CHAPTER-I

Introduction

Public administration is a discipline drawing from political science, economics, sociology, and other fields to enhance understanding of public bureaucracies and administrative behaviour. It has broad applicability to non-profit organizations, non-governmental organizations, even to the private sector. Public administration uses a combination of theory and skill development to prepare individuals to work within and work with public organizations. Public administration entails civil servants implementing a specified policy within the confines of a government executive framework. Public administrators ensure that every facet of federal, state, and local public services are offered and executed to help pave the way for the future. Some public administrators will move around to various sectors throughout their career. For instance, entry-level public administrators may begin in a non-profit organization, while others may transfer to a government branch.

Public administrators can execute a wide array of career choices in the government sector, including policy advisor, budget analyst, city manager, city planner, and executive assistant. Government Policy Analysts:

Government policy analysts are responsible for creating program policy and then evaluating its effectiveness. Policy analysts introduce pertinent decisions with data sets and hypotheses regarding the possible effects of the proposed policy. Afterward, they critique the results and then make adjustments according to need.

Social Advocates:

Social advocacy represents the commitment to address concerns of any societal group, either rights or needs based issues. Social advocacy scrutinizes any aspect of society that exploits and takes advantage of the voiceless and overlooked individuals in a community. Social advocates have good analytical skills and courage to stand against oppressive forces while questioning the status quo. Social advocates include revolutionary leaders, human rights
activists, lobbyists, community workers, environmentalists, and charity organization professionals.

This study addresses the question of political influence on the bureaucracy from the perspective of agency officials who are being pressured. This research will presents the results of a survey sent to senior government officials concerning the relative impact of policy-making institutions on bureaucratic policy making. The survey differentiated between the types of mechanisms used to influence bureaucratic policy. The bureaucracy appears to serve many masters, all of whom have some influence on policy making. In addition, exploratory analyses comparing managers in independent regulatory commissions with those in executive agencies suggest some important differences.

**Public Choice Theory:**

Public Choice Theory advocates the rolling back of the frontiers of State but promotes greater private involvement in the provision of social services and the creation of wealth. It also holds welfare democracy in high contempt based on the assumption that welfare democracy breeds corruption, inefficiency and intense rent seeking. A close look at the ingredients of this theory reveals its intricate link with those basic economic principles that motivate men in society. It testifies to the claim that politicians and bureaucrats often do not act altruistically.

It is in this context, for example, view the role of the higher civil service in ensuring the continuity and unity of the country as an indivisible sovereign entity during the civil war, as being dictated more by self interest than by patriotism. None of the senior civil servants during that period would have wanted to go back to serve in the smaller and less powerful regional services even if their absorption into it would not be a problem. If the prognosis on the inevitability of corruption, nepotism and rent seeking in welfare democracy remains valid, then the increase in the size of public service and the concomitant decline in professionalism, productivity, efficiency and increasing budget are inevitable. Justifying the Public Choice perspective in this context was Roberts conclusion that the theory Regards the existing democratic arrangements as poor predictors of citizens preferences and demands with bureaucracies tending in the long run towards abandonment of collective goals in preference for self interested goals by officials all of whom share vested interests over time.
The academic disputations on the relationship between politics and administration and by extension politicians and technocrats remain an ongoing concern. Prominent debates on this rest on two contradictory propositions viz

- That politics and administration are two distinct spheres, and
- That a rigid distinction cannot be maintained between politics (policymaking) and administration.

The first proposition is traceable to the writings of Woodrow Wilson in 1887 where he contended that administration lies outside the proper sphere of politics. In his words, it should not be suffered to manipulate its offices.

The two broad divisions of government corresponding with those specified by Woodrow Wilson are in the words of Goodnow

- The expression of the will of the state and
- The execution of the will.

The second proposition however posited that a rigid distinction could not be maintained between politics and administration. This point was put more forcefully by Chapman when he argued that “Any division of government into political and administrative activities is inadequate because the governing process is a seamless web of discretions and actions”. “Administrative questions are not political questions, although politics sets the task for administrators.”

Beyond the reconciliation of the propositions on the relationship between politics and administration, the issue of the determination of the extent to which politics should impact on administration subsists.

According to L. D. White “Public Administration consists of all those operations having for their purpose the fulfilment of public policy as declared by authority.” Both above definitions
are done from traditional viewpoint and related only to the functions and actions of Administration.

According to Simon - “By Public Administration is meant the activities of the executive branches of the national, state, & local governments.”

According to Willough - “Public Administration in broadest sense denotes the work involved in the actual conduct of governmental affairs, and in narrowest senses denotes the operations of the administrative branch only.”

According to Gullick -“Public Administration is that part of the science of administration which has to do with government and thus, concerns itself primarily with the executive branch where the work of the government is done.”

According to Waldo - “Public Administration is the art and science of management as applied to the affairs of the state.”

According to Marshall E. Dimock - “Administration is concerned with ‘what’ and ‘How’ of the government. The subject matter, the technical knowledge of afield which enables the administrator to perform his tasks. The ‘How’ is the technique of management according to which co-operative programs are carried to success?”

All above modern definitions of Public Administration emphasize the value based character of Public Administration and Public Administration as a science and art of administration.

**Public Administration Dictionary:**

A dictionary of Public Administration terms should be all-encompassing rather than regional or biased towards an approach. A dictionary should never be based on the knowledge, idiosyncrasies, preferred approaches, or lived-in academic world of the compilers, however encompassing it may be. It should be based on collective knowledge within the science, hence the term "dictionary compilers". To conclude: at this stage the dictionary of Prof Pox and
Meyer is no more than a starting-point, and only then if meticulous care is taken with further editions.

Performance measurement has been part of public sector management for at least a century. Since the arrival of the New Public Management, performance measurement has not only been widely disseminated, it has also been integrated into core functions of the public sector. At the same time, many researchers have found that public managers and politicians make little use of the information which comes out of performance measurement. Some of the contributions give us an overview of an aspect of the use of performance measurement based on existing knowledge. For example, Van Dooren identifies eight different performance movements in the twentieth century. He argues that performance measurement over time has been characterized by conceptual stability, a coexistence of management and policy oriented movements, a political context and a similar set of promoters and exporters. However, performance measurement has also changed over time through the development of technologies and analysis techniques and especially through the institutionalization, professionalization and specialization of its use. Seen over a century, performance measurement has progressively permeated the fibers of government.
**The Political Regime:**

The concept of an ethnic nation in turn means a community of people affiliated by common origin, language, religion and history. Ethnic origin, traditional values, habits and social norms, in a word – authentic culture, are the primary sources of social cohesion and basis of national awareness. Ethnic nationalism therefore lies on a nation based on ethnicity. It is focused on members of their own people (inside and outside the political community) and it is exclusive because it promotes the welfare of their members while excluding the others. In multi ethnic political communities it acts toward disintegration, promoting intolerance and inequality, and reduces the possibility of consensus. In ethnically homogeneous political communities, it is often immersed in pre-modern ethnic symbolism and forms of social organization, and acts autarchic and xenophobic. Ethnic nationalism reflects its anti-liberal dimension in insistence on ethnic identity rather than on universal citizenship as well as in emphasizing (imposing) of collective values and the nation over the interests of the individual and society as a whole.

During the last decades, the economic, political and social development has reached new levels. Regarding the academic interest presented, political researchers, economic scientists and sociologists transformed this area of research into one of the most prosperous and dynamic fields of social sciences. Despite the fact that the difference of development between the countries represents a reality, it is only recently that the scientists started to focus on the elements that are responsible for painting this reality and to properly examine them. Every economy is in fact sustained by a certain political framework, therefore it is impossible for the economic agent to be insensitive to the political structure sustaining that economy. Thus, the political regime, along with its government and taking into account its characteristics and level of efficacy, attracts repercussions over the economic framework of the country in question. The level of economic development brings information not only about the implemented political regime, but also about the rules and goals of the respective country. Therefore, looking into the causes and primary elements that lead to a favourable economic performance became a topic of major interest for the 21st century scientists. It is only recently that the existing relationship between political regime and economic performance started to be properly analysed. There are more and more studies pointing towards the failure at the level of governing as primary cause for the slow and
inequitable economic growth, as well as the defining element of the poorest countries in the world.

A short vision of a democratic regime points towards that regime in which political parties lose elections as the results of the democratic processes are uncertain and determined by the people. It is about the officials elected through secret vote, about free, fair and frequent elections, about the freedom of expression, alternative sources of information, freedom of association and universal suffrage. Thus, by democracy we can understand the type of political regime characterized by civil rights, representative institutions and public liberties. Totalitarian regimes can be fascist or communist regimes. Both types cancel or decrease the rights and liberties of citizens, annihilate opposition and political adversaries, impose an official doctrine, manipulates the public opinion through its demagogical discourse, enforce the repressive apparatus, and so on. In other words, the state interferes and annihilates the forces of society by creating new institutions subject to the unlimited control of the ruling elite, control which can be found in all fields, such as economy, education, culture, religion and even over the family. As for the authoritarian regimes, which many have evolved into dictatorships, these are characterized by the restrainment of certain rights through the excessive rationalization and the marginalization of the parliament, through the restriction of political pluralism and the concentration of the political power in the hands of one authoritarian leader. Yet there is allowed the existence of autonomous groups, more if these appeared long before the regime. Basically, the conclusion that we can draw from here is that every time we talk about a certain political regime and about its economic performance, we must take into account its particularities, and in the context of globalization, there must be included in the general picture the cultural turning or change to which many countries are subjected. In the case of non-democratic political regimes, power represents at any time a delicate topic. In most cases, the communist party takes control over the mobility of all important party members and officials’ carriers through the nomenclature system. Personnel control is based on the core of the party’s political power. Thus, on the one side, the communist ideology does not separate politics from economy, and on the other side, the communist regimes are maintained through the compensation of the right people appealing to professional promotion. The good economic performance does not necessarily describe the most loyal and important candidates for power.
Despite the fact that many political scientists associate democracy with social and economic welfare, today’s reality clearly points us that a spectacular economic performance can be obtained not necessarily by a democracy, and the best example in this case is China.

The degree of political freedom, political stability and political security represent the three major political dimensions that shape the political institutions of any political regime. Taking into account the fact that the political institutions are those that create the political environment for the economic growth and social and economic development, it must be underlined that also the institutions are the ones that condition and constrain the economic decisions of the individual to invest in consistent capital. Therefore, the decisions of the economic actor are influenced by the political conditions on the local market. As such, the economic growth, which is a function of accumulation for the consistent capital, will increase or decrease according to the three political variables: political freedom, political stability and political security.

