

Topics:
Citizens Charter
Good Governance
Decentralization
E-Governance
RTI - Transparency
Social Capital, Cooperatives and People's Involvement

Quotes on governance:

Plato: The punishment suffered by the wise who refuse to take part in govt is to suffer under the govt of bad men

Napoleon: Law should be so succinct to be carried in the pocket of the coat and so simple to be understood by a peasant

Gladstone: The purpose of a govt is to make it easy for people to do good and difficult to do evil

CITIZENS CHARTER

Instrument to make organization transparent, accountable - launched in 1990s

Undertaking to provide high level of service - Defines entitlements of citizens to a service, standards of the service, conditions to be met by users and remedies available in case of non-compliance

Based on idea govt exists not to rule but to serve people - citizen is king

Places citizen at centre of administration - not passive recipient of service.

Six Principles

- Quality - Adequate, should be improving
- Choice - for users
- Standards - what to expect, time bound delivery
- Value - for taxpayers money
- Accountability - of service provider
- Transparency - in procedures, grievance redressal

VATSCQ - Value, Accountable, Transparent, Standards, Choice, Quality

SMART - Simple, Moral, Accountable, Responsive, Transparent

Ambitious in letter but only on paper

Problems pointed out by PAC, ARC

- Poor design, content - missing info
- Lack of public awareness
- No reform in service delivery
- No consultation with users to design CC
- Needs of senior citizens, disabled not considered
- Resistance to change - attitude, behaviour
- Rarely updated

Reform:

- Tailor according to needs - one size does not fit all
- Wide consultation with users, civil society
- Firm commitments, periodic evaluation and user feedback to hold officers accountable for results
- Clear Grievance Redressal Mechanism (GRM)

Improvement -

- Sevottam Model - Service Delivery Excellence Model
 - Inform citizens of entitlements to empower to demand better service
 - Public Grievance Redressal

2nd ARC: SM is only voluntary initiative.

Need to focus on service standards instead of process standards to improve quality of service

Need to have flexibility, top down approach won't work

Clear penalty/compensation, GRM

Authority to monitor, penalize for violations

Feedback from citizens

2nd ARC recommended Sevottam Model

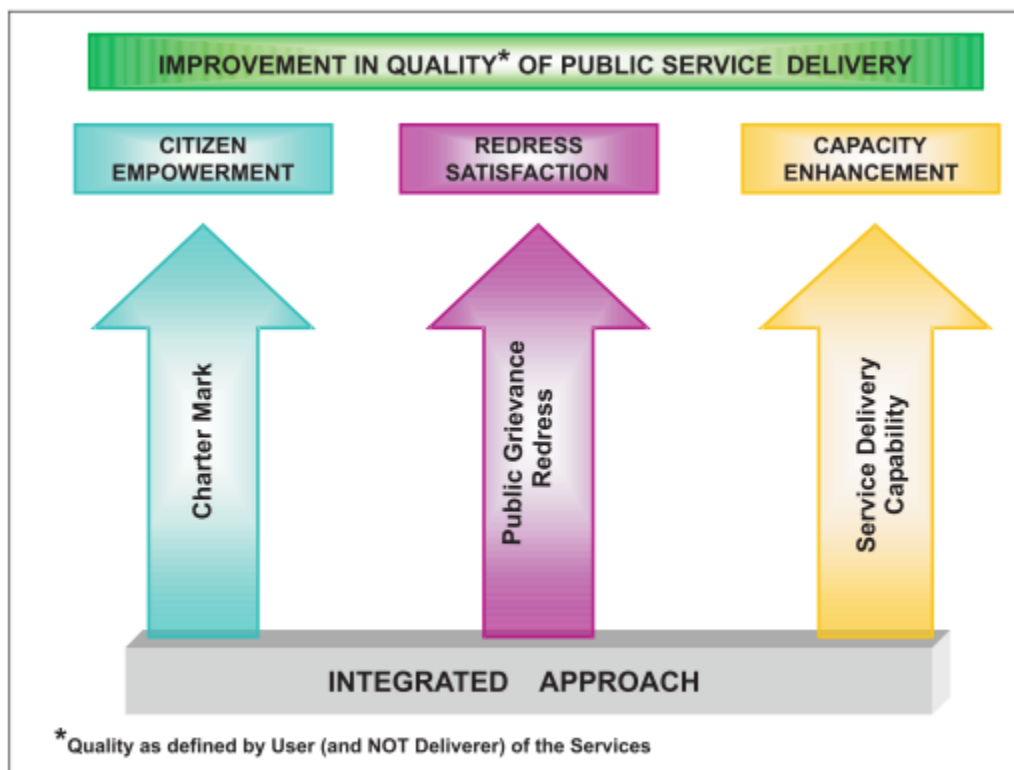
Seven Step Model for Citizen Centricity

- Define services, identify clients
- Set standards
- Develop capability to meet standards
- Perform
- Monitor performance

