Chapter - 4

ADMINISTRATIVE REFORMS IN INDIA AND KERALA

Introduction

This chapter discusses the context of reforms in India in general and of Kerala in particular. India inherited a colonial system of administration with its strict hierarchical organisation and the culture embedded in it. The colonial administration was largely designed to serve the interests of the British. But the post-independent administration had to serve the citizenry of India who had full hope in the new order, yet steeped in poverty and different forms of exploitation. Further, the communal carnage that engulfed the partition of the subcontinent and the resulting polarisation that ensued had to be contained with the help of a rule-based administrative system. The adoption of five year plans by India to address its numerous problems and a mixed economy necessitated the creation of an elaborate administrative machinery to meet these goals. The district, created by the British, came to be seen as a key unit of planning. The high liberal ideals of the first two decades among the politicians of the country were soon replaced by a new breed of politicians who cared very little for such ideals as they were guided by political expediency, status and private gain.

In the system that India inherited, the district was considered as the basic unit of administration, with the district tax collector controlling all the activities in the district. There was centralisation of decision making and a single dominating civil service. The rules and regulations were tailor made by the British to control their Indian subordinates.

4.1 Reforms in India

At the onset of independence India had to face many problems particularly in respect of movement of refugees across the border. This posed a great challenge not only to rehabilitation, but also to connect and bond the entire masses divided by language, religion, and caste. The major public sector elements in India include the civil service, public sector undertakings, armed forces, police, public teaching institutions and so on. Civil service applies to
Executive, Judicial and Legislative branches of the Government. Public Sector undertaking includes the public enterprises which have more than 50% share of government participation in its operation.

The evolution of Public Administration in a modern sense in India began after independence. Administrative reform was a necessity in India when the country was making efforts to change the colonial system of governance after independence. The year 1858 was a landmark in India’s public administration as the political power was legally transferred to the British Crown from the hands of the East India Company. One of the first tasks of the new regime was to appoint Rickett to examine the then prevalent administrative system of India. Ricketts report, called “Report on Civil Establishments and Salaries” was submitted in 1866. After independence, policy goals were changed, but the instrument to implement the new tasks have been inherited from the Raj and was continued from the past (Maheshwari, 2002).

The British raj had only few goals to be fulfilled, the major among them were:

(i) Maintenance of law and order in the country in the narrow, even negative sense of the term
(ii) Collection of necessary revenue to meet its expenditure
(iii) Retention of strategic powers in the hands of the British civil servants
(iv) Subservience of administration to the paramount needs and interests of the British Crown.

In contrast to these goals, the Constitution of India, which has been in force since 1950, rests on the following three axes:

1. From a remotely governed country, India emerged as a democracy of the parliamentary type, based on a system of periodic elections held on the basis of universal adult franchise.

2. India is a union of states, the constitution making both the centre and the constituent states autonomous in their respective areas of operation in the broad sense.

3. Irrespective of levels or political complexions, the government in the county is solemnly committed to the Directive Principles of State Policy enshrined in the Constitution itself, which directs it to work for the
economic and social well-being of the people. This philosophical change in the role compels a reorientation in the perspective of public administration in the larger society. Thus viewed India started its career of an independent nation-state with a profound contradiction.

One of the earliest decisions of Independent India as a part of Administrative reforms was socio-economic planning aimed at the country’s development. The licence raj system that prevailed in the Indian economy seems to have forged an unholy partnership between the bureaucrats and the political masters. This type of domination led to the erosion of the real essence of the contradiction between the constitution and public administration (Chattopadhyay & Bagel, 2009). The aim of the administrative committee is to review the working of the administrative machinery and the systems, procedures and precedents under which it functioned with a view to assessing their adequacy for a democratic government in a welfare state (Dubashi, 1985). Administrative reforms were suggested by a committee appointed by the Planning Commission and chaired by A.D. Gorwala, a retired ICS officer, and Paul H. Appleby, an American expert of public administration. Gorwala submitted two reports: *Report on Public Administration* (1951) and *Report on the Efficient Conduct of State Enterprise* (1951). So did Appleby: *Public Administration in India: Report of a Survey* (1953) and *Re-Examination of India’s Administrative System with Special Reference to Administration of Government’s Industrial and Commercial Enterprises* (1956). The Gorwala committee report had taken the Nehruvian context of a “mixed” economy with a dominant state sector and a coexisting private sector. The Appleby reports were focused on general public administration. Just two of the twelve recommendations of the Appleby reports were immediately implemented, namely the setting up of Indian Institute of Public Administration in New Delhi, the creation of Organization & Method (O & M) divisions at various levels of governments (Dubashi, 1985:10; Jain, 2004). In 1964 the O &M division was merged with the Department of Administrative reforms in the cabinet secretariat functioning directly under the Prime Minister. With the recommendation of the first Administrative
Reforms Committee in 1966, Department of Personnel was constituted in 1970 and this was later merged with the existing Department of Administrative reforms to form the Department of Personnel and Administrative reforms (Dubashi, 1985:10).

