sales with the help of electronic redial, attractive package etc.

Education system in the medieval church period: Many of the teachings and preaching's of the medieval church laid emphasis on righteousness. this way of 'hiking does not allow a feeling of tolerance and looking at other people's views and attitudes resulting in narrow thoughts and values, proving self-destructive in the ultimate analysis.

Norms: An accepted standard of behaviour within a society. Professional middle class: The group of persons engaged in profession such as those of civil and military officers, doctors, lawyers and busine5s executives etc.

Kank-in-man instead of rank-in-job: Traditionally, organizations like the military and bureaucracy have classified persons as per hierarchy ranks. But in modern times, in some countries like the U.S.A., the jobs are classified and are based on hierarchical ordering of the difficulty and complexity of jobs and not merely the rank of the person.

Representative bureaucracy: A civil service representing proportionately every caste, class and religious groups of population. This type of bureaucracy is expected to be responsive and responsible in relation to the people of the country.

2.8   QUESTIONS FOR REVIEW

1.   Discuss the social background of the higher bureaucracy?

2.   "The higher bureaucracy is recruited pre-dominantly from the so-called lower castes". Comment.

3.   How does the social background of bureaucracy effect administration?

4.   How can we have a more representative bureaucracy without compromising with the merit principle?

2.9   SUGGESTED READINGS AND REFERENCES

- Potter, David C., 1986. India's Political Administrators: 1919-1983; Clarence Press:Oxford.

- Subrarnaniam. V., 1971. Social Background India's Administration; PublicationsDivision. Government of India: New Delhi.

- International Encyclopedia of Social Sciences, Vol.II.

- Marx, F.M., 1957, The Administrative State; University of Chicago Press: Chicago.

- Weber, Max, 1947, The Theory of social and Economic Organization; Free Press:Glencoe.

2.10 ANSWERS TO CHECK YOUR PROGRESS

Notes

UNIT 3: ROLE OF BUREAUCRACY IN INDIA

STRUCTURE

3.0   OBJECTIVES

After reading this unit, you should be able to:

- To understand the expanding role of state and bureaucracy;
- To explain the role of bureaucracy in policy formulation;
- To describe the role of bureaucracy in policy implementation; and
- To highlight the problems of bureaucratization.

3.1   INTRODUCTION

The term bureaucracy refers to the body of employees in a large-scale organization. More specifically, it refers to a body of employees in

authority relationship within an organization. Thus every large business organization has its bureaucracy; in the government there are civil and military bureaucracies. In the literature of Public Administration, the term civil bureaucracy has a wider connotation than the term civil service. Thus, while employees of autonomous corporations are not counted among civil servants, they are said to belong to the bureaucracy. It is notable that the bureaucracy does not include elected politicians: it consists only of appointed employees. In common usage, the term bureaucracy is sometimes also used to refer to routine and delay in official work. However, in the study of Public Administration, while routine and delay are taken into account, the term bureaucracy is used to refer only to appointed officials. The term development is generally used to refer to economic, political and social changes such as increase in national income, industrialization, strengthening of the nation state, urbanization, and spread of education and wider use of mass media such as newspapers, radio and television. The bureaucracy, both governmental and business, participates in bringing about these changes and, so, is said to be an important instrument of development. However, there is a big debate about this conception of development, and hence about the role of the bureaucracy. Thus, Mahatma Gandhi maintains that such development, modeled on Western Civilization, accentuates selfishness and violence, leads to concentration of power and wealth, and puts emphasis on material needs instead of spiritual development. His ideal society would, therefore, do away with all concentration of power and wealth, and hence also with bureaucracy. Karl Marx is also opposed to concentration of power and wealth. In his view, this concentration reaches its maximum in capitalist society; the supersession of capitalism would in the course of time, do away with the bureaucracy also. Max Weber maintains that the bureaucracy is an efficient instrument for implementing policies .of state. But it is also a source of alienation in the society. We thus, note that both, the conception of development and the role of bureaucracy, are highly controversial matters. In studying the role of the bureaucracy in development, therefore, we should be careful to note the importance towards state.

Today even an ordinary citizen knows the enormous importance of bureaucracy. We can think of an administration without a minister, but not without a bureaucrat. So is the importance of bureaucracy. Because of its importance now-a-days many people call it the fourth organ of government and in this estimation there is nothing wrong.

Before the British Raj, in ancient and medieval India, there was monarchical form of government and the general administration was run by people having near or distant relationship with the King. But gradually the administration assumed complexities and this required specialist knowledge.

The British rulers established a new form of administration analogous to their own administrative system. The purpose of British administration in India was to establish law and order and to collect revenue. From the very beginning of British rule the public administration was formulated keeping this general objective in mind.

The British rulers formed and trained a group of persons whose function would be to strengthen the foundation of British Raj. There was a king/queen in London and he/she ruled India through the Viceroy and Secretary of State and the Secretary of State ruled through a group of government officers who were known as bureaucrats. In this connection we can remember the considered opinion of L. I. and S. H. Rudolph. "A distant king-emperor and his secretary of state and a viceroy close at hand were political masters of a sort but the British Raj approximated bureaucratic more than monarchical absolutism." The British type of monarchical absolutism was introduced in India through the administrative machinery that was introduced in India.

3.2 EXPANDING ROLE OF THE STATE AND BUREAUCRACY

The people in developing societies suffer from a number of problems, such as poverty, unemployment, bad health, illiteracy, corruption and authoritarianism. The state is considered to be the main agency for dealing with these, or, in other words, for bringing about development. Hence the state has to shoulder more and more responsibility. Since the state functions through the government, and the government, in turn

depends to a large extent upon the bureaucracy, the bureaucracy's role also keeps expanding. We shall briefly examine the contribution of bureaucracy in the various aspects of development.

3.2.1 Role Of Bureaucracy In Economic Development

In the eighteenth and nineteenth centuries it was believed that the state should restrict itself to the country's defense and the maintenance of law and order, and that it should intervene in the economy as little as possible. This view changed, particularly after the Great Depression of the 1930s, in which millions of people became unemployed the world over. Nowadays, all governments are expected to regulate the economy so as to bring about the case in production, a high level of employment, moderate prices of commodities, and check over monopolies and unhealthy trade practices. The need for such regulation of the economy is all the more in developing contrives like India due to widespread poverty and unemployment on the one hand, and the great power of monopolists on the other. The government regulates the economy through fiscal policies (by modulating taxes), and monetary policies (by modulating money supply). Planning, which means resource allocation through a centralised administrative process, is resorted to for achieving economic growth. The government develops means of transport and communication. It provides loans and raw materials to industrialists and fanners. All these governmental activities are performed by government departments, nationalised banks and other public undertakings through their officials. Hence the bureaucracy has a very important new role, namely that of functioning as the agent of economic development. More and more economists, statisticians and trained managers are needed for the proper performance of this role.

3.2.2 The Role Of Bureaucracy In The Welfare State

In recent times there has been a tendency for entrusting the state with more and more responsibility for social services, such as the provision of

education, health care, employment, labour welfare, the welfare of the blind and other handicapped persons, and the welfare of widows and orphans. So much importance is attached to these new functions that the state has been renamed as the welfare state. The provision of such varied social services requires large numbers of different types of specialists, such as teachers, doctors, nurses, labour officers and social workers. With their recruitment as members of the bureaucracy, the nature of the bureaucracy tends to change: the new role requires a new kind of bureaucracy.

3.2.3 The State And Bureaucracy As Agents Of Social Change

In ancient day's prophets and saints like Gautam Buddha, Jesus Christ, Guru Nanak and Swami Dayanand called for changing various social practices, norms and rituals. Nowadays, however, many such changes are sought to be brought .about with the help of laws. Thus, untouchablity, bigamy, child marriage and dowry system have been declared illegal.

3.2.4 The State And Bureaucracy As Agents Of Political Development

The emotional bonds of nationalism are often weak in new nations. However, unless these bonds are strengthened, the nation is in danger of falling apart, as happened, for example, in Pakistan from which Bangladesh broke away. The state and its bureaucracy play an important part in strengthening these emotional bonds. Thus national integration is sought to be promoted through education, radio and television programs, development of native languages, publication of good quality literature in native languages, cultural and sports activities in which persons from all parts of the nation participate, and so on. These programs are often conducted by members of the bureaucracy.

In a country where the national bonds ark weak, having a bureaucracy which is centrally recruited and whose members serve in different parts of the country, also helps to hold the nation together. Political

development is also promoted by strengthening interest groups, such as labour unions. Legislation which sanctions and supports trade union activity thus helps to bring about political development. Insofar as the bureaucracy participates in the formulation and implementation of such legislation, it has a role in political development. Political parties also constitute an important part of the political system. In some countries nowadays political parties are provided with election funds by the state. This reduces the dependence of the parties on the rich, helps to curb computation, and promotes political development. Elections constitute an important part of the democratic political process. They must be conducted with honesty and impartiality; otherwise the people will lose faith in the system and it is likely to collapse sooner or later. Insofar as the bureaucracy conducts elections honestly and efficiently, it helps to maintain and develop the political system; for, it is through elections that new parties and leaders come to power and implement programmes of social change desired by the people.

3.3 ROLE OF BUREAUCRACY IN POLICY FORMULATION

Till about fifty years ago it was believed that in democratic government while politicians formulated policy, the bureaucracy implemented it. However, research work has shown that this is not wholly true. The making and implementation of policy are so deeply interconnected that it is impossible to separate them. Thus the formulation of new policy requires an understanding of the reasons for the successes and failures in regard to earlier policies. This feedback can best be provided by members of the bureaucracy due to their wide experience and knowledge. In other words, since members of the bureaucracy often stay in their jobs longer than politicians, and since they have more detailed information, their advice on policy matters comes to constitute a valuable contribution. Their role in policy formulation has tended to gain importance also due to the expansion of the role of the state, as discussed above. Thus, now it is well recognized that both in developed and developing countries, the bureaucracy plays an important role in policy formulation. What is notable is that its role in policy formulation is much

greater in developing countries than in developed ones. We shall now discuss the reasons for this.

3.3.1 Bureaucracy As A Channel Of Communication

The society consists of different sections, such as those of farmers, landlords, workers, small businessmen, big businessmen, and so on. Their interests conflict to some extent. It is the function of the state to bring about a balance among their interests, so that the interests of each section are fulfilled as far as practicable in the given economic situation. Hence the aspirations, needs, problems and grievances of each section have to be communicated to the government. This communication between the government and the various sections of the society takes place, to a large extent, through the bureaucracy. Thus, if the farmers in an area suffer from some problem, such as lack of water for imgation, they generally approach officials like the Deputy Commissioner, who communicates the problem to higher level of the administration: they may make proposals for imgation facilities in the five year plan and the budget. In this way communication through the bureaucracy may help in the formulation of policy proposals for meeting the needs of the people. In developed countries there is another channel also. This channel, between the people and the government, runs through interest groups and political parties. An interest group may be an association for putting forward the interests of a certain section. Thus a trade union is an interest group for articulating the interests of workers. After the demands of the various sections have thus been articulated, they are considered and collected together by political parties in their election manifestos. Such aggregation of interests' workers, as articulated by trade unions and aggregated by political parties, has led to labour laws in many countries. These laws contain the labour policies.

In this way, communication through interest groups and political parties leads to the formulation of policies for fulfilling the demands of the various sections of the people. In developing countries, however, interest groups and political parties are often either weak or non-existent. Thus in India, there are hardly any associations of landless labour, or of artisans

such as weavers and carpenters. Most political parties exist in villages only in name. In towns also their offices seem to crop up only at the time of elections. Due to such weaknesses of interest groups and political parties, articulation and aggregation of interests is often not possible through them. Hence the bureaucracy often remains the only mechanism for the conversion of demands into policies. In this way, the bureaucracy plays a more important role in policy formulation in developing countries than in developed ones.

3.3.2 The Bureaucracy As A Repository Of Information

The formulation of policy requires a lot of information. Thus one needs to know why certain policies failed earlier. For example, suppose the policy of expanding secondary education in villages failed earlier mainly because of poverty, boys and girls had to earn their own upkeep and so parents could not afford to send them to, school. This information helps in devising a new policy which combines training in productive work with literary education, so that the youth earn while they learn. The bureaucracy has the advantage of long experience, while politicians come and go. The experience of the bureaucracy makes it a repository of information about the past. Further, the bureaucracy has access to information which is contained in records, such as files. Such information can be much older than what any person can remember. Since officials consult these records often, they know about old cases also. We also need .information about differences in the various regions, so that the policy may provide for these. Thus, irrigation facilities in the hills may have to be different from those in the plains. Since officials are transferred from place to place, they come to know about different areas. What is even more important, members of the bureaucracy have access to secret information, it can be information relating to control of smuggling, conduct of foreign affairs and regulation of the economy. Since such secret information is essential for policy formulation, the bureaucracy comes to have an important role. Thus we note that since the bureaucracy has access to often secret information relating to different

timeframe and areas, its advice is considered by ministers to be weighty, and thus it comes to have an important role in policy formulation.

3.3.3 Bureaucracy As A Group Of Technical Advisers:

The bureaucracy comes to have an 'important role in policy formulation also because of the technical knowledge possessed by it. There are three main reasons for it:

- Growth of science and technology,
- Expanding role of the state, and
- Increasing complexity of the administration.

The growth of science and technology changes the nature of agricultural and industrial production. Thus agriculture nowadays requires the use of chemical fertilizers, pesticides, and high yielding varieties of seeds, pump-sets and tractors. The formulation of agricultural policy requires knowledge of these. Such knowledge is possessed by specialists in agricultural science. Similarly, specialists are required in areas like health, education, industry, control of crime, and so on. Hence specialists of almost all kinds are nowadays recruited as members of the bureaucracy and their advice is depended upon in the formulation of policies. The expansion in the role of the state makes for dependence upon economists, accountants, lawyers and others since their advice is needed for regulation of the economy: checking the growth of monopolies, providing employment, controlling prices, and so on.

As the role of the state expands, the administration tends to become bigger and more complex. Maintenance of administrative effectiveness and efficiency, then, requires persons having specialized knowledge and experience of administration and management. Thus specialists of various kinds in the bureaucracy come to influence policy formulation. It needs to be emphasized that policies often take the shape of laws. Thus the sale of high yielding varieties of seeds is controlled through the Seeds Act. Labour policy is contained in laws like the Industrial Disputes Act. The policy relating to income-tax is contained in the Income-Tax Act. Hence giving concrete shape to a policy often only deciding upon its ingredients but also formulating it. The drafting of laws and rules

necessarily requires specialists in the substantive area (such as agriculture, health or economics) and also in law. Hence policy formulation, or giving the shape of laws and rules to policies, is largely done by specialists. It is true that laws and rules drafted by specialist members of the bureaucracy are later examined and modified by ministers and legislators. However, ministers and legislators often do not have understanding of the intricacies of scientific and legal matters. Therefore they have to depend to a large extent upon specialists in the bureaucracy. In this way the bureaucracy comes to influence policy formulation.

3.3.4 Bureaucracy As An Impartial Adviser

The society is made up of several sections, whose interests to some extent conflict. Thus higher wages are in the interest of workers, buf not in the interest of industrialists. The government is expected to maintain a balance betwetn these conflicting interests. This is what the government tries to achieve through its policies. Hence the formulation of policies requires the advice of persons who are impartial, or neutral, between the different sections. Members of the bureaucracy are expected to function in this impartial or neutral manner; hence they come to be depended upon for advice relating to policies. The bureaucracy is neutral in another sense also. Politicians come and go with elections, 'both as legislators and as ministers. However, civil servants continue to serve governments of different parties. They are expected to serve and advise every government for bringing about a balance between different interests. Hence civil servants are considered to be neutral in a dual sense: between contending interests and betweep political parties. Their advice on policy is considered to be especially valuable for being impartial.

Check Your Progress 1

Note: i) Use the space given below for your answers.

   1) What is the contribution of bureaucracy to the various aspects of development?

…………………………………………………………………

…………………………………………………………………

…………………………………………………………………

2) Explain the statement: "Bureaucracy acts as a channel of communication".

…………………………………………………………………

…………………………………………………………………

…………………………………………………………………

3) "Bureaucracy acts as a neutral adviser". Discuss.

…………………………………………………………………

…………………………………………………………………

…………………………………………………………………

3.4 ROLE OF BUREAUCRACY IN POLICY IMPLEMENTATION

The main function of the bureaucracy is policy implementation that is, giving effect to policies after they have been approved by the executive and legislative branches of the government. This function also is performed under the overall control and supervision of politicians in the executive and legislative branches; however, members of the bureaucracy have to bear much of the responsibility for implementation. Policy implementation has four stages, as follows:

1) Formulation of projects and programmes.

2) Project planning

3) Making provision in the five year plan &d the budget, and

4) Execution of the programmes

We shall now deal with these stages only by one.

1) Formulation of Projects and Programmes

For implementation, a policy has to be broken up into projects, and each project into programmes. Thus, for implementing the policy of rural development, there are projects like that of Community development.

Under the Community Development Project, there are various programmes. Similarly, under the new education policy, there is the project of NavodayaVidyalaya. Each NavodayaVidyalaya constitutes a programme. The sizes of projects and programmes can vary: some are very large while others are small. What is notable, however, is that the implementation of a policy requires activities of various kinds. Some of these are chosen and given the name of projects. Again, each project requires action under various heads and at different places. Some of these are chosen and given the name of programmes. Which of these should come first and which later, is decided mainly by specialist civil servants on technical grounds; thus irrigation facilities have priority over fertilisers. The Project Planning is the planning which must be distinguished from economic planning. While economic planing refers to allocation of resources among different sectors and areas, project planning means administrative plans for the implementation of a single programme, such as that of malaria eradication in a given area, or the setting up of a hospital. The first step in planning a project is the collection of the necessary information and statistical data from the field. Thus while setting up a hospital or a school, we have to decide where exactly it should be located. This requires information about the concentration of pulation so that the school is built near the residence of most children; about roads in the area so that the school may be reached easily; about the utilization" in the area so that infertile land, rather than good agricultural land, is used for the purposes of the school; and so on. With the help of such data a study of the / feasibility, or practicability, of the programme in the area is made. For example, its cost-benefit analysis is made: in other words, the costs and benefits of different locations, sizes, and functions are calculated and compared. Once the functions, size and locations, sizes, and functions are calculated and compared. Once the functions, size and location have been decided upon, estimates of the cost of land and buildings, of the necessary equipment, of the additional personnel required, and of the time it would take to set up, are prepared. The making of these analysis and estimates requires expert and specialist civil servants. On the basis of these, a proposal is prepared and

submitted for examination and approval to overhead agencies, like the Ministries of Planning and Finance.

3) Preparation of Plan and Budget

The economy may be divided into sectors of agriculture, industry and services (such as health and education). It has to be decided how much money and other resources should be spent on the development of each sector. Broad decisions relating to such allocation of resources are taken for a five year period since many of the projects and programmes take several years. Thus it may take several years to build a dam. Hence a five year plan is prepared for allocating resources among different sectors, and also among different areas, some of which may be less developed than others. More detailed allocation of resources is made every year for each department, project and programme through the budget. The activities of every department are important and each one of them asks for more and more money. However, the total amount at the disposal of the government is limited. Since all the demands of all the departments cannot be met, money is provided for the more important projects and programmes, and the less important and are left out. This process of selection involves the comparative evaluation of projects, and within each project, of programmes. Apart from such selection, there is the detailed scrutiny of each head of expenditure under a programme. These functions of planning and budgeting are performed by agencies like the Planning Commission, the Ministry of Planning and the Ministry of Finance. The activities of analysis, evaluation, comparison and scrutiny of proposed expenditures relating to various departments, projects and programmes require a lot of expertise and experience. Civil servants, who possess such expertise and experience, are therefore dependent upon for performing these activities and drawing up the five year plan and theannual Budget. It must be noted, however, that they are prepared under the over-all control and supervision of Ministers. Finally, the Plan and the Budget require the approval of Parliament. Members of Parliament and Ministers are elected representatives of the people. They control the preparation of the Plan and the Budget so that these reflect the needs and aspirations of the people. Such control is a condition of

democracy. At the same time, efficiency of administration is achieved through the application of specialised knowledge and experience possessed by the bureaucracy.

4) Execution of the Programmes

Execution means caning a programme into effect. It has to be done in stages. Thus if a school is to be built, the first step is to acquire the land and to construct the building. Then the teachers and other staff members have to be recruited; they may also be transferred from other schools. Some of them may have to be sent for training. The equipment for class rooms and laboratories has also to be acquired. These activities of acquiring land and equipment, getting buildings constructed, and arranging for trained teachers, are all performed by specialized&d experienced civil servants. Thus building construction may be the responsibility of engineers in the Department of Public Works, and provision of attendance registers may be the responsibility of officials in the Department of Printing and Stationery. After such basic requirements have been met, officials of the Education Department would arrange for the teachers. Thus civil servants in various departments have to function in a coordinated manner for caning out various programmes. To ensure such coordination and the execution of programmes within the given time frame, all officials are required to submit reports to their seniors about their achievements periodically. By examining the reports, officers at high levels are able to exercise control over the execution of programmes. Thus execution is mainly the responsibility of the bureaucracy.

3.5   REVIEW OF THE PROJECTS AND PROGRAMMES

To ensure that the objectives of a policy have been fulfilled and there has been no wastage of money and other resources, the implementation of every project and programme is periodically reviewed. Review is done at several levels. Within every Ministry, each programme is reviewed after its completion. At the time of the preparation of the budget, every year, achievements with regard to all programmes are reviewed, both, by the

Ministry concerned and the Finance Ministry, at the time of the preparation of the budget. The Comptroller makes a review of all programmes in the course of auditing expenditures. The Planning Commission makes a review of the implementation of all the policies over the past five years while preparing a new five year plan. It also reviews their implementation in the' middle of the five year period. All these reviews are made, initially, by specialized and experienced civil servants, who thus help to ensure effectiveness arid efficiency.

Two main reviews

There are two main reviews which should take place after a planned programme or project activity has been completed. These are:

- a review of how the programme or project was managed
- a review of overall programme or project success

For both types of review, collection and communication of relevant lessons learned is a key component. For projects, the latter review usually takes place six to eighteen months after project closure. This allows the organisation time to embed and exploit the new capability that has been delivered.

In the case of programmes, much longer timescales are involved. A number of reviews, typically at the end of each tranche, during the lifetime of the programme are recommended, as well as a final review at programme closure.

For both programmes and projects a comparison of costs incurred and benefits being realised against the projected costs and benefits in the business case, are important components of the review. In the case of projects subject to Gateway review, the post project review provides an important input into the Gateway 5 Review process.

Purpose of post programme and project reviews

The main purpose of post programme or project review is to examine and provide evidence of the value of return on the investment made. This applies to both the programme or project under review and, in the form of lessons learned, for future programmes and projects. In projects,

although planned for and scheduled as part of the closure process, the review itself is not part of the project.

Programmes are different in that reviews should be scheduled at key points throughout the programme, after a step-change in capability has been delivered. The final post programme review should be scheduled as part of the formal programme closure process.

As well as assessing the benefits already being realised, it should assess how well the programme blueprint has been delivered. A further review may be necessary to include any benefits that were not ready for measurement at programme closure. The business change manager has an important role to play in providing information on benefits measurement.

Guidance and terminology

There is a need to explain and clarify the terminology being used in the NI public sector to describe the various types of post programme and project reviews being undertaken.

The terms used in construction procurement (informed by the Achieving Excellence guidance) are slightly different to those used in a more generic programme and project management context.

The various terms used are set out below along with some explanation for each. Templates are available to help with these processes.

Programme review

Reviews should be carried out throughout the programme, typically at end-of-tranche. Monitoring of benefits realisation is a key focus for these reviews.

An additional review should be carried out at closure to assess delivery against the programme blueprint. A further review (following programme closure) may be necessary to provide complete assessment of benefits realisation.

Project evaluation review

A PER is carried out to assess how well the project has been managed. It is the overall term for a review that incorporates an end of project report and a lessons learned report.

Post project review

A PPR assesses the realisation of benefits projected in the business case and monitored or tracked as described in the benefits realisation strategy. Any deviations from what was expected should be documented and explained. PPR is an important input for a Gateway 5 Review. DoF Supply require sight of PPRs for all projects above delegated limits.

End project report

An EPR is really the project manager's report to the project board documenting how well the project was managed against the Project Initiation Document (PID). It should comment on approved changes to the PID and cover any exceptions.

It also should comment on how well the customer's quality expectations have been met. It is produced as part of the formal project closure process and should cover assessment of any benefits which are already being realised.

Lessons learned report

Lessons that have been captured during the course of the project should be written up formally in the LLR. Content may include abnormal events, performance of methods and tools, recommended future enhancements or modifications - generally what went well or badly.

Project lessons learned should be communicated into the wider organisation, as part of an overall capture and publication process for lessons learned.

Post implementation review

PIR is a term sometimes used collectively to describe all post project activity including post evaluation review and post project review. It is

also used in construction for a review equating to the generic post project review.