- Evaluate impact
- Continuous improvement based on evaluation

3 modules

- Citizen charter
- Public Grievance Mechanism
- Service Delivery Capability



Intended Outcomes of Implementing Sevottam

To improve quality of pub service delivery
Sevottam model - In IS code

GOOD GOVERNANCE and CCA

UNDP:

Governance is exercise of pol, eco and admin authority to manage a nations affairs.

Includes complex mechanisms, processes and institutions through which groups articulate their interests, exercise their rights and mediate their differences.

UN Sec General : "Good governance single most imp factor in eradicating poverty, promoting dvlpmt"

Chanakya in Arthashastra - In the happiness of his subjects lies his happiness, in their welfare, his welfare, whatever pleases himself he does not consider as good but what pleases his subjects he considers good"

Functions of Govt

1.Regulatory

Individual freedom not absolute, balance b/w it and societys interest

Optimal regulation - only where necessary

Simple, transparent, citizen friendly regulatory procedures - minimal discretion

Effective enforcement

Participation of citizen groups

2.Service Provider

Social services

Infrastructure Services - government monopoly

Regulation of private services, partnerships

Single Window System through business process re-engineering

Based on decentralization, civil society participation

Set standards, monitor performance to ensure enforcement

3.Developmental Functions

Welfare, socio-economic development

Attributes of GG

- Consensus oriented, participatory
- Accountability, transparency
- Responsive, efficient, effective
- Rule of Law
- Equitable, inclusive

Rests on Ethos, Ethics, Equity, Efficiency

- Delays, cumbersome procedures, official indifference

- Corruption, bribes pervasive
- No action on grievances, no disciplinary proceedings against negligent
- Lack of awareness, disclosure at lower levels

Issues:

- Attitude - indifference, insensitive, culture of deference to authority
- Capacity of govt - delays, cumbersome procedures, ineffective implementation of laws
- Little communication, info sharing between govt depts
- Multiplicity of laws on single issues, requirement of multiple approvals from different authorities
- Lack of awareness of citizens of rights, duties
- Lack of transparency, accountability in working of state
- Inequities - Regional Disparities, Poverty and unemployment, marginalization

Pre-requisites for CCA

- Sound legal framework
- Rule of law - Institutional mechanism for implementation of laws - bottom up
- Civil service reforms - efficiency, competence, capacity building thru mgmt principles (below)
- Transparency in decision making, functioning
- Sound personnel mgmt policies, attitude of service
- Democratic Decentralization (DD), Independent evaluation -accountability
- Ethics in governance

Hallmarks of CCA

- Ethics
- Accountability
- Transparency
- Equity
- Responsiveness
- Rule of law
- Participation
- Efficiency

GG and CCA intimately connected - CCA necessary for GG

Pre-requisites for CCA

- Sound legal framework
- Institutional mechanism for implementation of laws
- Sound personnel mgmt policies
- Democratic Decentralization (DD), accountability
- Ethics in governance

Strategies to make admin CC

- Bottom up Re-engineering of processes for active citizen participation
- Simplify Procedures - Adoption of modern tech to make efficient, accessible eg Jaankari in Bihar
- RTI, Citizen Charters to empower citizens to demand rights
- Robust enforcement mechanism, Periodic monitoring & Independent evaluation
- Grievance Redressal Mechanism (GRM)
- Single Window Delivery thru IT to channelize services at local level for doorstep access

Consider governance a series of service operations - use mgmt principles

- Six sigma to minimize errors
- Lean thinking for simplification, efficiency
- Focus on citizens, quality

Past initiatives

- 1st Santhanam Committee Report - CVC
- 1st ARC: LokPal, Lokayukta - watchdog of governance
- Citizens Charter
- E-governance - speed up decision making, increase transparency and accountability and reach with greater efficiencies
 - DigiLocker
 - DBT
 - agri extension services, DM services on app
 - JAM trinity for inclusiveness
 - Public participation in bill drafting
 - Online tax filing, GST returns
- Computerized GRM, monitoring system
- RTI - citizens access to info, accountability and transparency, mandated to give info

Complaints:

- Delays, cumbersome procedures, official indifference
- Corruption, bribes pervasive
- No action on grievances, no disciplinary proceedings against negligent
- Lack of awareness, disclosure at lower levels

All around 2000 AD

Examples:

Bangalore - Bangalore Agenda Task Force with citizens as members for suggestions to make world class city

Bangalore - Citizen report cards to measure performance, satisfaction

Rogi Kalyan Samitis in MP - active CP in admin, frame policies, projects eg farmers in water mgmt board, parents in school committees

Eg mandatory public hearings before project approval under FRA

Eg Communitization of services in Nagaland - citizens in boards, mange functioning

Eg Bhagidari in Delhi to help public utility depts upgrade services, eg clean Yamuna

Eg Make RTI simple - Jaankari - RTI Facilitation on phone in Bihar

Social Audit - Engagement of stakeholders in evaluating performance

How to encourage CP?