Various studies have concluded that the lower the probability for the regime to survive or the higher the level of political instability, the lower the level of economic growth. Moreover, the more polarized the position of the parties in opposition or the higher the degree of uncertainty or security, the lower the degree of performance. Finally, the more repressive a political regime is, meaning the lower the level of political freedom, the lower the growth rate. It is important to underline that the lack of political freedom is about the impossibility of the individual to reach a certain goal, and not about the incapacity of reaching that goal as when the individual is too poor to obtain what he wants without confronting any legal interdictions. For a political regime to be firm, this has to be accepted by the society. As for the political stability, it is the form of government rather than its content. The public officials and policies are subject to change, rather they remain firm in the sense that the political institutions show a capacity of resistance without any major change of the model. The radical political changes that lead to the replacement of the political regime are those to increase the level of uncertainty when it comes to investments, the main element of performance, thus there is place for negative effects. Political security, the third major dimension, can be understood as the absence of disagreement over the public policy
between government and opposition. The uncertain policy impedes growth and investments through the increase in the retained goods and the decrease of the present investment value.

Studies in the field have shown that irrespective of the degree of political freedom, a secure and stable society is preferred instead of a stable but unsecure society or secure but unstable society. Again, none of the three variables represents a necessary or sufficient condition for the economic growth. An undemocratic regime can enjoy a favourable economic performance if this is politically stable or if it is economically efficient. On the other side, a democratic regime, which most of the times is conceived to promote growth and development, can experience an economic slowdown if it is affected by the lack of political stability and security. The life of a political regime is associated in a positive manner with the level of economic growth. The higher the economic performance of a regime, the more popular the party in power. Besides the direct and visible effects created by political freedom, political security and political stability, the indirect effects present quite a similar importance. The determinants of economic growth such as inflation, human capital, investments, income distribution, property rights, population increase, affect both the economic and social evolution of any country. Inflation, which is both an economic and a political phenomenon, brings negative effects over the private investments and therefore over the economic growth rate, and it represents a consequence of the macroeconomic uncertainty. The lower the level of political security, the higher the level of inflation. The higher the level of political stability, the lower the inflating rate. Yet there cannot be said if a democracy can bring lower rate of inflation than a nondemocratic regime. What is sure is that political instability brings a major impact over inflation, as it can come up with devastating consequences over the price stability. Investments represent another key element for the economic growth. Irrespective of the type of political regime implemented, the government has to be consistent in executing the policy. Even though we might deal with a bad policy which is going to be carried out, the investor may still find ways to make money. The really important aspect here is consistency in carrying out the policy. Besides the domestic political institutions that affect the level of savings and investments, the international factors also have to be taken into consideration. Many times the domestic environment for investments is constrained by the economic relationships between countries and by the international security. Also there must be pointed out the consequences of international economic sanctions or
international conflicts. What is certain is that the more obvious the growth is in the past, the more probable is for investors to make investments in the future. Political corruption affects as well the level of investments. Instability and economic stress bring consequences too over the level of investments by destroying the confidence that the political arrangement will remain untouched. Only a capable, stable and powerful government is able to maintain the political capacity consistent with the desired politics and the stability of political freedom and of the civil liberties. Between politics and education there is an obvious connection, as the state is the one shaping the educational system with the purpose of realizing its political agenda, and science is the one ensuring the progress of society and the improvement of the human quality of life. If democracies, through the production of human capital, manage to enlarge the formation of human capital necessary for the economic growth, for the authoritarian regimes sometimes science can harm its political control. As for the income distribution, a democratic regime has more chances to reduce income inequalities than a nondemocratic regime. For the latter, the strong minority holds the power as well as the motivations to influence the political elite when favourable politics for the income augmentation need to be adopted. The relationship between economic freedom and political freedom is important. Political freedom is an important factor, if not a condition for economic freedom. As for the economic freedom, this presents two major components, the protection of private property and the freedom of usage and exchange of the property. Two conditions are required. First, when the purchased property takes the legal and peaceful way, it is protected against the physical invasion of others, and secondly, when the individuals enjoy their freedom to use, exchange or offer their property as long as by their actions no identical rights of other are being violated. The birth rate brings also indirect effects over the economic performance of a country. In case of a stable, capable and free government, the birth rates face a decline. In order to make applicable its agenda, a country has to spend. If in the case of the democratic regimes, the political leaders are compensated or punished by the electorate by renewing or not their mandate, in the case of non-democratic regimes, while the stake is the promotion of the national good, the compensation or the punishment for the local leaders in conformity with the economic records of their jurisdictions can represent an efficient strategy to enforce the legitimacy of the political regime.
Transparency in government decision-making involves opening the government to manage the authorities by informing the people on matters of public interest, public consultation on draft laws and their right to participate actively in taking administrative decisions and in the process of elaborating normative acts. Transparency of decision “means the degree of openness for an election or a check.”

Openness and transparency in public administration serve two specific purposes. On the one hand, they protect the public interest as they reduce the risk of maladministration and corruption, and on the other hand, they are essential to protect individual rights because it provides the necessary reasons for administrative decisions, and help the parts concerned to exercise their right to appeal.

It is desirable to provide transparency of public administration, participation in decision making in an appropriate manner, of persons whose rights and interests are at stake, communication to those interested in the criteria for making decisions, reasoning required decisions etc.

Citizen Information, consultation and his stimulation to participate actively in the elaboration of normative acts projects for their preparation and before that by bringing them to public knowledge, public authorities are responsible for obligations beyond the boundaries imposed by internal rules and approaches are significant efforts to modernize public administration and rallying the administrative structures

Transparency of decisions is necessary to show even more in the local public authorities as, in accordance with the principle of subsidiary, these authorities are closest to the citizen.
Transparency of decisions is any social mechanism in a democratic society to ensure effective participation of citizens and legally recognized organizations in public life and completes the formal process of election or designation of representatives of institutions and public authorities.

Active citizen participation takes place through public debates on the project submitted to transparent procedure. The public authority is obliged to hold a public debate where a legally constituted organization or another public authority requests it in writing. Discussions should be recorded and made public through the minutes of the meeting. The final decision on the recommendations and suggestions in the consultation or public debate belongs entirely to the public authority. Law transparency of decision should not be confused with the law on access to public information. Transparency law does not give citizens the right to make final decisions on regulations that would be adopted, this belonging to government authorities who will decide whether or not to include draft regulations information and suggestions.

The achievement of the economic, financial, social, ecological etc. objectives at local level greatly depends on the level and the structure of the financial resources, on the one hand, and on the way in which the local public expenditures per destination are distributed, on the other hand. The public revenues and expenditures of the local communities are included in the local budget, which represents an important planning and management instrument of the financial activity at the administrative-territorial units, which also reflects the level of autonomy of the local administration to the central government.
Public administration is "centrally concerned with the organization of government policies and programs as well as the behavior of officials (usually non-elected) formally responsible for their conduct".

Many unelected public servants can be considered to be public administrators, including heads of city, county, regional, state and federal departments such as municipal budget directors, human resources (H.R.) administrators, city managers, census managers, state [mental health] directors, and cabinet secretaries. Public administrators are public servants working in public departments and agencies, at all levels of government.

Public administration in India plays a very important role, not only as an instrument of governance but a mechanism for social change and progress in the country. Public administration today should not only protect its citizens from internal and external damages, but take an active role in the social, political, economic and cultural development of the country.

**Public Administration- The Integral and Managerial Views of Administration**

According to some, administration is the sum total or the whole complex of activities, manual, clerical, technical, and managerial which are undertaken to realize the objective in view, i.e. the implementation of the policy or policies in a given field, while according to others administration is not the sum-total of the activities undertaken in pursuance of a purpose but just one of them concerned with management, which unites and controls the rest of them as parts of a coordinated endeavor. The above two views can be categorized regarding the nature of administration as ‘the integral’ and ‘managerial’ views respectively.

India is unique in many respects with its diverse culture, languages and many states. People of some states enjoy good prosperity, high literacy, developed infrastructure and rule of law while many are wanting in different degrees in some or all parameters although they are all under a common union government with the same financial, legal and administrative system.
In this article the author has focus on the issue of social change due to the effective public administration system in India. How a system of democratic governance can make public life meaningful and more enjoyable. The administrative system, which initially was considered as against the Rule of Law of Dicey, and how it bring vehement change in the Indian Legal and Social system. The present study will be useful for the legal system which still lacks in several respects of public life. This article may be helpful for the government systems, bureaucrats and rulers who have not been focused on the use and effectiveness of the administration agency.

Governance vs. government

Governance and government are interchangeable in the sense the process of governing, but they differ in other senses. Government often refers to the governing body itself, while governance often refers to the act of governing. So members of a government are engaged in governance.

Meanwhile, governance is often the better word for the administration of nongovernmental organizations (corporations, for example), while government works better in reference to the public administration of nations, states, municipalities, etc.

Governance is therefore a vital development issue that government can ill afford to neglect. Government effectiveness and stability, Rule of Law, Public administration, Public finance and outcomes were a few selected governance indicators taken by a study group for evaluating India’s standing amongst different countries. However subjective it could be, this assessment revealed that India compared favorably with many developing countries though it had a long way to go to attain the levels of developed countries. The plus points in our favor are India vibrant democracy, unfettered press, fearless judiciary and efficient administrative service.

In the political sciences, governance has been defined as the "conscious management of regime structures with a view to enhancing the legitimacy of the public realm". Today Governance is distinct from Government. Governance is a way to manage power and policy,
while government is an instrument to do so. Governance is seen as an alternative to conventional top-down government control, yet issues of legitimacy and accountability abound in the literature on governance.

Public Administration in India

India is a country accepted the notion of social welfare state. The complexities of modern welfare state have resulted in ever growing expansion of the functions of the state; the state today is managing almost the entire life of the community. The Constitution, supreme document of the land has emphasized the need of establishing such governance and government system which should be not only of ‘good governance’ but also of ‘Pro people good governance’. The constitution in its Part IV has laid down some of the principles which are expected to be followed by the state as fundamental in the governance of the country. These principles enunciated the ‘rights of community’, which are to be secured by the government as per its capacity. The wellbeing of the community is becoming increasingly dependent on efficient governmental management i.e. the public administration rather than on the separate efforts of individual.

There is no accepted definition of governance. There is divergence of opinion about the meaning of governance between the conservatives and the liberals, between socialists and the communists. The World Bank, for example, has sought to take a middle position be defining governance particularly as the traditions and the institutions by which authority in a country is exercised. This includes

1. The process by which governments are selected, monitored and replaced;
2. The capacity of the government to effectively formulate and implement sound policies;
   and
3. The respect of citizens and the state for the institutions that govern economic and social communications among them.
In recent years the word governance has become a very fashionable term and is being used in a variety of ways and that covers a large number of organizations both in public and private domains.