Post programme and project review roles and responsibilities

The main post programme and post project review roles and responsibilities are:

- senior responsible owner - responsible for commissioning and chairing the post programme or project review, ensuring that relevant staff are involved and the review report is sent to appropriate stakeholders; in programmes, the SRO is responsible for commissioning reviews at appropriate points throughout the programme in addition to formal closure

- programme manager or project manager - responsible for making sure lessons learned are recorded in an ongoing basis; also responsible for producing the project evaluation review, for passing it to the project board and may be involved in the post project review process

- programme or project management office - responsible for providing any standard templates that exist for the project initiation document, risk, issue and quality logs, end stage reports, updated plans or highlight reports or other documents.

- business managers - responsible for addressing any business level recommendations being made in post project reviews and for communicating and overseeing action in business areas, especially related to the transition from the project to new business as usual arrangements

- all staff - responsible for feeding back into the review process on the new capability delivered by the project - staff should also be aware of the need to record and communicate lessons learned and to reference them when starting up activity for which lessons may be available

3.6 PROBLEMS OF BUREAUCRATISATION

While on the one hand the use of the bureaucracy leads to efficiency, on the other, it gives rise to ceding problems. Thus bureaucratisation results in an emphasis on routine and detail, leads to red tape (delay), and gives rise to complaints of unresponsiveness of the bureaucracy to the people. The bureaucracy has a tendency to expand, so that in the course of time a large portion of the expended on a programme goes for paying the bureaucracy instead of meeting the objectives. Thus in a programme for the development of fisheries, the help given to fishermen may nun out to be less than the salaries and allowances duwn by the bureaucracy. Other, more important problems are related to the power of the bureaucracy. The power of the bureaucracy arises from its role in policy formulation and implementation. In developing countries, because of the weakness of interest groups and political parties, the bureaucracy often comes to play an important role. While politicians may be amateurs, they represent the people and have to take into account their needs and aspirations. Bureaucrats, however, are under no such compulsion they often pay more attention to their own interests. Hence it is a condition of democracy that the bureaucracy should remain firmly under the control of the elected representatives of the people. In most developing countries, however, the bureaucracy tends to be too powerful. Indeed, in many of these countries the military and the civil bureaucracy together assume full power, remove the democratically elected rulers and themselves become rulers. Such dictatorships are in existence in many developing countries. The way to deal with these problems is to make the people aware of their rights and power by educating them, organising them in associations and political parties, and to develop bodies of local self-government through which the people can rule themselves with less dependence on the bureaucracy.

What's the first thing you think of when you hear the word 'bureaucracy'? Red tape? Waste? Inefficiency? Excess rules? Paper pushing? It's true that America's bureaucracy, the administrative organization that is supposed to help keep the government running smoothly and efficiently by implementing laws, administrating daily business, and writing rules and regulations, isn't perfect.

Let's face it; with over four million bureaucrats spread throughout the country, the system is bound to have some hang-ups. In this lesson, we're going to look at some of bureaucracy's problems and then examine a few ways in which our elected officials have attempted to solve them.

Common Bureaucracy Problems

Who better to explain the problems of bureaucracy than a bureaucrat? After all, he has first-hand experience. Just for fun, as our bureaucrat speaks about each problem, we'll wrap him up in some red tape. Our bureaucrat gulps but bravely plunges into his assigned task.

'Problem number one,' he says, 'is...well...red tape.' In the old days, the government really did tie up official documents in red tape, which became a symbol of difficult access and gridlock. Today, red tape refers to the complex procedures and rules that bureaucrats follow in completing their tasks. They must be careful to fill out every little form, follow every little rule, dot all the Is and cross all the Ts, and make sure everything is just right. This can take a long time to do, and it creates a huge paper trail.

While such thoroughness helps make sure that things are done properly, it can also make even minor tasks seem daunting. Take, for example, the process of getting a home loan through a government agency. Applicants have to fill out pages and pages of forms, and the house in question must pass a myriad of inspections. The whole procedure can take months.

The bureaucrat, now with his arms stuck to his sides by red tape, flinches but continues. 'Problem two,' he explains, 'is conflict.' Sometimes the goals of various bureaucratic agencies just don't match up, and they end up working at cross purposes. For instance, one agricultural service helps farmers learn how to raise crops more efficiently, while another one actually wants to pay them to leave their fields empty.

Our bureaucrat winces as a piece of red tape wraps around his chest. 'Problem three,' he continues,' is duplication.' Sometimes government agencies seem to be doing the very same thing. Both the Drug Enforcement Administration and the Customs Service, for example, try to prevent illegal drug smuggling. There is always a chance that their agents will get in each other's way in the process.

A large piece of red tape winds around the bureaucrat's waist. 'Problem four,' he goes on with a grimace, 'is imperialism.' The bureaucracy is supposed to promote the good of society, but sometimes agencies just keep getting bigger and start to take on a life of their own. Then they become little empires with the tendency to rack up costs, pursue vague goals, and outlive their usefulness. In the late 1800s, for example, a government agency to regulate the use of horses and buggies would have been a good idea, but to avoid imperialism, it would have had to recognize its irrelevancy in the age of motor cars. Sometimes that doesn't happen in a bureaucracy.

The bureaucrat looks panicky as a piece of red tape snakes around his knees. 'Problem five,' he says, 'is waste.' Sometimes government agencies spend more than necessary to purchase services and products. We've all read the horror stories of the bureaucracy buying $300 hammers that would probably cost $9.99 at the local discount store and of agencies building bridges to nowhere. These things actually do happen sometimes. Red tape wraps around the bureaucrat's ankles, and he falls over with a thump.

Check Your Progress 2

i) Use the space given below for your answers.

1. Discuss the various stages of policy implementation.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

2. Explain the role of bureaucracy in programme planning.

…………………………………………………………………………

…………………………………………………………………………

…………………………………………………………………………

3. Describe the role of bureaucracy in the execution of programmes.

…………………………………………………………………………

…………………………………………………………………………

…………………………………………………………………………

…………………………………………………………………………

………………………………………………

4. Critically evaluate the problems of bureaucratization.

…………………………………………………………………………

…………………………………………………………………………

…………………………………………………………………………

3.7 LET US SUM UP

The role of the state and its bureaucracy in bringing about economic, social and political development is expanding. The bureaucracy participates in policy formulation by functioning as a channel of communication, a repository of information, as a group of specialists and as an impartial adviser. It implements a policy by bakingit up into projects and programs, by planning each programby preparing the five year plan and the budget, and by executing the programs. The bureaucracy in each Ministry, and also in overhead agencies like, the Finance Ministry and the Planning Commission, periodically reviews the implementation of each program. The problems of bureaucratization emerge due to the unnecessary emphasis on routine, red tape, unresponsiveness to the people, increasing cost of administration, the great power of the bureaucracy and the danger of dictatorship. These problems can be dealt with by educating the people, by organizing them in associations and political parties, and by developing panchayats and municipal bodies of local self-government.

3.8 KEY WORDS

Budget: A statement of financial position (e.g. of an organization) for a definite period of time (e.g. the following year) based on estimates of expenditure, and .income during the period.

Bureaucracy: The term bureaucracy has been derived from the word 'bureau' which means an office or post. Hence bureaucracy refers to officials holding a post or office exercising their power to carry on their constitutional duties and obligations.

NavodayaVidyalaya: NavodayaVidyalayas (Schools) are spread all over the country. They are organized by an autonomous organization i.e. NavodayaVidyalayaSamiti under the Department of Education, Ministry of Human Resource Development, Government of India.

Their broad aims are:

- to serve the objective of excellence coupled with equity and social justice
- to promote national integration by providing opportunities
- to talented children largely rural,
- to live and learn together
- to develop their full potential and
- to become catalysts of a nation-wide program of school improvement.

Review: The examination of the implementation of each program, to find out whether the policy objectives have been fulfilled, and whether the implementation has been done efficiently.

3.9 QUESTIONS FOR REVIEW

1) What is the contribution of bureaucracy to the various aspects of development?
2) Explain the statement: "Bureaucracy acts as a channel of communication".
3) "Bureaucracy acts as a neutral adviser". Discuss.
4) Discuss the various stages of policy implementation.

5) Explain the role of bureaucracy in programme planning.

6) Describe the role of bureaucracy in the execution of programmes.

7) Critically evaluate the problems of bureaucratization.

3.10 SUGGESTED READINGS AND REFERENCES

- Almond, G.A. and G.B. Powell, Jr., 1966. Comparative Politics: A Developmental Approach, Arnerind Publishing Co.: New Delhi.

- Heady, Ferrel, 1966. Public Administration: A Comparative Perspective, Prentice-Hall: Englewood Cliffs, N.J.

- Jain, R.B. (ed.), 1983. Public Services in a Democratic Context, Indian Institute of Public Administration: New Delhi.

- Walombara, Joseph (ed.), 1967. Bureaucracy and Political Development, Princeton University Press: Princeton, N.J.

- Riggs, Fred W., 1964. Administration in Developing Countries, Houghton Mifflin: Boston.

3.11 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

5) See Section 3.2

6) See Sub Section 3.3.1

7) See Sub Section 3.3.4

Check Your Progress 2

5) See Section 2.4

6) See Section 2.5

UNIT 4: ROLE OF VOLUNTARY AND NON-GOVERNMENTAL ORGANIZATIONS IN DEVELOPMENT

STRUCTURE

4.0 OBJECTIVES

After reading this unit, you should be able to:

- To understand the concept of NGO and other voluntary organization for social welfare;

- To know Main Characteristics of Non-Government/Voluntary Organizations;

- To discuss NGOs in Indian Context and Role in Rural Development

4.1 INTRODUCTION

Non-Government Organisations, popularly known as NGOs are basically, service and development oriented organisations created out of the government to address particular issues, tasks or functions of a non-commercial nature. Such groups may be organised at a local, national or international level. They are dedicated to address these issues and are driven by people with a common interest. For the purpose of an operational definition, the World Bank's idea of an NGO can be taken which regards NGO as an organisation independent from the government, and that has a humanitarian or cooperative, rather than commercial objectives. Since Independence, Government of India has been implementing various development and employment programmes especially for the rural population for improving their quality of life. But, despite efforts made by the Government, the benefit of its programme has not reached the deprived, poor and disadvantaged strata of the society in real terms. The main reason may be attributed to poor implementation of Government programmes. For a country which is the second most populous in the world and so diversified in its socio-economic context, only the efforts of Government would not fetch adequate results for development of its deprived strata. It was felt by the Government during 1970s that the voluntary agencies could add-on the

Government's effort in rural development through mobilising communitiesand catalyzing people's initiatives for change, as well as through direct implementation of interventions around specific issues. Since then, the Voluntary sector in India has been playing a crucial role in rural development.

A 'Service' is termed as 'Social' if its aim is the enhancement of the welfare of the individual or the community either through personal effort or by collective action. Social Services are, therefore, conceived as organised philanthropic actions to promote human welfare. However, social services are interpreted differently in different countries. It is restricted to relief services only among the European countries, whereas in Great Britain and Commonwealth Countries it has a wider meaning and includes health, education, housing welfare etc. In India, Social Services are generally understood as those activities which are meant for furthering the people's welfare and these include education, public health activities, social security measures, social insurance, social assistance, child welfare, corrections, mental hygiene, recreation, labour protection, housing etc. We have had social welfare programmes, social service organisations, social reformers and workers in the cause of social welfare in India from the earliest times. Right through the centuries, commencing with the reign of King Ashoka or going back even to the days of Buddha, there have been many rulers and many among the common people of India who trod the path of Service to their fellow beings and adopted it as a life mission. Mahatma Gandhi's work in this sphere constitutes a continuance in the present century of the National tradition. The ideal of social welfare is thus not new to us; it is anintegral part of our national character and history. Social welfare organisations play a vital role in rendering Social Services in every country, especially in developing and underdeveloped countries. In this unit we are discussing about various types of Social Service Organisation and purposes.

4.2 NGO: DEFINITION

The United Nations Department of Public Information (1980 cited by MuraliVallabhan TV) defines the Non-Governmental Organisation as

organisations which are not part of the government and which have not been established as a result of an agreement between governments. NGOs can be research institutions, professional associations, trade unions, chambers of commerce, youth organisations, religious institutions, senior citizens associations, tourist bodies, private foundations, political parties, Zionist organisations, funding or development international and indigenous and any other organisation of a non-governmental nature. World Bank (1990, cited by UNEP 2003) stated that an NGO is

(a) formally or informally organised around shared purposes;

(b) non- governmental, and so not part of the state apparatus;

(c) self-governing, rather than externally controlled; and

(d) voluntary both in the sense of being non-compulsory and in the sense of voluntary involvement in their governance or operations.

NGOs include charitable and religiousassociations that mobilise private funds for development, distribute food and family planning services and promote community organisation. They also include independent cooperatives, community associations, water user societies, women's groups and pastoral associations. Citizen Groups that raise awareness and influence policy are also categorised as NGOs.

Accordingly to Lord Beveridge, "A Voluntary organisation, properly speaking, is an organisation which whether its workers are paid or unpaid, is initiated and governed by its own members without external control."

4.3 NGO: TYPES

World Bank typology (1989) divides NGOs into Operational NGOs and Advocacy NGOs. They may be 'relief-oriented' or 'development-oriented' organisations. Operational NGOs can be community based, national or international. However, it does not view these distinctions as rigid and recognizes that the majority of NGOs function along a continuum in which a great deal of overlap exists. According to Snehlata Chandra (2001), the term NGO [Non-Governmental Organisation] embraces a wide variety of organizations.

They include;

- Voluntary Organisations [VOs] that pursue a social mission driven by a commitment to shared values

- Public Service Contractors [PSCs] that function as market-oriented non-profit businesses serving public purposes

- People's Organisations [POs] that represent their member, interests, have member accountable leadership, and are substantially self-reliant

- Φ Governmental Non-GovernmentalOrganisations [GONGOs] that are creations of government and serve as instruments of government policy.

Thiruvanukkarasu (2009) goes further broad to categorise NGOs into much more specific categories and put forth a slightly different classification as:

- International NGOs [INGOs]

- Business Oriented or Big International NGOs [BINGOs]

- Environmental NGOs [ENGOs]

- Governmental NGOs [GONGOs]

- Quasi Autonomous NGOS [QUANGOs]

- Technical Assistance NGOs [TANGOs]

- Civil Society Organisations [CSOs]

Though laws in India classify organizations working in development into three categories, viz. charitable trusts, societies, and Section 25 companies, all these classifications are valid and needed to comprehend the wide varieties of dimensions that nongovernmental organisations serve. Demographic and geographic constraints along with political and economic outline are framing the environment where the NGOs attempt to find a space for itself. This environment largely affects the scope of nongovernmental organisations in their existence and endeavours.

4.3.1 Formal And Informal Organisations

Formal Organisations refer to a structure of well-defined jobs, each bearing a definite measure of authority, responsibility and accountability. Formal Organisation lays down the pattern of relationship between

individuals and the rules and regulations, which guide the behaviour of individuals. Informal Organisation is an outcome of social interaction between individuals in a formal organisation. Whenever people work together, they evolve informal groups bound together by common, social, technological interests. Such groups constitute informal organisation. Informal organisation represents relationships between individuals in the organisation based on interest, personal attitudes, emotions, prejudices, likes, dislikes, physical location, similarity of work etc. These relations are not developed according to the procedures, rules and regulations laid down in the formal organisational structure. Informal Organisation comes into existence because of the limitations of the Formal Organisation. It represents "natural grouping of people at work". The birth of small groups in an organisation is a natural phenomenon. These groups may also overlap because an individual may be a member of more than one informal group. In many cases, informal groups come in to being to support and supplement the formal organisation. Now we can see the differences of formal and informal organisation with the help of a table given below:

Sl.No.	Formal Organisation	Informal Organisation
1.	It is created to achieve predetermined objectives.	It has no predetermined objectives.
2.	There is an official hierarchy relationship. It refers to the structure of well-defined authority and responsibility relationships.	Its structure is based on human emotions and sentiments. It to the refers personalrelationships, which develop automatically when people work together.
3.	Formal relations are well planned and are created deliberately.	Informal relations are unplanned and they originate automatically.
4.	Formal Organisations follow the official chain of command, which can't be changed. Communication has to flow through formal channel.	Informal Organisation does not have a fixed chain of command. It is based on the sentiments of the members. There is no fixed pattern of communication.
5.	Formal Organisation is usually stable.	Informal Organisation does not last long.

We may add some more important elements of formal and informal organisation.

4.3.2 Functions Of Formal Organisation

Planning Working out in broad outline that need to be done and the methods for doing them to accomplish the purpose.

Organising

- Establishment of the formal structure of authority through which work subdivisions are arranged, defined, and co-ordinated for the defined objective.

Staffing

- The whole personnel function of bringing in and training the staff.

Directing

- The task of making decisions and embodying them in specific and general orders and instructions and serving as the leader of the organisation.

Co-ordinating

- Major function of inter-relating the various parts of work.

Reporting

- Keeping those in responsible positions informed as to what is going on.

Budgeting

- All that goes with budgeting in the form of fiscal planning, accounting and control.

The Informal Organisation is:

- Customary and not enacted.
- Not written regulations.
- Not portrayed in organisational charts.

It must be noted that informal organisation is based on formal structure and cannot exist without it. The informal organisation allows an organisation a measure of flexibility, which is a functional necessity. However, greatest weakness of the informal organisation is its instability; its changeability and its unpredictability.

4.3.3 Structured And Unstructured Organisations

We are aware that "an organisation is a group of people who are co-operating under the direction of a leader for the accomplishment of a common end (Ralph. C. Davis). The need for an organisation arises when two or more persons unite together to achieve some common objectives. Organisation is one of the basic functions of management. Its importance lies in the systematically evolved pattern of relationships designed to set in motion the process of managerial functions. Structured organisations are those organisations, which are formed, and functioning with a clear structure or framework of relationship. As structure, organisation is a network of internal authority, responsibility, and relationships. It is the framework of relationships of persons, operating at various levels, to accomplish common objectives. Thus, a Structured Organisation has got three major elements: Formal Structure Definite Authority Clear Responsibility When we think about structured and unstructured organisation in a social work context, there are a lot of organisations falling under this category. All these organisations have a clear structural framework, be it a formal or informal organisation. For example—registered social service organisations, social welfare departments, co-operative societies etc. On the other hand, unstructured organisation do not have a clear structure or framework and may not be long-lasting. Committee Organisation, Community Organisation, Social Action are some of the examples of unstructured organisations. They may be formed as per the requirement or purpose in order to achieve certain limited goals and objectives. These organisations are not formed for a short duration.

4.3.4 Governmental And Non-Governmental Organisations

Local, State and Central Level Organisations The structure of welfare organisations differs in agencies which are established under public sector from those which are of voluntary or private sector. Public or Government agencies are based upon a law or order, administered within the framework of local, state and central governments and financed by the Government. Private Agencies or NonGovernmentalOrganisations are established by individuals or philanthropic, religious, fraternal or humanitarian groups; their management is vested with a board of directors. These organisations are supported mainly by contributions, donations, endowments or trust funds.

4.3.5 public Social Service Agencies (Government Organisations)

Our country has a long tradition of Social Service. Our sovereign and democratic republic stands committed to ensure justice social, economic and political to the people and usher in a welfare state. After independence, the concept of social justice became part and parcel of our constitution and is reflected not only in the preamble, but also in the directive principles of the state policy. Social Welfare is defined as those services which are designed for those weaker and vulnerable sections of community who due to some hardship — social, economic, political, mental — are unable to make use of or are traditionally denied the use of these services. The scope of social welfare encompasses services relating to women, children, youth, aged, the handicapped, scheduled castes and scheduled tribes, community welfare service, social defense, social welfare measures and social welfare services for other weaker sections of societyBefore discussing about the administrative structures for social welfare and the three tiers of our federal polity, let us have a look at the Non-Governmental Organisation.

4.3.6 Non-Government Organisations (Voluntary Organisations)

State is not the only association working in the society; there are a large number of voluntary associations (NGOs) which perform varied functions for the welfare, integration and solidarity of the society. The term "Voluntarism" is derived from the Latin word "Voluntas" which means "will" of "freedom". Political scientists defined "freedom of association" as a recognized legal right on the part of all persons to come together for the promotion of a purpose in which they are interested. Article 19(1) C of the Constitution of India confers on the Indian Citizens the right "to form associations". In the U.N. Terminology voluntary organisations are called nongovernment organisations (NGOs).

Check Your Progress 1

Note: i) Use the space given below for your answers.

1. Define NGO.

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

2. Write about different types of NGOs.

   …………………………………………………………………………
   …………………………………………………………………………
   …………………………………………………………………………

4.4 NGO: SCOPE

Charities Aid India Foundation (CAF's Validated Database 2000) analyzed the difference between Voluntary Organizations (VOs) and NGOs as a general misconception is that any activity outside the pale of government is 'voluntary'. One needs to differentiate between organizations in the 'general' non-governmental sector and VOs. Cooperatives, trade unions or Panchayati Raj Institutions are all non-governmental but are not voluntary organizations. This study is envisaged to include any such organisation which has an entity out or away from the government. Body corporate, trusts, cooperatives and similar forms are making part in the framework of the study. NGOs fulfill a wide range of functions including development assistance, crisis

relief, social and health services. The areas they fulfil define their scope. Hardly NGOs are framed to serve with one objective, and often they carry a primary objective and subsidiary aims that serve the common or primary objective. The major areas where NGOs serve in the global arena include:

• Advocacy and awareness regarding particular issues

• Education and research

• Human rights

• Animal rights

•Women and Child welfare

• Community development, Training and Capacity building

• Health services, Counselling and Rehabilitation

• Socio-economic development

• Entrepreneurship development and training

• Environmental protection

• Media and infrastructure

• Culture and recreation

• Participatory democracy; and

• Other social services

NGOs have constituencies and develop specialties or areas of interest in which its programming, solicitations, fund raising and growth is oriented. When NGOs are met in the field, there are wide variances in size, appearance, activity, and expertise. It is crucial to understand that when various NGOs operate in the same emergency, there are large but often subtle differences between them.

4.5 NGOS: AIMS AND CHARACTERISTICS

4.5.1 Aims

According to Bhose (2003) the important characteristics of NGOs are Voluntary, Legal status, Non-profit oriented, Independent, Flexible, Quicker in decision making, High motivation, Freedom in work,

Catalystic in approach and People centred.NGOs have some advantages while working with people in comparison to governmental organisations. Such advantages include action orientation, flexibility in operations, development focus, relative independence, cost effectiveness and most essentially with a human touch and dedication. According to Aditya Mishra (2004), the main aims and objectives of NGOs include the following:

- Development of women and rural folks socially, economically, politically through income generating activities, education programmes, awareness camps, etc

- General socio-economic development of the people living in rural areas especially in down-trodden areas

- Encouraging the rural folks to participate actively in cultural activities, arts sports and science activities

- Development of the under-privileged sections of the society such as fishermen tribals, rural women etc

- Running educational programmes like formal education, non-formal education and adult education programmes to decrease illiteracy rate and to improve human resources for the development of a nation

- Protecting the environment, rehabilitating the deprived sections like the handicapped, mentally retarded and orphans

- Eradicating poverty through generation of employment opportunities, income generating activities, providing skill based training, and imparting new technology in agriculture

- Providing physical education, organizing competitions and giving training to the youth to participate actively in rural development activities

- Initiating self-employment ventures (for men and women) and organizing leadership/personality development programmes

- Propagating Gandhian ideology and literature, creating awareness and conducting de-addiction programmes

- Formation of self help groups and to provide financial assistance to the members of SHGs in order to empower them economically

- Doing research and surveys, working for social justice and offering legal advice to the rural and urban people who are in need of justice
- Organizing mother and child care programmes and value based education sessions to decrease, child deaths, malnutrition of women at the time of pregnancy and children and improving health, hygiene and sanitation in slum areas; and
- Protecting the interests of consumers and working for prohibition and assisting in housing

The Seventh Plan recognised that government alone could not handle the task of rural development. It enunciated a clear-cut policy for involvement of voluntary organisations in rural development in a big way. It stressed the need to enlist voluntary agencies in accelerating the process of social and economic transformation through their participation in the planning and implementation of programmes of rural development. The Seventh Plan indicated a number of functions that the voluntary organisations can perform which include the following:

- Securing people's participation which is vital to the success of programmes of rural development as it increases the acceptability and utilization of the services;
- Ensuring that the benefits of rural development reach the rural poor;
- Acting as link between the administration and people to bring about changes specially in the attitude of the people through motivation and building up of awareness;
- Supplementing government programmes in rural areas by offering a wider variety of choices and alternatives;
- Functioning as watchdog of the people at the local level thereby improving the services and the accountability;
- Activating the delivery system and streamlining its functioning;
- Disseminating information;
- Demonstrating how local initiative and local resources can be effectively used;
- Training and motivating grassroots workers;

- Mobilizing community resources thereby adding to the total resources available for development; and
- Facilitating the process of change in social and economic structures so that the benefit can reach a larger number of people.