- Institutionalize mechanisms -
 - Interface b/w citizens, govt for responsiveness
 - GRM
 - Suggestion mechanism
- Education, awareness for vigilant, proactive citizenry

DECENTRALIZATION

Brief History

Goes Long back - Time of Buddha, 600BC Mahajanapadas - republics with Sabhas (assembly) conducting affairs of state eg Lichhavis

Chola Kingdoms - village council, sub-committees and wards - admin, arbitration of disputes, social affairs, revenue collection

1688 - Brits made Municipal Corporation at Madras, then Bombay and Calcutta

1872: Lord Mayo introduced elected representatives for municipalities

Developed further by Lord Ripon in 1882 - majority of local elected reps

Morley-Minto reforms, Montagu-Chelmsford Reforms widened people participation

Principle of subsidiarity

Central Authority should have subsidiary function performing only tasks which lower levels cannot

Decentralization - transfers decision making power closer to people

- Ensures effective delegation of duties
- Increases responsiveness
- Grooming of leadership
- Accountability

Barriers

- Resistance by authorities to delegate - no real devolution by states, elections postponed
- Reluctance to take up responsibility at lower levels
- Lack of capacity at local level
- Intervention in local govt functions through administration, parastatal bodies
- No Financial, technological support from above

How to delegate?

Principles:

- Subsidiarity - for efficiency, self reliance and innovation
- Democratic Decentralization
 - 7th Schedule unaltered - need effective DD from States to local govts through real devolution and delineation of functions
 - Greater citizen participation, equity in governance, fiscal responsibility through empowerment
 - Fiscal devolution to fulfil obligations of local govt
- Convergence in local governance
 - Elimination of rural urban divide in local govt

- Transfer functions of parastatal bodies to local govt
 - Single Window Dispersal of services
 - Participatory process with citizens empowerment eg Bhagidaari in Delhi, Communitization in Nagaland
- Citizen centricity - accountability, feedback, social audit mechanism for citizens institutionalized
- Clarity in roles, targets, responsibility and accountability
- Control systems for autonomy w/o micro mgmt

ARC solutions (specific) and Problems

- Delay in elections-
 - SECs have to wait for State govt to complete delimitation exercise - should be allowed to do themselves to avoid delay in elections
 - Adopt Assembly electoral rolls for local elections
- Devolution
 - Clear delineation and devolution - avoid duplication, inefficiency, wastage of funds, poor outcomes
- Functioning as institutions of self govt rather than implementing agencies - subsidiarity and real devolution in 11th Schedule (State govts may devolve functions - not necessary)
- Devolution of funds - State Fin Comm need to evolve transparent, objective norms linked to functions of local govt
- Capacity building of local govt - individual dvlpmnt and organizational dvlpmnt both
 - Special focus on women, backward classes
 - Transparent, fair procedures to improve fiscal discipline in local bodies
 - Partnership with private sector, outsourcing of functions to leverage expertise
- Decentralized Planning - Participatory, local level planning with two way flow of info b/w levels of govt
- Accountability and Transparency - Accounting and Audit - GRM, social audit, feedback mechanism, adoption of prudent financial mgmt practices
- Technology and Local governance:
 - Simplify Processes, enhance accountability, transparency and provide single window service delivery
 - Eg tele education (EDUSAT), tele-medicine, DM communication facilities, GIS for town planning

Eg Ahmedabad Municipal Corporation - integrated mobile app for public transport services, BRTS

Should have

- Transparency, open communication
- Authority proportional to responsibility
- Incentive system and performance mgmt system
- Culture of trust

Grievance Redressal Mechanism

Institutional Mechanisms

- CVC, Lokayukta and Lokpal

Must be

- Well publicized
- Easy to access, use
- Prompt
- Fair

At national level, Dept of Admin Reforms and Public Grievances (DAPRG)

- Nodal agency for public GRM, citizen centric initiatives

Issues:

- Not uniform across depts of GoI, some haven't set up
- Lack of awareness among citizens, public servants
- No social audit panels
- Shortage of staff, resources
- Do not take up cases suo motu

Way Forward:

- Statutory backing on lines of RTI for independent functioning
- Awareness campaign among citizens
- Training, userfriendly attitude among civil servants
- Quick, Accessible, Fair
- Regular monitoring to assess performance, identify grievance prone areas

Consumer Protection

Consumer Protection Act, 1986

Asymmetry b/w consumers and producers in knowledge, bargaining power

3 Tier Judicial machinery at national, state, district levels

- National Consumer Disputes Redressal Commission
- State ""
- District ""

Problems in working of consumer courts

- Delays in implementation of orders
- Not punitive enough to deter
- Not consumer friendly, cumbersome procedure

Need quick, simple procedure

Dispose by mediation/arbitration

Lok Adalats for clearing multiple cases

Special Institutions - like NHRC, NCW, NC for SC, NC for ST, Minorities

Issues:

- Coordination - avoidance of overlap b/w depts
- Focussed approach - beyond compensation, measures to prevent recurrence
- Lack of parliamentary oversight - recos do not come into public sphere

Way Forward:

- Separate Parliamentary Standing Committee to deliberate on reports
- Minimize delays - Use IT, e-governance, common format of applications
- Coordination between committees

E-GOVERNANCE

Application of I&CT to governance to create Simple Moral Accountable Responsive and Transparent (SMART) governance

WB - Use by govt of information technologies to transform relationship with citizens

Benefits

- Reduced corruption and increased transparency, accountability
- Greater convenience & flexibility for citizens, simplified procedures, information availability and empowerment
- Increased access & revenue growth
- Efficiencies and cost reductions
- Improved interface with industry
- Security of info management
- Greater coordination - Info sharing b/w agencies

(Internal benefits - within govt like efficiency, coordination, security while external - industry, citizens)

Why do we need? - Just the opposite of Benefits!

Corrupt, not transparent/accountable, inefficient, low access, red tapism, cumbersome

Must be equitable - not limited to affluent sections

Must include local govt - closest to citizens, constitute main interface with govt

Pillars

- People - competence, capability
- Process - simple, efficient, sustainable and effective
- Technology & resources- open, reliable, scalable, secure

Phases of Indian e-governance

1. Computerization - govt offices equipped with computers, helped in data processing
2. Networking - Govt offices connected in hub, helped in info sharing
3. On-line presence -of govt depts with info on them for citizens
4. On-line interactivity -Communication b/w govt entities. citizens, on-line submission of forms

Aspects of e-governance

- G2G (Govt to govt) -
 - Increase flow of info, services b/w & within govt entities & levels - horizontal (b/w) and vertical (within, diff lvls) eg centre, state and local
 - Increased efficiency, performance
- G2C (Govt to citizens)
 - Efficient delivery, convenient

- Enhanced availability, accessibility - choice of when, where, how to interact with govt
 - Improved quality of services
- G2B (govt to business)
 - Cut red tape, reduce delays
 - Lower operational costs
 - Transparent business environment
 - Can be transactional (eg contracts, auctions) and promotional (eg investment, tourism)
- G2E (govt to employees)
 - Faster, more efficient interaction and greater satisfaction levels

Instances

- Computerization of land records - failure
 - Did not reflect ground reality - need actual corroboration at ground level
- Bhoomi project : Online delivery of land records in Karnataka through biometric authentication
 - Well conceptualized, executed - sustainable
 - End to end computerization - from govt office to citizens
 - Total support at political level
- Project FRIENDS in Kerala (Fast, reliable instant, efficient network for disbursement of services) - Single Window Facility to pay taxes, dues to State govt
- Andhra Pradesh
 - G2B example: E-Procurement Project - reduction in corruption & tender time, cost savings
 - G2G example: SmartGov - info sharing b/w depts in AP Secretariat

How To?Principles

- Clarity of Purpose - Not what technology can achieve, but what citizens need
- Environment Building -Consensus among all stakeholders- politicians, bureaucracy, civil society in redesigning governmental processes and support at all levels
- Step-wise approach -
 - Preparedness through Basic Infra, HR capabilities,
 - Identification of e-governance projects
 - Prioritization of projects in terms of ease of implementation, benefits to citizens
- Business Process re-engineering and implementation
- Monitoring and Evaluation with secure, fail safe systems and recovery systems for sustainability
- Development of local language interfaces

Basic Approach is to KISS: Keep it Small and Simple

Recommendations:

- Capacity building efforts - both organizational and skills upgradation of individuals thru capacity assessment by Dept of IT
- Network of training institutes
- Best practices, lessons learnt from successful e-governance initiatives (FRIENDS in Kerala,, SmartGOv and E-procurement in Andhra etc)
- Encouragement, communication with employees to overcome resistance - perceived threat of job loss, resent intrusion by external consultants -> needs support, retraining
- PPP to leverage expertise - faster implementation, efficiency, lack of resources and skilled manpower in govt depts to develop IT solutions
 - Requires objective alignment to incentivize pvt partner
 - HR Mechanism to develop mutual trust -Organizational cultures may conflict
 - Transparent selection process
- Decentralized approach - involvement of Gram Panchayats in operation of Service Centres
 - Gram panchayats to assist in awareness among citizens, last mile connectivity
- Framework for financial & technical support, knowledge management and transfer for coordination
- Clear delineation of roles, responsibilities of organizations with oversight mechanism

Can add: Citizen centricity - accountability, feedback, social audit mechanism for citizens institutionalized

Can get challenges from these recos

Lack of capacity, and expertise, skills outdated

Resistance due to job loss

Resentment of intrusion of external consultants into domain

Inertia to shift due to lack of faith

PPP - Objective alignment, HR Conflicts, Fair selection process

National e-Governance Plan

Common Vision, strategy and aproach for holistic e-governance initiatives

- Huge cost savings through shared core infrastructure
- Interoperability - efficiency, convenience for citizens
- Transparent

Elements:

- Common Support Infrastructure -State wide Networks, data centres and service centres

- Monitoring, coordination of implementation under authorities
 - Centralized Initiative with decentralized implementation, Dept of IT facilitatory role
 - PPP for leveraging expertise, efficiencies
 - Involvement of Gram Panchayats in operation of Service Centres - awareness, last mile connectivity
 - Clear delineation of roles, responsibilities of organizations with oversight mechanism
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BUDGETING

Estimation of availability of resources and allocation based on determined priority

Phases in India:

First, Line budgeting -

- Financial statement items grouped by depts
- Focus on ensuring depts do not exceed budgets
- Centralized control - but no info to top about achievements of individual units

Hence went for Performance Budgeting

- Sets performance targets unlike LB with unit costs for strategy to achieve them
- Gives indication of how funds spent - expected to indicate outcomes
- But not easy to arrive at standard unit costs esp for social programs - regional, functional variations

Discrepancies may give erroneous impression of performance!

Zero Based Budgeting introduced in 1970s

- Every budgeting cycle starts from scratch - unlike earlier where only incremental changes made in allocation
- Each activity evaluated each time budget made - only if considered necessary funds allocated
- Helps phase out programs no longer relevant
- Huge efforts involved every time, institutional resistance due to personnel issues (eg redundancy) - hence never done full ZBB but modified forms used

Weaknesses in Govt Budgeting (WB & ARC)

- Poor planning - no link b/w policy making, planning and budgeting
- Poor expenditure control, cash management
- Inadequate funding of operations and maintenance, unreliability in flow of budgeted funds to lower lvls of govt
- Inadequate accounting systems
- Inadequate reporting of financial outcomes
- Poorly motivated budgeting staff

Also Political issues - arbitrary cuts/ raises to programs with change in govt

Reforms in OECD countries: (Solution)

- Top Down budgeting techniques
 - Traditionally, Bottom up
 - Depts request funds but greatly exceed realistic needs expecting reductions
 - Time consuming
 - Bias for increasing expenditure-No system to reallocate from existing programs to new
 - Difficult to assign priorities
 - Top Down - Each minister is his own Finance Minister
 - Can allocate funds within ministry
 - Greater efficiency - ministries best to judge dept priorities
 - Creates ownership over funds- prudence
 - Check on unnecessary increase through reallocations within ministries
 - Less time consuming
- Relaxing Central Controls (deregulation) - decentralization of spending within ministry based on greater knowledge of needs, removes micro management and inefficiencies
- Focus on results over processes - in management, what gets measured gets managed
 - Creates accountability, incentive to perform
- Transparency - budget data is public, budget reports reviewed by legislature and govt accountable and budget influenced directly by legislature and indirectly by civil society

Budgeting In India:

- Both bottom up and top down -
 - Min of Fin and NITI Aayog issue guidelines (Fin Min issues Budget Circular - instructions to prepare estimates, processes to follow),
 - Ministries make requests for allocation based on own estimates after prioritizing activities

