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**By**

**individual members/experts**

**for**

**discussion in the NAC and do not, in all cases,**

**reflect settled conclusions of the NAC**

# Good Governance: Summary of Suggestions

National Advisory Council

17<sup>th</sup> December 2005

By Dr. N.C. Saxena'

# Prime Minister on Governance

*'If we look around, what is the happiness index of the average citizen vis a vis the government? My own surmise is that there is considerable dissatisfaction with governance and the agents of governance.'*

- at the Conference of Congress Chief Ministers,  
Chandigarh, October 8, 2005

# What has been done so far?

- Right to Information Act
- New system of Performance Appraisal Report for IAS officers introduced
- New system for mid-career training of IAS officers introduced
- National Action Plan for e-governance
- DOPT is developing a scheme for recognizing excellence in implementation of Citizen's Charters and for developing a rating system for grievance redressal mechanisms

# If we wish to achieve 'X', then

- Measure X from time to time
- Incentivise X

For good governance, we have done neither

*But appointed a Commission!*

# Little has been done to

- Improve delivery
- Reduce absenteeism
- Check corruption
- Redress grievances
- Professionalise administration
- Control wastage of funds

*Let us start with measurement, to the extent possible*

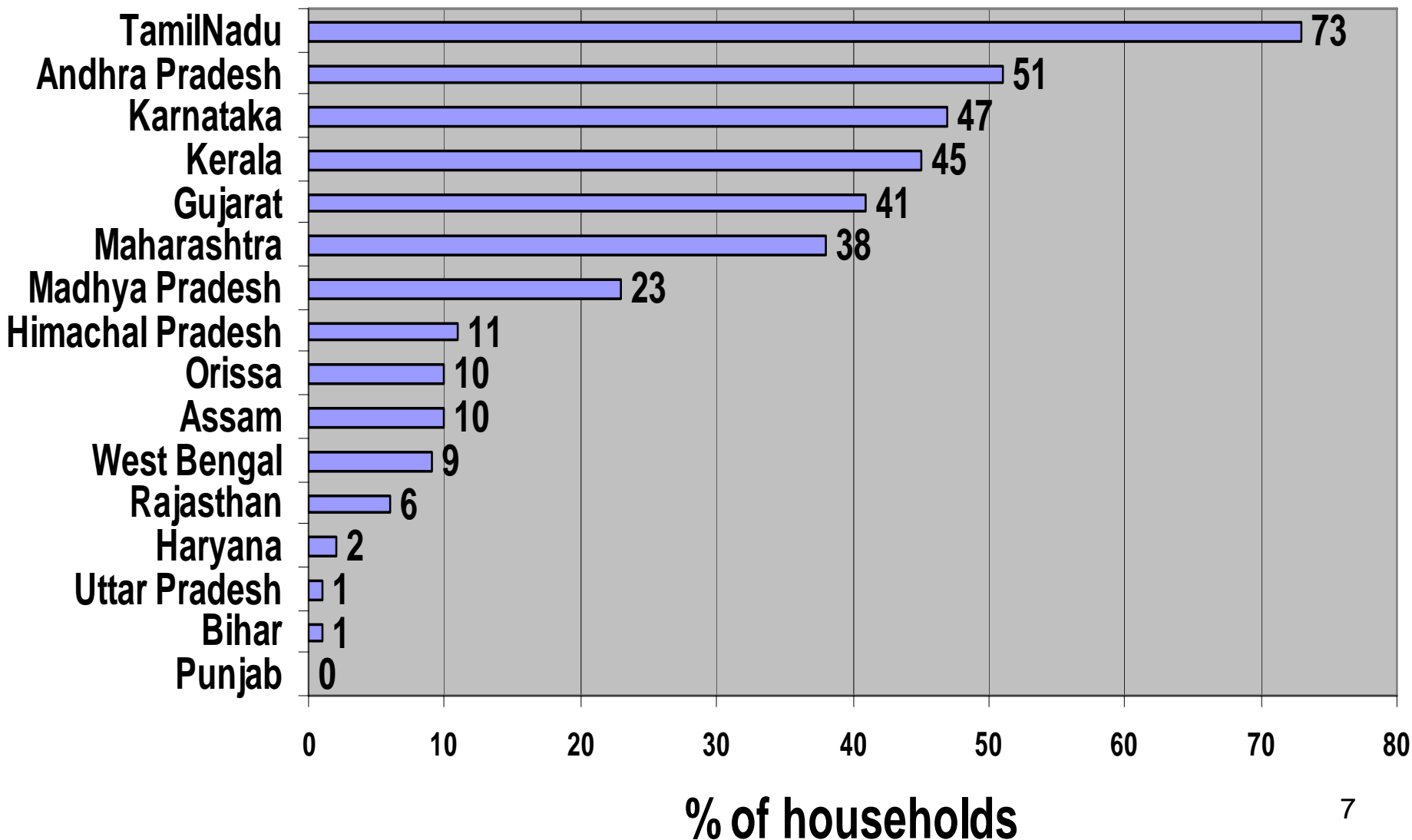
# Transfer of funds from Centre to States in 2005-06 (in crore Rs)