Public administration is a great stabilizing force in society. Governments often change, but administration seldom experiences violent change. It provides an element of continuity between the old and the new orders.

Challenges

No theory of governance could be intelligible unless it is seen in the context of its time. India's democratic experience of the past six decades has clearly established that good governance must aim at expansion of social opportunities and removal of poverty. Good governance, according to the author, means securing justice, empowerment, employment and efficient delivery of services.

However having several benefits one cannot overlook the problems and challenges that are facing by the Indian administrative agencies. Criminalization of politics and corruption are two major challenges that are faced by the Indian administration. Along with this there are several areas of concern that need to be addressed energetically and calls for synergy of efforts between government, the market and the civil society.

Administration as a mechanism for social change

Though there are several defects in working and manner of exercising of decision making, law making etc. power of administration we cannot deny the significance of the administrative wing. The individual in the society is concerned with public administration at every turn of his life from the cradle to grave.

Indeed, public administration begins to interest itself in an individual even before he is born, in the shape of pre-natal care of the expectant mother, and continues till after his death, e.g.
recording his death in the official papers, proving his will, taking care of his property etc. when the child is a few years old, he goes to one of the state schools for his education. After education he enters in to profession, businesses which are subject to public regulation and control of one type or of another. We are all concerned with public administration as the payers of taxes and consumers of the various goods and services it provides.

Social Change Defined

Social change refers to any significant alteration over time in behavior patterns and cultural values and norms. By “significant” alteration, sociologists mean changes yielding profound social consequences. Examples of significant social changes having long-term effects include the industrial revolution, the abolition of slavery, and the feminist movement.

SOCIAL CHANGE-

1. The structural transformation of political, social and economic systems and institutions to create a more equitable and just society.
2. Proponents target the underlying causes of critical social problems, such as homelessness, discrimination and poverty.
3. While a variety of organizing and advocacy methods are utilized, social change organizations are characterized by activism, cooperation, persistence, and dedication of their members. (Example: An association of people with developmental disabilities working collectively to address issues of discrimination by empowering its members to advocate for themselves and collectively challenging service providers, government agencies and other institutions to ensure equal access and rights for ALL developmentally disabled people.)

Public administration is a great stabilizing force in society. Governments often change, but administration seldom experiences violent changes. It provides an element of continuity between the old and the new orders. Public administration is not only a preserver of the civilized life as we know it today. But it is also the great instrument of social change and improvement.
In India, the modern democracy has brought in the conception of the welfare state resulting in ever-increasing demands on public administration for more and more services. This inevitably means more of administration than before. In welfare state, the government has undertaken stupendous task of leveling down the economic inequalities, building up a socialist pattern of society free from poverty and starvation, spreading education among all, abolishing untouchability, securing of equality of status, rights and opportunities for women and effecting as all round economic and social development. The burden of carrying out these tremendous social changes in a planned and orderly way rests upon the public administration of the country. If public fails in these tasks, the dreadful alternative is violent revolution.

E-Governance-

E-Governance (Electronic Governance) is the application of information and Communication Technologies (ICTs) to the processes of government functioning to accomplish simple, accountable, speedy, responsive and transparent governance. It is transforming the existing government. It integrates people, processes, information and technology for meeting goals of the government.

The aspects of public administration which are highly affected by E-Governance are the delivery of services, decision-making, knowledge management, communication, human resources and financial management and regulations.

The Government of India recognized that the objective of achieving E-governance goes far beyond mere computerization of standalone back office operations. It means fundamentally change how the government operates and this implies a new set of responsibilities for the Executive, Legislature wings and the citizenry. Government departments having maximum interaction with the public were identified for use of IT. Some of these are: electricity, water, rural services, sanitation etc. A new group-Electronic Governance Group-exists in the Department of Information and Technology, Govt. of India, in order to accelerate the usage of information technology in all spheres of governance.
Right to Information

The growth of democracy and bureaucracy went side by side. As democracy spread, the bureaucracy enlarged its functions and the state became more powerful than before. Therefore the need was felt for making the bureaucracy accountable to the people. Enforcing the accountability of state is based on a fundamental democratic right to know.

The Right to Information Act was passed by the Indian Parliament, which came into force in Oct. 2005. The object of the Act is to ensure that all citizens are able to seek information which is under the control of any public authority. The idea is to give transparency, accountability and openness in government administration.

In India democracy is at the center of governance architecture. It creates opportunities, sustains leadership and generates hope. Good governance being central to the Indian democratic experience could be seen more clearly when we look at what is happening in our part of the world. The major shifts in the national value system made impact both on the nitty and gritty of administration as well as the intellectual buildup of the civil service, the police and the judiciary. This is not the occasion to analyze how it came in the way of India’s successes and failures in the social, economic and political domains, but whenever there is a major shift in political discourse governance gets affected both in its content and emphasis.

The major challenge is to put in place institutional arrangements for service delivery that are workable in a particular district or a region and are made to function in a manner that are intelligible to the local people and that also encourages them to participate. Such institutions would be responsive to the citizenry and reasonably efficient in the delivery of public services.

The concept and practice of good governance in a country demands that there should be constructive mechanisms and procedures that will enable the three principal actors – government, market and civil society – to play in concert and to supplement each other’s capability.
The working of all governments at the Centre and in the States has clearly revealed the existence of powerful interest groups who have a strong vested interest in preserving the status quo. This comes in the way of government becoming the effective agent of change and guarantor of social justice. The entrenched power group always resists attempts to alter the status quo and that too in favor of disadvantaged and poor. The poor are largely unorganized and cannot be mobilized easily because of their large numbers. The leadership at various levels placed in the task of striking a balance between the demands of the powerful interest groups and voiceless poor have rarely gone against the powerful.

Women are key to good governance. Their increasing representation in democratic institutions have provided stability to Indian polity. Women can bring constructive, creative and sustainable solutions to the table. Women participation in economic programs needs to be augmented for in women we get expendable providers, educators, caretakers and leaders.

Scholars as well as administrators agree that participation of civil society in decision-making, public sector capacity building and rule of law are essential for quality and timely delivery of services.

It is being widely appreciated that good governance is dependent not merely upon good policy advises but more importantly on the processes and incentives to design and implement good policies themselves. Dysfunctional and ineffective public institutions are increasingly seen to be at the heart of the economic development challenge. Misguided resource allocations, excessive government interventions, and widespread corruption have helped in perpetuation of poverty. The weak institutions of governance make an adverse impact on service delivery.

**Impact of Political Stability on Public Administration & Economics:**

Political Instability in one form or the other has been a recurring phenomenon in the history of mankind and its occurrence has been coincided with the rise and fall of political systems/regimes. Political thinkers from the ancient period onwards have repeatedly addressed themselves to the puzzling problem of political instability, its causes, characteristics,
consequences and cures. Changing notion about the state, new forms of government, new conceptions about the relationship between the state and the individual, growing concern for indisciplinary and free society— all these and many other political experiments have been the outcome of this continuing search for perfect and durable form of the government. As this ideal of perfect form has not been found so far, no government can be totally immune to instability. But the search for the “will-o-the-wisp” cannot be given up. The nature and pattern of the political instability have changed significantly due to an unprecedented historical acceleration, process of modernization and development in technology and communication in the last one hundred years. Both old and new states have experienced massive dis-order, violent changes, and sometimes experienced even total breakdown of the political system. For instance, since World War- I, Greece has seen fifty political parties, several general elections, more than three dozen government, many successful coups, fall of the constitutional monarchy, three referenda and numerous political riots, etc.

The term stability is synonymous with endurance equilibrium, viability and durability. In politics it refers to a situation of endurance of a political system. The equilibrium is a resultant condition of the political system in the wake of social-economic cultural changes to maintain viability of the regime and durability of the government or administration. The stability usually refers to a broader concept than the literal meaning of the word: the system’s capacity to survive intact, which depends upon its capacity to deal effectively with the problems confronting it and to adjust flexibly to changing circumstances. While explaining the political stability it is difficult to adjust the flexibly to changing circumstances. Both the quality and stability of the government have long been and will continue to be the ultimate foci of the comparative research. The quality of the government has undergone different forms, but the paramount concerns have been the rights of the individuals and the establishment of governments which are both faithfully representative and strictly accountable to the citizens. Further, if one takes effectiveness of the government as another criteria, then it must be explained in terms of decision making, however measurement of the decision-making is not the measurement of effective government. The measurement of effectiveness requires a knowledge of the quality of the government. There is a difficulty in this requirement being met, because the socialist would
consider the government effective when it did a great deal and a liberal when a government did very little of limited.

The proper use of the terms political stability may then be the extent of the effectiveness in maintaining endurance of the political system, viability of the political regime and durability of its government. The viability of the regime and durability of the government depends on the degree to which political system possesses following three interconnected characteristics. First, the government must have an effective support of social groups and forces in the country and these groups and forces should be loyal to the regime. Second, the regime must be the dominant focus of the citizens loyalty in the state. Third, the political system must possess an effective decision making unit, i.e. government or administration which can significantly execute rewards and punishment. The efficiency of government performance then affects the first two factors.

Further these three components of political stability i.e. society, regime and government are inter related and the extent of political stability depends on all three. Variation in any one area will affect the other two. The first, component of the political stability is the social stability, which means demands of the society are processed in an orderly and peaceful manner. The use of the violence to further political ends is not justified against the norms associated with democratic polity. There will always be minor use of violence in every political system and amount of violence that system can observe will depend on the political culture that particular country. Societal instability refers to a situation where illegal violence is resorted in an attempt to make illegal changes in the political system or regime or government and its personnel. The most extreme form of systemic instability of course results in civil war or revolution which sometimes is referred to wholesale unrest under rubic of social change.

The second component is stable regime or form of government which means lasting, durable constitution and constitutional structures and a tendency to persist even under strain and stress.

The third component of the political stability is stable government and administration which remains in office for a specific period of time as provided in the constitution and changes
in the government are made in a prescribed legal fashion. The membership of the decision making machinery must be sufficiently constant to allow enough time to execute the rational decisions to maintain legitimacy of the regime and to keep control over the different social forces in the society. Instability would refer to a condition where government or administration and their personnel change so frequently that they cannot allocate resources, execute decision and grant reward in the society. The rapid turnover of the cabinets prevent the governments from performing adequately.