Weakness In Budgetary System & Implementation

- Unrealistic estimates - see bottom up weaknesses (time, bias etc)
- Delay in Implementation of projects - skewed pattern (March rush) - most spent in last quarter, esp month
- Resources spread thinly - leads to delays in implementation, inefficient utilzn of resources
- No long term horizon - deviation from FYP , lno alignment b/w Plan and budget
- No correlation between actual and budgeted expenditure
- Mis-stating of financial position, parking of funds outside govt accounts
- Ad hoc project announcements not included in budget distorts expenditure
- Focus on compliance with procedures instead of on outcomes

Modified exchequer control based expenditure management system in 2006 to curb March Rush aimed to

- Greater evenness in expenditure, curb rush during end
- Reduce tendency of parking funds

Monthly expenditure plan for each Demand for grant

Savings not available for automatic carry forward to next quarter

Failed to achieve targets though

Irrational Plan Non Plan distinction - Dysfunctional

- Neglect of maintenance of existing capacity and service level due to misperception that nonplan exp inherently wasteful - fragmented view of resource allocation
 - Greater significance with higher priority to social sectors where salary is imp element

Fund Flow From Centre to States

- No real time info on utilization
- Whether it constitutes "expenditure"

Recos

- Provision be made -mandatory for autonomous bodies, NGOs to captre expenditure of Centrally Sponsored Schemes

- Information System to Manage Flow of Financial Info
 - Track from point of release to final expenditure
 - Agency wise, location wise, scheme wise flow of funds
 - 2 way flow of info

Parliamentary Control over Budget

- Currently cannot amend, reject demand
- Ex post examination

Reco

- On lines of German Bundestag, Blend ex post, ex ante scrutiny in single Budget committee- approves budget and later considers audit results
- Strengthen parliamentary control -Parliamentary Affairs Committee should determine in beginning of year which audit paragraphs to examine

RTI

Transparency - availability of info to general public and clarity on functioning of governmental institutions

Essential element of GG

RTI enacted to empower people, promote transparency in 2005

Right to info implicitly guaranteed in Const - RTI sets practical regime to access info

Background in Transparency

Official Secret

- Most contentious issue in RTI -
 - In public interest to keep matters affecting national security out of public gaze.
 - Unhindered debate on issues in Council of Ministers requires confidentiality
 - Thus, confidentiality in matters of State - exempted from disclosure
- Official Secrets Act, 1923 - colonial act created culture of secrecy - confidentiality the norm and disclosure the exception
 - Though intended to deal with national security, encompassed every issue of governance - wide language -> did not define "secret", anything can be classified secret

- OSA is main statute for fighting espionage which affects natl security

Reco - repeal OSA and substitute with chapter in National Security Act - > address deficiency through narrower definition

ARC, National Commission to Review the Working of the Constitution - both recommended repeal of OSA

Oath of Secrecy by Union, State Ministers

- National Commission to Review the Working of the Constitution
 - Govt procedures shrouded in secrecy-> govt must assume responsibility, mobilize skills to ensure flow of info to citizens
- Instead of oath on secrecy must be oath of transparency

Other issue:

Govt tendency to classify info even when unwarranted

Unlike other countries, info once classified remains without any time limit (usually 30 years)

Should review - max limit of 30 years, & those which do not merit classification should be in public domain

Implementation of RTI

Steps taken:

- Institution Building
 - Information Commissions, Information Officers and Appellate Authorities
- Information and Record Keeping
 - Suo motu declaration, Public Interest Disclosure, Modernizing Record keeping
- Capacity Building and Awareness Generation
- Monitoring Mechanism
 - Information Commission - statutory body but independent on lines of EC
 - Mandate to order any office to provide info, fine for non-compliance
 - Protected terms of service - tenure, salaries and pensions of Information Commissioners for indep
 - Recent bill seeks to dilute independence - Centre can set terms of service

Central Information commission

- Central Information Commission was constituted through an Official Gazette Notification under the provisions of the Right to Information Act (2005).
- It is not a constitutional body
- They are appointed by the President on the recommendation of a committee consisting of the Prime Minister as Chairperson, the Leader of Opposition in the Lok Sabha and a Union Cabinet Minister nominated by the Prime Minister
- The Chief Information Commissioner and an Information Commissioner hold office for a term of 5 years or until they attain the age of 65 years, whichever is earlier.
- The central information commission falls under the ministry of personnel

Issues in Implementation

- Complicated system of accepting requests
- Insistence on demand drafts
- Difficulties in filing applications by post - soln of Bihar Jaankari Scheme
- Varying rates of application fees
- Frivolous, mala fide requests by citizens, requests by public servants to harass seniors
 - May overwhelm and clog system
 - Paralysis in administration - undermine delivery of services
 - Breakdown of discipline in public institutions if public servants facing charges resort to vexatious requests