Finance Commission	128,912
Planning Commission	26,500
Centrally Sponsored Schemes	48,379
	<hr/>
Total	2,03,791

excludes subsidies on food, kerosene, and fertilisers, and loans through postal savings

*If even half was transferred to the 5 crore poor families, each would get Rs 56 a day!*

# Regular Availability of foodgrains



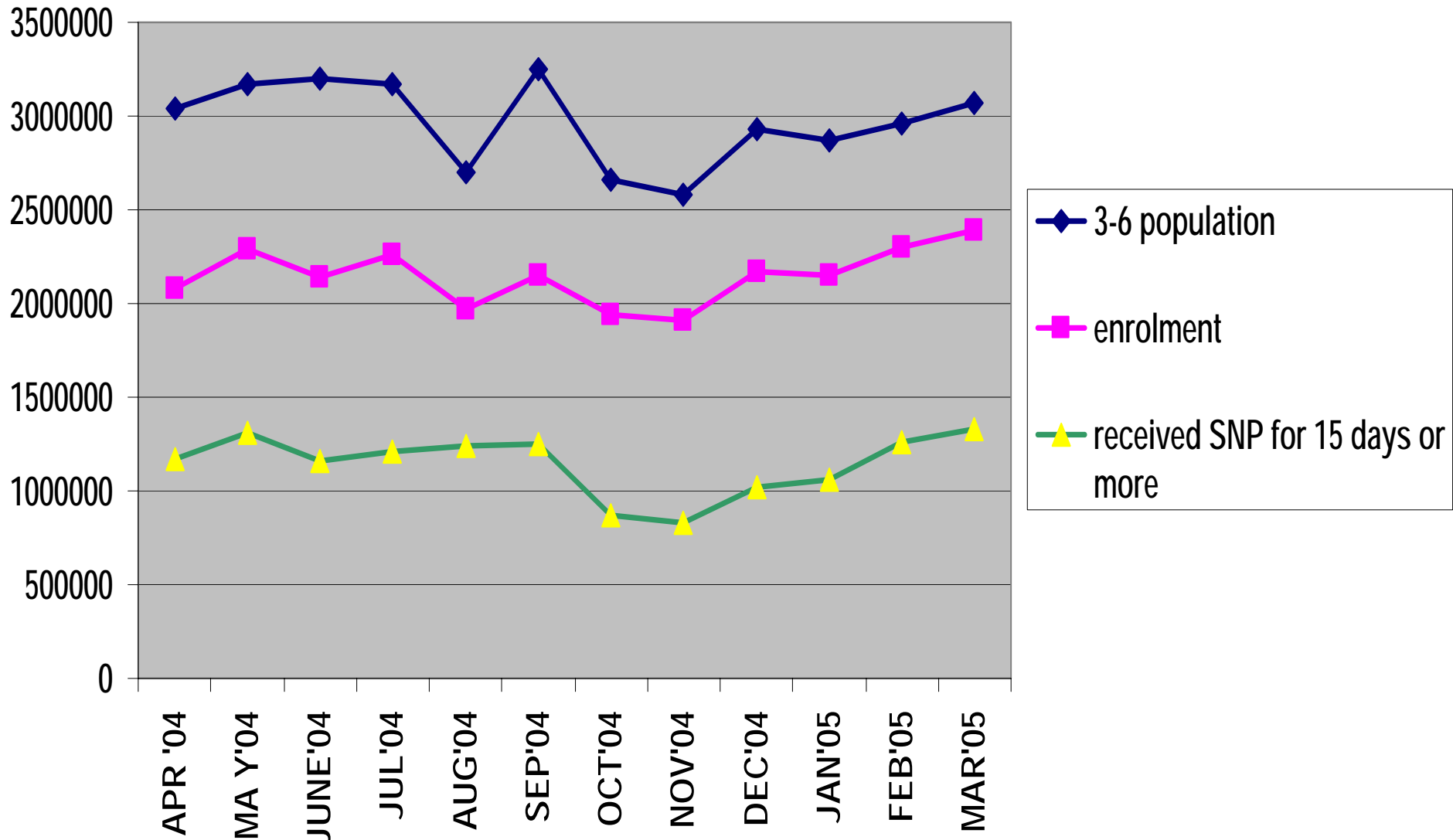
# A recent Planning Commission study of TPDS found that