The Seventh Plan had also pointed out the programmes and areas where the participation of voluntary organisations was visualized as being predominantly important which included the following:

- Integrated Rural Development Programme
- Implementation of land ceiling and distribution of surplus land
- Enforcement of minimum wages to agricultural labourers
- Identification and rehabilitation of bonded labour
- Development of Scheduled Castes and Scheduled Tribes
- Supply of safe drinking water
- Forestation, social forestry, development of alternative energy sources
- Promotion of small family norm
- Primary health care, control of communicable diseases and preventive health programmes
- Programmes for women and children in rural areas
- Literacy programmes
- Promotion of village and cottage industries
- Promotion of science and technology in rural areas
- Rural housing; and
- Environmental concerns

Thus the aims and characteristics enumerated gives a conceptual understanding with regard to the activities devised by, and envisaged for, the non-governmental organisations. NGOs in practice are multifaceted in nature and often cover a few of these aims as their agenda. Specific institutions are also created with respect to these objectives. Some organisations like cooperatives add wings to their scope by diversifying into one or more of these aims and objectives.

4.5.2 Main Characteristics Of Non-Government/Voluntary Organisations

i)   It is registered under the societies Registrations Act, 1860, the Indian Trusts Act, 1882, The Cooperative Societies Act, 1904 or Sec. 25 of the Companies Act, 1956, depending upon the nature and scope of its activities to give it a legal status.

ii)   It has definite aims and objectives, and programmes for their fulfillment.

iii)   It has an administrative structure and duly constituted management and executive committees.

iv)   It is an organisation initiated and governed by its own members on democratic principles without any external control.

v)   It raises funds for its activities partly from the exchequer in the form of grants-in-id and partly in the form of contributions or subscriptions from members of the local community and/or the beneficiaries of the programme.

Structure of Non-Government Organisations

General Body

(General Membership)

↓

Executive Counsel/Managing Committee/ Governing Body

↓

Office Bearers

(President, Vice President, General Secretary, Joint Secretary, Assistant Secretary, Treasurer)

↓

Paid Staff/Volunteers

Social Workers

4.5.3 Functions Of Voluntary Organisations

In a democratic, socialistic and welfare society, voluntary/Non-Governmental Organisations play a very important role. They perform a number of functions for the development of the country. We can discuss some of these functions.

i) Human beings by nature are gregarious. The urge to act in groups is fundamental in them. People therefore form groups and associations voluntarily for their benefit as also of others with a view to lead a full and richer life. This phenomenon is reflected in voluntary associations which are formed for promotion of recreational and cultural activities, social services, professional interest etc.

ii) A pluralistic society with a democratic system requires a multitude of independent, nongovernment organisations to serve as a buffer between the individual and the state and thus preventing the government from developing monopoly in various fields.

iii) Organised voluntary action helps groups and individuals with diverse political and other interests, contributes to strengthening the feeling of national solidarity and promotes participative democracy.

iv) The state does not have the requisite financial resources and manpower to meet all the needs of its citizens.

The non-government organisations by raising additional resources locally can meet uncovered needs and enrich local life. In sum, "Non-Governmental Organisations" give concrete expression to the fundamental rights such as freedom of association and expression and by identifying the needs of individuals, groups and communities, initiate projects and programmes to meet their needs. The NGOs also aim at sharing the responsibility of the state in providing minimum needs of the citizen, covering the areas of uncovered and unmet needs, preventing the monopolistic tendencies of the governments, and educating citizen about their rights and obligations. They further

aim at raising resources through contributions and donations and organise activities of non-partisan and non-political nature for the well-being of the society.

4.5.4 Local State And Central Level Organisations Local Level:

Social Welfare by Rural and Urban Local Authorities Rural local authorities comprise the Panchayati Raj Institutions, which were introduced for local governance in the rural areas of the country. The three tier system of Panchayati Raj consisting of Gram Panchayat, PanchayatSamiti and ZillaPanchayat are responsible to undertake the welfare activities for their respective areas. Infact, Panchayat Raj bodies are very much involved in implementing and administering the welfare programme assigned to them.

The urban local authorities consisting of municipal corporations, municipal committees, and notified area committees created by the Acts of the concerned State legislature are assigned obligatory and discretionary functions in the field of social welfare. For instance Section 43 of Delhi Municipal Corporation Act, 1957 makes it incumbent on the Corporation to make adequate provisions for construction and maintenance of drainage works, public latrines and urinals, water supply, pollution control, checking of dangerous diseases, provision of transport facilities, provision of medical relief and establishment of maternity and child welfare centers, lighting, naming and numbering of life and property in case of fire and the like and so on. The concept of democratic decentralization has got much importance in the field of development. The aspect of welfare has come to be understood as the primary responsibility of the individuals. Therefore, through people's participations and decentralization of power, the government is trying to achieve the goal of total development. Besides Government efforts, there are a number of NGOs working with the local level with more flexibility and proximity.

Check Your Progress 2

Note: i) Use the space given below for your answers.

1. What is the scope of NGO?

   ………………………………………………………………………
   ………………………………………………………………………
   ………………………………………………………………………

2. Write about the Aims of NGOs?

   ………………………………………………………………………
   ………………………………………………………………………
   ………………………………………………………………………

3. Discuss the characteristics of NGOs.

   ………………………………………………………………………
   ………………………………………………………………………
   ………………………………………………………………………

4.6 NGOS: HISTORY

International non-governmental organizations have a history dating back to at least 1839. International NGOs were important in the anti-slavery movement and the movement for women's suffrage, and reached a peak at the time of the World Disarmament Conference. Ali Mostashari (2005) had reviewed that the term, 'Non-Governmental Organization' or NGO, came into use in 1945 because of the need for theUnited Nations to differentiate in its Charter between participation rights for intergovernmental specialized agencies and those for international private organizations. At the UN, virtually all types of private bodies can be recognized as NGOs. They only have to be independent from government control, not seeking to challenge governments either as a political party or by an arrow focus on human rights, non-profit-making and non-criminal. With the improvement in communications, more locally-based groups, referred to as grass-roots organizations or community based organizations, have become active at the national or even the global level. Rajesh Tandon (2005) commented that the voluntary sector and NGOs in the post independent period, were concentrated in the following agendas:

- Relief and Rehabilitation in famine as well as natural disasters
- Innovations in Literacy and formal education, National policy on primary healthcare, Women's livelihood thorough DWCRA 1981, Non-conventional energy 1985, Social and community Forestry 1986, SHGs and Microfinance 1990, ICDS 1995, and Sustainable Development missions ; and
- Effective Advocacy on Development Policy

He further stated that vast of NGO sector is mostly invisible; and the presence are uneven. Where 1.2 million organisations were estimated in2002, one fourth have a religious identity, one fifth had community/social service and another one fifth in education. David Korten (1988) had enumerated and contrasted the change over in the focus and nature of NGOs over the decades which he classifies into three generations. Exhibit 4.1 gives an account of the same.

Exhibit 4.1 NGOs through Ages:Towards Sustainable Development

Characteristics	Generation		
	First	Second	Third
Defining Features	Relief and Welfare	Small-scale, self-reliant local development	Sustainable systems development
Problem Definition	Shortages of goods and services	Local inertia	Institutional and policy constraints
Time Frame	Immediate	Project life	Indefinite long-term
Spatial Scope	Individual or family	Neighbourhood or village	Region or nation
Chief Actors	NGO	NGO plus beneficiary organizations	All public and private institutions that define the relevant system
Development Education	Starving Children	Community self-help initiatives	Failures in interdependent systems
Management Orientation	Logistics management	Project management	Strategic management

[Adapted fromKorten, David, "Third Generation NGO Strategies: A Key to People-Centered Development". Paper presented at the NGO Workshop organized at the Asian Institute of Technology, Bangkok, October 17-21, 1988]

SustainAbiliy© (2003) in the work titled 21st Century NGOs in the Market for Change, has given a comparison on the different dimensions of NGOs in 20th century and 21st century. Exhibit 4.2 depicts the same.

Exhibit 4.2 20th Century NGOs vs. 21st Century NGOs

Status	Outsiders	Insiders	20th century NGOs spent the second half of the century as outsiders, challenging the system. 21st century NGOs will increasingly be part of the system
Focus	Problems	Solutions	20th century NGOs spotlighted problems as symptoms of market failure 21st century NGOs will focus on solutions delivered through markets
Structure	Institutions	Networks	Growth will continue, but 21st century will heavily invest in networks
World view	1-D	3-D	20th century NGOs communicated with single issue campaigns. The 21st century agenda will be multi dimensional
Accountability	Ad Hoc	Strategic	21st century NGOs adopt best practice in transparency, accountability and governance.

[Source: Adapted from SustainAbility© , 2003]

Cousins William (1991) identified the following advantages and limitations of nongovernmental organisations.

Advantages

- They have the ability to experiment freely with innovative approaches and, if necessary, to take risks
- They are flexible in adapting to local situations and responding to local needs and therefore able to develop integrated projects, as well as sectorial projects
- They enjoy good rapport with people and can render micro-assistance to very poor people as they can identify those who are most in need and tailor assistance to their needs
- They have the ability to communicate at all levels, from the neighbourhood to the top levels of government
- They are able to recruit both experts and highly motivated staff with fewer restrictions than the government

Limitations

- Paternalistic attitudes restrict the degree of participation in programme/project design
- Restricted/constrained ways of approach to a problem or area
- Reduced replicability of an idea, due to no representativeness of the project or selected area, relatively small project coverage, dependence on outside financial resources, etc.
- "Territorial possessiveness" of an area or project reduces cooperation between agencies, seen as threatening or competitive

Due efforts have come in the course of time towards eliminating these limitations and benefiting from the merits. Flexibility and access have risen strong parameters in assessing the reach and depth of NGOs at large with due concern for their respective aims. World Bank (1995) asserted that NGO is a broad term encompassing a wide array of diverse organizations. The World Bank collaborates with CBOs, national and international NGOs in a variety of different ways. Achieving the full potential benefits of NGO involvement implies enhanced roles for NGOs earlier on in the project cycle. NGO involvement can contribute to the sustainability and effectiveness of Bank-financed projects by introducing

innovative approaches and promoting community participation. NGOs can help expand project uptake and reach, and can facilitate greater awareness of diverse stakeholder views. NGOs are active contributors to the Bank's economic and sector work (ESW) and participate in lending activities from identification through toevaluation. NGO involvement is most frequent during implementation. Evidence shows, however, that NGOs can provide particularly valuable input during project identification and design. Where NGOs are expected to participate in implementation, they should also be consulted during design. Key issues in working with NGOs identified by World Bank are:

- Identifying an appropriate NGO partner: Selecting an appropriate NGO partner involves gathering information about the NGO sector, establishing relevant selection criteria, and choosing a suitable selection process. Clear selection criteria should be established based on specific project needs. Organizational capacity should be assessed according to an NGO's proven track record, not its stated goals. It is important to identify "capacity-building" needs and strategies. Maximum transparency should be ensured in the selection process.

- Time issues: Be prepared for possible extra staff/time needs early on in the project cycle. Be aware of potential time fags/delays and the risk they pose to participatory processes. Ensure NGOs have an adequate understanding of project time-frame and deadlines.

- Flexibility issues: Seek NGO/community input early on in the project cycle. Establish clear mechanisms for responding to local views and needs. Use mid-term review process to adapt project priorities/processes as necessary according to local input. In areas where NGOs have a recognized comparative advantage, take steps to maximize their institutional autonomy.

- Funding issues: NGOs are generally cost-effective. They should not, however, be viewed as a "low-cost alternative" to other types of implementing agencies. NGOs should not be expected to provide services free of charge or at lower than market rates (unless according to a co-financing agreement). Clarify the expected status of NGO involvement (e.g.: informal unpaid

advisor, paid consultant, contractor, etc.) from the outset. Establish mutually acceptable fees and overhead costs.

- Procurement and disbursement issues: Use simplified bidding documents, where appropriate. Consider the use of alternative procurement practices. If necessary, make provisions for advance payments. Provide training for NGOs in procurement and disbursement procedures.

- NGO-Government relations: Consider conducting a state-NGO relations study. Keep in mind that government-NGO collaboration is not possible/ desirable in all cases. Always seek government-NGO complementarities. Understand how government policies influence the NGO sector and, where possible, promote an enabling environment for NGOs.

- Importance of clearly defined roles and responsibilities: Share all relevant project documents with participating NGOs. Consider the appointment of an NGO liaison officer. Organize a government – Bank – NGO information - sharing workshop.

- Contractual/legal issues: Adapt standard contract agreements as necessary to meet specific needs of NGOs/community groups. Write contracts in simple language. Consider using a Memorandum of Understanding or other alternative form of contract.

- Capacity-building: Consult with NGOs on appropriate strategies to support their institutional development. Where appropriate, build a training component for NGOs into project design. Encourage partnerships between international and local NGOs. Promote networking and information-sharing among NGOs.

4.7 NGOS IN INDIAN CONTEXT AND ROLE IN RURAL DEVELOPMENT

The Indian Express (2010) reported that India has possibly the largest number of active non-government, not-for-profit organizations in the world. A recent study commissioned by the government put the number of such entities, accounted for till 2009, at 3.3 million. That is one NGO for less than 400 Indians, and many times the number of primary schools

and primary health centres in India! Even this staggering number may be less than the actual number of NGOs active in the country. This is because thestudy, commissioned in 2008, took into consideration only those entities which were registered under the Societies Registration Act,1860 or the Mumbai Public Trust Act and its variants in other states. Such organisations can be registered under a plethora of Acts such as the Societies' Act, 1860, Indian Trust Act, 1882, Public Trust Act, 1950, Indian Companies Act, 1956 (Section 25), Religious Endowment Act,1863, The Charitable and Religious Trust Act, 1920, the MussalmanWakf Act, 1923, the Wakf Act, 1954, and Public Wakfs (Extension of Limitation Act) Act, 1959, etc. According to the government study, the largest number of NGOs are registered in Maharashtra (4.8 lakh), followed by Andhra Pradesh (4.6 lakh), UP (4.3 lakh), Kerala (3.3 lakh), Karnataka (1.9 lakh), Gujarat (1.7 lakh), West Bengal (1.7 lakh), Tamil Nadu (1.4 lakh), Orissa (1.3 lakh) and Rajasthan (1 lakh). More than 80 per cent of registrations come from these 10 states. In developing countries, NGOs are playing an important role in agriculture and rural development. Farrington and others (1993) identified a number of roles played by different NGOs by their case studies in India, Bangladesh, Indonesia and Thailand. These roles are discussed below:

4.7.1 Ngos As Field Testers

NGO's ability to build close interactive relationships with their clients, to draw on their local knowledge and to work with them intesting new technologies for managing on-and-off farm resources is evident in the case studies of MCC Bangladesh, PRADAN India and ISEREI Indonesia. It had given rise to an expectation of division of roles in which Government Organisations develop technology and NGOs provide field testing, local adaptation, feedback and dissemination are logical functional complementarities.

4.7.2 Ngos As Joint Partners

NGOs are employed to facilitate the organisation of local groups capable of using available technology, which either NGOs or GOs deliver more

efficiently than individuals could. Evidence from the case studies of PROSHIKA Livestock Bangladesh, BRAC Poultry Bangladesh, Ramakrishna Mission India and AWS India indicate that the relationship between NGO and GO has worked moderately well.

4.7.3 Ngos As Innovators

NGOs innovate, whether in technical, procedural, institutional or methodological ways in the expectation that government will 'scale up'. Such innovations are tailored to meet specific requirements of the local groups. FIVDB ducks Bangladesh, BRAC irrigation Bangladesh, MYRADA India UBON/ATA fisheries Thailand andMag-uugmad Foundation training Philippines were the case studies herein.

4.7.4 Ngos As Networkers

Networking is an interaction among a group of institutions in order to realise anticipated benefits for themselves or for their clients. Over the years some NGOs have made important achievement in promoting and strengthening NGO network. NAF Nepal, AVARD India, VANI India, Auroville Reclamation India and IIRR Philippines were the case studies herewith.

4.7.5 Advocacy Role Of Ngos

Advocacy means influencing policy in favour of the poor and powerless. It can be understood as a deliberate, organised and systematic effort to influence policy affecting te poor, marginalised, underprivileged and the disadvantaged. DISHA India, PROSHIKA forestry Bangladesh and MCC crop adoption Bangladesh were the case studies herein.

4.7.6 NGO's Role In Empowerment

NGOs in the process of development interventions enable the impoverished and down-trodden to gain power and authority over their livelihood and this is achieved by organising the unorganised sections of the society. SEWA India, WWF India, and BhoomiSena India were the

case studies hereEighth Five Year Plan further stressed on the importance of voluntary sector and Ninth Plan proposed that voluntary organisations would also play an enhanced role especially as facilitators and social animators in bringing about greater awareness through advocacy.

They would also help the poor to form self-help groups with the objective of improving their economic status through concerted action. In this way the PRIs, the voluntary organisations and the community would work in tandem to bring about greater development at the local level and consequent reduction in poverty levels Tenth Five Year Plan asserted that self-help groups become cohesive in the long run only if they are homogenous. Social mobilisation is an important step in the formation of self-help groups. It requires a high degree of motivation, morale, expertise, management skills, time and pro-poor orientation on the part of the person who acts as a catalyst for group formation. Successful experiments in the promotion of micro finance and micro enterprise have revealeda strong partnership between NGOs and financial institutions.

NGOs have an inherent advantage in reaching the poor due to their proximity, the trust they generate by working in the area, their commitment, and flexibility in approach, responsiveness and cost effectiveness. They have played a dynamic role as social animators andorganisers in rural areas. Many NGOs have not only been instrumental in the formation of self-help groups but have also nurtured them over the years. Such NGOs have a strong presence in many states. However, voluntary and non-governmental action is weak in some of the poorer states. These are also the states where the spirit of cooperation and collaboration may be lacking because of poverty itself. Tenth Plan further stated that economic activities require high degree of skills. After the identification of key activities, it would be necessary to organise training programmes for upgrading skills of beneficiaries selected under the programme. The National Policy on Voluntary Sector (2007) recognised three instruments of partnership with the voluntary sector for structured development, viz.

(i)   consultation, through a formal process of interaction at the Centre, State and District level;

(ii)   strategic collaboration to tackle complex interventions where sustained social mobilization is critical over the long term; and

(iii)   project funding through standard schemes. Further in this regard, the Government will also examine the feasibility of enacting a simple and liberal central law that will serve as an alternative all-India statute for registering VOs; particularly those that wish to operate in different parts of the country and even abroad. Such a law would co-existwith prevailing central and state laws, allowing a VO the option of registering under one or more laws, depending on the nature and sphere of its activities.

Eleventh Plan affirmed that the higher performance parameter of multiple lending and increased quantum of lending have been achieved in States like Andhra Pradesh due to the SHGs having federated at different levels from the village to the district. SHG network has been observed to acquire versatility in activities in States like Kerala and Andhra Pradesh. Diverse models are also found to be present in this arena.

Table 4.1 Financial Assistance from NABARD (Amount in ` Billion)

Year (end - March)	No. of SHGs Linked		Bank Loan		Refinance Assistance	
	During the year	Cumulative	During the year	Cumulative	During the year	Cumulative
1996-97	3841	8598	0.06	0.12	0.05	0.11
1997-98	5719	14317	0.12	0.24	0.11	0.21
1998-99	18678	32995	0.33	0.57	0.31	0.52
1999-00	81780	114775	1.36	1.93	0.98	1.50
2000-01	149050	263825	2.88	4.81	2.51	4.01
2001-02	197653	461478	5.45	10.26	3.96	7.97
2002-03	255882	717360	10.22	20.49	6.22	14.19
2003-04	361731	1079091	18.56	39.04	7.05	21.24
2004-05	539365	1618456	29.94	68.98	9.68	30.92
2005-06	620109	2238565	44.99	113.97	10.68	41.60
2006-07	1105749	-	65.70	-	12.93	54.53
2007-08	1227770	-	88.49	-	16.16	70.68
2008-09	1609586	-	122.54	-	26.20	96.88
2009-10	1586822	-	144.53	-	31.74	128.62
2010-11	1196134	-	145.48	-	31.74	128.62
2011-12	1147878	-	165.35	-	30.73	184.80
2012-13	1219821	-	205.85	-	39.17	223.96

Notes: 1. Data relate to Commercial Banks, RRBs and Co-operative Banks. 2. From 2006-07 onwards, data on number of SHGs financed by banks and bank loans are inclusive of 'Swarnajayanti Gram SwarozgarYojna' (SGSY) SHGs and exisiting groups receiving repeat loans. Owing to this change, NABARD discontinued the publication of data on a cumulative basis from 2006-07.

Source: Handbook of Statistics on Indian Economy, RBI

South India has been found to be the largest recipient of funds from NABARD through SHG-Bank Linkage and other development schemes. Higher literacy rates and socio economic factors could have been the driving force behind. Yet, the role of NGOs cannot be discarded as they are proven to be the show makers behind the screen and at times on the screen.

Check Your Progress 3

Note: i) Use the space given below for your answers.

1. Write about the history and evolution of NGO?

   ……………………………………………………………………

   ……………………………………………………………………

   ……………………………………………………………………

2. Write about the contribution of NGOs in Indian Context for rural development.

   ……………………………………………………………………

   ……………………………………………………………………

   ……………………………………………………………………

4.8   LET US SUM UP

The National Policy on Voluntary Sector propagated that the country faces a number of complex problems that require adaptive, multi-sectorial solutions where sustained social mobilization is particularly important. These include poverty alleviation, skill promotion, entrepreneurship development, empowerment of women, population stabilization, combating HIV/AIDS, managing water resources, elementary education and forest management, to name a few. Such areas urgently require strategic collaboration between the Government and VOs, through national level programmes that are long-term in duration, and utilize multiple strategies, methodologies and activities to achieve their objectives. An array of NGOs is found to be in existence in Kerala though many are not in the limelight. A basketful of diverse schemes are also on offer in tune with the aims and objectives of the organisations. The people of this region take constructive advantage though the awareness and belongingness to these organisations. Diverse models do perform the task in their own unique style within the policy framework. Operational management and participation could be found asymmetrical among different models.

Social welfare organisations play a vital role in rendering social services in every country, especially in developing and underdeveloped countries.

In this chapter we discussed about various types of Social Service Organisations and their purposes.

4.9 KEY WORDS

NGO: Non-Governmental Organization

RBI: Reserve Bank of India

SGSY: 'Swarnajayanti Gram SwarozgarYojna'

4.10 QUESTIONS FOR REVIEW

1. Define NGOs.
2. What are the types of NGOs?
3. What is the scope of NGO?
4. Write about the Aims of NGOs?
5. Discuss the characteristics of NGOs.
6. Write about the history and evolution of NGO?
7. Write about the contribution of NGOs in Indian Context for rural development.

4.11 SUGGESTED READINGS AND REFERENCES

- Korten, D. (1988). Third Generation NGO Strategies: A Key to People- Centered Development. In NGO Workshop. Bangkok: Asian Institute of Technology.

- Malena, C. (1995). Working With NGOs; A Practical Guide to Operationalcollaboration Between the World Bank and Non-Governmental Organisations (1st ed.). OPD, World Bank. Retrieved from http://wwwwds.worldbank.org/external/default/WDSContentServer/WDSP/IB/1995/03/01/000009265_3961219103437/Rendered/PDF/multi_page.pdf

- NGOs and Literacy Campaign: A Vision thru' Reflect: A Case Study in Yakshi, Hyderabad'. (2005). Third Concept. Niumai, A. (2006). Non-Governmental Organisations and Development: A

Sociological Study of Selected NGOs in Manipur (Ph. D.). Jawaharlal Nehru University.

- United Nations,. (1980). NGO/DPI List: Information of NGO Representatives. New York: Department of Public Information, United Nations.

- Vallabhan T V, M. (1996). Green Policies and Sustainable Development in Kerala Since 1980 (Ph. D.). Mahatma Gandhi University, Kottayam.

4.12 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

    8) See Section 4.2

    9) See Section 4.3

Check Your Progress 2

    7) See Section 4.4

    8) See Sub Section 4.5.1

    9) See Sub Section 4.5.2

Check Your Progress 3

    1) See Section 4.6

    2) See Section 4.7

UNIT 5:CIVIL SERVICE SYSTEM

STRUCTURE

5.0   OBJECTIVES

After finishing up this unit you may able to know:

- To know the Civil service structure;
- To discuss the Recruitment process;
- To know about the civil service Training.

5.1   INTRODUCTION

The Civil Services refer to the career bureaucrats who are the permanent executive branch of the Republic of India. The civil service system is the backbone of the administrative machinery of the country.

In India's parliamentary democracy, the ultimate responsibility for running the administration rests with the people's elected representatives—cabinet ministers. But a handful of ministers cannot be

expected to deal personally with the manifold problems of modern administration. Thus the ministers lay down the policy and it is for the civil servants, who serve at the pleasure of the President of India, to carry it out. However, Article 311 of the constitution protects them from politically motivated or vindictive action.

Civil servants are employees of the Government of India or of the states, but not all employees of the Government are civil servants. As of 2010, there were 6.4 million government employees in India but fewer than 50,000 civil servants to administer them.

Civil servants in a personal capacity are paid from the Civil List. Senior civil servants may be called to account by Parliament. The civil service system in India is rank-based and does not follow the tenets of the position-based civil services.

