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Distance Learning Programme

UPSC Mains

Polity & Governance-II





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POLITY & GOVERNANCE-II


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Governance, Transparency & Accountability

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Chapter

Governance

Good Governance

The idea of good governance is as old as Indian civilization. 'Raj Dharma' was the supreme code of conduct or the rule of law that governed all the actions of the ruler. This description of good governance is found in ancient Indian scriptures such as the Mahabharata, Shukracharyas's Nitisar, Panini's Ashtadhyayi, Valmiki's Ramayana and especially in Kautilya's Arthashastra.

However, while the traditional view of governance was that a good government must preserve the rule of law, engage in physical and social infrastructure development, provide an enabling environment for growth and ensure civil and political freedoms; today, accountability, transparency, inclusiveness, equitability, sustainable development etc. have become the key ingredients of 'good governance'.

The Twelfth Five Year Plan (2012-2017) defines good governance as an essential element of any well-functioning society. It defines good governance as 'the public administration process that maximizes public interest'.

Concept of Good Governance

The concept of good governance can be explained in different ways. It is not just the exercise of authority in managing the sources of a country, but about making sure that this exercise of power helps to improve the quality of life enjoyed by the citizens of the country. It is the exercise of legitimate political power; and formulation and implementation of policies and programmes in a participative manner of governing that function in a responsible, accountable, and transparent manner for the purpose of promoting the rights of individual citizens and the public interest. Good governance is the governance that is equitable, transparent, non-discriminatory, socially sensitive, participatory, and above all accountable to the people at large.

The concept of good governance centres on the responsibility of governments and governing bodies to meet the needs of the masses as opposed to select groups in society. It seeks to secure justice, empowerment, employment and efficient delivery of services to all and ensures effective use of resources and delivery of services to citizens and also provides social legitimacy to the system. One of its essential features is that it is a kind of collaborative management of public life performed by both the State and the citizens and a new relationship between political State and civil society.

Characteristics of Good Governance

The main characteristics which measure good governance are:

- **Participation:** A central feature of good governance is that the general public should have a voice in decision-making, either directly or through legitimate intermediate

institutions that represent their interests. Such broad participation is built on constitutionally protected right to elect government at various levels, freedom of association and speech, as well as capacities to participate constructively. This is a basic requirement for the legitimacy of the government and its responsibility to the electorate.

- **Rule of Law:** An overarching requirement of good governance is that the rule of law must be firmly established. Legal frameworks should be fair and enforced impartially. If legal rights are clear and legal remedies for enforcing fundamental rights are swift, the interactions among government and individuals as well as government and private entities can be efficiently performed.
- **Transparency:** Transparency is built on the free flow of information. All citizens shall be entitled to the information on State policies that relate to their own interests, including legislative activities, policy-making, legal provisions, policy enforcement, administrative budget, public expenditure and other relevant political information. Transparency is also critical, both to ensure accountability, and also to enable genuine participation. The higher the degree of transparency is, the higher the level of good governance will be.
- **Accountability:** It means that administrators and administrative bodies must fulfil the functions and obligations of the positions they hold. Decision-makers in the government, the private sector and civil society organisations shall be accountable to the public, as well as to institutional stakeholders. The government at all levels must be accountable as accountability is closely related to the need of eliminating corruption, which is widely seen as a major deficiency in governance.
- **Responsiveness:** It means that public administrators and administrative bodies must respond to the demands of citizens in a timely and responsible manner. Institutions and processes shall try to serve all stakeholders, proactively solicit advice from citizens and respond to their requests without unnecessary delays.
- **Consensus Orientation:** Good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group and, where possible, on policies and procedures.
- **Equity:** Good governance aims at reducing inequalities in the society through positive discrimination in favour of the weaker and vulnerable sections as all men and women should have equal opportunities to improve or maintain their well-being.
- **Effectiveness and Efficiency:** It means that processes and institutions shall produce results that meet intended goals while making the best use of resources. The government must be effective and efficient in delivering social and economic public services such as primary education, health, sanitation along with the development of basic infrastructures like roads, bridges, power, telecom, airport, irrigation and transport, which are its primary responsibilities. This requires monitoring and attention to the design of the programmes, especially at the local level.
- **Inclusiveness:** The entire system must function in a manner which is seen to be fair and inclusive. Disadvantaged groups, especially the SCs, STs, minorities and others, must feel that they have an equal stake and should perceive an adequate flow of benefits to ensure the legitimacy of the State.