43% of the rural poor do not have ration cards

36% of foodgrains are sold in the blackmarket, and another 21% are given to the non-deserving category

Leakages are more than 75% in Bihar and Punjab, and between 50 to 75% in UP, MP, and Haryana

# ICDS Enrolment & SNP distribution in WB 2004-05



# Use of toilets in Orissa

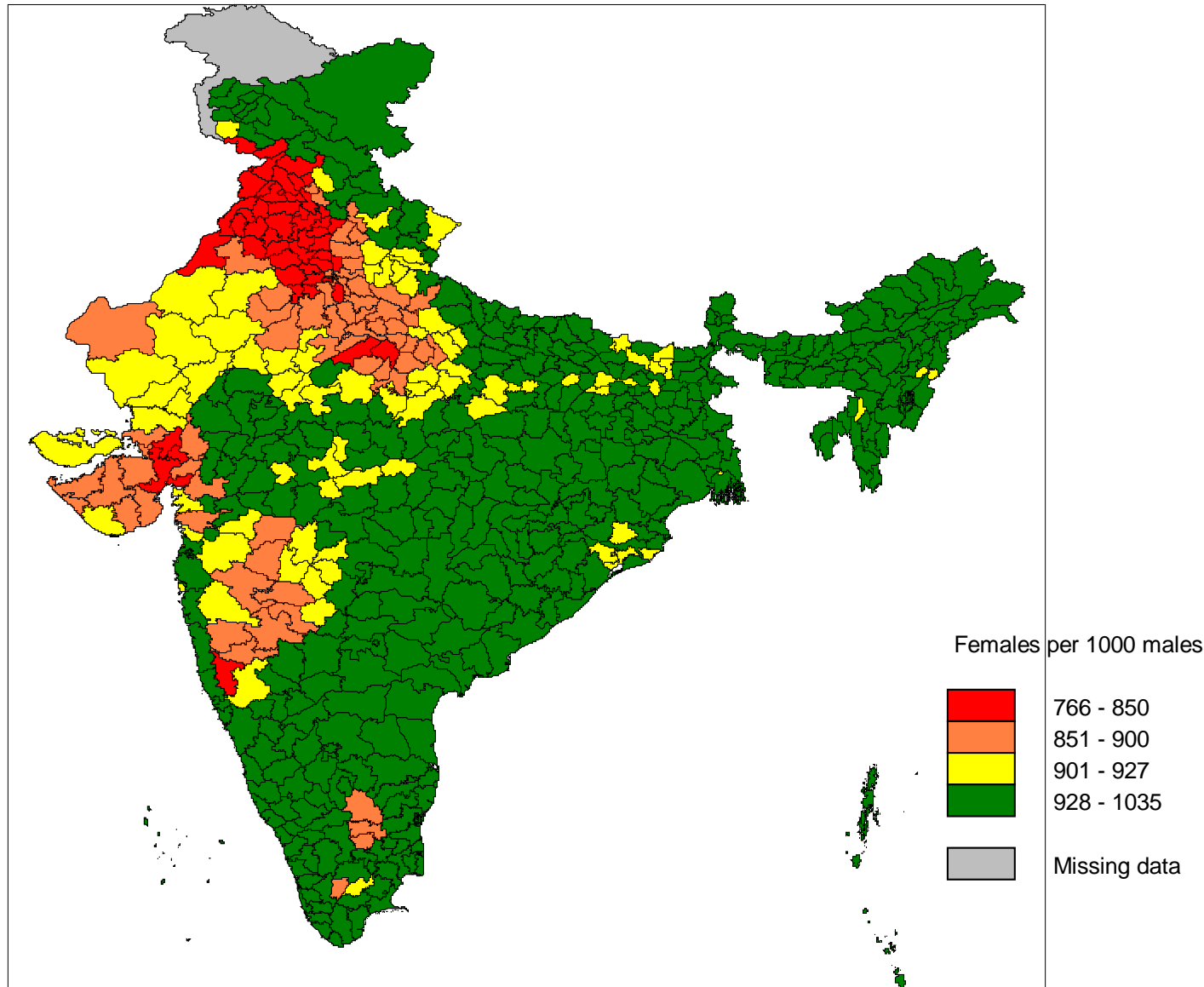
District	Total number of toilets visited	Fully used	Partially used	Not used	Incomplete construction, or not constructed
Balasore	121	46	23	34	18
Ganjam	120	35	30	28	27
Sundargarh	120	16	13	78	13
Total	361	97	66	140	58