The Government of India has also approved the formation of two new cadres of civil servants: the Indian Skill Development Service (2015) and the Indian Enterprise Development Service (2016).

It is rightly acknowledged that "a professionally competent and politically neutral bureaucracy is a sine qua non for the smooth and efficient functioning of a democratic polity" . The rigour and integrity of the recruitment process is an important determinant in ensuring that prospective civil servants that make up the bureaucracy are competent and politically neutral. This paper aims to examine and analyse the existing procedure for recruitment and appointment of civil servants in India. The existing procedure will be analysed in the context of the Part XIV of the Constitution of India, which contains provisions "for apolitical and independent services, with requisite protection for service matters" . The way in which the legislature, executive and judiciary have worked to ensure that the recruitment procedure reflects the apolitical and independent nature envisaged in the constitution will be the central motif flowing throughout the paper. The recruitment process, "apart from being transparent, objective, fair and equitable should also ensure that the

right type of persons join the civil services". The paper will begin by briefly examining the history of civil services in India, their vitality to governance of the country and the legislative framework governing the civil services.

5.2 CIVIL SERVICE STRUCTURE

5.2.1 History

The first committee that paved the way for the existing structure of the Indian Civil Service was the Macaulay Committee, which gave India its first modern civil service in 1854 recommended that "the patronage based system of the East India Company should be replaced by a permanent civil service based on a merit based system through competitive entry examinations". Focussing on merit, the committee in its report declared that "Henceforth, an appointment to the civil service of the Company will not be a matter of favour but a matter of right. He who obtains such an appointment will owe it solely to his own abilities and industry". Before 1922, the Indian Civil Service Examination was held in England by the British Civil Service Commission and candidates were sought from Oxford and Cambridge, thus rendering it an elite service. It was only from 1922 that the examination also began to be held in India. Since then various reforms and commissions have put in place the civil services we have today. These developments have given the civil services in India a complex organizational structure. The present civil services of India are mainly based on the pattern of the former Indian Civil Service of British India. Warren Hastings laid the foundation of civil service and Charles Cornwallis reformed, modernised, and rationalised it. Hence, Charles Cornwallis is known as 'the father of civil service in India'.

Cornwallis introduced two divisions of the Indian Civil service—covenanted and uncovenanted. The covenanted civil service consisted of only Europeans (i.e., British personnel) occupying the higher posts in the government. The uncovenanted civil service was solely introduced to facilitate the entry of Indians at the lower rung of the administration.

With the passing of the Government of India Act 1919, the Imperial Services headed by the Secretary of State for India were split into two— the All India Services and the Central Services.

The All India and Central Services (Group A) were designated as Central Superior Services as early as 1924. From 1924 to 1934, the administration of India consisted of 10 All India Services and 5 central departments, all under the control of the Secretary of State for India, and 3 central departments under joint Provincial and Imperial Control.

5.2.2 Modern Era

The present modern civil service was formed after the partition of India in 1947. It was Sardar Patel's vision that the civil service should strengthen cohesion and national unity. The values of integrity, impartiality, and merit remain the guiding principles of the Indian civil services.

By the early 21st century, especially in Indian media, Indian civil servants were regularly colloquially called 'babus' (as in 'the rule of babus'), while Indian bureaucracy is called 'babudom'.

The Ministry of Personnel, Public Grievances and Pensions, located in New Delhi, are unofficially the 'Ministry of Civil Services'. The Ministry is responsible for training, reforms, and pensions for the civil service system in India.

5.2.3 Constitutional Provision For All India Services

The constitution under Article 312 gives authority to the RajyaSabha (the upper house of Parliament) to set up new branches of the All India Services with a two-thirds majority vote. The Indian Administrative Service, Indian Police Service, and Indian Forest Service have been established under this constitutional provision.

5.2.4 Power, Purpose, And Responsibilities

An Indian diplomatic passport (left) and an official passport generally issued to civil servants. As opposed to the deep blue passport issued to ordinary Indian citizens, the diplomatic passport is maroon with the gold text 'Diplomatic Passport' printed on it in English and Hindi.

The responsibility of the civil services is to run the administration of India. The country is managed through a number of central government agencies in accordance with policy directions from the ministries.

Among the members of the civil services are administrators in the central government and state government; emissaries in the foreign missions/embassies; tax collectors and revenue commissioners; civil service commissioned police officers; permanent representative(s) and employees in the United Nations and its agencies; and chairmen, managing directors, and full-time functional directors and members of the board of various public-sector undertakings, enterprises, corporations, banks, and financial institutions. Civil servants are employed to various agencies of India and can also be appointed as advisors, special duty officers, or private secretaries to ministers of the Union and the State Government.

All appointments in the rank of Joint Secretary to Government of India and above, other major appointments, empanelment, and extension of tenure are done by the Appointments Committee of the Cabinet. Lower appointments are handled by the Civil Services Board.

Civil servants are the actual makers of Indian law and policy. They work on behalf of the elected government and cannot publicly show their disinterest or disapproval for it. It is mandatory for them to form certain rules and policies according to the government's views and interests. However, they cannot be removed by any state or central government, but can only be retired.

5.2.5 Concerns And Reforms

"The IAS is hamstrung by political interference, outdated personnel procedures, and a mixed record on policy implementation, and it is in need of urgent reform. The Indian government should reshape recruitment and promotion processes, improve performance-based

assessment of individual officers, and adopt safeguards that promote accountability while protecting bureaucrats from political meddling."

— The Indian Administrative Service Meets Big Data, Carnegie Endowment for International Peace

As of 2011, in a duration of past three years over 450 chargesheets have been filed and a total of 943 cases are at different stages of investigation by CBI against civil servants

"We estimate that if India were to pursue civil service reforms and reach the Asian average on government effectiveness, it could add 0.9 percentage points annually to per capita GDP... Institutional quality is a crucial driver of economic performance."

— Goldman Sachs report

A study by the Hong Kong-based Political and Economic Risk Consultancy, released in 2012, ranked and rated Indian bureaucracy as the worst in Asia with a 9.21 rating out of 10. According to the study, India's inefficient and corrupt bureaucracy was responsible for most of the complaints that business executive have about the country. A paper prepared in 2012 by the Ministry of Personnel, Public Grievances and Pensions states that corruption is prevalent at all levels in civil services and it is institutionalized.

On 28 November 2011, the Department of Personnel and Training (DOPT) of the Ministry of Personnel, Public Grievances and Pensions created a proposal to retire and remove incompetent, inefficient and unproductive All India Service officers after 15 years of service, instead of tolerating them until their retirement. Former Cabinet Secretary TSR Subramanian welcomed this move with caution, saying, "Periodical weeding out is very good. But the process to determine who needs to be prematurely retired should be fair and transparent. There is a possibility that even good officers may be targeted because of political reasons,". Former UPSC chairman PC Hota echoed his sentiments remarking that, "We need drastic remedies. The situation has become terrible. The other day an officer in Delhi was arrested for disproportionate assets of Rs.31.5 million. She is just a 2000-batch IAS officer with 11 years of service. But at the same time, the officers' service records should be

analysed before a decision against him was taken".The proposal has been accepted and rule 16(3) of the All India Services (death-cum-retirement benefits) Rules of 1958 was amended on 31 January 2012.

In October 2013, the Supreme Court of India, in the case of TSR Subramanian &Ors vs. Union of India &Ors ordered both Government of India and State governments to ensure fixed tenure to civil servants. The court asked senior bureaucrats to write down the oral instructions from politicians so that a record would be kept of all the decisions. This judgement was seen on the similar lines of the Supreme Court's 2006 judgement in Prakash Singh case on police reforms. The judgement was welcomed by various bureaucrats and the media who hoped that it will help in giving freedom and independence to the functioning of bureaucracy.

"Much of the deterioration in the functioning of bureaucracy is due to political interference."

Justice K. S. Radhakrishnan and Justice P. C. Ghose, Supreme Court of India. In 2016, the Ministry of Finance for the first time, dismissed 72 and prematurely retired another 33 Indian Revenue Service officers for non-performance and on disciplinary grounds.In 2016, it was reported that Government of India has decided to empower common man to seek prosecution of corrupt IAS officers. Ministry of Personnel, Public Grievances and Pensions (DOPT) has accepted to receive requests from private persons seeking sanction for prosecution in respect of IAS officers without any proper proposal and supporting documents.

5.3 CONSTRUCTION

The Higher Civil Services of India can be classified into two types -
the All India Services and the Central Civil Services (Group A). The
recruits are university graduates (or above) selected through a rigorous
system of examinations: Civil Services Examination, Engineering
Services Examination, Combined Geo-Scientist and Geologist
Examination, I.E.S./I.S.S. Examination, Combined Medical Services
Examination, Central Armed Police Forces of Union Public Service
Commission (UPSC) for Group A posts.

All India Services

All appointments to All India Civil Services are made by the President of India.

- Indian Administrative Service (**IAS**)
- Indian Forest Service (**IFS**)
- Indian Police Service (**IPS**)

Central Services (Group A)

The Central Civil Services (Group A) are concerned with the administration of the Union Government. All appointments to Central Civil Services (Group A) are made by the President of India.

- Archaeological Service, Group 'A'
- Border Roads Engineering Services
- Botanical Survey of India, Group 'A'
- Central Architects Service, Group 'A'
- Central Engineering (Civil) Group 'A'
- Central Engineering (Electrical and Mechanical) Group 'A'
- Central Health Service, Group 'A'
- Central Revenues Chemical Service, Group 'A'
- Central Secretariat Service-

(a) Selection Grade (b) Grade I.

- General Central Service, Group 'A'
- Geological Survey of India, Group 'A'
- Indian Audit and Accounts Service, Group 'A'
- Indian Corporate Law Service

- Indian Railway Personnel Service
- Indian Railway Service of Engineers
- Indian Railway Service of Mechanical Engineers
- Indian Railway Service of Electrical Engineers
- Indian Railway Service of Signal Engineers
- Indian Railway Stores Service
- Indian Railway Traffic Service
- Indian Railway Medical Service
- Railway Protection Force

(a) Grade I (b) Grade II

- Indian Defence Accounts Service
- Indian Foreign Service, Group 'A'
- Indian Meteorological Service, Group 'A'
- Indian Postal Service, Group 'A'
- Indian Naval Material Management Service
- Indian Posts and Telegraphs Traffic Service, Group 'A'
- Indian Revenue Service -

(a) Customs Branch (Indian Customs Service, Group 'A') (b) Central Excise Branch (Central Excise Service, Group 'A') (c) Income Tax Branch (Income Tax Service, Group 'A')

- Indian Trade Service, Group 'A'
- Indian Salt Service, Group 'A'
- Mercantile Marine Training Ship Service, Group 'A'
- Directorate General of Mines Safety, Group 'A'
- Overseas Communications Service, Group 'A'
- Survey of India, Group 'A'
- Indian Telecommunication Service, Group 'A'
- Zoological Survey of India, Group 'A'
- Indian Ordnance Factories Service (IOFS)
- Indian Ordnance Factories Heath Service (IOFHS)
- Indian Frontier Administrative Service, Group 'A'

(a) Railways, Group 'A'

- Central Legal Service (Grades I, II, III and IV)
- Railway Inspectorate Service, Group 'A'
- Indian Foreign Service, Branch (B) (erstwhile)-

(a) General Cadre, Grade I (b) General Cadre, Grade II

- Delhi and Andaman and Nicobar Islands Civil Service, Grade I.
- Delhi and Andaman and Nicobar Islands Police Service, Grade I.
- Indian Inspection Service, Group 'A'
- Indian Supply Service, Group 'A'
- Central Information Service-

(a) Selection Grade (b) Senior Administrative Grade (c) Junior Administrative Grade (d) Grade I (e) Grade II

- Indian Statistical Service
- Indian Economic Service
- Telegraph Traffic Service, Group 'A'
- Central Water Engineering Service,

118

- Indian Railway Accounts Service

- Group 'A'
- Central Power Engineering Service, Group 'A'
- Indian Civil Accounts Service
- Labour Officers of the Central Pool, Group 'A'
- Central Engineering Service (Roads), Group 'A'
- Indian Posts and Telegraphs Accounts and Finance Service, Group 'A'
- Indian Broadcasting (Engineers) Service
- Armed Forces Headquarters Civil Services (Group 'A')
- Central Secretariat Official Language Service (Group 'A')

Central Services (Group B)

For Group B posts, the Combined Graduate Level Examination (CGLE) is conducted by the Staff Selection Commission (SSC). *All appointments to Group B are made by the authorities specified by a general or special order of the President.*

- Armed Forces Headquarters Civil Services
- Botanical Survey of India, Group 'B'
- Central Electrical Engineering Service, Group 'B'

- Central Engineering Service, Group 'B'
- Central Excise Service, Group 'B'
- Central Health Service, Group 'B'
- Central Power Engineering Service, Group 'B'
- Central Secretariat Official Language Service, Group 'B'
- Central Secretariat Service, Group 'B' (Section and Assistant Section Grade officers only)
- Central Secretariat Stenographers' Service, (Grade I, Grade II and Selection Grade officers only)
- Customs Appraisers Service, Group 'B'- (Principal Appraisers and Head Appraisers)
- Customs Preventive Service, Group 'B' – (Chief Inspectors)
- Defence Secretariat Service
- DANICS, Grade II
- DANIPS, Grade II
- Geological Survey of India, Group 'B'
- Indian Foreign Service, Group 'B' - (General Cadre, Grade I and General Cadre, Grade II only)
- Indian Posts and Telegraphs Accounts and Finance Service, Group 'B' Telecommunication Wing.
- Indian Posts & Telegraphs Accounts & Finance Service, Postal Wing, Group 'B'
- Income Tax Service, Group 'B'
- Indian Salt Service, Group 'B'
- India Meteorological Service, Group 'B'
- Survey of India, Group 'B'
- Postal Superintendents' Service, Group 'B'
- Postmasters' Service, Group 'B'
- Railway Board Secretariat Service, Group 'B'
- Telecommunication Engineering Service, Group 'B'
- Telegraphs Traffic Service, Group 'B
- Zoological Survey of India, Group 'B'

State Services (Group A)

The State Civil Services examinations and recruitment are conducted by the individual states public service commissions in India. These services are feeder services of All India Services. *All appointments to State Services (Group A) are made by the Governors of States*.

All state civil and Administrative services in India above the rank of Deputy Collector are grouping 'A' service. The officers of following services are later promoted to IAS.

• Andhra Pradesh State Civil Service (Executive Branch)	• Kerala Administrative Service (KAS)
• Arunachal Pradesh Civil Service-Executive Branch (APCS)	• Manipur Civil Service (MCS)
• Assam Civil Service (ACS)	• Mizoram Civil Service (MCS)
• Bihar Administrative Service (BAS)	• Meghalaya Civil Service (MCS)
• Goa Civil Service (GCS)	• Nagaland Civil Service (NCS)
• State Administrative Service (SAS)	• Odisha Administrative Service (OAS)
• State Civil Service (SCS)	• Provincial Civil Service (Uttar Pradesh)
• Gujarat Administrative Service (GAS)	• Punjab Civil Service (PCS)
• Haryana Civil Service (HCS)	• Rajasthan Administrative Service (RAS)
• Himachal Pradesh Administrative Service (HPAS)	• Sikkim Civil Service (SCS)
• Jharkhand Administrative Service (JAS)	• Telangana Civil Service-Executive Branch (TCS)
• Kashmir Administrative Service (KAS)	• Tamil Nadu Civil Service (TNCS)
• Karnataka Administrative Service (KAS)	• West Bengal Civil Service (WBCS)

All state police services above the rank of Deputy SP are group A service. The officers of following services are later promoted to IPS.

- Andhra Pradesh State Police Service (APPS)
- Arunachal Pradesh Police Service (APPS)
- Assam Police Service (APS)
- Bihar Police Service (BPS)
- Goa Police Service (GPS)
- State Police Service (SPS)
- State Police Service (SPS)
- Gujarat Police Service (GPS)
- Haryana Police Service (HPS)
- Himachal Pradesh Police Service (HPPS)
- Jharkhand Police Service (JPS)
- Kashmir Police Service (KPS)
- Karnataka State Police Service (KSPS)
- Kerala Police Service (KPS)
- Manipur Police Service (MPS)
- Mizoram Police Service (MPS)
- Meghalaya Police Service (MPS)
- Nagaland Police Service (NPS)
- Odisha Police Service (OPS)
- Provincial Police Service (Uttar Pradesh) (PPS)
- Punjab Police Service (PPS)
- Rajasthan Police Service (RPS)
- Sikkim Police Service (SPS)
- Telangana Police Service (TPS)
- Tamil Nadu Police Service (TNPS)
- West Bengal Police Service (WBPS)

All state judicial services above the rank of Judicial Magistrate are group A service. The officers of following services are later promoted as judges in High Courts.

- Higher Judicial Service (HJS)
- Provincial Civil Service-*Judicial Branch* (PCS-J)

State Services (Group B)

The state civil services (Group B) deal with subjects such as land revenue, agriculture, forests, education etc. The officers are recruited by different States through the respective State Public Service Commissions, and appointed by the Governor of that state.

- Assistant Registrar Cooperative Societies
- Block Development Officer
- District Employment Officer
- District Food and Supplies Controller/Officer
- District Treasury Officer
- District Welfare Officer
- Excise and Taxation Officer
- Tehsildar/Talukadar/Assistant Collector
- Any other Class-I/Class-II service notified as per rules by the concerned State, i.e. officers, lecturers, assistants, associate professors, or principals of Government Degree Colleges, Class I

The Organizational Structure

The executive faction responsible for civil services in India is the Ministry of Personnel, Public Grievances and Pensions. The Ministry of Personnel, Public Grievances and Pensions is the nodal Ministry responsible for personnel matters, "especially in respect of issues concerning recruitment, training, career development, staff welfare, administrative reforms and post retirement dispensation". The Ministry comprises of three departments, namely:

- Department of Personnel and Training (hereinafter, "DoPT")
- Department of Administrative Reforms and Public Grievances
- Department of Pensions and Pensioners' Welfare.
- Department of Personnel and Training (DoPT) under the charge of Secretary (Personnel) comprises of six wings namely;
- Establishment Officer,
- Services and Vigilance,
- Establishment,
- Administrative Tribunal and Administration,
- Training and
- Central Services.

Each of these wings is headed by an officer of the rank of Joint Secretary or an Additional Secretary. DoPT acts as the "formulator of policies pertaining to recruitment, regulation of service conditions, and deputation of personnel", besides advising all organisations of the Central Government on issues pertaining to personnel management.

Existing Legal Framework for Civil Services and Recruitment Agencies
Part XIV of the Constitution of India - Article 308 onwards - makes provisions for dealing with the civil services. In terms of Article 309, the appropriate Legislature (Parliament or the State Legislature) is empowered to legislate to regulate the recruitment and conditions of service of persons appointed to the public services and post them in connection with the affairs of the Union or of any State. The proviso to Article 309 states that it shall be competent for the President or the Governor, as the case may be, to make rules relating to the recruitment and conditions of service of persons appointed to the services and posts in connection with the affairs of the Union and the State respectively until provisions in that regard are made by or under an Act of the appropriate Legislature. In terms of the above proviso, a number of Rules have been made from time to time by the Union and State Governments and these essentially govern and regulate the public services in India.

Article 310 of the Constitution provides that all members of the civil services of the Union and the All India Service hold any civil post at the pleasure of the President and all members of the civil services of a State do so at the pleasure of the Governor of the State. Article 311 provides certain safeguards regarding dismissal, removal or reduction in rank of persons employed in civil capacities. Article 312 provides for constitution of the All India Services. Articles 318 to 323 deal with the Union Public Service Commission (hereinafter, "UPSC") and State Public Service Commissions. Article 320 stipulates that it shall be the duty of the Union and the State Public Service Commissions to conduct the examinations for appointment to the services of the Union and the services of the States respectively . It further stipulates that the UPSC or

the State PSCs shall be consulted on all matters relating to methods of recruitment to the civil services and on the principles to be followed in making appointments to the civil services and posts and in making promotions and transfers from one service to another. Article 323 lays down that it shall be the duty of the Union Public Service Commission to present annually to the President a report of the work done by the Commission and on receipt of such report the President shall cause a copy thereof together with the Memorandum explaining, as respects the cases, if any, where the advice of the Commission was not accepted, the reasons for such non-acceptance to be laid before each house of Parliament. Similar provision also exists for the State Public Service Commissions. Article 323(a) authorizes the Parliament to set up administrative tribunals regarding disputes with respect to recruitment and conditions of service of persons appointed to public services.

Hence, it is clear that the relationship between a civil servant and Government is defined by Statutes/Rules. Different aspects governing the conditions of service of civil servants are provided by different rules promulgated under Article 309 of the Constitution.

The Scheme

In the above context; considering the manner of evolution of civil services in India, their organizational structure and the existing legal framework regarding the civil services and recruitment agencies this paper will examine and analyze the procedure for recruitment and appointment of government servants in India. The way in which the legislature, executive and judiciary have worked to ensure that the recruitment procedure reflects the apolitical and independent nature envisaged in the constitution will be the central motif existing throughout the paper. The first part of the paper will focus on the recruitment procedure. The chapter will deal with the various recruitment agencies, their functions and their vitality to the recruitment process. The various methods of recruitment and judicial opinions regarding their apt use will be highlighted too. The second part of the paper will focus in the appointment procedure. The chapter will begin by differentiating recruitment from appointment. The appointment procedure and its

inherent connection with the recruitment procedure will be examined. The major part of the chapter will deal with judicial pronouncements that have imposed safeguards as regards the government's seemingly plenary power to appoint individuals to concerned posts. The paper will conclude by summarizing its findings and presenting recommendations whereby the recruitment and appointment procedure may be further strengthened.

Check Your Progress 1

Note: i) Use the space given below for your answers.

1. Discuss about the construction of civil service in India.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

5.4   RECRUITMENT

5.4.1 Recruitment Procedure

This part of the paper will focus on the manner in which the recruitment for civil services is conducted by the Union and State Governments. Due regard shall be given to the constitutional provisions and service rules framed under them. This chapter will begin by differentiating and delineating the contours of the term "recruitment" and "appointment" as interpreted in India's service law jurisprudence. It will then delineate the role in recruitment of various recruitment agencies namely, the UPSC, the State Public Service Commissions and the Staff Selection Commission (hereinafter, "SSC"). The various forms of recruitment and their use and purpose will then be examined. Lastly, various judicial pronouncements that will demonstrate the finer details regarding the manner of recruitment will be dealt with.

5.4.2 Recruitment And Appointment

The terms recruitment and appointment are not considered synonymous in India's service law jurisprudence; they are considered to be two

different stages. In Prafulla Kumar Swain vs.Prakash Chandra Misra&Orsa three judge bench of the Supreme Court went on to decide "the meaning and effect of the two terms" and held that "recruitment in just an initial process. It connotes and clearly signifies enlistments, acceptance, selection or approval for appointment". The court differentiated it from appointment by stating that "certainly, this is not actual appointment or posting in service. In contradistinction the word appointment means an actual act of posting a person to a particular office". This decision conclusively settled the difference between the two terms and has since been followed by the Supreme Court in various decisions such as R.S. Ajara&Ors v State of Gujarat &Ors, State of Himachal Pradesh v J.L. Sharma &Anrand H.S. Vankani&Ors v State of Gujarat &Ors.

5.4.3 Recruitment Agencies

The recruitment process in India is largely undertaken with the assistance of three recruitment agencies namely, the UPSC, the State Public Service Commissions and the Staff Selection Commission. While UPSC and State PSCs are constitutionally recognized by virtue of Article 315, Staff Selection Commission has been set up by a Resolution of the Government and it has the status of an attached office of the Department of Personnel and Training. Each of these agencies serves a particular purpose different from the others.

The Union Public Service Commission comprises the Chairman and ten Members. The UPSC makes recruitment for "All India Services; Group 'A' Central Civil Services/posts, and Group 'B' Gazetted posts in Ministries/ Departments of the Central Government". The Commission also conducts the examination for recruitment of Commissioned Officers in the Defence Forces. Some Union Territories (UTs) also avail the services of the Union Public Service Commission for recruitment to the posts under the UT.

The setup of Staff Selection Commission (SSC) comprises its Headquarters located in New Delhi and 09 Regional/Sub Regional

offices located at different parts of the country. The SSC (Hqrs) comprises the Chairperson, two Members, one Secretary-cum-Controller of Examinations and other supporting officers and staff. "The Regional/Sub-Regional offices are responsible for receipt and processing of applications for various examinations, issue of admit cards to the candidates and conduct of examinations, interviews and physical endurance tests (wherever required) either at the Regional Headquarters or other major cities in the regions" .

The State PSCs perform the functions performed by the UPSC at the State level where senior civil officers for the concerned state are to be appointed. Hence, SSC, as is apparent from the functions performed by it is concerned with the performance of certain functions ancillary to the process of recruitment while the primary functions rest with the UPSC and State PSCs. All these recruitment agencies perform a facilitative and consultative role by assisting the executive with the recruitment process.