Way Forward

- Suo motu disclosures at least once a year, free of charge
- Easy access to info : CIC should provide single portal through which disclosures of all public authorities can be accessed
- Technical, Professional expertise in management of public records: Establish Public Record Keeping Office as Independent authority by integrating, restructuring multiple agencies in record keeping
- Single Window Agency at district level for all public authorities
- Tracking mechanism to ascertain progress of request
- Safeguards against frivolous, vexatious requests - introduce standard forms, better system of classification
- Monitoring Mechanism: CIC, SICs entrusted with monitoring effective implementation in all public authorities

Others:

- Land Records Modernization, Flagship Schemes record updation funds as one time measures
- Roadmap for digitization at sub-district level under Union and State level ministries directions

In addition, a tracking mechanism for action taken by executive on reports like CAG, House Committees to be available to public and legislators for greater Parliamentary control over Executive

Principle of subsidiarity - inverted tree structure

Since listing out all public authorities in one place not possible,
Each Ministry/public authority should have details of all public authorities immediately below under its control

Conclusion:

RTI signals radical shift in governance culture

Effective implementation depends on 3 fundamental shifts

- From prevailing culture of secrecy to new culture of openness
- From personalized despotism to authority with accountability
- Unilateral Decision making to participative governance

This will be through institutions created, laws and procedures, & participation of people & public servants

RECENT

Ranked 6th in global RTI ranking - performance fell.

CIC transparency audit: 85% of public authorities don't suo motu disclose

Why Suo motu?- Sec 4 RTI

- *Improve quality of info*
- *Public participation*
- *Transparency, accountability*
- *Reduce corruption*
- *Better info mgmt systems*
- *Empower people*

Why non-compliance?

- *Lack of awareness of officials of requirement*
- *No training of officials*
- *No digital record keeping*
- *Lack infra like photocopiers*
- *Poor data - obsolete, outdated*

- *Poor quality data - dumping of large unrelated documents, not relevant*
- *No mechanism for State ICs to monitor, enforce*
- *Lack of punishment for non-compliance*
- *Lack of info mgmt systems*

Way Forward:

- *2nd ARC - 1% funds of schemes for info mgmt*
- *Training*
- *Awareness generation*
- *Emulate best practices - eg Jankaari in Bihar - RTI facilitation*
- *Citizen volunteers, participation*
- *Decentralization to local govt*
- *Digital governance boost*
- *Make RTI simpler - standard fees, easier forms,*
- *Single window portal at district level*
- *Tracking of requests*

Social Capital, Cooperatives and People's Involvement

Social capital - norms and networks facilitating collective action to allow marginalized groups to access resources, opportunities and participate in governance

More than civic virtue - civic virtue is powerful only when embedded in social relations -society of virtuous but isolated individuals not rich in social capital

Social capital is associated with social problem solving, effective govt and rapid eco dvlpmt
eg Groups of poor people link with organizations of state, civil society to mobilize resources and participate in societal process

Best example: micro-credit oriented SHGs of women - with strong cooperative behaviour and mutually reinforcing sanctions

eg Grameen Bank, Bangladesh

Social capital - application in delivery of sustainable basic services to poor, and local infra and natural resource mgmt

4 crucial roles of SC organizations/advocacy groups

- *Service: fulfills critical public needs*

- Value Guardian - embodies fundamental values
- Advocacy - mobilize public attention to societal problems/needs eg women's suffrage, envmt
- Community building - bonds of trust

SC improves governance

- Broadens accountability - responsive to society, not just a section
- Consensus building and innovation in policy making
- Enhanced efficiency through participatory governance

Seen in old times - Maurya, Gupta empires - community orgs like Sabhas, Village Councils to sort problems thru mutual understanding

SHGs - informal associations of people who come together to find ways to improve their living conditions

Help build social capital among poor, esp women

- Motivate members to save
- Collective plan for generation of additional income
- Conduit for banking services to reach them

Currently, most farmers lack access to fin credit

Rangarajan Committee - reasons for lack of financial inclusion :

- Inability to provide collateral
- Poor credit absorption capacity
- Inadequate reach of institutions
- Weak community network

Benefits of SHGs seen

- Increase in assets, net income of households
- Development of savings habits, Increase in savings
- Increased borrowings - borrowing for consumption decreased and loan used for income generation ventures
- Expansion of employment
- Reduction of poverty levels
- Leadership dvlpmt, Social empowerment of women, poor - >90% SHGs are of women

Weaknesses:

- Contrary to vision, most members not always from poorest families, Not egalitarian completely
- Patronage by govt, PRI leads to politicization - should not go way of cooperatives
- Social empowerment seen but economic gains may not be sufficient to bring change in standard of life
- Lack of trained manpower for skill acquisition/upgradation -Poor value addition, mostly unskilled labour with subsistence level wage undertaken
- Weak in BIMARU, Orissa, NE, & urban, semi-urban areas (45% SHGs in 4 Southern states)
- Question of sustainability over longer term
 - Most SHGs unable to rise from microfinance to micro-entrepreneurship
 - Heavily dependent on NGOs, govt agencies

Measures taken:

- National Micro Finance Support Programme to eliminate poverty, reduce vulnerability esp of women
- SIDBI Foundation for Micro Credit to create national network of sustainable Micro Finance Institutions

(MFI - micro finance inst)

Way Forward:

- Maintain participatory character of SHGs, avoid politicization - role of govt only to facilitate, create supportive envmt rather than manage directly
- MFIs, NABARD to focus on Expansion to credit deficient areas -
 - BIMARU, NE, Orissa where banking infra poor, cultural attitudes not conducive for women leadership
 - Extension to urban/peri-urban areas for slum dwellers, migrants from villages, street vendors, construction workers etc whom mainstream banks not keen to serve
- Sustainability, capacity building and adoption of tech
 - Capacity building - book keeping, elementary fin mgmt
 - Sensitization -Attitude of govt/bank personnel toward SHG
 - I&CT -connectivity, digital literacy to reduce cost of providing fin services to poor
- (Raghuram Rajan Committee)- Expansion of role of MFIs - provision of thrift, payment services, money transfer, insurance etc in small amounts to poor
 - Have advtgs over banks - low cost structure, min paperwork and quick decision making

Success stories:

Andhra, TN

Bangladesh - Mohd Yunus, 1976- Grameen Bank, poor women

Self-Regulatory Authorities (of a profession)

Select body of memhrs responsible for growth, dvlpmt of profession

2 major functions

Professional edu, setting standards, curriculum, infra etc

Licensing, ethical conduct of practice

Issues:

Trust b/w professionals and citizens

Separate professional edu from SRAs - only manage, regulate

Professional updation

Reform of authorities

- Effectiveness - Smaller size, simpler and task oriented to operate quickly with inputs from key stakeholders, more accountability
- Inclusiveness - confidence, participation of stakeholders
- Accountability - to stakeholders
- Transparency - in processes, actions

Cooperatives

Voluntary autonomous association to meet common economic, social and cultural needs through jointly owned, democratically controlled enterprise

Based on

- Self help
- Democracy
- Equality and equity
- Solidarity

Weaknesses

- Lack of autonomy-Dependent on govt, business for capital
 - Bureaucratization, govt control through bureaucratic power centres, Registrar of Cooperative Societies
 - Politicization of leadership - politicians use for political ambitions
 - Failure to inculcate Self-help - cooperatives inherently opposed to both market and state through self reliance
 - Lack of member centrality - failure to serve members instead of profit maximization, functioning as enterprises
-
- Lack of professional mgmt
 - Overdues in credit institutions
 - Non democratic functioning - vested interests, lack of participation

Others - same as SHGs - > , long term sustainability, expansion across India and urban, lack of trained manpower & value addition

Achievements of Cooperatives

- Significant contribution in primary sector productivity, food sufficiency, agri extension services
- Amul - dairy sector, operation flood milk
- Credit provision
- Link b/w market and rural areas

Reform - legal, institutional, policy changes

106th Amend bill

- Gave govt's power to legislature in setting up, working, organization, elections & tenure etc to ensure accountability
- Concerns - makes them part of govt machinery, increases dependence. Coops part of civil society, not govt.

Reduce dependence, state monopoly instead of increasing.

State monopoly hinders people's own initiatives

Hence Govt introduced Art 43B DPSP instead in 2011

- Empowerment of Coops- state endeavour to promote voluntary formation, autonomous functioning, democratic control and professional mgmt

Coooperative Credit and bank Inst

Mechanism for pooling of resources for easy credit accesibility in rural areas

Poor condition

- Undue state interference and politicization
- Poor mgmt, multiplicity of control
- Poor resource base, dependence on extnl funding
- Accumulated losses & low recovery
- Lack of business initiatives
- Regional disparities

97th Amend Act 2011

- Art 43B -state endeavour to promote voluntary formation, autonomous functioning, democratic control and professional mgmt
- Part IXB Const
 - Right to form C FR
 - Reservation for SC, ST, women
 - Uniform tenure of BoD
 - Fixed term
 - Independent professional audit
 - regular elections under supervision of autonomous authorities
 - State govts to facilitate ART 43B things

Victim of rival pol parties like PRIs