# Learning levels in selected states

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State	<u>Writing</u>		<u>Subtraction</u>	
	<u>% students without skill</u>		<u>% students without skill</u>	
	7-10 age group	11-14 age group	7-10 age group	11-14 age group
Bihar	78	41	79	45
Himachal Pradesh	33	5	53	13
Madhya Pradesh	88	41	93	57
Orissa	36	21	58	29
Rajasthan	61	23	79	32
Uttar Pradesh	86	51	95	66

# Child Sex Ratio 2001 (by district)



# Full Immunisation under Universal Immunisation programme (per cent)

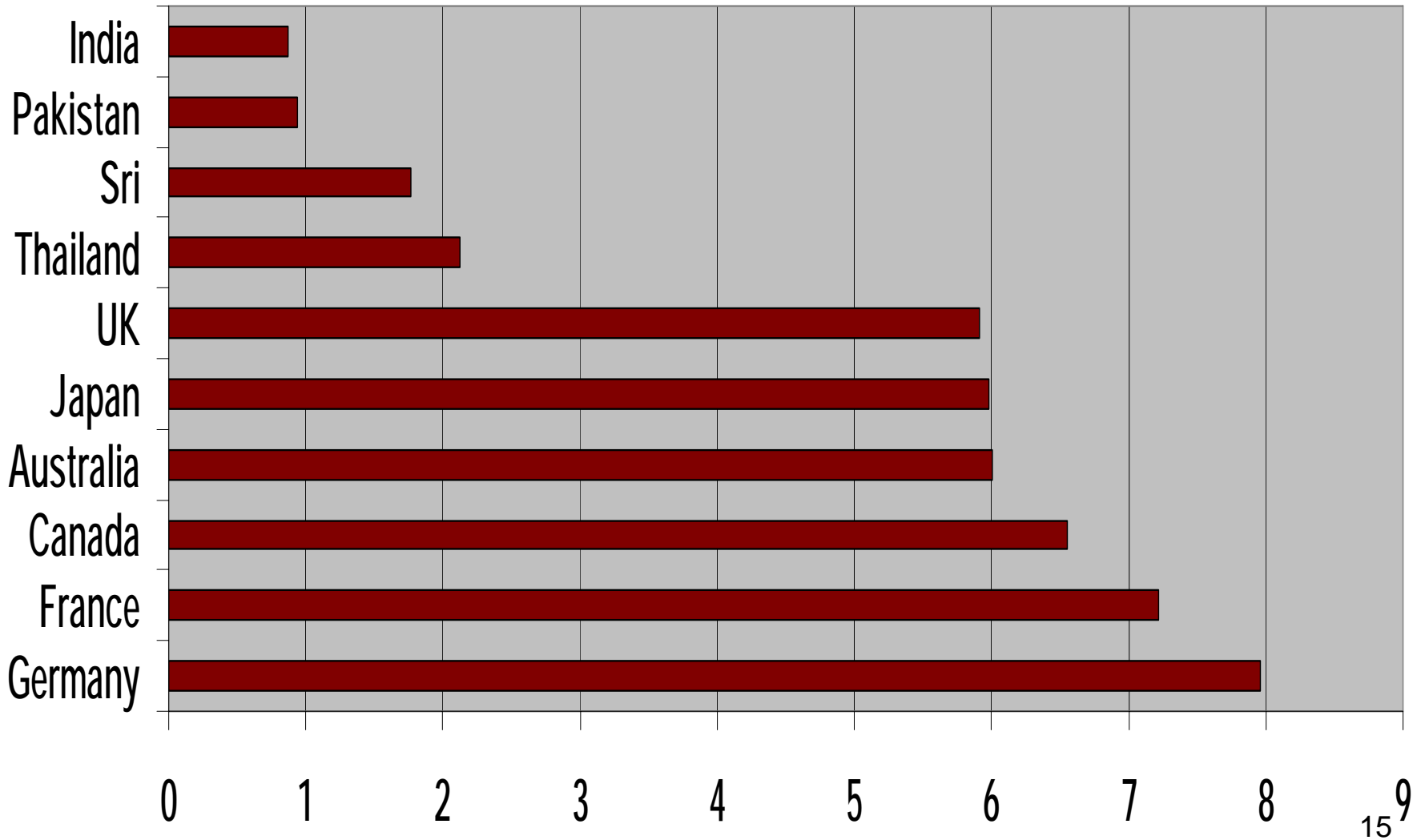
	1998-99	2002-03
Uttar Pradesh	43.7	29.8
Andhra Pradesh	74.5	61.6
Assam	46.7	27.6
Haryana	66	57.9
Madhya Pradesh	48.4	34