A normal meaning of political stability ought to include some kind of capacity for changes that stability allows for adoptiveness in the face of changing conditions. While changes are must in every political system regime and government- they should not be able to break down the equilibrium nor to destroy the relationship between them. A stable democratic system is one which allows politico-socio-economic changes and adopt in such a way as to maintain its regime, its government and its personnel avoiding too much occurrence of violence in the society. All societies including those which are advanced and developed have within them have a certain amount of violence and instability. However, the degree of violence depends on the society capacity to absorb it. The establishment of democratic regimes stable government, maintenance of internal peace, harmony among different sections of the society and development are the targets but they are hard to achieve.

The nature and pattern of political instability has changed significantly due to an unprecedented historical acceleration; process of modernization; scientific and technological revolution in the last one hundred years. Both old and new states have experienced violent changes and even break down of their political systems. In newly emerged states political instability has been the recurrent feature of their landscape. Even advanced societies have not been free from massive disorder and violence.

Frequent changes of the political systems, irregular transfers of leadership, violent political riots and consequent instability of the governments have given rise to scholarly interest. In India, ever since independence, extremism, terrorism and violence has been there in almost all parts of the country in the name of caste, creed, language, region and religion. But for the
transformation of socio-economic and political system ballot has been preferred in place of the bullet. Democratic experience in India has established holding of elections as fundamental principle of peaceful and orderly change of governments brought about by the means of massive mobilization and participation of the masses. A clear distinction has been made between the violence as a mode of pressure tactics to get certain demands accepted and use of violence as a means of transformation of political system or regime. India’s political stability contrasts sharply with that of most Third World Nations.

The second approach to political stability is to equate it with government administration longevity. A country is deemed to be politically more stable than other, if it has a government / administration with remains in office, on an average for a longer period of time. According to this approach, longevity of the government is intimately connected with one-party majority support it enjoys in the legislature, on the other hand, the presence of heterogeneous groups in the legislature is likely to cause governmental instability. The stability index is presented as the average number of years of the chief executive remains in office.

In India, the founding fathers of the Constitution deliberately chose the parliamentary form of the government. Moving the draft constitution in the constituent assembly on 4th November 1948, Dr. B. R. Ambedkar dealt with the question of stability under the parliamentary and the non-parliamentary systems. He contended that a democratic executive must satisfy two conditions :-

1. it must be stable
2. and responsible

Unfortunately, he said, a system which could satisfy both the conditions in an equal degree had been devised till them. The question of stability of the government was again raised by K. T. Shah, when the Constituent Assembly was discussing the draft constitution. He wanted the presidential system of government designed on the American Pattern because he thought that the parliamentary system of government, which has proneness to instability, would not be suitable for India. But the majority of the members did not agree with him and preferred the
parliamentary system, knowing fully well that there was a possibility or a risk of instability involved in their choice.

The third approach to the political instability centres around to have been uprooted, subverted and superseded by various types of authoritarian, dictatorial, monarchical, feudal or military forms. Conspicuously, India is the only democratic country which has resisted the structural changes within its democratic framework over the years. Indian experiment in establishing parliamentary government and maintaining democratic institutions, in peaceful socio-economic change, in modernising the traditional society, in nation building and in leading the third world has been a unique feature in the Non-Western World.

The frequent rise and fall of the government are prejudicial to the interest of the common man; nor can the interest of different groups be adequately served in an uncertain political situation. The transient governments have little time to initiate and pass legislation, must less to supervise its effective implementation. Even when changes in the government amount to minor variations in its composition on an ideological or factional issue, the intrigues surrounding the cabinet alterations, it can destroy the momentum and authority of executive actions. Consequently the fate of the government remain uncertain, the public policy remains fluid and unpredictable. Frequent changes in government also destabilise economy, paralyse administration, cripple law and order machinery, generate a feeling of apathy and alienation among the people about the system, ultimately resulting in anomic behaviour.

The most fundamental source of political instability in parliamentary system is the existence of consensus; viz a tacit agreement between the government and the governed as well as among groups within the governed, the broad goals of society within a given time context and the means to achieve them. The society goal can be either the maintenance of status quo, or the restoration of status quo ante or the pursuit of a new social order. It goes without saying that when any of these goals is officially adopted and pursued by the regime it encounters opposition of one kind or the other. Consensus does not and need not signify unanimity. Existence of consensus only means that there is an adequately broad harmony in society allowing the mutually accepted and regular process of government, and that opposition to a goal or a policy
can be effectively restrained or integrated into the consensus through accommodation and compromise without disrupting the normal process of the government. To state the same idea somewhat differently consensus exists because the government is both responsive and responsible to the governed and because the governed have an implicit trust in the probity of the government. The government does not pursue the goal that the governed are not willing or cannot be induced to accept, and there us a perceptible identity of interest between the government and the governed. A society based on consensus is not necessarily a democratic republic; consensus can exist in a monarchy, in an aristocratic policy or even in an authoritarian state if there is this fundamental mutual harmony between the rules and the ruled.

Responsiveness and responsibility of the government to the governed are also relevant to the problem of means for the attainment of a goal. Every governmental decision concerning the means for the pursuit of a goal affects some group or groups directly and perceptibility. Conflicts arise and social harmony and common good are threatened by cleavages along religious, caste, linguistic, religion and economic lines. Tensions are generated and sustained by the prevailing inequality in the distribution of political resources and political goods. In conditions of scarcity and deprivation, social economic conflicts tends to acquire the form of political conflicts. Under such conditions governmental institutions become important both for the haves and have-nots, through these institutions, the former seek to preserve their privileges and the later try to overcome their deprivation.

The consensus in a developing country collapses when the system fails to deliver the goods expected of it, especially after the people have waited too long. As the patience of the people begin to wear thin, it tends to generate, what some political scientists have called, pressure from below. This is a healthy development and can come about only in a free electoral democracy, but it also tends to shake things up, culminating in disorder and instability and not necessarily in a revolution which provides an alternative framework for stability. This makes it all the more difficult for the government to deliver whatever little it could in a normal situation.

The conflicts replace consensus and the new generation leadership finds it difficult to keep their image intact. They often resort to populism and gimmickry to refurbish their image.
The entire political thinking instead of being based on a firm commitment developmental programmes and ideology revolves round personalities parochialism and other peripheral issues. Such an atmosphere further generates social tension which are intensified by the multi-regional, multi-religious multilingual and multiracial nature of the societies in many newly independent countries.

Political Risk Analysis involves the study of these and other external sources of risks, and to evaluate their likely impact on specific businesses and projects. The purpose of Political Risk Analysis is to identify, analyse and predict major risks before actual investment or commitment, and to offer risk-minimization strategies and options. Political Risk Analysis provides senior company executives with a comprehensive set of determinants -- political, economic, cultural or market related -- that may influence their business, both in the short and long term, and gives them an advance look at how existing trends will likely interplay and result in positive or negative outcomes.

The political stability of the political environment of India differs in what type of perspective you look at it. At the moment it is at the middle, so it could end up collapsing or prospering, depending on how the government and people may evolve later on. One perspective is that the India government is generally stable. Although corruption runs deep within the government and there is a stark diversity of politics, the government is generally stable, the government is no threat at current or in the near future to collapse. Another perspective however says that although the government may be faring well at the moment, the numerous political divisions in the government, a country even more diverse than America, and surrounded all by hostile neighbours, half them, which are at war with India at the moment, will eventually bring the Indian Government down. Evidence of India's not too far collapse include all of Eastern India over Two-third of India’s Population, which is rules by hostile communist regimes whom have in many times in the past threatened to secede from the Union, and sometimes by force, and major tri-country struggle over the States of Jammu & Kashmir between India, Pakistan & China. In addition, many people in the south still resent and fear the Federal Government which is dominated by the Northern Indians who are ethnically diverse from them, because they feel
they are imposing Northern Indian Culture on them. The unity of India is so questionable, that it is difficult to even define India as a Confederation. Corruption, Diversity, War and Radicalism will eventually cause The Indian government to collapse.

If there is one thing that business leaders and entrepreneurs hate that is instability in the macro environment. Businesses operate according to forecasts and scenarios about the future that comprise surprises as well as certainties. However, as much as businesses factor in uncertainty, the one thing that wants to avoid at all costs is the instability in the macro environment that results from political gridlock, extremism, and political dysfunction. This is the reason why many emerging markets in Asia and Africa either attract or repel foreign investors. For instance, until recently, African countries were shunned because of the civil war like situation there whereas some Asian countries were similarly avoided by businesses because of the political uncertainty due to frequent regime changes and even coups. As the case of India and China, which we shall discuss in detail in the next section, illustrate, businesses flock to regions and states where there is political stability. Further, businesses like to operate in an environment that is not marred by frequent strikes, social unrest, and chaos as their operations would be hit adversely due to these factors.

Turning to the contrasting examples of China and India, the former attracts foreign capital and businesses, as the country is relatively stable politically and socially. Though there are sporadic instances of social unrest that recur in some volatile regions and provinces of the country, on the whole, the country is attractive to foreign businesses. Indeed, the attractiveness is so intense that different regions of the country compete and vie with each other for businesses to set up their operations there. In contrast, India is in the recent past fallen out of favour with businesses that prefer doing business elsewhere and taking their investments to countries that offer political stability. Further, the case of India also resembles China in so far as the competition for businesses to setup their operations is concerned. Indeed, some states in India offer more stability than the others as well as continuity of policies. The last point is very important as more than anything else; businesses prefer the policies that were followed during a governments tenure to be continued even when there is a change of government. In other words,
India and the states where the incoming government changes the policies are certainly not acceptable to the investors who take their projects elsewhere.

Growing political instability leading up to the general elections next year is the top most concern for India Inc. Along with this, energy prices due to disturbances in the Middle East, economic recovery in Europe and corporate probity are also among their top concerns, a survey of by the CFA Institute has found.

"India heads into a general election next year so that is likely why concerns over domestic political instability feature so prominently," Navneet Munot, a board member of IAIP, a member society of CFA Institute, said. "Our interest in Europe's recovery and the impact of unrest in the Middle East on energy prices also reflect how our economy is intrinsically linked to developments in these two regions," Munot said.

The survey found that eight out of ten members surveyed in India feel that political instability is a major concern, while nearly everyone feels that rising crude oil prices will have a negative impact on India and six out of ten people feel lack of ethical culture within financial firms as the main factor causing the current lack of trust in the finance industry. Respondents in India say that to improve investor trust and confidence, the top two actions firms need to undertake are an improved culture established and encouraged by the top management and adherence to ethical codes and standards.