5.4.4. Various Forms Of Recruitment

The Government has as its disposal generally 6 modes of recruitment. These are:

- "Direct Recruitment
- Promotion
- Deputation

- Absorption
- Re-employment
- Short-term Contract"

- **Direct Recruitment**

Direct recruitment is the recruitment which is "open to all candidates, eligible as per the provisions regarding age, educational qualification/ experience etc. as prescribed in the concerned Recruitment Rules". Direct recruitment is conducted broadly under two methods:

- **Recruitment by competitive examination**

Under the Constitution one of the functions of the UPSC and State PSC under Article 320 is "to conduct examinations for appointment to Civil Services/Posts of the Union and the states, respectively". In addition, competitive examinations are also held by the UPSC under arrangements with the Ministry of Defense for entry to certain Defense Services, through the National Defense Academy, Indian Military Academy, Naval Academy, Air Force Academy and the Officers Training Academy. The UPSC usually conducts over a dozen examinations every year on an all India basis. These include Examinations for recruitment to services/posts in various fields, such as Civil Services, Engineering, Medical and Forest Service, etc.

- **Recruitment by selection**

Recruitment by Selection is made by the following methods:

- **By Interview Only**

Where the number of applicants is very large, it is not practicable to call for Interview all the applicants who fulfill the minimum eligibility conditions prescribed. The Commissions, therefore, shortlist the candidates to be called for the interview on the basis of certain pre-determined criteria related to the job. A large number of recruitment cases are handled by the Commissions by this method

- **By Written Test Followed By Interview**

In this category, there are two types of procedure followed:

An objective-type written and/or practical test to test the skill of the candidates followed by Interview, the final selection being decided by Interview, aided by the performance of the candidates in the written test and/or practical test.

An objective-type written and/or practical test to screen candidates to be called for interview, the final selection being decided by Interview only.

- **Promotion**

"Promotion is method of recruitment from feeder grade post(s) to higher post in the hierarchy as per the provisions of the Recruitment Rules". If

promotion is kept as a method of recruitment, it is also necessary to lay down the number of years of qualifying service before the persons in the field become eligible for promotion. Only regular, and not ad hoc, period of service is taken into account for purposes of computing this service.

- **Deputation**

"Deputation is a method of recruitment where officers of Central Government Departments or State/ UT Governments from outside are appointed to post(s) in Central Government for a limited period, by the end of which they will have to return to their parent cadres". In case of isolated post it is desirable to keep the method of recruitment of deputation/ short term contract as otherwise the incumbents of such posts, if directly recruited, will not have any avenue of promotion/ career progression.

- **Short Term Contract**

"Short term contract is also a form of deputation where officers from non-Government bodies e.g. universities, research institutions, public sector undertakings for teaching, research, scientific and technical posts can come to Central Government posts".

- **Absorption**

The mode of absorption is applicable only to officers who are on deputation. "If the recruitment rules for the concerned posts provide for absorption as a mode of recruitment, then such officers can be permanently absorbed in the post/grade". Absorption can only be affected in the case of officers who are on deputation from Central/State Government.

5.4.5 Choosing The Appropriate Form Of Recruitment

- In order to decide the appropriate form of recruitment for a post(s), the government is supposed to give due consideration to the following considerations:

- The nature of duties, qualifications and experience required.

- The availability of suitable personnel possessing, the requisite qualifications and experience within a cadre.

- The need for ensuring that suitable incentives exist for the maintenance of an adequate standard of efficiency in the cadre.

5.4.6 Judicial Pronouncements

In various cases, the Supreme Court has had to decide the question whether the government or appropriate authority was correct in choosing a particular mode of recruitment as opposed to another one that might have been more apt. The Supreme Court has brushed aside all such challenges and held that "in the absence of any constitutional bar (e.g., Article 233) determination of the mode of recruitment to a service or post is a matter of policy of government".

In Jaiswal vs. r Debi, the Supreme Court ruled that if before the selection is held the Government withdraws its requisition from the PSC, neither the candidate nor the PSC itself can insist on continuing the process of recruitment by selection. In a similar vein, the Supreme Court in Asha vs.State of J&K held that if the government wants to disapprove or reject the list submitted by the PSC, it ought to do so within a reasonable time of the receipt of the list and for reasons to be recorded and the Government cannot accept a part of the list and reject the rest.

The sense of non-interference run through most of these orders, the Supreme Court has stood by such non-interference in case of qualifications set by the government too. In Mahendran v State of Karnataka, it held that the "propriety of particular qualification for a post laid down by the government cannot be interfered with by the Court".

As regards the sanctity of the examination conducted by the PSC the Supreme Court in Dalpat vs.Mahajan held that "the Court would not interfere with the comparative merits of candidates as assessed by the examining body, in the absence of bias or mala fides or material irregularity in the constitution of the examining body or the procedure adopted by it- because these are matters requiring an expertise which the courts do not possess".

In Sardara Singh v State of Punjab the Supreme Court observed that where rules relating to the recruitment do not require both written and viva voce tests, selection by interview alone cannot be held to be illegal. Further, it observed that there is no inflexible standard as to the duration of an interview and hence, its length cannot be ground to challenge recruitment proceedings.

5.4.7 Appointment Procedure

Recruitment is not synonymous with appointment. It signifies enlistment, acceptance, selection or approval for appointment and not actual appointment or posting in service. In case of BasanLalMalhotra v. State of Punjab, the High Court of Punjab and Haryana held that appointment means as actual act of posting a person to a particular office.

When the recruitment of persons is done with the help of the Union Public Service Commission, the of the advice of the Commission is not binding upon the government for final appointment but a convention has been established by the Government of India, that in the following classes of the cases referred to the Commission, the recommendations made by them shall be accepted, save in exceptional circumstances.

- Quasi-judicial cases.
- Selection for appointments of candidates.
- Appointment of a candidate on a higher initial pay than that of a minimum pay of the posts.

Claims of expenditure incurred by the Government servants in defending legal proceedings instituted against him in respect of acts done or purporting to be done in the execution of his duty.

The candidates selected for appointment by the Commission are also informed about their selection to the post with the advice to contact the concerned Ministry/Department for further correspondence. The selected candidates are also informed that the offer of appointment will be made to them only after the Government has satisfied themselves after such enquiry as may be considered necessary that the candidates are suitable in all respect for appointment to the service. Further they are also informed that the appointment will be subject to such other conditions as are applicable to all such appointments under the Central Government.

Under Article 309 of the Constitution, acts of the appropriate legislature may regulate the recruitment, and conditions of service of persons appointed, to public services and posts in connection with the affairs of the Union or of any state. This article is subject to other provisions of the constitution, and thus the Supreme Court in case of Secretary, State of Karnataka v. Umadevi has also held that the rules made under this Article are subjected to the other provisions of the Constitution.

Thus the rules made under this Article must not violate Article 14, 16, 19, 310, 313 or the condition of equal pay for equal work laid down in Article 39(d).

In Indravadan H. Shah vs. State of Gujarat,the Supreme Court of India held that Article 14 and 16 of the Constitution ensure that there should not be any discrimination in the manner of appointment in the service, nor there will be any arbitrariness or unreasonableness in the rules of recruitment providing for appointment to the service either by promotion or by direct recruitment.

In the above case there was introduction of age restriction as regards the promotion by appointment to the post of Assistant Judge from amongst the members of the Gujrat Judicial Services (Junior Branch) as provided in Rules 6 (4) (i) and 6 (4) (iii) (a) of the Gujrat Judicial Services Recruitment Rules, 1961. The Supreme Court observed that there is no nexus to the object sought to be achieved by the introducing the age restrictions. The court held that "there is obviously no rationale nor any reasonableness for introduction of this age bar in regard to appointment by promotion of the post of an Assistant Judge. The rule is, therefore, arbitrary and it violates the statutory principles of equality and want of arbitrariness in the matter of public employment as guaranteed by Article 14 and 16 of the Constitution."

Thus the power of the state an employer is more limited than that of a private employer inasmuch as it is subjected to constitutional limitations and cannot be exercised arbitrarily as observed by the Supreme Court in

Secretary, State of Karnataka v. Umadevi, and the state is expected to act as a model employer exhibiting "fairness in action".

Hence the right of the state to make appointments to its service is not arbitrary. But Appointments on compassionate grounds are exception to the equality clause under Article 14, and must be must be made expeditiously.

Further if appointments are in violation of the rules or the provisions of the constitution, the illegality cannot be regularized. The ratification or regularization is possible of an act which is within the power and province of the authority but there has been some non-compliance within the procedure or manner which does not go to the root of the appointment.

Thus if an employee has been appointed illegally, he cannot be regularized by an act of legislature unless proper Validation act is passed which changes the very basis of the provisions relating to an appointment retrospectively.

In SatchidanandaMisra v. State of Orissa, appointments had been made to the Orissa Medical Health Services under the 1973 rules even though they had been replaced in 1979. This was sought to be regularized by a Validating act without changing the basis of the initial appointments itself.

Further CahndraprakashMadhavraoDadwa vs. Union of India, recruitment qualifications cannot be changed retrospectively so as to deprive persons of their right to the posts to which they were recruited or affect their confirmation.

Appointments made after the enforcement of the amended rules will be governed by the amendments made therein except where there is inordinate delay in making the appointment. There is a change in policy of reservation by amendment to the rules and embargo placed on appointment. The government is not obliged to fill up the existing

vacancies and successful candidates do not require an indefeasible right to be appointed.

Check Your Progress 2

Note: i) Use the space given below for your answers.

1. Write about the Recruitment of civil service in India.

……………………………………………………………………
……………………………………………………………………
……………………………………………………………………

5.5 TRAINING

During the colonial period, the British built up the elite Indian Civil Service, often referred to as the "steel frame" of the British Raj. The Indian leaders of the independence movement initially viewed the colonial civil service as an instrument of foreign domination, but by 1947 they had come to appreciate the advantages of having a highly qualified institutionalized administration in place, especially at a time when social tensions threatened national unity and public order.

The constitution established the Indian Administrative Service to replace the colonial Indian Civil Service and ensure uniform and impartial standards of administration in selected fields, promote effective coordination in social and economic development, and encourage a national point of view. Recruits appointed by the Union Public Service Commission are university graduates selected through a rigorous system of written and oral examinations. In 1988 only about 150 out of a candidate pool of approximately 85,000 recruits received appointments in the Indian Administrative Service (IAS). Indian Administrative Service officers are primarily from the more affluent and educated classes. However, efforts to recruit women and individuals from the Scheduled Castes and Scheduled Tribes have enhanced the diversity of the civil service. Recruits are trained as administrative generalists at an academy at Mussoorie (in Uttar Pradesh). Thereafter, recruits entered

into a period of apprenticeship and probation in the central and state governments. Approximately 70 percent of all officers serve in state administrations; the rest serve in the central government.

The States (but not Delhi or the union territories) have independent services within their own jurisdictions that are regulated by local laws and public service commissions. The governor usually appoints members of the state public services upon the recommendation of the state public service commission. To a large extent, states depend upon nationwide bodies, such as the Indian Administrative Service and Indian Police Service, to staff top administrative posts.

Although the elite public services continue to command great prestige, their social status declined in the decades after independence. In the 1990s, India's most capable youths increasingly are attracted to private-sector employment where salaries are substantially higher. Public opinion of civil servants has also been lowered by popular perceptions that bureaucrats are unresponsive to public needs and are corrupt. Although the ranks of the civil service are filled with many dedicated individuals, corruption hasbeen a growing problem as civil servants have become subject to intense political pressures. There were two exclusive groups of civil servants during the formative stage of British rule in India. The higher employees who entered into 'covenants' with the East India Company came to be known as covenanted servants, whereas those not signing such agreements came to be known as covenanted. The latter group generally filled the lower positions. This distinction between the covenanted and the un-covenanted virtually came to an end with the constitution of the Imperial Civil Service of India based on the recommendations of the Public Service Commission. The Constitution mentions only two all-India services that were in existence at that time: the IAS and the IPS, but it provided for more by giving the power to the RajyaSabha to resolve by a two-thirds majority to establish new all-India services. The Indian Forest Service and the Indian Engineering Service are two services set up under this constitutional provision. Running the administration of a vast and diverse country like India requires efficient management of its natural, economic and human resources. That,

precisely, is the responsibility of the civil services. The country is managed through a number of Central Government agencies in accordance with the policy directions given by the ministries. The construction of the Civil Services follows a certain pattern. The All India Services, Central Services and State Services constitute the Civil Services.

The Civil Services have been divided into various grades to facilitate functioning. Junior scale officers work in the states that they are allotted to. Senior scale officers work as Under Secretaries in the State. Officers in the Junior Administrative Grade, which is reached after nine years of service, hold the position of a Deputy Secretary. When officers make it to the Selection Grade, which is reached after fourteen years of service they hold the position of Directors or Deputy Secretary. The next scale is known as the Super Time Scale or the Senior Administrative Grade and the officers in this grade hold the post of a Joint Secretary, Additional Secretary, Secretary or Cabinet Secretary.

1. Structure of Indian Civil Service

The Indian Civil Services are organised into two main sections: the All India Services and the Central Services. Officers of the All India Services, on appointment by the Government of India, are placed at the disposal of the different State Governments. These services include Indian Administrative Service, Indian Police Service and Indian Forest Service. Officers of the Central Services, on the other hand, wherever they might be posted, serve the Government of India only. These include Indian Foreign Service, Indian Railway Service and Indian Postal Service.

Accounts and Auditing Services (including The Indian Audit and Accounts Service, The Indian Civil Accounts Service, Indian Defence Accounts Service and Indian Revenue Service). These include Indian Customs and Central Excise, Indian Ordinance Factories Service, Indian Defence Estates Service, Indian Information Service, Central Trade Services, Central Industrial Security Force.

The IAS was formally constituted in 1947. The IAS handles affairs of the government. At the central level, this involves the framing and implementation of policy. At the district level, it is concerned with district affairs, including development functions. At the divisional level, the IAS officers look after law and order, general administration work.

For entry to the IAS there is a multi-step examination process. The entire process takes a full calendar year. The Union Public Service Commission (UPSC) first conducts an objective type preliminary examination for screening candidates. This is followed by the preliminary examination which comprises two papers. There is one on general studies and another on an optional subject. The preliminary round is basically a screening round. The marks obtained are not counted for in the final stage of the examination. For candidates who clear the preliminary round, there is the main round. The second stage is the main examination that includes written tests and an interview. The written test consists of nine papers (essay type answers to be written).

The total marks secured in both the written tests and the personal interview determines the rank of a candidate. The Interview this is the last hurdle to be cleared. The interview carriers 250 marks and there are no stipulated minimum qualifying marks. The main aim of the interview is to assess a candidate's overall personality. The interview is conducted by a board. The board is fully informed about the candidate and they base their questions on a record of the candidate's career, which is provided to them. The aspects that are generally looked into are the candidate's grasp of academics and general awareness as in current affairs, social issues, etc. It is basically a test of the potential of a candidate.

The board tries to assess whether he or she can rise to the demands of the job of an IAS.

2. Training program for India Administration Services

The framework for training the IAS comprises the foundation training and in service training at the different periods of seniority. Whereas the

format of foundation training has, by and large, remained unchanged, the format of in service training has undergone fundamental change during the period 1986 to 2005. It was 1986 that the then government ushered in a 360-degree change by introducing in service training for the officers of IAS irrespective of their rank and seniority.

a. Foundation training program

The candidates appointed to the IAS on the basis of the results of competitive examination are put on probation for a period of 2 years from the date of appointment. They undergo the three phases of training:

The phase 1: The two years training programme which starts with the first phase foundational training for 9 months at the LalBahadurShastri National Academy of Administration. The first phase of training aims at strengthening the understanding of the political, social and administrative environment in which an IAS officer has to function and to develop values, ideas and attributes expected of an officer belonging to the IAS. A great deal of emphasis is laid on understanding of public systems and their management and in addition, given grounding in Public Administration, Law, Economics and Computer Applications. As the training progresses in this phase, an endeavor is made to inculcate competence and confidences in the officer trainees to shoulder and discharge effectively the responsibilities, which will are reposed in them in the first few years of their service. The trainees get an opportunity to re-examine the field realities vis-à-vis theoretical inputs provided in the Academy.

The phase 2: the IAS trainees spend twelve months in the state to which they are allotted. During the second phase when they are in the allotted state, the IAS trainees are exposed to socio-economic and cultural conditions of the state, administrative system of the state (district administration, land revenue system, fiscal policy, civil supplies management), state acts, rules and regulations, panchayat raj institutions and cooperative institutions, management techniques, state language and training in survey and settlement work. The trainees are provided inputs

in intuitional finance, survey and settlement, interacting with village functionaries, project management, rural housing, weaker section finance, agriculture, industries, co-operatives, engineering, municipal administration, major irrigation, forestry, tribal development administration and district administration.

The phase 3: after the completion of training in the state, the probationers reports back at the academy for about three months.

b. In-service training program

At present, IAS officers are required to attend compulsory in-service training programs. In addition, they also have a number of optional training programs that they could be selected to attend. The career profile of an average IAS officer has four distinct phases. The first 10 years are mostly spent on program implementation, coordination, district administration, etc. During this period, officers generally occupy positions in the districts as Sub-divisional Officers, project directors of institutions like District Rural Development Agency, Chief Executive Officer of District Administration, District Collectors, etc. In the next 10 years, an IAS officer largely works on areas of general management, planning, budgeting, implementation of programs at the State level (as against implementation at the district level), etc. During this period officers generally occupy positions as heads of state level. The scheme of compulsory in-service training as well as the optional programs available is as follows:-

In-Service Compulsory Training: Two week training in the service range of 6-9 years, two week training in the service range of 10-16 years, two week training in the service range of 17-20 years.

- In-Service Optional Training: One week program under the flexible training scheme, long duration programs at the Indian Institute of Public Administration (IIPA), short or long duration program abroad.

The scheme of compulsory in-service training of IAS officers was started in 1986 and comprised of a combination of one week programs to be attended every year and 4-week programs to be attended at three different levels of seniority.

3. Training methodology

- Group work

- Hands-on Sessions

- Workshop/panel discussion

- Case Study

- Experience sharing

- Lecture sessions

- Library study

4. Evaluation of training

Evaluation of training implies an assessment of the way the job was done by the trainees and those who were in charge of the training programme and the impact the training had on the trainee. The aspects that have to be covered are, therefore, its organization, its administration, the training process and its results. The Government of India has described two questionnaires, one for ascertaining the reactions of the participants to the course and another to obtain an assessment of the qualities of participants as observed during their training by the head of the training institution. The first questionnaire sought to obtain the reactions of the participants on various aspects of the training programme, like relevance of the course to the participants, area of work/ interest, the extent to which the course objectives were realized, the programme design, their views on effectiveness of faculty / quality and adequacy of the course material, rating of topics covered, boarding and lodging, transport, library, seating arrangements etc., and their overall assessment of the programme.

The second questionnaire to be filled in and returned to the Government of India in respect of each participant related to the impression of the head of the training institution regarding attendance, quality of participation, interaction, ability to apply concepts, and human leadership qualities of the participants. The survey results showed that the reasons could be that effectiveness of each pedagogic method would depend upon the topic / subject covered as well as the person handling that

particular method. It was found that lecture method was considered very effective, though they felt that the guest faculty was, by and large, more effective than the internal faculty. The reason for their very high rating of the guest faculty are not far to seek.

The Institute selected the guest faculty on the basis of their proven reputation and their recognition as authorities in their areas. Moreover, they were outstanding; more experienced and held positions commensurate with their abilities. These programmes have well established the place of the conventional formal lectures as a training method though this alone is not sufficient when skills are to be developed and when practical ability is required. Further, if it has to be effective, the performance after the training of the individual has to be followed up. Such a follow-up would not only ensure better results for making the trainees perform better results for making the trainees perform better but also help the training institutions and the trainers to organize the programmes better. Evaluation after a period of six months to one year, can determine whether the training is achieving its objectives and whether they were the right objectives measuring the amount of change attributable to training and how these changes effect on organization's performance have to be translated as training goals.

5. Limitations that need to be fixed

The present system for IAS training Indian educational system is highly structured, lecture based and far removed from the public and the actual scene of the action. The training programs encourage the candidates' participation in the training process. However, many of India's IAS training institutions are trapped in a vicious circle of repeating run of the mill programmes without analysing the needs of the various sectors or the real levels at which public managers function. A Training Needs Survey is carried out once in 5-6 years and on the basis of it a training calendar is formulated. The institute have no basic research on training activities for civil servants so that the correction and modification of training programs are erratic; training content is based more on regulations than the necessary skills; lack of oriented knowledge; lack of evaluating strength or potential factors of civil servants at the outset of

training as to orient civil servants to the new career for better future. The major gaps in different areas for the three levels of IAS officers are given in the table 1:

Table 1

Gap Areas	Top / Senior	Middle	Junior
Knowledge	Technology	Procedural knowledge	Implementing knowledge
Skills	Conceptualization planning	Analytical/adaptive	Executive skills
Attitude	Towards Environment	Logical	Towards work and organization
Performance	Target setting	Application and skills	Appraisal and recognition
Policy	International and Scenario and public policy	Sensitization	Nil

6. New approach in civil service training program

The continuous training of IAS officers is very critical from the point of view of the socio-economic and political transformation of India. It is clear that both the contents and the formats of IAS training programmes have to undergo a radical change. The demands arising out of the globalization of the Indian economy require IAS officers to pick up new skills and concepts, and ensure their effective application.

In the long term, courses in the area of public management including service delivery need to include project work. The application of Information Technology will go a long way in improving the quality of public management and access to it.

The Indian approach to post experience training for IAS officers relies upon a nodal agency for training public managers which has developed linkages with national and international institutions. There is a need to change the existing paradigm of IAS training from the existing one to the futuristic one as shown in table 2

Table 2

Existing	Futuristic
Supply oriented	Demand oriented
Procedure oriented	People oriented
Conservative	Liberal
Generic	Specific
Functional	Cross-functional
Hierarchical	Participative
Periodic	Continuous
Risk aversion	Risk taking
Formal	Informal
Traditional	Modern and topical
Unsystematic	Systematic
General	Goal oriented
Closed	Open
Skill based and narrow	Concept based and comprehensive
Static	Dynamic
Ad hoc	Planned
Structured	Customised
Directed	Environment driven

Some suggestions to tone up IAS training are as follows: The induction training need to undergo a paradigm change. There is a need to make the contents of training relevant from the point of view of the needs of time. This requires constant revision and updating of the contents. The method of training during different phases of training requires a drastic change. It may be relevant to use simulations, games, case studies and role play. Workshops, retreats should be structured around a participative approach with professional facilitation, so that exchange of experience among officers serves as the major source of learning. The mentoring may be introduced for the comprehensive development of the personality of IAS trainee and also for inculcating values, culture and ethics. Study tours to rural area need to be conducted to provide a feel of the real India to IAS trainees. The financial competencies derived from training are very low. The new framework should provide for training in project management,

working out cash flows, profitability computation, cost of capital concepts, comparative costing, and risk analysis and management. The training of IAS officers is considered a very crucial aspect of public policy and public administration in India aiming at building a contingent of qualified and capable civil servants to fulfill assigned tasks. A comprehensive scheme of training is in place. However, its implementation has not been smooth as the various stakeholders have not completely committed themselves to its cent percent success. There is a need to prepare the conditions of human resources, training facilities, contents, programs, methods and funding for training implementation.

Check Your Progress 3

Note: i) Use the space given below for your answers.

1. Write about the training of civil service.

    …………………………………………………………………………
……………………………………………………………………………
……………………………………………………………………………

5.6   LET US SUM UP

(1) Keeping up-to-date and enhancing professional knowledge and skills needed for better performance of individual and organization.

(2) Promoting better understanding of requirements as well as sensitization to professional, socio-economic and political environment in which they perform.

5.7   KEY WORDS

IPS: Indian Police Service

IAS: Indian Administrative Service

5.8   QUESTIONS FOR REVIEW

1. Write in details about the construction civil service in India.
2. Discuss about the recruitment process in Civil Service.
3. Write about the training of civil service.

5.9 SUGGESTED READINGS AND REFERENCES

- Chopra, P. N. (2003). A Comprehensive History of India, Volume 3. Sterling Publishers Pvt Ltd. ISBN 9788120725065.

- MeghnaSabharwal and Evan M. Berman. "Public Administration in South Asia: India, Bangladesh, and Pakistan (Public Administration and Public Policy)" (2013), ISBN 1439869111 (Online)

- "Civil Service". The British Library. 8 June 2011. Retrieved 14 August 2015.

- Goel, S.L. Public Personnel Administration: Theory and Practice. Deep and Deep Publications, 2008. ISBN 9788176293952.

- Maheshwari, Shriram. Problems and Issues in Administrative Federalism. Allied Publishers. ISBN 9788170233428.

- Kumar, S. Vijay (18 November 2014). "Centre to lower age limit for civil service aspirants". The Hindu. ISSN 0971-751X. trieved 19 April 2019.