(MTA X Plan)

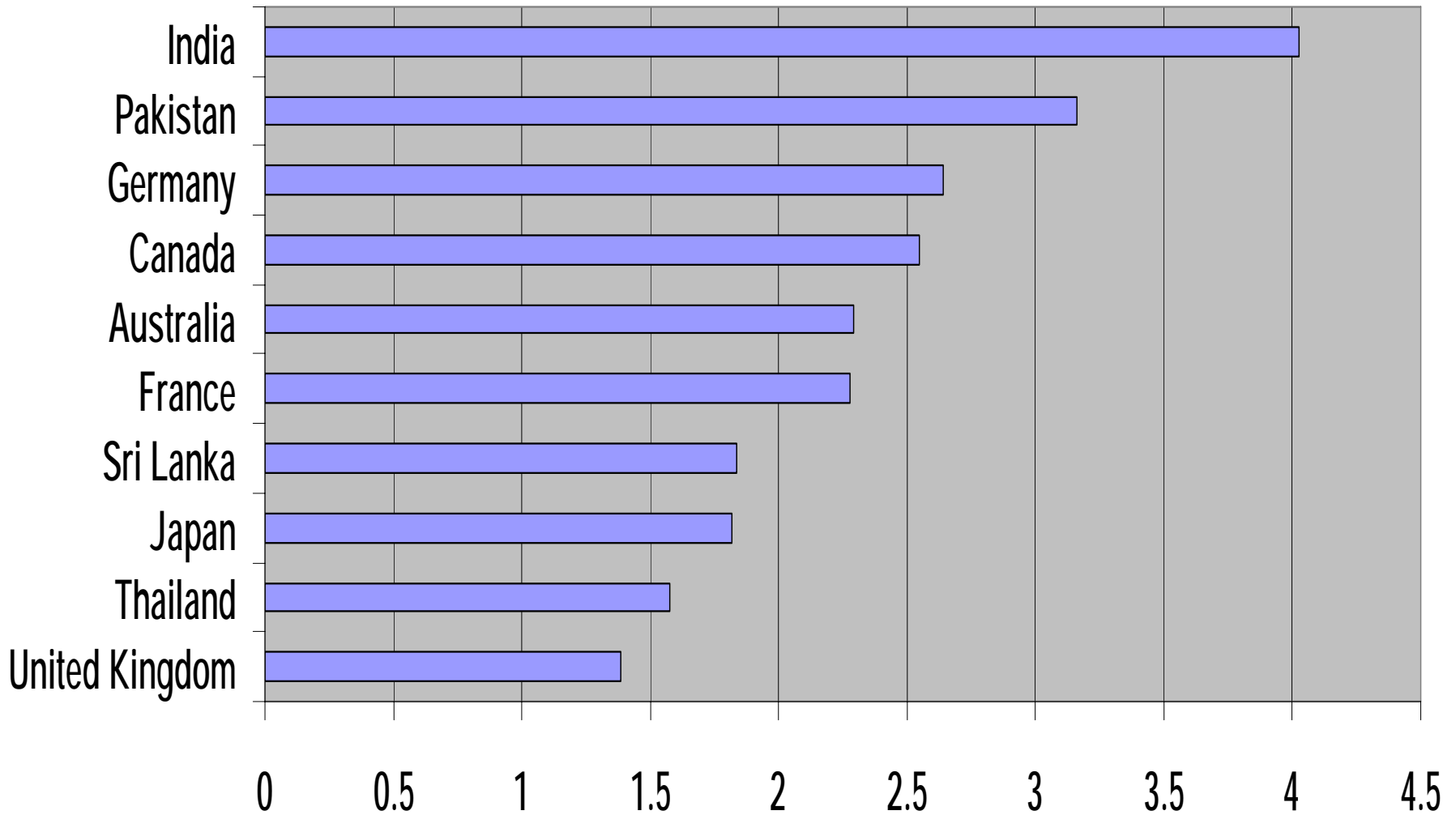
# Changes in expenditure on education and health as proportion of total expenditure (all states)