Economic growth and Democracy are two terms that have often been heard used in the same context by public commentators, politicians, and popular media. Thus we are often faced with the question of whether the theory that democracy fosters economic growth is simply the wishful thinking of people who value both democracy and growth. The importance of looking at this question in greater detail lies in the fact that it is a key policy question for many international aid institutions such as the IMF and World Bank. This issue is particularly important to many developing countries due to the fact that one of the most important preconditions towards obtaining aid from these institutions is political liberalization.
In many developing countries political liberalization can lead to economic policies that are detrimental to economic growth. As an example, countries that have a greater level of political freedom may not implement policies such as trade liberalization that could have a beneficial effect on growth. This can be illustrated by examining the situation that South Korea faced during the late 1980's when its government tried to move towards not only greater political freedom but also economic freedom. Thus with democratization in full swing, Korean interest groups, such as the farmers, agitated against free market policies, such as import liberalization, preventing the existing government from implementing free market policies.

**Corruption and Public Administration:-**

Corruption is today recognized as one of the world’s greatest challenges. Corruption undermines political, social and economic stability and no country, whether rich or poor, is today immune from corruption. Corruption undermines sustainable development, impedes economic growth, threatens good governance and has a devastating effect on the democratic process. Corruption in the public sector undermines people’s confidence in public institutions, increases the cost of public transactions and hampers the efficiency of public services. In public finances, corruption reduces tax revenues and makes public expenditure revenues ineffective for promoting economic development and achieving social objectives. All this makes it imperative for the public sector to take appropriate measures and adopt effective strategies to prevent and combat corruption within the public administration and increase transparency. Corruption has today become a global problem affecting all countries and therefore it requires a global response. Various initiatives have therefore been taken at both international and national level to help countries effectively fight corruption.

The key role of governance and anti-corruption as influencing factors has been recognized and is increasingly prioritized in the Millennium Development Goals (MDGs) and post-2015 global development agenda. However, in spite of the progress made towards modernizing the public sector in both the developed and the developing countries, corruption remains, due to its complexity, vitality and pervasiveness, a major challenge that slows down the economic development and impedes the achievement of MDGs.
Traditionally attempts to understand the causes of corruption focused on the individual perpetrator. Corrupt public officials were designated “bad apples” and the only motivations ascribed to them either “need or greed”. Bad apple theories rely on assumptions about an individual perpetrator’s “character” and are less popular than they once were. Analyses of perpetrators and their motivations have produced more sophisticated taxonomies. One from the regulation literature that classifies perpetrators as amoral calculators, political citizens, organizationally incompetent or irrational non-compliers while another analysis of police corruption labelled perpetrators “grass eating” and “meat eating”.

The famous formula for corruption that combines three “ingredients” of corruption “monopoly + discretion – accountability” needed for an individual to act corruptly is an economic analysis of corruption. Monopoly here refers to the “availability of rents” such as trade restrictions, industrial policies and the presence of scarce natural resources which allow public officials to exercise discretion and demand personal benefits. Together these ingredients describe a situation that provides an opportunity for corruption. The ingredient missing from the formula is why an individual would exploit this opportunity. Instead it assumes that the public official is a rational actor weighing up the benefits to be gained from a corrupt act against the likelihood and consequences of getting caught. The possible motivation for doing so is not apparent. Individual motivation is more apparent in another approach that suggests that the combination of drivers for corruption varies in each context and might include:

- a rational official
- the potential for “off-budget” distribution by politicians
- weak institutions
- low salaries
- low social acceptance of emergent rights.

The role of low salaries as an incentive for corruption has been both assumed and disputed and low pay is clearly not the only incentive for a public official to act corruptly. The “human” factors go well beyond the chance of financial reward. A well-paid public sector manager will have different personal pressures than a counter clerk or a politician but may be equally susceptible to corruption. There are also incentives for those on the non-government or
“supply” side of a corrupt transaction that can arise from a perceived need to, either pay for benefits, such as licenses or public housing, or to pay to avoid costs such as tax or a regulatory penalty or to level a perceived unfair procurement process. But, just as not everyone who is lowly paid engages in corruption, not everyone who is obliged to pay tax or a fine resorts to bribery.

Theories that characterize potential perpetrators in the organizational context can be particularly relevant to corruption in public administration. Some countenance the possibility that individuals may act corruptly for reasons that go beyond “need and greed”. Employees might act contrary to rules as a result of simple opportunistic non-compliance or principled non-compliance. Non-compliance can even result from ignorance about rules or ignorance about whether a rule applies to them. One study based on perpetrator interviews produced nine propositions about the process of “becoming corrupt”.

1. Next to material gain the most important motives for officials to become corrupt are friendship or love, status and making an impression on colleagues and friends.
2. Officials “slide down” toward corruption; most processes of becoming corrupt can be considered a slippery slope.
3. Often corrupt officials have dominant and strong personalities, know how to “get things done”, take or get the freedom to do thinks independently, and overstep formal boundaries of authority.
4. More business type public officials bring the risk of more corruption.
5. In most corruption cases, supervision of the corrupt official is not strong.
6. In most corruption cases, management has not promoted a clear integrity policy.
7. Because of loyalty and solidarity, colleagues are hesitant to report suspicions of others corrupt activities.
8. The relationship between briber and the official is most often enduring.
9. Corrupt officials including those who operate outside so-called corrupt networks, do not limit their corruption to one incident.

It is clear that people who engage in corruption do not act in a vacuum. The contexts in which they operate carry varying opportunities and potential incentives for corrupt conduct. The
context of almost all public sector corruption is an organisation of some kind – usually a public authority or agency. Inside each public agency, the nature of the work they do, the way they are structured, the processes they use and the way they reward their staff can all contribute to the risk of corruption. Cultures exert a powerful influence on behaviour and exist in communities of all kinds and large public institutions commonly display subcultures and countercultures in their various subdivisions and outposts. An agency policies, procedures and operating norms and the quality of management can all affect employee behaviour by contributing to the ethical climate or culture of an organisation. Operating norms and practices can be systemic like “workarounds” that depart from proper process and leave an agency exposed to corruption by creating an opportunity for a motivated individual. Some norms and practices become the kind of “under the radar behaviour” such as withholding effort or shirking that might constitute quiet corruption, or invisible risks in the workplace. In the language of fraud detection they can be ‘red flags’ that indicate a larger problem if enough information is available to identify them. They effectively become informal governance mechanisms that influence employee compliance in the organisation in a generalised way rather than through a specific manager-employee relationship.

Political, economic, and societal factors that originate outside public sector organisations can affect the organisational context and, in turn, the decisions of an individual perpetrator. Policy changes in the public sector environment that result in organisational restructure and the introduction of new functions can increase administrative uncertainty while increased competition and commercialisation of an agency could lead to more opportunities to obtain personal benefits.

In many situations the agencies of public administration are at the front line of corruption activity so that their capacity to prevent or resist corruption is critical to the success of any prevention strategy. Historically the institutional culture of public administration has been a form of protection against corruption and prevention efforts within the control of the public administration are often directed at supporting the professional integrity of public officials.

Ensuring the accountability of public services delivered by semi-privatised entities, outsourced providers services and contracted staff can be difficult or expensive. Contracts have
been increasingly used as accountability mechanisms introducing a new set of risks from contractor opportunism, poor legal drafting, reduced public accountability, high enforcement costs, captured officials, and dissonant values in the performance of the contracted service. The growth of contractualisation in public administration has also challenged the traditional model of professional public administration. Staff employed from the private sector on short term contract may not have the benefit of training or experience of the professional ethics of public administration. Contractors are increasingly needed for technical expertise that is not available inside the public agency can constitute a corruption risk if not supervised adequately or recruited with due diligence.

The institutional context for discussions of corruption portrays it as an issue of control. The less effective the controls conducted by public institutions, presumably there will be more corruption in society. Furthermore, the weaker the democratic credentials of a society and the popular control of institutions through the independent media, the more likely it is that institutions themselves will become corrupt. Once the institutions are sufficiently corrupt, the society becomes hijacked by what is called “systemic corruption”: the main method of doing business of any kind in the society becomes corruption.

All three claims are well empirically justified, and unfortunately, especially the post-communist states of Eastern Europe have proven in their social realities that weak institutions mean rampant corruption. Much has been said and written about this, so little remains to be added. However, all three claims, empirically validated as they are, tend to be predicated upon a negative premise: that people are prone to being corrupt, and institutions are there to stop them from actually engaging in corruption. This premise is rarely discussed, and like most negative or pessimistic premises in social theory, it tends to become commonplace and “accepted knowledge” without being sufficiently supported by argument. Much the same as the pessimistic view of human nature that stands at the core of liberal economic (and to a considerable extent political) theory, with the idea that people are driven mainly by selfish interest and ambitions and that institutions are there to ensure fair rules for the otherwise essentially egotistically driven competition for the limited resources, the view that people will be corrupt unless prevented to
engage in corruption is commonplace in most discussions of institutional reforms and anti-corruption policies today.

Despite their tacit acceptance as “common sense”, the pessimistic premises of social and political theory tend to be poorly proven, and some are couched in what could be considered sheer phantasm. Consider for example the theory of social contract — many would say the founding theory of modern political liberalism. The theory stipulates that society is justified on the basis of assumption that the initially totally sovereign individuals, equipped with full personal liberties and mutually independent, have created a consensus to relinquish the necessary minimum of their sovereignty to common institutions that would rule them all, in exchange for the provision of basic needs such as security and some predictability in their mutual interactions. This presumption is used by liberal theory to justify the need for the state to remain at a necessary minimum of prerogatives so as not to encroach on more personal sovereignty of the individual than is required by the presumed consensus. Consequently, corrupt institutions that develop full-fledged corporate interests of their own and start to artificially reproduce their own prerogatives threaten the legitimacy of liberal society — because such transgressions violate the social contract. This contract makes it clear that liberty lies primarily with individuals; it is not granted by the state as a product of the political community. Individuals are supposedly more “liberally free” outside the community, but they receive comparatively greater benefits from communal life than is the price they pay by relinquishing some of their rights, allowing the institutions to regulate their transactions.

The problem here, of course, is not just that the presumption of social contract is difficult to prove, but that such an event would have been existentially impossible. First of all, the idea that the original human condition is asocial is a phantasm: from the most primitive forms of social organisation “human animals” were living and hunting in some type of community. This applies to all major human endeavours and the respective communities range from those based on family and broader kinship to modern industrialised and multicultural societies. Aristotle defined of man as political animal is based exactly on the observation that man’s primary condition is social, rather than solitary.
Secondly, even if human animals were solitary to start with, any “consensus”, “congress” or similar event resulting in a social contract would not have been possible, especially when the idea that man is essentially selfish and interest-driven is added to the cocktail of assumptions. Mutually hostile, antagonistic and solitary individuals would have no common ground on which to actually work on a consensus. Much less would they be able to muster sufficient mutual trust to embark upon a common project that, if it went astray, would have guaranteed the demise of them all.