5.10 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

    10) See Section 5.3

Check Your Progress 2

    10) See Section 4.4

    11) See Sub Section 4.5.1

    12) See Sub Section 4.5.2

Check Your Progress 3

    3) See Section 4.6

    4) See Section 4.7

UNIT 6: DISTRICT ADMINISTRATION, RURAL & URBAN LOCAL SELF-GOVERNMENT

STRUCTURE

6.0 OBJECTIVES

After end of this unit we may able to understand:

- To know the concept of District Administration
- To discuss the Rural Government
- To know the Urban Government
- To describe the Local self-government in India

6.1 INTRODUCTION

The concept of local self-government is known to Indian since ancient times. During the Vedic age, there existed village assemblies known as 'Sabha' and 'Samiti'. Gradually cities and Towns came into prominence.

They also enjoyed greater level of autonomy in administration as witnessed during the Mauryan and Gupta period.The system of local self-government in its modern sense was revived during the British period.In a democratic country power is decentralized and shared at different levels. Apart from the Central and State Government, the administration at the local level is handled by the local government in urban as well as rural areas. The local Self-Government ensures effective people's participation and ensures overall development. These small units of government enable people to feel a sense of responsibility and understand values of democracy.In India the Local Self Government is broadly classified into two categories that is Rural and Urban.The Urban local bodies include Municipal Corporations,Municipal Councils and Nagar Panchayat. The rural local bodies in corporate ZillaParishad, PanchayatSamiti and Gram Panchayat.

Although there is a debate going on that whether we need office of district collector or not, it plays a vital role in the district administration as the bridge between union-state and local government. Therefore there is no question of removing the post of district collector. There are some flaws in the district administration system but reiterating the recommendations on the issues of personnel management, performance and outcome evaluation, effective citizen centric administration, use of information technology, process re-engineering etc. made above, it is believed that if these recommendations are expeditiously implemented where applicable to the district administration would make India developed with bottom up approach and better outcome.

6.2 DISTRICT ADMINISTRATION

District as a basic unit of field administration has been in existence through the ages. It is surprising to know that it has not changed substantially, since the times of Mauryan Era to Mughals to British era. Historically the district, in some form or the other has been the most important unit of administration in the Indian sub-continent.
The British Parliament was the first legislature with respect of India in modern times, they created enactments and gave substance to the district

head of administration, known variously as the Collector (in respect of revenue administration), the District Magistrate (in respect of administration of criminal justice) or the Deputy Commissioner (in respect of General Administration and special functions / powers under local tenancy laws).

Hence this system continued and since independence, the District in India is acting as the cutting edge of administration. The District administration is headed by the District Collector/Deputy Commissioner, drawn from IAS and he is responsible among others for the general control and direction of the police.

Until the 73rd and 74th Amendments to the Constitution, the governance structure of India was two-tiered comprising the Union Government and the State Governments. At the district level, apart from discharging the responsibilities cast by specific enactments, the Collectors performed such administrative tasks as were assigned to them by the State governments. After independence, the single greatest accretion to the responsibilities of the district administrator came through expansion of rural development programmes. As the number of activities, institutions and departments involved in rural development increased, the coordinating and synthesizing role of the Collector in the development efforts of the government assumed greater importance.

6.2.1 Prevailing Administrative Structure

The overall administrative structure presently prevailing at the district and sub-district levels in the country consists of the following three components-

a) Administration of regulatory functions under the leadership of the Collector and District Magistrate, such as law and order, land revenue / reforms, excise, registration, treasury, civil supplies and social welfare.
b) District / Sub-district level offices of the line departments of the State Government and their agencies, such as PWD, irrigation, health, industries etc.
c) Local bodies (Panchayati Raj Institutions and Municipal bodies) which, after the 73rd and 74th amendment of the Constitution, have

become the third tier of government.

With the constitutionally mandated establishment of Panchayati Raj Institutions and Municipal bodies, it has become necessary to re-examine and re-define the role of the district administration. It is imperative that the devolution of decision making to local levels should face no impediments. It is equally imperative that the unique administrative experience, expertise and credibility of the office of the District Collector built up over a period of two hundred years are properly utilized.

6.2.2 Role Of The Collector In District Administration

The post of District Collector has been the most important feature of field administration in India for the last two hundred years. Before Independence, when the economy was primarily agrarian, the Collector as head of the land revenue, administration also enjoying wide powers under criminal laws. He was considered as the ultimate guardian figure - responsible for the well-being of residents in his jurisdiction - the representative of the British Empire, capable of doing anything and everything. In the post-Independence era, when the economy diversified, and the pace of industrialization and growth of tertiary activities picked up, other functionaries too gained in importance. But, even now, in most parts of the country, excepting metropolitan/mega cities, the Collector is the most recognized face of the administration; he is considered to be the principal representative of the government at the district level, who could be approached to solve virtually all problems ranging from land disputes, to scarcity of essential commodities, to inadequacy of relief in times of crisis, to community disputes and even to issues of family discords.

6.2.3 Functions Of Collector

Main functions of the Collector include:

The DC has three major functions namely revenue, magisterial and developmental. Apart from these major functions, a large number of miscellaneous functions are also entrusted to him by State and Central governments like conduct of elections, dealing with calamities,

supervising local government institutions, etc. Collector was mainly entrusted with revenue administration, however, since Independence with the considerable change in the nature of the state from police rule to development and welfare, his role have shown a shift in the direction of development as he implements all the development programmes. Since he is a Generalist, he coordinates the activities of overall departments under Specialists like Engineers, doctors, etc. by holding meetings among them at periodic intervals. He is also acting as the Friend, Philosopher and Guide of the Panchayati Raj Institutions.

6.2.4 Need Of Reforms In District Administration

As stated above, the widespread functions of the District Collector without well-defined roles result in lack of clarity and diffusion of the Collector's responsibilities. Also, after the establishment of PRIs / ULBs as the third tier of government, the Administrative Reform Commission (ARC) is of the view that there is need to redefine the role and responsibilities of the Collector in a clear manner because the office of the collector and its widespread and vaguely defined functions are affecting the followings-

a) **Union-State and Local relations:** One must take note that the District Collector is a Union/Central officer and it has been systemized in such a manner so that the DC functions in a neutral and unbiased manner, without any fear, regarding his/her duties and responsibilities, and implementation of welfare/development activities of both the Centre and the state in the respective district he/she has been assigned to, but he has to eventually proceed from the states to the Centre in his career graph, he has to first prove his mettle at the state level, and at this level he works under the supervision of the state government and reports to them regarding discharge of his functions. Secondly, coordination between Centre-State is important for proper supervision of implementation of these schemes and programs to achieve the welfare policies. However, there are issues plaguing this system.

b) **Imperatives of development management:** The term development

management is used in the sense of achievement and objectives with optimum use of limited resources in manpower, finance, material, time and also active contribution to the clarification and reformation of policies and objectives. India specifically needs to shift its focus from development administration to a more efficient development management perspective and practice in order to remain in the League of Nations competing for implementation of International development programs. For this many courses as well as programmes are being rolled out by the country's education system as well as sponsored by the international organizations. Also, there should be a lot more emphasis on re-training of administrators in service to develop these management skills and become more efficient to achieve these goals and objectives.

c) Law and order administration: Law and order (Judiciary, Police, etc.) administration is one of the most important function performed by the Government. In fact, the survival of administration depends upon maintenance of law and order in a country. Unfortunately, in view of the prevailing atmosphere of violence in the country, attention to law and order is called for, but the sad part is that this is being neglected in favour of development administration.

Therefore, it is imperative that law and order is given adequate attention and it is built up both on the infrastructural as well as intelligence and implementation level and its grievances and issues sorted out if we want a sound welfare state where development and law and order go hand in hand otherwise development will be stalled.

d) District administration and democratic decentralization: Democratic decentralization here is used in reference to the 73rd and 74th Amendment Acts of 1992 that set up rural and urban local government bodies, viz. Panchayati Raj Institutions (PRIs) and Municipalities, respectively. The PRIs were set up to move decision making centers closer to the people by transferring the powers of decision making from higher authorities to them, all development schemes and its funds to be channelized through them, inculcating

leadership qualities among the rural masses, encouraging people's participation in planning and policy making, etc. However the ground realities are:

i) Bureaucratic resistance to delegation of power to PRIs.

ii) Vested interests of higher officials and middlemen take over in between.

iii) Elitist behaviour and biasness among the bureaucrats and government officials.

iv) No incentive to the DC in development activities.

However, there has been constant debate as to whether the District Collector who represents the Centre and states be a part of this or he should simply supervise as the minds of the rural people are constantly suspicious towards them. This causes a lot of problems in effective administration and implementation of programmes. Another aspect to this debate is that with so much of responsibility, the DC will be distracted from his other major functions like law and order, etc.

6.2.5 Recommendations

i) Role of District Collector:

a) There is need to realign the functions of the Deputy Commissioners/ District Collector so that he concentrates on the core functions such as land and revenue Administration, maintenance of law and order, disaster management, public distribution and civil supplies, excise, elections, transport, census, protocol, general administration, treasury management and Coordination with various agencies/ departments.

b) A well-defined set of exclusive activities both statutory as well as non-statutory as a functionary of the State Government should be added in his job profile.

c) His job profile should also include the general work of coordination with various departments / agencies of the State and the Union Governments at the district level and

ii) Modernizing the Office of the District Collector:

a) Grievance & Public Feedback Cell-Grievance redressal of citizens and

implementation of citizen charters should be an integral part of the Collector's office.

b) Management Information Systems / IT tools /E-Governance for effective monitoring and evaluation of programme/projects which are directly under the charge of the Collector, there needs to be computerized/MIS attached to his office.

c) A Vigilance Cell should be there.

d) Tours Inspection Notes and Institutional Memory.

e) Civil Society & Media Cell should be there.

iii) Functional and Structural Reform:

a) Formation of Institutions of Local Governance at the District Level.

b) Each district should have a District Council comprising of representatives of both rural and urban bodies.

c) The District Collector should have a dual role in this government structure. He should work as the Chief Officer of the District Council and should be fully accountable to the District Council on all local matters.

d) The District Officer would also be fully accountable to the State Government on all regulatory/other matters not delegated to the District Government.

iv) Other Reforms:

a) There is need to strengthen the compliance machinery at the district level to enforce provisions of the RTI Act and to reduce the element of delay and subjectivity in the functioning of the lower level formations of the government. This should be done by creating a special RTI Cell in the office of the Collector.

b) Officers may be posted as District Magistrates early in their career, but in complex and problem-prone districts an IAS officer should be posted as DM only on completion of 10-12 years of service.

c) Steps should be taken to ensure that the Collector plays an effective coordination role in activities and programmes of other departments at the district level.

6.3   RURAL GOVERNMENT

The panchayati raj system is a three-tier system with elected bodies at the village, taluk and district levels. The modern system is based in part on traditional panchayat governance, in part on the vision of Mahatma Gandhi and in part by the work of various committees to harmonize the highly centralized Indian governmental administration with a degree of local autonomy.The result was intended to create greater participation in local government by people and more effective implementation of rural development programs. Although, as of 2015, implementation in all of India is not complete,the intention is for there to be a gram panchayat for each village or group of villages, a tehsil level council, and a zillapanchayat at the district level.

Rural Local Governments (or Panchayat Raj Institutions)

- **ZillaPanchayats**
- **Mandal or TalukaPanchayats**
- **Gram Panchayats**

1. ZillaParishad:

It is a local government body at the district level. It looks after the administration of rural areas in a district. The members to the Parishad are elected by the people for the term of five years.Some seats are reserved for SC, ST, OBC and women. The President and VicePresident are elected for the term of two and half years. The Chief Executive Officer is appointed by the State government through Indian Administrative Services.The main functions of the ZillaParishad include providing of facilities and initiating development programmes for the rural people. It houses various committees like Finance, Education, Health, Agriculture, Child Welfare, Animal Husbandry, Public works, Water supply and irrigation etc.

2. PanchayatSamiti:

The PanchayatSamiti is formed at the taluka level. Every PanchayatSamiti is headed by the Chairperson. In the absence of Chairperson, the Deputy Chairperson performs his functions.The Block Development Officer (BDO) is the executive head of the PanchayatSamiti. He is appointed by the State government.

3. Gram Panchayat:

It works at the village level. It is formed in a village which has minimum population or else two or more villages are clubbed together. Sarpanch is the head of the Gram Panchayat. He supervises and implements the resolutions passed by the Gram Panchayat. In his absence Deputy Sarpanch looks after the affairs of the village. The functions of the Gram Panchayat include looking after the basic amenities of the village. Gramsevak is appointed by ZillaParishad to carry out the routine work of the Gram Panchayat.

BalwantRai Mehta Committee (1957)

In 1957, a committee led by BalwantRai Mehta Committee studied the Community Development Projects and the National Extension Service and assessed the extent to which the movement had succeeded in utilizing local initiatives and in creating institutions to ensure continuity in the process of improving economic and social conditions in rural areas. The Committee held that community development would only be deep and enduring when the community was involved in the planning, decision-making and implementation process. The suggestions were for as follows:

- an early establishment of elected local bodies and devolution to them of necessary resources, power and authority,
- that the basic unit of democratic decentralization was at the block/samiti level since the area of jurisdiction of the local body should neither be too large nor too small. The block was large enough for efficiency and economy of administration, and small enough for sustaining a sense of involvement in the citizens,
- such body must not be constrained by too much control by the government or government agencies,
- the body must be constituted for five years by indirect elections from the village panchayats,
- its functions should cover the development of agriculture in all its aspects, the promotion of local industries and others
- services such as drinking water, road building, etc., and

- the higher level body, ZillaParishad, would play an advisory role.

The PRI structure did not develop the requisite democratic momentum and failed to cater to the needs of rural development. There are various reasons for such an outcome which include political and bureaucratic resistance at the state level to share power and resources with local level institutions, domination of local elites over the major share of the benefits of welfare schemes, lack of capability at the local level and lack of political will.

It was decided to appoint a high-level committee under the chairmanship of Ashok Mehta to examine and suggest measures to strengthen PRIs. The Committee had to evolve an effective decentralised system of development for PRIs. They made the following recommendations:

- the district is a viable administrative unit for which planning, co-ordination and resource allocation are feasible and technical expertise available,
- PRIs as a two-tier system, with MandalPanchayat at the base and ZillaParishad at the top,
- the PRIs are capable of planning for themselves with the resources available to them,
- district planning should take care of the urban-rural continuum,
- representation of SCs and STs in the election to PRIs on the basis of their population,
- four-year term of PRIs,
- participation of political parties in elections,
- any financial devolution should be committed to acceptingthat much of the developmental functions at the district level would be played by the panchayats.

The states of Karnataka, Andhra Pradesh and West Bengal passed new legislation based on this report. However, the flux in politics at the state level did not allow these institutions to develop their own political dynamics.

G.V.K. Rao Committee (1985)

The G.V.K. Rao Committee was appointed by Planning Commission to once again look at various aspects of PRIs. The Committee was of the opinion that a total view of rural development must be taken in which PRIs must play a central role in handling people's problems. It recommended the following:

- PRIs have to be activated and provided with all the required support to become effective organisations,
- PRIs at district level and below should be assigned the work of planning, implementation and monitoring of rural development programmes, and
- the block development office should be the spinal cord of the rural development process.

L. M. Singhvi Committee (1986)

A committee led by Laxmi Mall Singhvi was constituted in the 1980s to recommend ways to revitalize PRIs. The Gram Sabha was considered as the base of a municipality decentralised, and PRIs viewed as institutions of self-governance which would actually facilitate the participation of the people in the process of planning and development. It recommended:

- local self-government should be constitutionally recognised, protected and preserved by the inclusion of new chapter in the Constitution,
- non-involvement of political parties in Panchayat elections.

The suggestion of giving panchayats constitutional status was opposed by the Sarkaria Commission, but the idea, however, gained momentum in the late 1980s especially because of the endorsement by the late Prime Minister Rajiv Gandhi, who introduced the 64th Constitutional Amendment Bill in 1989. The 64th Amendment Bill was prepared and introduced in the lower house of Parliament. But it got defeated in the RajyaSabha as non-convincing. He lost the general elections too. In 1989, the National Front introduced the 74th Constitutional Amendment Bill, which could not become an Act because of the dissolution of the

Ninth LokSabha. All these various suggestions and recommendations and means of strengthening PRIs were considered while formulating the new Constitutional Amendment Act.

The 73rd Constitutional Amendment Act

The idea which produced the 73rd and Amendment [11] was not a response to pressure from the grassroots, but to an increasing recognition that the institutional initiatives of the preceding decade had not delivered, that the extent of rural poverty was still much too large and thus the existing structure of government needed to be reformed. This idea evolved from the Centre and the state governments. It was a political drive to see PRIs as a solution to the governmental crises that India was experiencing. And The Constitutional (73rd Amendment) Act, passed in 1992 by the NarasimhaRao government, came into force on April 24, 1993. It was meant to provide constitutional sanction to establish "democracy at the grassroots level as it is at the state level or national level". Its main features are as follows:

- The Gram Sabha or village assembly as a deliberative body to decentralised governance has been envisaged as the foundation of the Panchayati Raj System.73rd Amendment of the Constitution empowered the Gram Sabhas to conduct social audits in addition to its other functions.
- A uniform three-tier structure of panchayats at village (Gram Panchayat — GP), intermediate or block (PanchayatSamiti — PS) and district (ZillaParishad — ZP) levels.
- All the seats in a panchayat at every level are to be filled by elections from respective territorial constituencies.
- Not less than one-third of the total seats for membership as well as office of chairpersons of each tier has to be reserved for women.
- Reservation for weaker castes and tribes (SCs and STs) has to be provided at all levels in proportion to their population in the panchayats.
- To supervise, direct and control the regular and smooth elections to panchayats, a State Election Commission has The Act has

ensured constitution of a State Finance Commission in every State/UT, for every five years, to suggest measures to strengthen finances of panchayati raj institutions.

- To promote bottom-up-planning, the District Planning Committee (DPC) in every district has been accorded to constitutional status.
- An indicative list of 29 items has been given in Eleventh Schedule of the Constitution. Panchayats are expected to play an effective role in planning and implementation of works related to these 29 items.

Present scenario

At present, there are about 3 million elected representatives at all levels of the panchayat, one-half of which are women. These members represent more than 2.4 lakh (240,000) gram panchayats, about 6,000 intermediate level tiers and more than 500 district panchayats. Panchayats cover about 96% of India's more than 5.8 lakh (580,000) villages and nearly 99.6% of the rural population.

The Constitution of India visualisespanchayats as institutions of self-governance. However, giving due consideration to the federal structure of India's polity, most of the financial powers and authorities to be endowed on panchayats have been left at the discretion of concerned state legislatures. Consequently, the powers and functions vested in PRIs vary from state to state. These provisions combine representative and direct democracy into a synergy and are expected to result in an extension and deepening of democracy in India. Hence, panchayats have journeyed from an institution within the culture of India to attain constitutional status.

The rural local self-government in India is also described as 'Panchayat Raj'. It was a major step taken for the upliftment of rural areas and to ensure rural development. On the basis of BalwantRai Mehta Committee, Rajasthan was the first state to establish Panchayat Raj in India. There after entire rural India came under this system. The main aims of the Panchayat Raj system were to promote social and economic development of rural areas, to make villages self-reliant and to provide with political

education and training to rural people. Under the committee's recommendation a three tier system of local government was established which is as follows:

Check Your Progress 1

Note: i) Use the space given below for your answers.

1. Discuss about district administration.

    …………………………………………………………………………

    …………………………………………………………………………

    …………………………………………………………………………

2. Write about rural development as per self-government.

    …………………………………………………………………………

    …………………………………………………………………………

    …………………………………………………………………………

6.4 URBAN GOVERNMENT

Types of urban local governments include:
- municipal corporations
- nagarpalikas (also called municipal councils)
- nagarpanchayats

Functions

All municipal acts in India provide for functions, powers and responsibilities to be carried out by the municipal government. These are divided into two categories: obligatory and discretionary.

Obligatory functions
- supply of pure and wholesome water
- construction and maintenance of public streets
- lighting and watering of public streets
- cleaning of public streets, places and sewers
- regulation of offensive, dangerous or obnoxious trades and callings or practices
- maintenance or support of public hospitals

- establishment and maintenance of primary schools
- registration of births and deaths
- removing obstructions and projections in public streets, bridges and other places
- naming streets and numbering houses

Discretionary functions

- laying out of areas
- securing or removal of dangerous buildings or places
- construction and maintenance of public parks, gardens, libraries, museums, rest houses, leper homes, orphanages and rescue homes for women
- public buildings
- planting of trees and maintenance of roads
- housing for low income groups
- conducting surveys
- organizing public receptions, public exhibitions, public entertainment
- provision of transport facilities with the municipality
- promotion of welfare of municipal employees

Some of the functions of the urban bodies overlap with the work of state agencies. The functions of the municipality, including those listed in the Twelfth Schedule to the Constitution, are left to the discretion of the state government. Local bodies have to be bestowed with adequate powers, authority and responsibility to perform the functions entrusted to them by the Act. However, the Act has not provided them with any powers directly and has instead left it to state government discretion.

In urban areas a variety of local self-government institutions are found. They are as follows;

The Municipal Corporation:

This system was introduced by the Britishers first in Madras and then in Bombay and Calcutta. The current structure of Municipal administration is largely based on Lord Ripon's reforms on local self-government

introduced in 1882.The 1992 Act brought uniformity in municipal bodies. The Municipal Corporations were set up for highly urbanized areas,Municipal Councils for smaller urban areas and Nagar Panchayat for areas in transition phase from rural to urban. The State legislature is empowered to make laws related to functioning and powers of the local government.

The Municipal Corporation consists of the Council, where in representatives from every ward are elected by the people known as Councilors for the term of five years.The Mayor and Deputy Mayor are elected by the Councilors for a period of two and half years. They enjoy great honor in the city. Mayor is regarded as the first citizen of the city.The MPs, MLAs are the ex-officio members of the corporation. The Chief Executive Officer is appointed through the Indian Administrative Services (IAS) known as the Municipal Commissioner. The entire administrative staff is also appointed by the State. The corporation also nominates some selected citizens as its members.

Functions of the Municipal Corporation:
It includes wide variety of duties to be performed by the corporations to ensure overall development of the city i.e.economic, social, health and sanitation, infrastructure etc. The functions of Municipal Corporations are classified as obligatory and voluntary.

Some of them are listed as follows;
Obligatory Functions:
Sanitation of hospitals, roads, maintenance of drainage of city, Water supply for public and private purposes,Establishing hospitals, child and maternity welfare centres,Providing street lights, cleaning of garbage from the city roads,Registration of birth and death,Maintenance of bridges and public buildings,Providing primary education by setting up schools,Naming of streets and numbering of streets and houses.

Voluntary Functions: Constructing and maintaining public parks, gardens, libraries,museums, swimming pools, recreation centers

etc.,Providing shelter to old, street children, destitute, orphans etc., Survey of buildings, lands etc.

Municipal Council:

1. The smaller cities are looked after by Municipal Councils. When the cities grow in size of population it is transformed under the administration of Municipal Corporations. The Council consists of;

2. The Council members are elected by the people for the term of five years.

3. President and Vice-President are elected by the members of the Council for the term of two and half years. The President is honoured as the first citizen of the town.

4. Each Council has among its appointed Staff, one Executive Officer and its subordinate staff and nominated selected citizens of the town.

Functions of the Municipal Council:

The functions of the Municipal Council are similar to that of Municipal Corporations which includes some obligatory functionsand some voluntary functions. To perform these functions various committees are created, namely, Public Works Committee,Education Committee, Sanitation Committee, Water Supply Committee, Planning and Development Committee, Women and Child Welfare Committee.

Nagar Panchayat: The composition and functions of the Nagar Panchyat are similar to Municipal Councils.

Nagar Panchayats are established in those rural areas to be soon transformed into urban. Nagar Panchyat is formed according to the 74th constitutional amendment.

6.5 LOCAL SELF-GOVERNMENT IN INDIA

Local self-government in India refers to governmental jurisdictions below the level of the state. India is a federal republic with three spheres of government: central (union), state and local. The 73rd and 74th

constitutional amendments give recognition and protection to local governments and in addition each state has its own local government legislation. Since 1993, local government in India takes place in two very distinct forms. Urban localities, covered in the 74th amendment to the Constitution, have Nagar Palika but derive their powers from the individual state governments, while the powers of rural localities have been formalized under the panchayati raj system, under the 73rd amendment to the Constitution. For the history of traditional local government in India and South Asia, see panchayati raj.

As of 2017, there are a total of 267,428 local government bodies of which 262,771 are rural and 4,657 urban. Of the rural local governments, 632 are zilaparishads at the district level, 6,672 are panchayatsamitis at the block level, and 255,466 are gram panchayats at the village level. Following the 2013 local election, 37.1% of councilors were women, and in 2015/16 local government expenditure was 16.3% of total government expenditure.

Municipal governance in India has been in existence since the year 1687 with the formation of Madras Municipal Corporation and then Calcutta and Bombay Municipal Corporation in 1726. In early part of the nineteenth century almost all towns in India had experienced some form of municipal governance. In 1882 the then Viceroy of India, Lord Ripon's resolution of local self-government laid the democratic forms of municipal governance in India.

In 1919, a Government of India act incorporated the need of the resolution and the powers of democratically elected government were formulated. In 1935 another Government of India act brought local government under the purview of the state or provincial government and specific powers were given.