Need for Good Governance

Improving governance is a part of the development process. It is argued that corruption can be curbed by systematic changes in governance through introducing participation,

transparency, accountability and probity in the administration. The right to good governance is considered as an essential part of the citizens' rights. Accordingly, a number of initiatives have been taken by the government to incorporate citizens' concerns as inputs in the formulation of policy as well as in the quality and reliability of services. These can be brought through various tools, including the Citizen's Charters, Right to Information, e-Governance, Citizen Report Cards and Social Audits.

Reports have shown that substantially enhanced public sector outlays for education, health, water, sanitation, rural employment, etc. have not resulted in the desired outcomes. At the centre of an answer to this paradox is the issue of 'transparent and accountable governance'. Without good governance, no amount of developmental schemes can bring in improvement in the quality of life of the citizens. Poor governance generates and reinforces poverty and subverts efforts to reduce it. There is growing evidence that the fruits of economic reforms have not been equally distributed; regional and socio-cultural disparities have only increased.

Initiatives Taken for Good Governance

A number of steps have been taken for improving the quality of governance in India:

- Initiatives for Participatory Governance
 - **Citizen-centric Platforms:** Government has launched websites like mygov@nic.in and india.gov.in to promote active participation of Indian citizens in their country's governance and development. These are citizen centric platforms to empower people to connect with the Government and contribute towards good governance. It provides a common platform for Indian citizens to 'crowdsource governance ideas' where citizens can join the discussion to share, debate and adds value to various government projects and plans.
 - **Participatory Budgeting:** Participatory budgeting is the process by which citizens deliberate and negotiate over the distribution of public resources. It creates opportunities for engaging, educating and empowering citizens, which can equip and advance a more vibrant civil society. This process helps citizens to voice their opinions and decide on how to allocate part of a municipal or public budget for the betterment of their neighbourhoods. It is an opportunity in which the common citizens can decide on the allocation and distribution of public expenditure in their areas or regions.

So far only a few cities in India namely Bangalore, Mysore and Pune have experimented with participatory budgeting. In 2001, Bangalore became the first city in India to implement participatory budgeting due to efforts by a local NGO, Janaagraha.
- Initiatives for Ensuring Transparency and Accountability in Governance
 - **The Right to Information Act, 2005:** This establishes the legal right for a citizen to access the information that they want. Right to Information law not only require governments to provide information upon request, but also impose a duty on public bodies to actively disclose, disseminate and publish, as widely as possible, the information of general public interest even before it has been requested (as per section 4(1)(b) of the Act). Thus RTI is a tool through which citizens can examine, audit, review and assess the government works and decisions to ensure that these are consistent with the principles of public interest, integrity and justice. Under the Right to Information Act, public servants can also be questioned on their conduct

and, thus, it makes them accountable. Right to information therefore promotes openness, transparency and accountability in administration by making the government more open to public scrutiny.