<b>Year</b>	<b>Education</b>	<b>Health</b>
<b>2000-01</b>	<b>17.4</b>	<b>4.7</b>
<b>2001-02</b>	<b>16.1</b>	<b>4.4</b>
<b>2002-03</b>	<b>15</b>	<b>4.1</b>
<b>2003-04</b>	<b>12.6</b>	<b>3.6</b>
<b>2004-05 (BE)</b>	<b>13.4</b>	<b>3.8</b>

# Health expenditure, public (% GDP)



# Health expenditure, private (% GDP)



# Construct a governance index on the basis of

- IMR, extent of immunisation, literacy rate for women, child sex ratio, malnutrition, availability of safe drinking water supply, electrification of rural households, percentage of girls married below 18 years, increase in agricultural employment, number of class I government officials prosecuted and convicted for corruption, and so on.
- Divide States in three categories: rich, poor, and the special category states

*Part of central transfers should be linked to such an index*

# 'From outlays to outcomes'

- Produced a 700-page mammoth document on outlays to outcomes, which was just compilation of outlays and physical targets, but this data was available all the time!
- Institutional coherence vs multiplicity of organizations
- No clarity of roles between Ministry of Statistics and Programme Implementation, Programme Evaluation Organization, and the new Programme Outcome and Response Monitoring Division.

*Ended up as a meaningless exercise*

# We need to address some basic issues in

- Transparency
- Accountability
- Panchayat reforms
- Recruitment & contractual appointments
- Civil Service reforms
- Selection of NGOs
- Budget & procedural reforms

# Encourage Transparency

- Put land records & petitions on district websites
- Put property and tax returns of all officers on a website
- Replace oath of secrecy by oath of transparency
- Muster rolls be put on the internet in at least one block of a district where internet facilities exist
- Record electoral card number of the wage earners turning up for Food for Work Programmes

*Measure citizens' satisfaction: Report Cards in Bangalore*



EXCAVATOR IN OPERATION AT RELIEF SITE  
Village: LANGDI MOHADI, BARWANI DISTT., M.P.



USE OF TRACTORS  
SEGVI PANCHAYAT, DAWARIA FALIA  
BARWANI DISTT., M.P.



# Accountability

- Enforce both, organisational and individual accountability
- Upward, downward & sideways – external assessment of organisations and policies
- Third party inspections, by civil society and political parties
- CAG audit to include measurement of quality – ATR on Ministry's website
- Increase line functionaries, reduce staff positions
- Face-to-face meetings with consumers and user groups
- Specify compensation to the citizen in case of non-delivery of services

*Encourage exit polls*

# PRIs

- Meetings of the Gram Sabha are held rarely
- Despite excellent work by some village level panchayats, many block/district level panchayat leaders as well as the officials see in development programmes an opportunity to earn commissions
- Panchayats are mostly active in construction oriented schemes that require a contractor and wage labour that do not require participation by many
- Flow of funds from district/ GOI not dependent on good work or mobilisation