In reality, human beings were never solitary, and equally they are not as selfish and interest-driven as the liberal paradigm would have us believe. True, the advocates of market as the main (or even the only) regulating force for social relationships allow that what appears as “altruism” will sometimes occur, but they are usually quick to explain this as a method of preventing drastic outcomes and thus of maintaining a degree of systemic stability. Such common biologistic models of collective self-preservation that dampen competition in liberal communities are conceptualised in the same way as the instinct of preservation of the species, which prevents predatory animals from killing each other when competing for hunting grounds or females to breed with.

That is why the morally educational role of liberal meritocracy is of limited value in developing the virtues arising from self-denial that tend to be posited towards the top of the value systems of most cultures. It appears that one of the problems of liberal political pragmatics is that it focuses too much on tolerance: tolerating the various religious and cultural value systems thus becomes a moral principle of liberal democracy itself. This principle is insufficient as far as the liberal democracy does not produce its own morality that can flourish as neutral from any of the plurality of religious and cultural normative systems.

In a very similar manner, the presumption that man is essentially corrupt or corruptible, and that institutions are there to keep him from resorting to his natural instincts when it comes to corruption, is both ill-founded methodologically, and dangerous practically, because it tends to become a self-fulfilling prophecy. The methodological fallacy comes from taking the institutions as the departure point for the conceptualisation of human nature. Institutions are seen as being
there primarily to regulate, and consequently it is assumed that what needs regulation is corruptible. However, the regulatory function of the institutions is only one aspect of them. There is an alternative perspective according to which institutions serve to maintain social solidarity and trust in complex societies that are insufficiently transparent for members to be able to directly identify with each other. In small organic communities people more or less knew each other and were able to sympathise with others, because everybody lived similar lives. In complex metropolitan communities, which are not only large, but also structurally heterogeneous, with members from a variety of cultural and geographic backgrounds, the transparency of life styles is no longer possible. Thus institutions take over as points of reference.
Institutional Restraints:-

- Independent and effective judiciary
- Legislative oversight
- Independent prosecution, enforcement

Political Accountability:-

- Political Competition, credible political parties
- Transparency is party financing
- Disclosure of parliamentary votes
- Assets declaration, conflict of interest rules

Competitive Private Sector:-

- Economic Policy Reforms
- Competitive restructuring of monopolies
- Regulatory Simplification for entry
- Transparency in corporate governance
- Collective Business Associations

Public Sector Management:-

- Meritocratic civil service with monetized adequate pay
- Budget management (coverage, treasury, procurement, audit)
- Tax reforms
- Sectorial service delivery (health, education, energy)
- Decentralization with accountability

Civil Society Participation:-

- Freedom of information
- Public hearings on draft laws
- Role of Media/NGOs
There are strong arguments and evidence that well-functioning legal, administrative and social institutions are necessary requirements for development. In a state based on the rule of law public administration plays an important role, it is the ‘key keeper’ of stability and adaptability. Public administration and its civil servants as policy implementers are called in to put in practice the legal standards, but they can be influenced by the phenomenon of corruption either directly, from the different stakeholders or indirectly through politicians (local and central).

The “dark face” of public administration is corruption which together with bureaucracy can keep a state in a continuous crisis. The World Bank’s “multipronged” anti-corruption strategy brought to fore the civil service reform as one path necessary to be implemented in order to diminish corruption.

We cannot conceive a civil service reform without taking into consideration the ethical commitment of our next generations of civil servants. Ignoring the development of public administration on ethical coordinates will force us to ignore the fact that civil servants are people, not only implementers. They have their own values surging from different backgrounds and their desire to assert professionalism cannot be reduced to conformity. Professional fulfilment is part of human fulfilment and self-esteem condition

The ethics area of government is particularly sensitive because its main aim is to maintain public confidence in the functioning of institutions, trust without which democracy is only a bad political show. The public interest is based on a moral framework which promotes values such as: personal dignity, freedom, respect for law and order. These moral values are studied at ethics, a science that pay attention to their historical development, to their content, to their role in the social life and to moral conduct.

The guiding principles for the professional conduct of the civil servants are:

- Supremacy of the constitution and the law;
- Priority of the public interest;
- Equality of treatment;
• Professionalism;
• Impartiality and independence;
• Moral integrity;
• The freedom of thought and speech;
• Honesty and justice;
• Opening and transparency.

**Principles of Ethical Civil Servant**

- **Respects others and the law**
- **Serves Others**
- **Builds Community**
- **Has Moral Integrity**
- **Acts with Professionalism**
- **Show Impartiality and Independence**
- **Manifests Honesty and Justice**
Public administration and Marketing

In recent years Public Management and Administration is behaving once and again as a “reinvented” discipline, quite a number of practical issues walking (should we say “running”?) ahead of academics development and/or adaptation of theoretical concepts and contents (e.g., increasing publicity volumes from public institutions, info and complaints services for citizens, etc.). Not only public enterprises but also Administrations act less and less as “public donors”, performing like guided by some criteria that were traditionally considered to be suitable –if not exclusive– for private companies (especially in case of developed countries). A new kind of rational, innovative public entities is nowadays on the ground, focusing their activities towards an effective achievement of their intended results and benefits (even profit).

An adequate management style and systematic procedures turn out to be masterpieces in all this building, thus allowing a Public Management and Administration as a result of a challenge between “traditional” public and private cultures. It can be stated that the “new” PMA is then located in a meeting point for different languages and traditions: Commercial Management, Marketing and Organizational Sciences, on one hand; administrative and Political Sciences, on the other one. At this point, a three-stage sequence can be established.

So, as an impulsive consequence of firstly enthusiastic purposes, applying managerial techniques and procedures in public institutions just in the same way as they were used in the private business soon resulted in a kind of madness, or even nonsense (even when arousing the interest of public officials: “all this could be a good idea to develop, but not in my administration...”), soon becoming a discarded option. As a reactive turn back, the new ideas were then diluted in those bureaucratic procedures proper of “old” administrations, so coming into a null improvement of the Administrative Science; of course, a regressive situation. Finally, as a third alternative, it was concluded the necessity of a specific and coherent conceptual structure, based in former contributions and experiences either from public and private fields. Regardless their source, techniques and procedures should be adapted to the requirements of the new framing for public activity. Concepts such as those of “efficiency”, “effectiveness”, “responsibility”, “organizational culture”, etc. could be applied either to public or private
agents, all of them fully applicable to Public Management and Administration. An adequate application of the so intended approach will allow reporting on reality and evolution of public sector practice, just as deepening and developing the management concept itself. At the time, not only those in responsibility positions in public enterprises or Administrations, but also private managers will obtain useful lessons from evolution and experience in the public field. The final goal is not other but aiming the constitution of a coherent and reasoned framing for public performance.

Some different points of view remain, however, once the required adaptation of techniques and procedures has been stated. Discrepancies are not only at the proper way for adaptation, but in some concrete cases also in the background, when arguing even about the possibility itself of making the adaptation.

Marketing has undoubtedly been one of most controversial subjects at this point, as clearly originated (as practice and as academic discipline also) in private business practice. Nevertheless, and in some sense, public and social dimensions have ever been considered between marketing postulates. To be precise, and considering a “formal” structure for evolution of marketing discipline, at a first moment (antecedents stage, aprox. until 1940) both issues were implicitly included as part of public and social policies surrounding and influencing markets, as well as when studying the public role in exchange regulation and facilitation (aiming benefits for whole community). Then, in a second stage (first debates, aprox. 1940) there was a clear turn back, only a few opinions intending a broader scope for marketing than business. Public and social issues were not but secondarily considered, as mere parts of most relevant interest topics for Economy at every moment. The third stage of this sequence (first period of transition, 1950s) was even worse, as the consolidation of a central core of marketing knowledge (business marketing) reduced the relative importance of public and social dimensions. The real change came later (consolidation, 1960s and 1970s), when supporters of broadening the concept of marketing became a majority, and traditional paradigms were fragmented, thus giving a chance for social, public and macro marketing.
In a fifth stage (second period of transition, 1980s) a further fragmentation gave way to some specialized non-business marketing branches: social, non-profit, public, and political/electoral. This approach was systematically reflected in main manuals (new or updated editions) by that time, as well as in papers in newborn publications in the 80s and 90s. Finally, in a period of expansion and specialization (from 1991 on) a specific infrastructure is being consolidated (increasing in number of devoted journals and publications, a number of contributions in specialized or general marketing events, establishment of associations or sections in academia, etc.), meanwhile more and more specialization in public and non-profit fields leads even to posit the question on the risk of an excessive micro fragmentation.

Public sector marketing or marketing in the public sector?

Meanwhile above sequence was taking place, a parallel debate allows us to consider up to four categories in public marketing definitions. A first group of “wide” definitions think any public activity as potential application field for public marketing, either activities only by administrations or by any public institution/organism –public enterprises included–. A second group of definitions prefer a more “restricted” application field, considering only activities by
public Administrations, either implicit or explicitly excluding performance activities of public enterprises in markets (under a competence framing).

The third of these categories is devoted to include a small number of scientific and mostly hard-to-understand definitions. And finally, a group of “atypical” definitions try to identify public marketing with the goal of real satisfaction of citizens needs, either alone or together to final aim of strategic survival of public institutions, etc. After assessing the content of definitions in all four categories, we can conclude that:

a) Any activity by any public institution or public organism could be considered in a certain sense –more or less properly, but that’s not here the question– to be a kind of “product” aiming somebody’s benefit after exchange; thus being a potential marketing activity.

b) However, applying marketing techniques and procedures in public Administrations and/or public organizations does not necessarily imply that public marketing is being applied. As in some other number of occasions when talking on marketing, we can –and must– consider wide and strict senses for applied concepts.

c) As a consequence, we could talk, on one hand, about public marketing in a strict or proper sense, i.e., as nearly synonymous of public sector marketing (or even public Administration marketing); on the other hand, a wider marketing in the public sector would include any kind of marketing (internal, service...) when applied in public field, regardless its public character or not.

Benefits of public-private partnership

A primary benefit of public-private partnerships is that each sector contributes what it most has to offer, and the combination of these skills abilities and powers has the potential to produce the best results.