- **Citizen's Charter Act:** Under the Right of Citizens for Time Bound Delivery of Goods and Services and Redressed of their Grievances Act, 2011 every public authority is required to publish a Citizens Charter specifies the category of goods supplied and services rendered by it, the time frame within which such goods shall be supplied or services be rendered; to establish information and facilitation centre for efficient and effective delivery of services and redressal of grievances.
 - **Social Audit:** Social audits refer to a legally mandated process where potential and existing beneficiaries evaluate the implementation of a programme by comparing official records with ground realities. These audits were first made statutory in the 2005 Rural Employment Act. The objectives of social audits include providing accurate identification of requirements; prioritization of developmental activities as per requirements; proper utilization of funds; the conformity of the developmental activity with the stated goals and; quality of service. The involvement of people in developmental activities through social audit ensures that money is spent where it is actually needed along with reduction of wastages and corruption. It promotes integrity and a sense of community among people and leads to improved standard of governance.
 - **Ombudsman:** Also called the Lokpal and the Lokayukta, it is an anti-corruption authority constituted at the national and state levels respectively. It investigates allegations of corruption and mal-administration against public servants and is tasked with speedy redressal of public grievances. The public can directly approach the Lokayukta with complaints of corruption, nepotism or any other form of mal-administration against any government official. A Lokayukta inquiries into allegations of corruption, misuse of authority and wrong doings of public functionaries, including the Chief Minister, Ministers and MLAs.
 - **e-Governance:** The National e-Governance Plan aims at electronic delivery of all public services to citizens through common service delivery outlets. It ensures greater efficiency, transparency & reliability of such services at affordable costs to realize the basic needs of the common man.
 - **AADHAAR:** It is a document that carries a 12-digit identification number provided by the Unique Identification Authority of India (UIDAI). The number acts as an evidence of address and identity of people across all parts of India. Linking their Aadhaar numbers with a host of services, including mobile SIM cards, bank accounts, the Employee Provident Fund, and a large number of welfare schemes such as Mahatma Gandhi National Rural Employment Guarantee Act, Public Distribution System, and old age pensions etc., the citizens can avail efficient delivery of public services.
- Initiatives for Efficient Public Service Delivery
- **Democratic Decentralization:** In 1992 and 1993, the 73rd and the 74th Constitutional Amendments were introduced to give a wider representative base and more powers to the institutions of local self government. A serious attempt was made to ensure regular, active and efficient working of the local bodies in the rural and urban areas, i.e., Panchayati Raj institutions and urban local bodies. Since then, the government

is constantly engaged in capacity building efforts in rural and urban local self-governing institutions through greater allocation of administrative powers and financial resources.

- **Digital India Plan:** Leveraging the power of information technology brings with it the advantage of transparency and speed for the benefit of the citizens. In this regard the Government has embarked upon a time bound Digital India Plan. The Ministry of Panchayati Raj has moved into 100% e-Office platform.
- **Sevottam:** It is an administrative measure to improve the quality of public services in India. The term 'Sevottam' comes from the Hindi words 'Seva' and 'Uttam' and means excellence in service delivery. The citizen-centric approach includes the following components:
 - ◆ **Citizen Charter and Service Standards:** Citizen Charter is the document where a public sector organization declares its key services along with delivery timelines and requirements.
 - ◆ **Public Grievances:** This includes the receipt, redressal and prevention of grievances.
 - ◆ **Service Delivery Enablers:** This includes customer feedback, employee motivation and infrastructure development.
- **Direct Benefit Transfer:** It aims at 100% direct cash transfer to facilitate disbursements of government entitlements. Under this program, subsidies are directly transferred to the people through their bank accounts. Launched in January 2013, this scheme leverages the JAM (Jan Dhan, Aadhaar and Mobile) trinity to usher in greater transparency and improve targeting, eliminate wastage, reduce delays and enhance efficiency.
- **Minimum Government, Maximum Governance:** With a focus on a citizen friendly and accountable administration, the government has initiated a series of steps aimed at reduction in time and effort on the part of both the citizen as well as the officials in many government offices. These include:
 - ◆ Simplification of procedures, and rationalization of the existing rules and introduction of information technology to make governance more efficient and effective.
 - ◆ Identification and repeal of obsolete/archaic laws/rules.
 - ◆ Identification and shortening of various forms, and allowing self-attestation of certificates.
 - ◆ Leveraging technology to bring in transparency in the public interface with a robust public grievance redress system.
 - ◆ Doing away with the practice of submitting affidavits for small level executives jobs in the government sector.
- Initiatives Aimed at Achieving Equity and Inclusive Governance
 - **Right to Work:** In 2005, the National Rural Employment Guarantee Act (NREGA) was enacted for implementing the provision of Right to Work. It is the largest social welfare scheme of its kind in the world that guarantees 100 days of unskilled work to every rural household whose adult members volunteer to do the work. It is an excellent example of the importance of critical linkages between governance and development.