*Panchayats are not active in education, health, SHGs, watershed, pastures and forestry programmes, which require people to come together as equals*

# Capacity building of panchayats

- Insist on their collecting land revenue and irrigation taxes
- Link devolution with their performance & with tax collection
- Encourage peer review & stakeholder audit
- Grade panchayats
- Increase their powers and responsibilities in education, health, watershed, and pastures
- Make village panchayats appointing authorities for education & health staff

*Do we really require three tiers?*

*What role for MLAs?*

# Reforms in Service conditions

- Give up the concept of 'jack of all trades'
- Scrap meaningless posts
- Retire 25% of class I & II at the age of 48-55
- Minimum age for recruitment to class III & IV should be 35, before that follow the para teacher model
- No re-employment after retirement, at least no house, telephone and car
- Mobility between NGOs/ academics and government

# To curb transfer industry

- Publicize short tenures, GOI to set example
- Pass a law about the transferring authority & average tenure
- Authorize officers to record telephonic orders
- Increase maximum period on a post to 5-7 years
- Civil Service Boards
- Contractual postings for 3 years for Chief Secretary and DGP, etc in consultation with leader of opposition & Chief Justice

*Secretary to GOI has an average tenure of 10 months!*

# Reducing absenteeism

- Better supervision
- Staff morale – justice in recruitment, postings, & promotions
- Updating Service Rules
- Contractual appointments
- Role for Village bodies and panchayats
- Third Party monitoring
- Creation of supportive environment
- Focus on quality

# Simplify budgetary & recruitment provisions

- All CSS require budgetary provision in both central and state budgets, which should not be necessary
- Expenditure budget should remain valid for two years
- Online and transparent recruitment on the basis of previously held examinations, with no interview, by giving weightage to place of residence, caste, gender, etc.
- Recruit for a post, not for cadre

*Much of this will require amending the  
Constitution of India!*

# Increasing the number of ICDS centres

- Supreme Court Order for increase in numbers is dated 29/4/2004
- Part of Common Minimum Programme June 2004
- GOI Cabinet decided to increase the AWCs by 1.88 lakh on 29/12/04

*Centres are likely to be operational only in January 2008!*

# Reasons for delay

- Budget provision for the 1.88 Lakh AWCs by respective State Governments.
- Recruitment of the CDPO and Supervisor by the State Public Service Commission of each State.
- Finalization of the actual location of the AWC within the village/hamlet/locality
- Recruitment of the AW Worker and Helper
- Pre- induction Training for the AWW and the Helpers
- Survey of Area under Anganwadi, mobilization and creation of awareness.
- Provision of Food and other Kits to the AWCs
- Operationalisation of Anganwadis

*Earliest one could expect is Jan 2008!*

## How to minimise delay?

Rather than do activities sequentially, we should do them in a parallel fashion. States can complete several steps (recruitment, selection of villages and sites, advance budget provision) simultaneously rather than do one activity at a time.

# NGOs

- Give bulk grants to funding organisations, such as NFI, ICEF, Dev Alternatives, who will support grassroots organisations
- Strengthen Public-Civil Society Partnership
- Grade NGOs & prepare a district-wise list of suitable NGOs
- Reduce controls, such as FCRA
- Revive bilateral aid
- Re-examine September 2003 Guidelines

*Wind up CAPART*

# Corruption

- De-regulate, e.g. EC Act, urban informal sector
- Simplify laws and procedures, e.g. law relating to fragmentation of holdings
- Use of information technology – multiple application forms reduced to one telephone call
- Audit and procurement reforms
- Pass the Corrupt Public Servants (Forfeiture of Property) Act
- Vigilance Commissions to be under Lok Ayukta
- Suspension & prosecution to be a semi-judicial process
- Publicity about the rights of consumers & time limit targets for response

# To sum up,

- Link financial devolution with performance
- Increase accountability and transparency
- Shift focus from input controls to monitoring of outcomes
- Use IT for Good Governance
- Strengthen public-private partnership
- Reduce controls on NGO funding (bilateral aid)
- Procedural & budgetary reforms
- Social audit & Citizens' Charter

***Don't wait for the Commission's Report –  
JUST ACT***

**Thank you**