The public sector is best at defining public goals by creating a consensus of citizens diverse attitudes. Government should be good at serving a broad spectrum of society in an
equitable fashion with respect for the rights of various minorities. The public sector is given
greater power in certain areas such as condemning property with due compensation when land
and asset assembly is in the public interest, and using police powers. The public is best at
providing large-scale infrastructure such as a city street system or storm drainage system. The
private sector is generally better at managing factors of production for greatest efficiency in a
competitive environment. This means getting maximum use of land, labor, technology, energy
and other resources. The private sector is also expert at attracting investment capital. Because
necessity is the mother of invention, the private sector, responding to competitive pressures is
often thought to be more innovative in creating and using new technology. The combination of
these two ends of the spectrum often means that public goals can be accomplished more
efficiently and effectively through a public-private partnership. Government can operate at lower
cost by using private contractor. It can use the private partner to raise financing for projects, and
the private sector can offer innovation in the pursuit of public goals, to name a few. If the private
sector can increase profits because of governmental assistance, it is better able to raise
investment capital by offering a greater return on investment. Generally greater quantity and
quality of goods and services can be provided to all of society.

**Examples of how public-private partnership works**

One area of public-private partnership is the privatization of government services. An
example of such privatization is contracting out of garbage and refuse collection. In its simplest
form, this means that the municipality chooses a private company to collect garbage and refuse
and pays the company a fee for the service. On the surface, this seems straightforward. If the fee
that the city pays the private company for this service is less than what it would cost for city
employees to do the job, then municipal taxpayers save money that ca be used on other activities
or to reduce taxes. And, good reasons exist for why a private company might be able to do the
job for less. Possible reasons include lower labor costs, better management, and greater
experience from doing the same service in other communities, better equipment, and better
technology. A private company that is in competition with other companies might have more
incentive to be innovative, seek lower cost labor, and develop better technology.
A second example of public-private partnerships is where the two form a formal partnership on a development project. A city, for example, might decide that it does not have an international quality, executive hotel. It might be particularly lacking in high quality rooms in key locations such as in the business center or near a university. The lack of such a hotel might be holding the city back economically by making it difficult for the city to attract international investors and business people.

Private hotel developers might conclude however that the high cost of assembling land, redeveloping it and sufficiently improving infrastructure would make the project so expensive that it would be unprofitable. As a result a stalemate exists in which the city is held back because of the lack of an amenity, but the private sector will not step forward on its own to supply the amenity. The municipality does not want to get into the hotel business because it does not have the expertise to build or run a hotel. But, it could form a partnership with a hotel developer. The municipality could use its powers to assemble land, clear land where necessary, and improve the infrastructure. It could do this using low interest municipal bonds. It could then lease the land on a long-term basis to a private developer who knows how to raise private financial capital, design hotels to satisfy the international market, and manage hotels effectively.

Because of the beneficial public involvement in preparing the site, the hotel developer has lower development costs and is able to make a profit. The developer is therefore attracted to the project that it did not want to pursue on its own. The general public gains from the project through the creation of a necessary city amenity. The project provides increased employment to citizens both directly and because of the general increase in business activity. The government also receives greater tax revenues that can be used to improve other city services. The private sector gains profits and repayment on investment capital.

**Potential problems regarding public-private partnership**

Looking at the example of garbage collection described above this simple process of contracting out government services raises a multitude of issues. First, how is the company chosen? Is the selections process objective or are there non-objective forces such as: companies
giving campaign contributions to decision-makers, companies paying bribes or kickbacks to decision-makers.

Second, what is the quality of the work done? Is the company short-changing the city by using poor quality supplies and equipment, reducing the level of service? How does the municipality oversee quality and performance? Is the oversight process objective or tainted with the same conflict of interest or corruption concerns of the selection process? What happens if low quality or non-compliance, or corruption is detected? How does the municipality implement controls? Is the company provided incentives for good quality or penalties for bad? Are quality controls truly enforced? Is the quality control process objective or tainted with political pressure, conflicts of interest or corruption?

These are general questions that can be asked about many other activities related to public-private partnerships. As long as there is no understanding of the needs of both partners and of the importance of collaboration, it is more difficult to achieve the public interest of the community. The main goal of the private investors is to gain profit, and investing in public services is not always very profitable.

The private companies seek to reduce costs imposed on them by government. For example, time is important for firms. We often say that time is money. So private investors will want to avoid delays in getting authorizations (like construction authorizations), because the officials may delay issuing these decisions for months, even if the firm is qualified to receive them. In this case, the public officials can demand a bribe in order to issue the authorization. As long as there is no competition in granting of these authorizations and there is no other option to private firms to get them, the firms will be forced to give bribes. In the same time, the firms could simply want to reduce the time of getting an authorization through the payment of bribes.

Another important asset in the investments projects developed through public-private partnerships is the land. There are different cases of corruption related to reducing the costs of using the land in a development project. For example, a private company can be interested in redeveloping a certain lot, but it cannot afford to buy the land at the selling price or to invest
money in developing the infrastructure. But it can bribe the local councilors to write down the selling price of the land or to decide to concentrate infrastructure improvements in the area targeted for redevelopment. Also, the decisions that are related to particular use of private land (zoning laws) can be subject to corrupt practices.

The local councilor can decide whether the same piece of land can be used only for agriculture, or as residential or commercial area. Beside the costs related to time and land improvements, private investors seek to reduce the costs imposed on them by government in the forms of taxes, fees, and regulations. The government holds the discretion to give different incentives to firms that are willing to invest in the community, like subsidies, tax incentives, and free lease. For example, the government can give a private company a space or the use of something for free. Also, the government can provide access to credits with interest rates below market. In all these cases, firms may use different forms of corruption to obtain incentives in order to have access to all these fiscal incentives and to reduce the investment costs.

**Solutions for corruption problems**

After we analyzed some ethical issues related to the public-private partnership, the first question that comes in our minds regards the solutions to all the identified problems. For example, how does a government of the people, engaged in various forms of private negotiations and interactions with private businesses and citizens, ensure that the views of the general public are properly included, and that objectivity in selection, oversight and mutual compensation is maintained? Having anticorruption strategies shows local council commitment in encouraging ethical behavior and helps increase transparency. And related to what we discussed before regarding the perception of the citizens, it is important to keep the community informed about the existence of strategies. The citizens have the right to know that the council is aware of and takes seriously its obligation to perform its functions impartially and in the public interest. Informing the citizens that the council has a detailed policy and procedures on combating corruption, that complaints concerning corruption are taken seriously into consideration, and how the policy and procedures have taken effect, is a useful accountability mechanism.
We will analyze some solutions related to the corruption problems presented before. We will refer especially to those problems that were mentioned as being more often encountered in the relation with the private investors. We will analyze the solutions related to the problems occurred in the procurement and contracting out processes, privatization, and to quality and standard inspections.

The most corrupt activities encountered by the city hall are those related to procurement of goods and contracting-out services. The most common measure to combat these problems is by establishing codes of conduct, which let everybody know what is considered to be acceptable and ethical as well as what is unacceptable or unethical. The codes of conduct should be sent to the private contractors in order to keep them informed about ethical expectations.

One of the most important trends in governance and economics is the increasing collaboration between the public and private sectors for mutual benefit. Innovative thinkers in both sectors have created mechanisms for promoting the accomplishment of public policy while at the same time compensating investors and entrepreneurs for taking financial risks. This process has brought greater innovation to government and a greater sense of enlightened self-interest to business. But this trend has significant implications for democratic oversight of the public policy process. Governmental policy that utilizes complex relationships between the public and private companies challenges the moral and ethical fiber of both the legal and cultural system. Greater levels of trust are required and new forms of oversight must be developed.

Definitely, corruption implies financial loses for the community, even if the purpose of the public private partnership is to bring wealth in the community. Private investors may deliver private goods and services to the public institutions at a higher price than their value to the seller as a part of the difference in the value is sometimes given as a kickback to the public official whose influence resulted in the favorable decision. Also, the public institution may accept less for the right of the resources than the private purchaser would be willing to pay. In the case of an urban planning program, which increases the value of a certain plot of land – the presumption is that the decision might be inspired by a bribe paid to the public official. The landowner thus receives the profit equal to the entire increase in value of the land. Beside financial loses,
corruption may impose future costs on public institutions and on community in general. The inspector, who overlooks irregularities, allows the corrupter to avoid paying the fine provided by the law. The future costs are represented by the possible problems that can occur due to not respecting the standards required by law. People eating in a restaurant that does not respect the hygiene standards may get sick, so they need health care services. Buildings that do not respect construction standards or were built using low quality materials may fall apart and causes damages for the people that live in or may even hurt them.

In this context, a public-private partnership brings many benefits for the community, but in the same time it can generate harm at individual, institutional and social level, if it is not managed properly. It destroys the trust of the citizens in public officials’ objectivity and in public institutions. Also, it destroys the citizens’ trust in their representatives and raises questions whether or not they are motivated in their actions by the concern with the broad interests of the community or with private gains. At the same time, corruption deters investment and undermines competition and therefore affects productivity. This is just an outline of different issues regarding corruption in public-private partnerships and their implications for the community. Some areas of interest include the implications of corruption on the economy at the community level, the mechanisms that sustain the corrupt practices, and the role played by cultural in fostering corruption. More case studies should be analyzed for each type of problem in order to have a complete imagine of the phenomenon. We should pay special attention to the post-communist countries that are privatizing the state enterprises and are in the process of developing new forms of public-private partnerships in order to promote economic development. Past experimentation with mixed governmental systems illustrates what while ethical problems do arise, the challenge can also have the effect of strengthening professional ethics. Public-private partnerships can have the effect of opening up each sector to the scrutiny of the other and induce the actors, and the public at large, to think more clearly about issues of ethics and corruption.

**Performance Management in Public Administration Organizations:**

Performance management in public administration or performance of public administration are terms that still meet with insufficient acceptance from the side of both
employers and employees at public administration organizations. Managing performance means getting information from performance measurement, transforming this information through analysis, evaluation and comparison into knowledge and using this knowledge in favor of the organizations improvement and learning.

Public administration may in the broader sense of the word be understood as a service to citizens, because it is performed by bodies of its individual components in the public interest. The role of public administration is to satisfy to the highest possible quality the needs of citizens and other stakeholders. The provision of these services or activities by the public administration is financed from public finances and is subject to public scrutiny. Representatives of public administration are therefore forced to constantly seek to streamline and rationalize the performance of tasks by means of the implementation of processes at the organizations they manage. These representatives (the organizations managers) are the main recipients of information from measurement.

There are a number of reasons for measuring performance at public administration organizations. Performance measurement provides its recipients the following information:

- data on the measurement object at a defined moment or over a longer term,
- the possibility to compare different characteristics of multiple objects of measurement,
- a description of the primary and secondary characteristics of the measurement object,
- the possibility to provide data from the measurement object also to persons who do not have the possibility to directly participate in observation of the object,
- evidence on whether an effect has actually occurred.