For the Census of India 2011, the definition of urban area is as follows:

All places with a municipality, corporation, cantonment board or notified town area committee, etc.

All other places which satisfied the following criteria:

a) A minimum population of 5,000;

b) At least 75% of the male main working population engaged in non-agricultural pursuits; and

c) A density of population of at least 400 persons per sq. km.

As a result of economic development in India, urbanization is proceeding at a very rapid rate. Cities and towns contribute to more than 60% of the GDP,so one can understand the strong co-relation between urbanization and economic development. So it is imperative to develop an efficient urban or municipal government.

6.5.1 Municipal Governance - Main Features:

The purpose of municipal governance and strategic urban planning in a country is to create effective, responsive, democratic, transparent, accountable local governance framework organised according to a rational structure that promotes responsiveness and accountability; to provide responsive policy guidance and assistance to sub-national entities; to strengthen the legal, fiscal, economic and service delivery functions of municipalities; and to foster greater citizen participation in the governance of local bodies.

Similar to the Panchayati Raj system, the Nagar Palika Act or the Municipalities Act, 1992 set up through the 74th Amendment Act also provides for a three tier municipal system in the urban centres. The size and criteria of these municipal bodies are decided by the state legislature as it is set up under an Act of the state legislature.The Twelfth Schedule of Constitution (Article 243 w) provides an illustrative list of eighteen functions that may be entrusted to the municipalities. Reservation of seats for ST, SC, OBC& women are similarly provided as is for the Panchayati Raj system. The Nagar Palikas/Municipals are to work as instruments of development and planning and also to handle funds for local activities.

Let's discuss them below:

6.5.2 Structure Of Municipal Governance Of A Metropolis:

i) Municipal Corporation - It is the topmost of urban local government and is for an urban area/centre with population above 3 lacs. As an institution it is more respectable and enjoys a greater measure of autonomy than other forms of local government.

It is set up under a special statute passed by the respective state's legislature. However, in an exception, in Delhi (due to it being the National Capital Territory), the power to set up a Municipal Corporation lies with the Union Parliament.

ii) Councilors - Members of the Municipal Corporation are elected on the basis of universal adult suffrage for a period of five years and they are called Councilors. These Councilors,collectively called the Municipal Council,exercise deliberative functions and the executive functions are performed by the Municipal Commissioner.

iii) Municipal Commissioner & Mayor - He is an Indian Administrative Services official appointed by the state government and has the executive powers of the government of Municipal Corporations. The other executives known as the Mayor and Deputy Mayor are political executives elected for a period of one year by the members of the Corporation. The Mayor is the titular head of the corporation and presides over the meetings of the corporation.

These Municipal Corporations are in charge of Wards (subdivision or district of a town/city) according to its population and representatives are elected from each Ward. The Municipal Corporation of Greater Mumbai which is the civic body that governs Mumbai city is divided in to 6 zones each consisting of 3-5 wards each. Individual wards or collections of wards within a corporation sometimes have their own administrative body known as ward committees.

6.5.3 Structure Of Municipal Governance In Smaller Cities And Towns - Nagar Palika / Municipality/Municipal Council:

Municipal Councils or Municipalities are set up for an urban area/centre with population of 100,000 or more, however there are exceptions to that as previously nagarpalikas were constituted in urban centers with population over 20,000 so all the urban bodies which were previously classified as nagarpalika were reclassified as nagarpalika even if their population was under 100,000.

Members of the Nagar Palika are elected representatives for a period of five years. The town is further divided into Wards (subdivision or district of a municipality/town) according to its population and representatives are elected from each ward. Wards may be grouped together into ward councils. One or more representatives are elected to represent each ward.The members elect a President among themselves to preside over and conduct meetings of the Municipality. A Chief Officer along with other officers like an Engineer,Sanitary Inspector,Health officer and education officer who come from the State Public service and are appointed by the state government to control the executive and administrative affairs of the Municipality.

The nagarpalika is responsible for

- Water supply
- Hospitals
- Roads
- Street lighting
- Drainage
- Fire brigade
- Market places and
- Records of births and deaths
- Solid waste management

Its sources of income are taxes on water, houses, markets, entertainment and vehicles paid by residents of the town and grants from the state government.

6.5.4 Structure Of Municipal Governance In Very Small Cities Which Are In A Transition From Rural To Urban - Nagar Panchayat:

Nagar Panchayats are for an urban area/center having a population of more than 30,000 and less than 100,000 inhabitants.

However, there are some exceptions. All the previous town area committees (urban centres with a total population of more than 5,000 and less than 20,000) are reclassified as Nagar panchayat.

Nagar panchayats have a chairman with ward members. Membership consists of a minimum of ten elected ward members and three nominated members.And it consist of a Block Development Officer (commonly known as Executive Officer) who is the chief of all administration.

6.5.6 Some Other Municipal Bodies That Should Be Taken Note Of:

- NOTIFIED AREAS:

In urban planning, a Notified area is any land area earmarked by legal provision for future development. The term is used in the Hindi belt region of North India.

The term also describes a village or settlement with a population between 10,000 and 20,000. A community of over 20,000 is considered a town under Indian law. Each notified area elects a notified area committee for its administration where all members as well as the chairman are nominated by the state government, which function like municipality. There have been various recommendations asking to stop such centralization in the state govt. hands by setting up these areas when they should actually be under the PRIs.

- TOWN AREA COMMITTEE:

It is a semi municipal authority constituted for small towns,and it exists in several states out of which Uttar Pradesh has the largest number. The members may be partly elected and partly nominated by the state govt. or wholly nominated or wholly elected. It is assigned a number of functions like street lighting,drainage,roads,conservancy,etc. The District Collector in some states has been given powers of surveillance and control over the TAC. Following recommendations of the Rural Urban Relationship

Committee, 1966, that smaller TACs be merged with Panchayati Raj bodies,Madhya Pradesh and Haryana have done so.

- TOWNSHIP:

PSUs are set up by the govt. and housing colonies have been set up around them for the staff and workers. These draw people from rural as well as urban areas and this develops into a kind of a very small town,therefore it is named as a Township. These townships are administered by the Municipal corporation or Municipality under which it falls which appoints a Town Administrator for this area who is assisted by a few engineers and technicians that handle functions like water,electricity,roads,drainage,markets,parks,etc. The expenditure on such townships is shared equally by the urban local govt. as well as the respective Industry.

- CANTONMENT BOARD:

When a Military station is established in an area,military personnel move in and to provide them facilities for everyday life the civilian population move in like markets,colonies,etc. To administer such areas,the Cantonment boards were set up. There are 63 cantonment boards in India at the moment. These boards are centrally administered by the Defence Ministry. Board consists of elected and nominated members and the officer commanding the station is the President of the Board. An elected member holds office for three years whereas the nominated ones continue as long as they hold office in that station.

Other agencies/departments are the Pollution Control Board, Housing Boards,Water Supply and Sewage Boards,etc. which is statutory bodies set up under an act of the state government. They help ease the burden off the Municipal bodies as they contain specialists having expertise in the particular field.

Every state has its development authorities that are the Planning & Controlling Authority for all the urban areas and its members and chairman are appointed by the state government that governs and controls it,for example Delhi Development Authority (DDA) which is an

exception as it is also centrally controlled due its sensitive position of being a National Capital Territory. The other states Development Authorities are controlled and governed by their respective state governments.

6.5.7 Finance Of Municipal Bodies:

Finances supplied to the Municipal bodies are determined and regulated by the respective state governments as per the 74th amendment act. Article 243x states that a state may by law authorize a Municipality to levy and collect property taxes,duties,tolls and fees. The state will lay down the procedure also for the same along with accounting methods.

Also as per the 74th Amendment act,the Indian Constitution has made it mandatory for every state to constitute a State Finance Commission to review the financial position of the Municipalities and make recommendations regarding distribution of taxes between the states and municipalities.It is also expected to look into the criteria for grants-in-aid and suggest measures needed to improve the financial position of the Municipalities.

Municipal Corporations Finance

(a) Non-tax Revenue: The non-tax revenue includes fees and fines, grants and contributions from the Government. Among its extraordinary sources may be listed loans, deposits,receipts on capital account, grants for capital works, etc.

(b) Tax Revenue: The major proportion of income of corporations flows from taxes. It ranges from anything between two-fifths and three-fourths of total income. A corporation generally has the power to levy the following taxes:

6.5.8 Problem Areas Of Municipal Bodies:

i) Disqualifications of members of Municipal Bodies follow in principle the practice followed in state legislature disqualifications. But since it is governed by the state legislature who can make laws regarding the same,it is not consistent in all states and that leads to a lot of disparity and non - security among members.

ii) Election expenses and code of conduct to be better regulated and more powers should be given to the State election commission to do the same.

iii) The Municipal Councils/ Municipalities have restricted local autonomy as compared to the Municipal Corporations; with more pervasive state control that often climax in dissolution of the former.

iv) Lack of Finance due to reluctance of the state and central legislators not wanting to divest further taxation and grants powers to them more than what they already have for fear of loss of power. And the municipal bodies fear increasing tax or asking for new tax collection options for loss of popularity among people.

v) Local bodies are created by state governments and therefore can be dissolved by them as well if not dancing as per their tunes.

vi) Adding to the above is the drawing of rural people and other city people to a place where there is rapid urbanization through industrialization. Law and order becomes difficult,slums develop,and etc. leading to multiplicity of problems for these already stressed out urban local governance bodies.

vii) In spite of many central and state committees sitting and recommending better financial and administrative autonomy for the Municipal bodies, there has been no concrete effort from the legislators' side to implement the same.

viii) The power now seems to have shifted from the state governments to the financial institutions, international donors and credit rating agencies. Finally, the capacity of the government to generate employment directly through anti-poverty programs would remain limited. The anti-poverty programs should primarily be focused on provision of basic amenities.

ix) Lack of consistent and coherent urban development policy, faulty and improper urban planning, coupled with poor implementation and regulation overload in India's cities.

x) No proper monitoring system in place.

Check Your Progress 2

Note: i) Use the space given below for your answers.

1. Write about the urban development with self-governing system in India.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

2. Write about the municipal system.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

6.6 LET US SUM UP

While urbanization can be an engine of economic development and inclusion,unless managed properly,it can create serious socio-economic consequences and disastrous outcomes which would be difficult and impossible to fix.

Apart from the above mentioned Problem Areas of Municipal Bodies,with time,today's urban planners are busy creating a bureaucratic maze,issuing permits and enforcing planning and building codes,become reactive instead of proactive,corrective instead of pre-emptive.

We are busy implementing global plans at the local level but till date there is a majority of rural and urban dwellers who do not have access to even the basic amenities/services for a decent living.

One of the major causes of the abovementioned is the rigid bureaucratic approach towards this with a top-down approach that is a lethargic and unequipped and unskilled one. Recruits to head these urban Municipal bodies are generalists with little knowledge most of the times regarding the subject matter. Therefore, it is necessary for them to be equipped with the knowledge and management practices to build their capacities in order for them to efficiently and effectively handle the growing specific functions of these specific bodies and especially in this LPG era where India is undergoing an economic,social and political transformation. That is where City or Urban Management steps in.

Along with international organisations like World Bank,etc. support the Government of India has set up a host of programs and courses for

capacity building of urban governance officials and staff to achieve the abovementioned goals. An example:

The Administrative Staff College of India (ASCI) and World Bank Institute (WBI) have entered in to partnership to specifically support capacity building needs of Indian cities and have signed a Memorandum of Understanding (MOU) to this effect. Establishing Certification Program in Urban Management is a key initiative of the MOU. The Water and Sanitation Program, South Asia is a key partner in this initiative. The Certification Program has received the endorsement from Government of India's Ministry of Urban Development (MoUD).

The Certification Program in Urban Management is designed to enhance the capacities of urban sector professionals who are appropriately trained and have demonstrated their competence to effectively take up challenging responsibilities in urban management. The program seeks to provide urban professionals with a vehicle through which they can gain the latest knowledge on key aspects of urban management, and to develop innovative solutions to confront major issues faced by Indian cities.

Core Objectives

- To provide a broader, more holistic perspective on the range of issues confronting Indian cities and to explore new approaches to address them;

- To promote an active exchange of experiences and enhance awareness of national and international good practices for improving the accountability and creditworthiness of urban local governments and ensuring effective delivery of services, particularly to the urban poor;

- To assist city managers and senior staff of urban local governments in developing appropriate management, governance, leadership and organizational tools and strategies to enable them to discharge their duties more effectively; and

- To enhance the skills of urban sector professionals and enable them to formulate action plans to meet strategic goals of their institutions.

6.7 KEY WORDS

Panchayet:A gram panchayat or village panchayat is the only grassroots-level of panchayati raj formalised local self-governance system in India at the village or small-town level, and has a sarpanch as its elected head.

Municipal: It is relating to a town or district or its governing body.

Corporation:A corporation is an organization—usually a group of people or a company—authorized by the state to act as a single entity and recognized as such in law for certain purposes. Early incorporated entities were established by charter. Most jurisdictions now allow the creation of new corporations through registration.

6.8 QUESTIONS FOR REVIEW

3. Discuss about district administration.
4. Write about rural development as per self-government.
5. Write about the Urban development with self-governing system in India.
6. Write about the municipal system.

6.9 SUGGESTED READINGS AND REFERENCES

- Shourie, Arun (1990). Individuals, institutions, processes: How one may strengthen the other in India today. New Delhi, India: Viking.
- Singh, Vijandra (2003). "Chapter 5: Panchayati Raj and Gandhi". Panchayati Raj and Village Development: Volume 3, Perspectives on Panchayati Raj Administration. Studies in public administration. New Delhi: Sarup& Sons. pp. 84–90. ISBN 978-81-7625-392-5.
- Government of India, Report of the Team for the Study of Community Projects and National Extension Service, (Chairperson: Balvantray Mehta), Committee on Plan Projects,

National Development Council, (New Delhi, November 1957), Vol. I,

- AnirbanKashyap : Panchaytiraj, Views of founding fathers and recommendation of different committees, New Delhi, Lancer Books, 1989 P 109

- AnirbanKashyap : Panchaytiraj, Views of founding fathers and recommendation of different committees, New Delhi, Lancer Books, 1989 P 112

6.10 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

11) See Section 6.2

12) See Section 6.3

Check Your Progress 2

13) See Section 6.4

14) See Sub Section 6.5

UNIT 7: SOCIAL AND ECONOMIC ADMINISTRATION

Structure

7.0 OBJECTIVES

After this unit we can able to understand the bellow mentioned:

- To know Social Administration and Economic Administration
- To train future versatile executives in the service sector.
- To discuss about the Budget, Accounting and Auditing.
- To describe the classification system according to which budgeted expenditures areclassified.

7.1 INTRODUCTION

In the preceding Unit of this Block, you have learnt about the budgeting techniques and principles in general and certain standards and norms for preparation of budget. This Unit deals with the important phase of financial management, namely, budgeting, financial control and accounting.

A single item of public expenditure or that of public revenue cannot be judged in isolation. Whereas public expenditure is designed to promote welfare, the taxes impose costs on the tax payers. The welfare and costs, utility and disutility of government financial transactions, need to be balanced. The demands for expenditure have to be balanced against the available resources. A budget is, therefore, a financial plan for rationing scarce resources amongst various demands for expenditure. Over the last few decades, however, budgets have become extremely complex and pervasive. According to Gladstone "they are no longer affairs of arithmetic but in a thousand ways go to the root of prosperity of individuals, the relations of classes and strength of kingdom. Thus the concerns of budget makers are not just financial, that is, producing a balance between expenditure and revenues; rather these are economic, political, social and administrative in nature. In this unit, we will discuss the meaning, characteristics and functions of budget. The three-fold classification of budget shall also be examined.

7.2 SOCIAL ADMINISTRATION AND ECONOMIC ADMINISTRATION

Social Welfare in India:

CENTRAL SOCIAL WELFARE BOARD: The Department of Social Welfare was created in 1964 and elevated to an independent Ministry of Welfare under Central Govt. and is responsible for general Social welfare.

The Central Social Welfare Board which is an autonomous body set up in August 1953 for distributing funds to voluntary social service organisations to strengthen,improve ad extend its existing activities in the

field of social welfare and developing new programmes and carrying out pilot projects. It is also manning the task of exploring the need for and the possibility of implementing new welfare activities.

DEPARTMENT OF WOMEN AND CHILD DEVELOPMENT: Created in 1985, it formulates and implements policies and programmes relating to women and child welfare.

CHILD WELFARE:

1) Integrated Child Development Services (ICDS) scheme: It was introduced on Oct 2, 1975. Main objectives are:

a) improve nutrition and health status of children for age group 0-6 years.

b) To reduce incidence of mortality,morbidity,malnutrition,school drop outs

c) To achieve effective coordination of policy and implementation amongst various departments to promote through proper nutrition and health education, for looking after the normal health and nutritional needs of the child.

It also covers expectant and nursing mothers and other women in age group 15-44 years belonging to poor families. It works through anganwadi in every village or a ward of an urban slum area. Anganwadi workers are supervised by Mukhyasevika or Supervisor. The administrative unit of an ICDS project is a block/taluk in rural/tribal areas and a group of wards/slums in urban areas. Child Development Project Officer is incharge of an ICDS project and he/she has number of Anganwadi Workers and Mukhyasevikas under him/her. If the number of Anganwadi's are more than one or more Asst or Addl CDPOs are sanctioned to assist the head officer.

ICDS places great emphasis and relies greatly on involvement of local communities and coordinated efforts of different Ministries/Depts and organisations at all levels. A Central Technical Committee has been set up in AIIMS to study and monitor the benefits of social components of ICDS, also a Monitoring and evaluation Division exists in National Instt of Public Cooperation and Child Development. Eleven Technical

Institutions like Home Science Colleges and Colleges of Social Work are associated for the same

2) Other Programmes:

Other Important activities and programmes of welfare dept for child welfare are:

1) Creches/Day Care Centre for children of working and ailing women

2) Early Childhood education centre

3) Anand Pattern Integrated Family Welfare Programme

4) National Award for child welfare

5) Mid-Day Meal scheme

6) Children's film society, BalBhawans, children libraries, etc.

The Dept gives grants in aids to institutions engaged in field of child and women welfare. Children acts have been enacted to reduce child delinquency and reform them. Indian Council for child welfare has been set up to formulate and monitor child welfare programmes.

WELFARE OF OLD PEOPLE BY GOVT:

1) Pension

2) Provident Fund Scheme

3) Medical Allowances

4) Dept of Pension and Pensioners Welfare under govt. of India looks after problems related to its field of activity.

5) Old Age Homes

Voluntary Organisations involved: HelpAge India, Age Care India,etc.

WELFARE OF DISABLED:

1) National Institutes for the disabled under the Ministry of Welfare - National Instt for Orthopaedically handicapped at Kolkata, National Instt for Visually handicapped at Dehradun, National Instt for mentally handicapped at Secundrabad, and Ali Yavar Jung National Instt for hearing handicapped at Mumbai.

2) Rehabilitation Council: Under the Ministry of Welfare and prescribes syllabus for various training programmes, recognize training instts and

maintains rehabilitation registers. The voluntary organisations like Spastic Society of India, etc. get grants from the Ministry.

3) District Rehabilitation Centres under the Ministry of Welfare who work in coordination with local voluntary organisations.

4) Artificial Limbs Manufacturing Corporation under the Govt of India at Kanpur.

OTHER FACILITIES:

1) Loans available from banks at concessional ROI for handicapped persons to set up self-employment ventures

2) 3 percent vacancies in group C and D posts in govt. and PSU reserved for disabled persons

3) ten year relaxation in age given to take advantage of reservation

4) Govt. special concessions for travel by bus,train and air to disabled govt/PSU staff as well as petrol subsidy for own vehicle.

5) Reservation by Ministry for allotment of petrol pump/gas agencies and oil depots to handicapped persons as well as for running STD ISD booths.

6) Priority to them in allotting govt. homes

7) Scholarships for school students and professional education

8) HMT produces braille watches

9) Free prosthetic aids or subsidy for the same

10) grants in aids to voluntary org working in these fields

11) Braille libraries run by govt or supported voluntary org.

12) Homes for mentally retarded and blind children have been set up in several states.

13) Sports competitions organised and winners awarded prizes

14) Govt gives awards to social workers for their contribution in this field of work.

WELFARE OF DRUG ADDICTS:

Ministry of Finance (Dept of Revenue) is responsible for enforcement of Narcotic Drugs and Psychotropic Substances Act,1985.

Ministry of Health and Family Welfare concerned with medical treatment of addicts. Publicity and media coverage is taken care of by

Ministry of Information and Broadcasting. Dept of Education, Youth affairs and sports in the Ministry of HRD are also engaged in tackling this problem.

Various de-addiction centres and programmes are being carried out and also to provide employment to rehabilitated addicts by the govt. in coordination with voluntary organisations.

7.3 BUDGET

7.3.1 Meaning:

The budget is a statement containing a forecast of revenues and expenditures for a period of time, usually a year. It is a comprehensive plan of action designed to achieve the policy objectives set by the government for the coming year. A budget is a plan and a budget document is a reflection of what the government expects to do in future. While any plan need not be a budget, a budget has to be necessarily a plan. It shows detailed &location of resources and propod taxation or other measures for their realisation. More specifically, a budget contains information about :

i)   plans, programmes, projects, schemes and activities-current as well as new proposals for the coming year;

ii)   resource position and income from different sources, including tax and non-tax revenues;

iii)   actual receipts and expenditure for the previous year; and

iv)   economic, statistical and accounting data regarding financial and physical performance of the various agencies and organs of the government.

A budget is, however, not a balance sheet (exhibiting total assets and liabilities) of the government on a particular date but refers only to information explained above. It is a financial blueprint for action and is, therefore, of great advantage to government departments, legislatures and citizens.

7.3.2 Characteristics

The basic characteristics of government budgeting are as follows:

i) There is a strong emphasis on expenditure control with itemised ceilings and sanctions. The French system of budgeting is largely based on this principle, viz.: a strong financial control system. For historical and administrative reasons, Indian budgetary system is also set in a framework of strong financial control. Although, after Independence, this feature has become diluted through various schemes of delegation of powers and decentralisation.

ii) Another characteristic is the tendency towards incrementalism. The bulk of ongoing activities are left untouched. Only marginal adjustments are made in raising and allocating resources from one year to the other. In spite of various budgetary innovations, budgetary systems the world over are essentially incremental in nature.

iii) There is usually no attempt to relate inputs to outputs or expenditure to performance and benefits. Any such attempt, if at all it is made, is limited to the economic function and the largest component of government activities, perse, are mainly expenditure-oriented.

iv) Generally budgets are prepared for a time span of one year. Since budgeting presupposes planning it must, therefore, adopt a longer time frame.

v) Some of the budgetary systems (Netherlands) reflect application of commercial principles to budget, including provision of depreciation allowances and in some systems, accrual-based aqounting. The Italian budgetary system shows the availability of funds beyond the financial year with parallel operation of the preceding and current year's budgets.

vi) In some countries, special accounts are maintained (Japan) and these are outside the budgetary process. In other countries, extra-budgetary devices of various types are resorted to

7.3.3 Functions:

A budget is a powerful instrument in the hands of government. It has manifold objectives. Some of these are as follows:

1. **Accountability**

In the early phase, legislative control and accountability were the primary functions of the government budget. This arose from the legislature's desire to control (impose, amend and approve) tax proposals and spending. The executive was accountable to the legislature for spending-within limits approved by the latter, under several heads of expenditure, and only for approved purposes. Similar accountability was to exist within the executive on the part of each subordinate authority to the one immediately above in the hierarchy of delegation. Accountability continues to be an important function of the government budget even today owing to its usefulness in budget execution and plan implementation.

2. **Management**

Budgeting is an executive or managerial function. As an effective.tool of management, budgeting involves planning, coordination, control, evaluation, reporting and review. Many of the budgetary innovations such as:

- functional classification,
- performance measurement through norms and standards,
- accounting classification to correspond to functional classification,
- costing and performance audit and use of quantitative techniques have become important aids to management.

Various budgetary systems like performance budgeting and zero base budgeting are specifically management-oriented systems.

3. **Control**

Control essentially implies a hierarchy of responsibility, embracing the entire range of executive agencies, for the money collected and expenditure, within the framework of overall accountability to the legislature. In a democracy, control assumes new dimensions and gives rise to exceedingly difficult problems. The basic concern in a truly representative government is to bring about suitable modifications in the using and operation of the financial system so as to ensure executive responsibility to the legislature which is the law-making, revenue determining and fund-granting authority. Legislative control would mean that the legislature can meaningfully, and not merely formally, participate in the formulation of broad policies and programmes, their scrutiny, approval and implementation through the annual budget. It also means that the legislature can effectively relate performance and achievement of the executive to the objectives and policies as laid down by it. Members of the legislature are not always adequately acquainted with the complexities of financial administration, nor can they always understand the enormity of the vast scale of operations and therefore the level of funds required. Various devices are, therefore, used to assist legislatures in exercising their legitimate powers over the executive. The Congressional committees of the United States and the Parliamentary Select committees of the United Kingdom and India help the legislature in exercising their control over the public purse. Statutory audit also examines the accounts and other relevant records to ensure that the moneys granted by the legislature are spent strictly in accordance with law. Also, audit tries to ensure that the government obtains value for the tax-payers' money and that the norms of economy, efficiency and effectiveness are observed.