- **Right to Education Act:** Illiteracy is the major hurdle in the way of good governance. The 86th Constitutional Amendment Act of 2002 popularly known as RTE made free and compulsory education a fundamental right for all children in the age group of 6-14 years, along with a provision for reservation of 25 per cent seats in the unaided private schools for the underprivileged students. Besides, the RTE has been made justifiable.
- **Right to Food Act:** The enactment of the National Food Security Act, 2013 for wiping out hunger and malnutrition from the country, is another step to establish good governance in India. It provides a large majority of its people, the deprived and the disadvantaged, a legal right to demand food from the state. It provides for food subsidy to two-thirds of the population and enables them to satisfy their basic needs of food.
- **National Health Mission:** It is another initiative undertaken with aim at increasing public spending on health, and promoting equity, efficiency, quality and accountability in the public health system. Under it the submissions, the National Rural Health Mission (NRHM) 2005, and National Urban Health Mission (NUHM) 2013 were launched to provide effective rural and urban health care respectively.
- **Ayushman Bharat:** It is a National Health Protection Scheme, which will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. It will subsume the on-going centrally sponsored schemes - Rashtriya Swasthya Bima Yojana (RSBY) and the Senior Citizen Health Insurance Scheme (SCHIS).

Social Audit in India

- Social audit in India has been at the core of implementing transparency and accountability in the governing process. From the village based Jan Sunwayis (public hearing) in Rajasthan during mid 1990s to institutionalized form of social audit, what we call today as Right to Information (RTI), we have come a long way in ensuring transparency and accountability. In this regard, Andhra Pradesh (now Andhra Pradesh and Telanagana) has been the pioneering state in implementing regular social audits on NREGA since 2008 and recently, in 2017, Meghalya has become the first state to bring the social audit law. Although we see some progress, but the pace is really slow. The detailed guidelines formulated by CAG in regards to social audit are yet to be implemented. Where ever social audit has been in practice it has been marred with certain shortcomings like: opposition from political parties, lack of an independent agency to investigate and act on social audit findings, need for a strong law etc.
- Even with these shortcomings, social audit can be useful in a number of ways. Apart from bringing transparency and accountability, officials can use real time information generated from social audits to redesign the delivery of public goods and services and thus enhancing the efficacy of governance.
- The CAG has recently drawn our attention to the importance of having Supreme Audit Institution to partner with civil society organisations to ensure the latter's participation in service delivery and public accountability. Even the Supreme Court has ordered, through its recent judgements, that CAG formulated Social Audit Standards be applied to set up a truly independent State-supported State Social Audit Units.

Transparency

The term ‘transparency’ refers to the ‘increased flow of timely and reliable information, which is accessible to all the relevant stakeholders’. In other words, transparency is the dissemination of regular and accurate information. It is about making decisions and actions visible and about sharing and disclosing the necessary information to the stakeholders involved.

Transparency in Governance

Transparency in governance is the idea that the people have a right to know, what their government is doing, and the government has an obligation to provide that information. It means that the criteria, process and systems of decision-making are openly known to all in a public manner. For example, the selection of beneficiaries for any government scheme such as ‘Skill India Mission’ would be based on explicitly known and publicly communicated criteria; it will also be known as to who will apply these criteria, when and how? And, what benefits would accrue to those families and individuals who fit these criteria? When will these benefits accrue, at what costs or mutual obligations?