The primary pre-requisite for promoting approaches and tools for raising performance at public administration organizations is an understanding of the sense and essence of the process approach and thereby also obtaining the relevant reasons for measuring performance in public administration. Besides the basic requirement due to which performance measurement is conducted – to know the level of the organization’s performance – there are available also other reasons; information gained from performance measurements serves as a basis or tool for:
• implementing a formal **evaluation** of the organization,
• **checking** the fulfilment of objectives and tasks,
• **budgeting** funds for the next period,
• **motivating employees** to achieve better results,
• **understanding** (knowledge) of the working of ongoing processes in the organization,
• continuous **improvement** of the organization.

The performance of an organization is dependent on its employees performance. We can, therefore, talk about the performance of an organization on two levels: individual performance and organizational performance.

The process by which the organizations management influences its performance toward achieving objectives is termed organizational performance management. An efficient organization is one that from the long-term aspect achieves the performance objectives defined in its strategy. The process of performance management begins by setting a vision, mission and strategy. It continues through setting specific objectives that may be set in a quantified form, through to transformation of these objectives into individual targets for each employee.

The process of measuring performance is one of the support processes that help managers take correct decisions concerning measures for improving the working environment, employee adaptability, setting strategies, goals and procedures, as well as allocating resources. The process of measuring performance comprises the following steps:

• setting the objectives of performance measurement,
• setting the criteria and method of performance measurement,
• preparing the system of performance measurement,
• implementing the process of performance measurement,
• collecting and evaluating data and performance,
• interpreting the outputs of performance measurement,
improving the system of performance measurement.

A system of measuring organizational and individual performance must be made up of elements ensuring the implementation of the process in a sufficiently predicative way. This concerns the following main elements:

- the sponsor (customer) of the evaluation, who assigns the task of measuring performance and uses outputs from the measurement for improving the organization’s results;
- object of evaluation (organization, employee), who is involved in setting performance objectives and who fulfils the set tasks and obligations for the organization;
- evaluating subject (evaluation commission), which prepares and implements the process of performance measurement, collects measurement outputs and formulates conclusions and recommendations;

Subsidiary elements used in a system may, in particular, include:

- approaches, methods, tools (individual tools and their use in the evaluation process);
- evaluation criteria (indicators with benchmarks, a list of required capabilities for a particular job, a list of tasks implemented);
• a presentation element of the system, which in a clear way presents for the sponsor of the evaluation process as well as for
evaluated employees the results of the evaluation (evaluation report, comparative analysis, evaluation of trends);
an element linking the outputs from the performance evaluation to the system of improving performance at the organization.

The nature and degree of linkage between individual elements of the system are determinant for its functionality and meaningful use. Relationships are defined by the respective responsibilities and powers deriving from the arrangement of the organization and its resulting tasks and obligations. The most important relationship is between two basic elements of the system for measuring organizational and individual performance. This concerns the relationship between the evaluated object (the organization, organizational unit, individual in the organization) and the evaluating subject (superior, evaluation committee, and superior organization).
**Service to citizens and to the public**

The definition of the role of public administration, government and self-government in the new political and economic conditions has not attracted sufficient attention in the Czech Republic. This is connected with the overall ambiguity of the role of public and private sectors and of the responsibility of the State for creating conditions for their development. So far, reform documents only point out these problems at a general level. There is little understanding of the fact that this should be a principal conceptual change with practical consequences for the definition of functions and concrete tasks of public administration, the shape of its institutions, the means for its activities and its relations to citizens and to the public. The issue has its political, economic and other dimensions, and it is naturally determined by the Constitution and the legal order.

What has been made so far both at the theoretical and practical level is not sufficient for the transition from the system in which public administration was understood primarily as a tool of power of the Party and State, to targeted and consistent implementation of the contemporary concept of democratic public administration.

Modern democracies understand public administration primarily as service to citizens and to the public.

Such understanding of the basic role of public administration is the foundation from which its principles (such as transparency, publicity, accountability, public control of administration), forms and methods of activities, requirements for professional and impartial performance etc. are derived.

The focus of public administration lies in providing public services. In addition to traditional services (municipal, health care, school, transport services etc.), they also include some "classical" administration activities in advanced countries, such as issuing licenses, permits, documents, certificates, providing information etc. A number of these activities are no longer viewed as an exclusive domain of the State. Our new experience shows that many
operational tasks, professional decision-making, execution of supervision, testing etc. can be decentralized and transferred to self-government or to private entities.

Shifts in this area have their limits, though. Economic aspects cannot be the only guide (and, moreover, it has been proved on many occasions abroad that the exclusion of public tasks from the responsibilities of public authorities did not bring expected savings, however, it resulted in the erosion of the values and principles upon which the provision of public services was based). After all, our country has also witnessed hasty abolition of control authorities, for example, which will have to be reestablished (as e.g. in the area of consumer protection, also with a view to the EU criteria).

It should also be stated clearly that stress on the conception of public administration as service to the public does not mean, on the other hand, a denial of the power, authoritative component of public administration. This comprises tasks in the sphere of security and internal order, regulation and enforcement of the fulfilling of legal duties, the application of administrative supervision tools, the imposition and execution of sanctions within the limits of administrative authority etc.

The material content and extent of public tasks and public services depend on how the importance of social automatisms and the extent of state intervention is viewed at a specific period, how the balance between the freedom of an individual and his responsibility for himself on the one hand, and solidary care of the human community for an individual and responsibility for him on the other hand operate. This is a matter of protection and execution of interests and values recognized by the decisive majority of citizens.

The basic characteristics of public administration comprises the knowledge of heterogeneous and often contradictory aims that it is obliged to defend. In the present period of principal social changes and new demands which must be secured despite limited financial and human resources, public policy is exposed much more to pressure to make responsible selection of priority aims and to redefine tasks and functions of public administration in accordance with
the aims. A permanent professional and political dialogue is fundamental for the process of defining these tasks and functions, leading to new economic, legal and other solutions.

**Functions of public administration**

Public administration and the whole public sector are going through a radical change of their position in relation to economy while the elimination of ineffective and bureaucratically burdensome methods of direct interventions in the economic sphere from the totalitarian era does not mean any liquidation of the economic regulatory function of the State and the related tasks of public administration.

The principal changes result from the changing internal and external conditions of the development and functioning of economy, primarily from the needs to complete the market transformation of economy and from the international process of globalization of economic relations. The consequence of this is the need to increase the potential and effectiveness of the State and public administration in respect of the implementation of the following tasks:

- promotion of a rational development of economic proportions through macro-regulation,
- control of the privatization process of state-owned enterprises and public services, securing free competition and transparency in its implementation,
- securing an effective exercise of ownership rights of the State and other public entities,
- support of the private sector, especially of small and medium-sized enterprises, the development of effective cooperative relations between the public and private sectors,
- drafting and implementing effective sectoral policies, especially securing internal and external security, regional policy, transport policy, information and communication policy, environmental policy, education policy, social policy, employment policy and health care policy.

A well-functioning public administration and public sector provide conditions for the prosperity of private enterprise by creating an optimum and rational infrastructure by means of
moderating communication networks, systems of information services for citizens and businesses, through providing professional assistance to territorial self-government authorities, through support to investments in public interest etc.

It requires an increased quality and capacity of public administration in the sphere of regulation and control of the compliance with conditions and rules of the market environment, particularly the conditions of free competition and the elimination of monopolies, securing the quality, technological level, products free from health damaging defects and consumer protection. An important role of public administration lies in restricting "grey" economy, in securing proper tax collection, in discerning and preventing economic crime. In connection with the discharge of these and other tasks, public administration is in charge of public funds management (collected from tax-payers in the form of taxes, charges and other public dues under the law and simultaneously used in their general interest), and the state-owned movable and immovable property which, after all, should also serve all citizens. The financial area is remembered in the Constitution at least in the provisions on the state budget, the final state account and on an audit carried out by the Supreme Audit Office; the regulation of the "details" – which can be, however, of far-reaching importance - is implied in ordinary laws. On the other hand, the management of state-owned property is not regulated although the power of control is delegated to the Supreme Audit Office.

Thus a modern, rationally and effectively functioning public administration is a substantial and irreplaceable prerequisite for the economic growth.

Another significant function of public administration is to secure and strengthen democratic institutions and mechanisms. Two main directions of the development of political democracy can be mentioned here: a) towards the strengthening of institutions and mechanisms of representative democracy, and also b) towards the development of institutions and mechanisms of participative democracy, i.e. direct participation of citizens and their organizations in the management and administration of the State.
Administrative staff is necessary in the present-day democratic state, however, it must be "non-bureaucratic bureaucracy" provides a "public service": since the State has monopoly in providing such a kind of service and there is no competition, the State must take consistent and purposeful care in order to restrict significantly the inclination of the staff to bureaucratic behavior, especially when administration is no longer mere legal implementation of laws and as there is a steadily increasing need for its acting in a creative way and taking the initiative to be contact-friendly and "human" towards the public.

It should be noted that the relation between public administration and citizens has changed notably within the last 20 - 25 years. A citizen, who was originally mostly given orders and prohibitions, is becoming a partner, a user, a client. The administration thus gives up its privileged position, public administration is presented increasingly as a provider of services, and administration authorities are seeking ways of better and more open cooperation with citizens.

**Scope of the Study:**

This present research will focus on the elaborating the political factors and the environment and how it affects the public administration in Mumbai region. Mumbai is the financial capital of India, which makes public administration even more important.

**Utility of the Study:**

This study will be beneficial to understand the political factors and the environments and its impact on the public administration. It will also be useful for the next research to elaborate with the changing needs to the society and the political scenario of India. This will be an eye opener for the departments to improve on their functioning and not be under the influence of the political environment.

**Limitations of the study:**

The limitations of the study are those characteristics of design or methodology that set parameters on the application or interpretation of the results of the study; that is, the constraints
on generalizability and utility of findings that are the result of the devices of design or method that establish internal and external validity. The most obvious limitation would relate to the ability to draw descriptive or inferential conclusions from sample data about a larger group.

It is important to critically evaluate the results and the whole study. The present study has certain limitations that need to be taken into account when considering the study and its contributions. The selection of the single design naturally brings forth many limitations as far as the generalization of the results of the study is concerned. On the other hand, this also represents the whole idea of making a case study. By understanding something about this particular case more in depth, we might eventually also learn something about more general phenomena.

The limitations of the study are because of the sample size as public administration is a vast domain and spread across the country. Here I have considered only Mumbai region and extrapolation of the data may not lead to correct results.