4. Planning

Budgeting provides a plan of action for the next financial year. Planning, however, involves the

(i)   determination of long term and short term objectives,

(ii)   determination of quantified targets, and

(iii)   fixation of priorities. Planning also spans a whole range of government policies keeping the time factor and interrelationships between policies in view.

Planning envisages broad policy choices. At the level of projects and programmes, the choice is between alternative courses of action so as to optimize the resource utilisation. The goals of public sector, viz.,

(i)   optimal allocation of resources,

(ii)   stabilization of economic activity.

(iii)   an equitable distribution of income, and (iv) the promotion of economic growth are all pursued in an organizational context. In the short-run, achievement of these goals has to be coordinated by means of administrative and legal instruments among which budget policy and procedure are the most important. Planning in the budget process reflects political pressures as well as financial pressures and financial analysis.

Check Your Progress 1

Note: i) Use the space given below for your answers.

1.   What are the components of a budget?

………………………………………………………………………
………………………………………………………………………
………………………………………………………………………

2.   Discuss the characteristics of government budget.

………………………………………………………………………
………………………………………………………………………
………………………………………………………………………

7.4 ACCOUNTING

You know there is a limit to human memory. You cannot remember everything you do or each transaction you make. If you are given Rs. 5,000 and asked to buy a number of items you will find it difficult to remember the detail of various items you purchased. Hence, it becomes necessary for you to write them on a piece of paper or a note book. It is still more difficult in case of business which usually involves a large

number of transactions. In ' business you have to buy and sell more frequently. You make payments and receive payments every now and then. It becomes almost impossible to remember all these transactions, unless you record them properly you cannot obtain any financial information you need. For example, you cannot easily ascertain the amounts to be received from various customers to whom the goods were sold on credit. You will not know the detail of how much you owe to your suppliers. You may also find it difficult to work out the profit earned or loss incurred during a particular period. It is, therefore, necessary to maintain a proper record of all the transactions which take place from time to time. The recording of business transactions in a systematic manner is the function served by accounting. Whichever the form of business organization sole proprietorship, a partnership, a company, or a co-operative society which has to maintain proper accounts which he accounting information is useful both for the management and the outside agencies like tax authorities, banks, creditors etc. The management needs it for purposes of planning, controlling and decision making. The banks and creditors require it for assessing the credit worthiness of the business and the tax authorities use it for determining the amount of income tax, sales tax, etc. In fact, accounting is necessary not only for business organizations but also for non-business organizations like schools, colleges, hospitals, clubs etc.

7.4.1   Objectives of Accounting

7.4.2   Definition and Scope of Accounting

7.4.3   Book-keeping, Accounting and Accountancy

7.4.4   Parties Interested in Accounting Information

7.4.5   Branches of Accounting

7.4.6   Advantages of Accounting

7.4.7   Limitations of Accounting

7.4.1 Objectives Of Accounting

The objectives of accounting can be stated as follows:

1. To maintain systematic records: Accounting is used to maintain systematic record of all financial transactions like purchase and sale of goods, cash receipts and cash payments, etc. It is also used for recording various assets and liabilities of the business,

2. To ascertain net profit or net loss of the business: A businessman would be interested in periodically finding the net result of his business operations i.e., whether the business has earned profit or incurred some loss. A proper record of all, income into expenses helps in preparing a Profit and Loss Account and ascertains the net result of business operations during a particular period.

3. To ascertain the financial position of the business: The businessman is also interested in ascertaining the financial position of his business at the end of a particular period i.e., how much it owns and how much it owes to others. He would also like to know what happened to his capital, whether it has increased or decreased or remained constant. A systematic record of assets and liabilities facilitates the preparation of a position statement called Balance Sheet which provides the necessary information.

4. To provide accounting information to interested parties: Apart from owners there are various parties who are interested in the accounting information. These are: bankers, creditors, tax authorities, and prospective investors etc. They need such information to assess the profitability and the financial soundness of the business. The accounting information is communicated to them in the form of an annual report.

7.4.2 Definition And Scope Of Accounting

The subject of 'Accounting' has been defined in different ways by different authorities. So, it is very difficult to define the subject through a single definition. However, the following definitions would give a general understanding of the subject. According to the American,Accounting Association "Accounting is the process of identifying, measuring and communicating economic information to permit informed judgement and decisions by users of the information". This definition stresses three aspects viz., identifying, measuring, and communicating economic information. In the words of the Committee on Terminology, appointed by the American Institute of Certified Public Accountants, "Accounting is the art of recording, classifying and summarizing in a significant manner and in terms of money, transactions

and events whichare, in part at least, of a financial character and interpreting the results thereof'. This is a popular definition of accounting and it outlines fully the nature and scope of accounting activity. You know a business is generally started with the proprietor's funds known as capital. The proprietor may also borrow some funds from hanks end other agencies. These funding are utilized to acquire: the assets needed for the business and also to carry out various business activities. In the process a number of transactions take place. The accountant has to identify the transactions to be recorded, measures them in terms of money, and records them in appropriate books of account. Then he has to classify them under separate heads of account, prepare a summary in the form of Profit and Loss Account and Balance Sheet, and analyses, interpret and communicate the results to the interested parties. This is the sum and substance of accounting. The scope of accounting can, therefore, be outlined as follows:

1 Accounting is concerned with the transactions and events which are of a financial character. Such transaction is having to be identified by the accountant. He can do so with the help of various bills and receipts.

2 Having identified the transactions, they should be measured oppressed in terms of money, if not expressed already. ~ver~ transaction is recorded in books only in terms of money and not in terms of physical quantities.

3 The transactions which are identified and measured are to be recorded in a book called - 'Journal' or in one of its sub-divisions.

4 The recorded transactions have to be classified with a view to group transactions of similar nature at one place. This work is done in a separate book called 'Ledger'. In the ledger, a separate account is opened for each item so that all transactions relating to it can be brought at one place. For example, salaries paid at different times are brought under 'Salaries Account'.

5 The transactions which are recorded and classified will reset in a mass of financial data. It is, therefore, necessary to summarise such data periodically (at least once a year) in a significant mid meaningful form. This is done in the form of a Profit and Loss Account which reveals profit or loss, and a Balance Sheet which indicates the financial position of the business.

6 The summarised results have to be analyzed and interpreted with the help of statistical tools like ratios, averages, etc., and examined critically. Later on, this data will be communicated in the form of reports to the interested parties.

7.4.3 Book-Keeping, Accounting And Accountancy

According to G.A. Lee, the accounting system has following two stages:

ii)   the making of routine records, in prescribed form and according to set rules, of all events which affect the financial state of the organization; and

iii)   the summarization from time to time of the information contained in the records, its presentation in a significant form to interested parties, and its interpretation as an aid the decision making by these parties. Stage (i) is called Book-keeping and stage (ii) is called Accounting.

Book-keeping is thus a narrow term concerned mainly with the maintenance of the books of account and covers the first four activities listed in the scope of accounting viz., identifying the transactions and events to be recorded, measuring them in terms of money, recording them in the books of prime entry, and posting them into ledger. Accounting, on the other hand, is concerned with summarizing the recorded data, interpreting the financial results and communicating them to all interested parties. In other words, accounting starts where bookkeeping ends. But in practice, the accountants also direct and review the work of bookkeepers and therefore the term accounting is generally used in a broader sense covering all the accounting activities, Thus, Book-keeping is regarded as a part of Accounting. The term

'Accountancy' refers to a systematized knowledge of accounting and is regarded as an academic subject like economics, statistics, chemistry, etc. It explains 'why to do' and 'how to do' of various aspects of accounting.

In other words, while Accounting refers to the actual process of preparing and presenting the accounts, Accountancy tells us why and how to prepare the books of account and how to summarize the accounting information and communicate it to the interested parties. Thus, Accountancy is a science (a body of systematized knowledge whereas Accounting is the art of putting such knowledge into practice. In general usage, however, Accountancy and Accounting are used as synonyms (meaning the same thing). But, of late, the term accounting is becoming more and more popular.

7.4.4 Parties Interested In Accounting Information

You have learnt that many people are interested in examining the financial information provided in the form of a Profit and Loss Account and a Balance Sheet. This helps them

a) to study the present position of business,

b) to compare its present performance with that of its past years, and

c) to compare its performance with that of similar enterprises. Now let us see who such parties are and how accounting information is useful to them.

Owners: Owners contribute capital and assume the risk of business. Naturally, they are interested in knowing the amount of profit earned by the business and so also its financial position. If, however, the management of the business is entrusted to paid managers, the owners also use the accounting information to evaluate the performance of the managers.

Managers: Accounting information is of immense use to managers. It helps them to plan, control and evaluate all business activities. They also need such information for making various decisions.

Lenders: Initially the funds are provided by the owners. But, when the business requires more funds, they are usually provided by banks and other lenders of money.

Before lending; money they would like to know about the solvency (capacity to repay debts) of the enterprise so as to satisfy themselves that their money will be safe and the repayments will be made on time. Creditors: Those who supply goods and services on credit are called creditors. Like lenders, they too want to know about credit worthiness of the enterprise. This helps them to determine the limits up to which credit can be granted.

Investors: A person who wants to become a partner in a firm or a person who wants to become a shareholder of a company, would like to know how safe and rewarding the proposed investment would be.

Tax Authorities: Tax authorities of the Government arejnterested in the financial statements so as to assess the tax liability - of the enterprise.

Employers: The employees of the enterprise are also interested in knowing the state of affairs of the organisation in which they are working, so as to know how safe there is tersest are in that organisation.

7.4.5 Branches Of Accounting

Accounting as we know it today has evolved over many centuries in response to the changing economic, social and political conditions. The economic development and technological improvements have resulted in an increase in the scale of operations and the advent of the company form of business organization. This has made the management function more and more complex and increased the importance of accountinginformation. This gave rise to special branches of accounting. These are briefly explained below. Financial accounting: The pulpose of this branch of accounting is to keep a record of all financial transactions so that

a) the profit earned or loss incurred by the business during an accounting period can be worked out,

b) the financial position of the business.as at the end of the accounting period can be ascertained, and

c) the financial information required by the management and other interested parties can be provided. Financial Accounting is mainly confined to the preparation of financial statements and their communication to the interested parties.

Cost Accounting: The purpose of cost accounting is to utilizing the expenditure so as.; the cost of various products manufactured by that management to set up the prices. It also helps in controlling the costs and providing necessary costing information to management for decision making. Management Accounting: The purpose of management accounting is to assist the management in taking rational policy decisions and to evaluate the impact of its decision and actions. Examples of such decisions arc: pricing decisions make or buy decisions, capital expenditure decisions, etc. This branch of accounting is primarily concerned with providing the necessary accounting information about funds, costs, profits, etc., to the management which may help them in such decisions and also in planning and controlling business operations.

7.4.6 Advantages Of Accounting

1. Replaces memory: Since all the financial events are recorded in the books, there is no need to rely on memory. The books of account will serve as historical records. Any information required at any time call is easily had from these records.

2. Provides control over assets: Accounting provides informationregarding cash in hand cash at bank, the stock of goods, and the amounts receivable from various parties and the amounts invested in various other assets. Information about such matters helps the owners and the management to make use of the assets in the best possible way.

3. Facilitates the preparation of financial statements: With the help of information contained in the accounting records the profit and Loss

account arid the Balance Sheet can be easily prepared. These financial statements enable the businessman to know the net result of business operations during the accounting period and the financial position of the business as at the end of the accounting period.

4. Meets the information requirements: Various interested parties such as owners, lenders, creditors, etc., get the necessary information at frequent intervals which help them in their decision making.

5. Facilitates study: With the help of accounting information one can compare the present performance of the enterprise with that of its past and with that of similar organizations. This enables the management to draw useful conclusion about the business efforts to improve the performance.

6. Assists the management in many other ways: The accounting information provided to the management helps them in taking rational decisions and in planning and controlling all business activities.

7. Tax matters: The Conferment levies various taxes such as customs duty, excise duty, sales tax, and income tax. Properly maintained accounting records will help in the settlement of all tax matters with the tax authorities.

8. Ascertaining value of business: In the event of sale of a business firm, the accounting records will help in ascertaining the correct value of business.

9. Acts as reliable evidence: Systematic record of business transactions is generally treated by courts as good evidence in case of disputes.

7.4.7 Limitations Of Accounting

The accounting information is used by various parties who form judgement about the profitability and the financial soundness of a business on the basis of such information. It is, therefore, necessary to know about the limitation of accounting. These are as follows:

1 They do not record transactions and events which are not of a financial character. Hence, they do not reveal a complete picture because facts like

quality of human resources, licenses possessed, Locational advantage, business contacts, etc. do not find any place in books of account.

2 The data is historical in nature. The accountants adopt historical cost as the basis in valuing and reporting all assets and liabilities. They do not reflect current values. It is quite possible that items like land and buildings may have much more value than what is stated in the balance sheet.

3 Facts recorded in financial statements are greatly influenced by accounting conventions and personal judgement. Hence, they do not reveal the true picture. In many cases, estimates may be used to determine the value of various items. For example, debtors are estimated in terms of collectability, inventories are based on marketability, and fixed assets are based on useful working life. All these estimates are materially affected by personal judgement.

4 Data provided in the financial statements is insufficient for proper analysis and decision making. It only provides information about the overall profitability of the business. No information is given about the cost and profitability of different activities.

Check Your Progress 2

Note: i) Use the space given below for your answers.

2. What is Accounting?

    …………………………………………………………………………
    …………………………………………………………………………
    …………………………………………………………………………

3. List the activities involved in Accounting.

    …………………………………………………………………………
    …………………………………………………………………………
    ………………………………………………………………………….

7.5   AUDITING

The practice of auditing the accounts of public institutions existed as early as the times of ancient Egyptians, the Greeks anti Romans. In those days checking clerks were appointed to scrutinize the accounts of public institutions. The main purpose of auditing during those days was to ascertain whether the persons responsible for, maintaining accounts had properly accounted for all receipts and payments or not, and to locate frauds;

7.5.1 Origin Of Auditing

Auditing it, as it exists today, is the result of Industrial Revolution in 18th century: which brought in its wake large scale production, steam power, improved banking facilities andbetter means of transport and communication. The Revolution also resulted in the increase of trading and industrial operations which required huge amounts of capital. It was not possible for small entrepreneurs to meet the requirements of increased capital due to their limited resources. This gave birth to joint stock form of organisation. Under this form of organisation, the shareholders contribute capital and have no control over the day-to-day working of the organisation. The shareholders who have invested their money would naturally be interested to know the financial position of the organisation. As such, the need arose for appointing an independent person who would check the accounts and report to the shareholders on the accuracy of the accounts and the society - of their investment. The system of accounting and auditing of slate revenue and expenditure is believed to have existed in India under Maurya and Hindu Kings. Kautilya in his Arthashastra had given details regarding accounting and auditing of state finances. According to him, "all undertakings depend on finance. Hence, foremost attention shall be paid to the treasury." He had also mentioned various frauds and embezzlements and prescribed punishments for the same. The growth of accounting profession in India is of recent origin. For the first time, Indian Companies Act, 1913 prescribed the qualifications of an auditor and also mentioned his powers and duties and the procedure of appointment. According to this Act, the audit of Joint Stock Company was made compulsory. The diplomas and certificates were issued by the Central and State Governments to those

who had undergone the prescribed an Indian Accountancy Board to advice on matters relating to professional accounting. In the year 1949, the Chartered Accountants Act was passed according to which the affairs of the profession were passed on to the profession itself i.e., Institute of Chartered Accountants of India. Further, the Companies Act, 1956 elaborated the provisions relating to the accounts and audit of Companies. Now, a person shall not be qualifies for appointment as auditor of a company unless he is a chartered accountant within the meaning of the Chartered Accountants Act, 1949.

7.5.2 Definition Of Auditing

The word 'audit' is derived from the Latin word 'audire' which means 'to hear'. In the olden days whenever the proprietors of a business concern suspected fraud, they appointed a person to check the accounts and to hear the explanations given by the persons responsible for keeping the accounts. During those days was interested in ascertaining whether the .persons responsible for maintaining amounts had properly accounted for all receipts and payments to his principal and to locate frauds and errors. It was merely a cash audit. However, the object of the modern audit is not confined to cash verification but to report .on financial position of the undertaking as disclosed by its Balance Sheet and the Profit and Loss Account. It is very difficult to give a precise definition of the term 'auditing'. Some of the definitions;given by different writers are as follows: According to Montgomery, a celebrated author, "auditing is a systematic examination of the books and records of a business or the organization in order to ascertain or verify and to report upon the facts regarding the financial operation and the result thereof." The definition has been expanded further by Spicer and Pegler as follows : "An audit may be said to the such an examination of the Books, accounts and vouchers of a business as will enable the auditor to satisfy that the Balance Sheet .is properly -. Drawn up, so as to give a true and fair view of the state of affairs of the business and whether the Profit or Loss for the financial period according to the best of his information and .the explanations given to him and as shown by the books, and if not, in what respective is not satisfied."

According to Lawrence R. Dicksee, "an audit is an examination of accounting records undertaken with a view to establishing whether they correctly and completely reject the transactions to which they relate. In some instances, it may be necessary to it. Whether the transactions themselves are supported by authority."

7.5.3 Difference Between Accountancy And Auditing

1 Accountancy is mainly concerned with the checking uf the transactions recorded in the books of accounts, extraction of the trial balance, preparation of the trading, profit and loss accounl and balance sheet. Auditing is the critical examination of the books of accounts and checking of the financial statement for the purpose of ascertaining the true and fair position and results of operation of a concern. Audit does not involve the preparation of accounts but it is concerned with the detailed examination of the complete accounting records.

2 Some times, auditor is called upon to write up the books of accounts, extract an agreed trial balance and prepare Profit 'and Loss Account and Balance Sheet. If he does that, he would be doing3the work of an accountant and not that of an auditor. Thus, the preparation of the counts is not part of an audit. As an auditor he is required to report, to his appointing authority, that the Profit and Loss Account and the Balance Sheet have been properly drawn up and reveal the 'true and fair view' of the state of affairs and results of operation of the concern.

3 An auditor starts his work only after the' job of an accountant is completed. In other words, there cannot be auditing without the prior existence of accounts.

7.5.4 Advantages Of Auditing

Auditing has become a compulsory task in the business organization. All the organizations like business, social, industries and trading

organizations make audit of books of accounts. Now-a-days, owner of business and its management are separate. So, to detect and prevent frauds, auditing has become essential. Its advantages are as follows:

1. Audit Helps To Detect And Prevent Errors And Frauds

An auditor's main duty is to detect errors and frauds, preventing such errors and frauds and taking care to avoid such frauds. Thus, even though all organizations do not have compulsion to audit, they make audit of all the books of accounts.

2. Audit Helps To Maintain Account Regularly

An auditor raises questions if accounts are not maintained properly. So, audit gives moral pressure on maintaining accounts regularly.

3. Audit Helps To Get Compensation

If there is any loss in the property of business, insurance company provides compensation on the basis of audited statement of valuation made my the auditor. So, it helps to get compensation.

4. Audit Helps To Obtain Loan

Specially financial institutions provide loan on the basis of audited statements. A business organization may obtain loan considering the audited statement of last five years. So, an organization should make audit compulsory to obtain loan.

5. Audit Facilitates The Sale Of Business

Valuation of assets is made by the auditor. On the basis of valuation of assets and liabilities, businessman can sell his business. It helps to determine the price of business.

6. Audit Helps To Assess Tax

Tax authorities assess taxes on the basis of profit calculated by the auditor. In the same way sales tax authority calculates sales tax on the basis of sales shown in the audited statement.

7. Audit Facilitates To Compare

An auditor instructs an accountant in the same way which helps to compare books of accounts of current year with the accounting of the previous year. So, comparing the accounts of current with previous years helps to detect errors and frauds

8. Audit Helps To Adjust Account Of Deceased Partner

Valuation of all the assets and liabilities of the business is made by the auditor while auditing books of account. Such valuation helps to clear the amount of deceased partner.

9. Audit Helps To Present A Proof

If any case is filed against the auditor regarding negligence, auditor can present audited report as a proof to settle such case. So, it helps to present proof to settle such cases.

10. Audit Provides Information About Profit Or Loss

A businessman wants to know profit or loss of his business after a certain period of time. So, the owner of the business can get information about profit or loss after auditing the books of accounts.

11. Audit Helps To Prepare Future Plan

All the audited statements remain true and correct. Such true and correct account helps to prepare for the future plans.

12. Audit Helps To Increase Goodwill

Auditing shows the profitability and financial position of an organization which creates faith of public over the business. Thus, auditing helps to increase goodwill of an organization.

13. Audit Helps To Amalgamate The Company

Sometimes, same nature of organization may be amalgamated. Auditing makes valuation of assets and liabilities which helps to amalgamate the company. Purchaser of the company can accept such business organization on the basis of valuation made by the auditor.

7.5.5 Limitations Of Auditing

1] Cost Factor

A very thorough and detailed audit would be a costly affair. It is not cost effective. So the auditor has to limit the scope of his audit and use techniques like sampling and test checking.

2] Time Factor

Auditors generally work on a very specific timeline. Sometimes this is due to statutory requirements. This means he has to audit a whole year's accounts in a few weeks. Hence insufficient time is one of the main limitations of auditing.

3] Inconclusive Evidence

Generally, the audit evidence the auditor collects is persuasive in nature, not conclusive in nature. So there is never cent percent conclusive evidence in most cases while auditing.

This is one of the major limitations of auditing. There also a lot of use of estimates in accounting. The auditor cannot measure or comment on the exact accuracy of these estimates. He has to rely on his knowledge.

Check Your Progress 3

Note: i) Use the space given below for your answers.

1. Define Auditing.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

2. Distinguish between accountancy and auditing.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

3. Write about the advantages of Auditing.

   …………………………………………………………………
   …………………………………………………………………
   …………………………………………………………………

7.6 LET US SUM UP

In business a number of transactions take place every day. It is not possible to remember all of them. Hence the need to record them. The recording of business transactions in a systematic manner is the main function served by accounting. It enables us to ascertain the profit and loss and the financial positions of the business. It also provides the necessary financial information to all interested parties. Accounting is the process of identifying, measuring, recording, classifying and summarizing the transactions, and analyzing, interpreting and communicating the results thereof. The ' accounting system has two stages:

(i)   Book-keeping, and

(ii)   Accounting. Book-keeping is mainly concerned with the maintenance of books of account, while accounting is concerned with summarizing the recorded data, interpreting the financial results and communicating them to all interested parties. Changes in economic environment and increasing complexity of management have given rise to the specialized branches of accounting such as financial accounting, cost accounting and management accounting.

Origin of audit dates back to the period of Mauryasand kindu Kings in India. However, the growth of Accounting Profession in India is only of recent origin. The Companies Act, 1913 made the audit of accounts of Joint Stock Companies compulsory for the first time, In 1949, Chartered Accountants Act was passed and accordingly the Institute of Chartered Accountants of India was established.

7.7 KEY WORDS

Account: A summarized statement of transactions relating to a particular person, thing expense or income,

Accounting Period: A period of twelve months for which the accounts are usually kept.

Asset: Althing having an economic value.

Books of Account: Books in the form of bound registers or loose sheets wherein transactions ire recorded. Business: Any activity carried on with profit motive.

Liability: Amount owed by the business to outsiders.

Nominal Accounts: Accounts relating to incomes and expenses.

Partnership Firm: A business unit owned by two or more persons who have agreed to share the profits of the business carried on by all or any of them acting for all.

Personal Accounts: Accounts relating to persons, firms and institutions.

Profit: Excess of income over expenses during a given period.

Profit and Loss Account: An account showing profit or loss of the business during an accounting period.

Real Accounts: Accounts relating to the properties of business. Sole

Proprietorship: A business unit owned by one person. Transaction: Transfer of money or money's worth between the two business units.

Auditing :An audit is a systematic and independent examination of books, accounts, statutory records, documents and vouchers of an organization to ascertain how far the financial statements as well as non-financial disclosures present a true and fair view of the concern.

7.8 QUESTIONS FOR REVIEW

1. What are the components of a budget?
2. Discuss the characteristics of government budget.
3. What is accounting?
4. List the activities involved in Accounting.

7.9 SUGGESTED READINGS AND REFERENCES

- Patil, V,A. and J.S. Korlahalli, 1986. Principles and Practice ofAccounting, R. Chand & Co., New Delhi. (Chapters 1-3)
- Gupta, R.L. and M. Radhaswarny, 1986. Advanced Accountancy, Sultan Chand & Sons: New Delhi. (Chapter l,2)

7.10 ANSWERS TO CHECK YOUR PROGRESS

Check Your Progress 1

13) See Sub Section 7.3.1

14) See Sub Section 7.3.2

Check Your Progress 2

15) See Section 7.4

16) See Sub Section 7.4.2

Check Your Progress 3

5) See Sub Section 7.5.2

6) See Sub Section 7.5.3

7) See Sub Section 7.5.4