Thus, transparency is about shedding light on rules, plans, processes and actions. It is about knowing why, how, what, and how much. It ensures that public officials, civil servants, managers, board members and businessmen act visibly and understandably, and report on their activities and it means that the general public can hold them to account. A transparent government is one that provides accurate information about itself, its operations, and the country as a whole, or permits that information to be collected and made available. It upholds the idea of non-secrecy and openness of information in administration.

Concept and Fundamentals of Transparency

Transparency is sometimes more narrowly defined as ‘the release of information which is relevant for evaluating institutions’, however, transparency includes not only making information available and accessible to stakeholders, but also that laws and regulations are administered and implemented in an impartial and predictable manner. Transparency implies a proactive effort to make information accessible to citizens. It is about publishing information and inviting people in, to use the information in creative ways.

An organization’s transparency can be measured by the ‘depth of access it allows’, the depth of knowledge about processes it is willing to reveal, and the attention to citizen response it provides. Transparency is one indicator of a government that is citizen-focused and service-oriented. The more transparent an organization is, the more it is willing to allow citizens to monitor its performance and to participate in its policy processes, the more is the transparency in governance.

Types/Forms of Transparency

There are two forms of transparency, i.e., agent controlled and non-agent controlled transparency. The release of government information by governments can be seen as a typical instance of an agent controlled transparency, while the use of that information by external factors, such as media, NGOs or citizens is non-agent controlled.

The objective of governance shall be the emphasis not only on the provision of information, but also the ability of external actors to demand and gain access to the

information not provided routinely by political and administrative institutions, i.e. both agent-controlled and non-agent controlled transparency, but importantly, non-agent controlled transparency.

Dimensions of Transparency

- **Government Openness/Access to Information:** Government openness is defined as the quantum of information that the government releases, i.e., the extent to which governments publish information electronically or makes it available otherwise, as well as the extent to which the citizens can demand and receive information not published proactively.
- **Publicity of Information:** There are principally two different types of information displays- Clear and Opaque. While, 'opaque' refers to the type of information which does not reveal how institutions actually behave in practice, in terms of how they make their decisions or the results of their actions, clear displays on the other hand refer to the access information on institutional performance, official responsibilities and flow of public money. Clear transparency, thereby sheds light on institutional behaviour, which permits individuals to exercise greater control over the delivery of services; they need to be explicit in terms of 'who does what and who gets what'.
- **Protection to Whistle-blowers:** Whistle-blowing is one of the fundamental conditions upon which disclosure of abuses of power rests. It is often defined as 'the disclosure by organization members (former or current) of illegal, immoral or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action'. Whistle-blower protection allows individuals to disclose information despite their individual connection to, and vulnerability to retaliation from those in power.

It is the government measures aimed at protecting whistleblowers from sanctions, incentives for people to do so and more proactive laws aimed at changing organizational culture, as well as providing a conducive environment for competition and press freedom that determines the nature and scope of transparency in a country.

Significance/Importance of Transparency

- **Transparency as a Tool of Good Governance:** Transparency is necessary to guarantee good governance. Information is valuable to the electorate for democratic processes to function successfully. Citizens have an interest in knowing about government actions and processes, allocation and redistribution decisions, market barriers and restrictions, tax and subsidy incidences and so on.
- **Check Against Mismanagement and Corruption:** Greater transparency may bring about lower rates of political corruption because it can facilitate legal, administrative or electoral mechanisms of punishment. Formal and informal mechanisms of transparency and accountability encourage government officials to act in the public interest. Without public access to records of governance and other information, public resources may be squandered and mismanaged.
- **Citizen Empowerment:** Access to information is critical for enabling citizens to exercise their voice, to effectively monitor and hold government to account, and to enter into informed dialogue about decisions which affect their lives. It is seen as vital for empowering all citizens, including vulnerable and excluded people, to claim their broader rights and entitlements.