In 1964 the Department of Administrative Reforms was established in the Home Ministry. The Planning Commission was set up in March 1950 by the Government of India with the Prime Minister as its chair. The National Development Council consisting of the Prime Minister as the Chair and comprising the executive heads of all state and union territory governments was also formed in August 1952 “to strengthen and mobilize the effort and resources of the nation in support of the five-year plans, to promote common economic policies in all vital spheres and to ensure the balanced and rapid development of all parts of the country” (quoted in Saxena, 2006:252). The Bureau of Public Enterprises was established in the Ministry of Finance, which became the Department of Public Enterprises in 1985. The report of V.T Krishnamachari in 1962 recommended the expansion of the I.A.S cadre to meet the needs of economic and social development. The Santhanam committee Report in 1964 on prevention of corruption recommended the setting up of Central Vigilance Commission. It also recommended a code of conduct for ministers on par with the Chief Ministers of all states.

The last years of Nehru witnessed considerable administrative laxity, which prompted the first major review of the administrative apparatus by the first Administrative Reforms Commission (ARC) set up in January 1966 with Morarji Desai as its chair and five members. After joining the Government as the Deputy Prime Minister and Finance Minister in 1967, K. Hanumanthaiya, was appointed the new chairman. Its report running into 20 volumes made over 500 recommendations. The single most important report submitted by the ARC was on personnel. All the recommendations in the area of ‘training’ were accepted by the government. The administrative reform was also a main agenda in the different Five Year plans of India. Due attention was given to securing integrity, methods for preventing corruption, promoting efficiency, economy, public co-operation, adopting innovative approaches to planning and development, better management of industrial enterprises, need for financial control, continuous monitoring and evaluation, periodic training, vigilance and
augmenting skills in data collection and statistics, needs for specifying tasks and responsibility for better implementation of plans and programs, better reporting and accounting management, and improved information system (Maheswari, 2004).

The ARC-I recommended a sixteen-member cabinet, including the Prime Minister, and a three-tier council of ministers, no larger than forty-five and the scrapping of parliamentary secretaries. For ensuring greater coordination the ARC had suggested that the Prime Minister should stay away from holding charge of any ministry other than the department of personnel. The existing secretariat system of work in ministries was considered useful. But the commission thought that the central secretariat had become overstaffed and unwieldy with no clear-cut responsibilities and trivial concerns and had often intruded into jurisdictions constitutionally assigned to state governments (Maheswari, 2004).

Further, the commission recommended that each ministry should have three sections - for planning and policy, for finance, and for personnel. The commission felt that the clerk-oriented system needed to be reformed into an officer-oriented one, involving only two levels of consideration and decision below the level of the minister (Maheswari, 2002).

The Commission’s recommendations regarding the state secretariat and executive agencies were more or less similar to those made at the union level. In the opinion of the commission, the Board of revenue at the state level could be abolished and its appellate functions could be transferred to a revenue tribunal comprising a judicial officer of the status of a judge of the High Court and a senior revenue officer. The commission recommended that the District collectors should focus on efficient performance of only the regulatory functions, e.g. law and order, collection of land revenue and other taxes, land records and civil supply. The judicial and developmental functions currently being performed by them should be entrusted to other bodies.

The Commission recommended that the Planning Commission should remain an autonomous expert advisory body rather than take on executive functions. The seven-member Planning Commission of experts should have the autonomy to formulate the plans, which will any way be subject to final approval and review of the Union Cabinet and the National Development
Council. The commission also recommended the formation of state planning boards for formulating and evaluating five-year plans in the states.

For the redressal of citizens’ grievances, the commission recommended creation of the institution of Ombudsman. On these lines a two-tier machinery of the Lokpal and Lokayukta was suggested to supplement the process of parliamentary control, free from partisanship and outside the administrative hierarchy. Complaints against ministers and secretaries at the centre as well as in states could be made to the Lokpal. Lokayuktas, one for the centre and one for each state, will handle complaints against the rest of the bureaucracy. Having the same status as the Chief Justice of India, the Lokpal should be appointed by the President of India on the advice of the Prime Minister in consultation with the Chief Justice of India and the leader of the opposition in the Lok Sabha.

The decade of the 1980s had witnessed the gradual shift of political power from the Indian National Congress to the non-Congress parties at the state level. The discourse on administrative reforms during this period reflects responses to greater assertion of states and the onset of globalization. During the rule of Rajiv Gandhi, the Government relied heavily on in-service training to strengthen the administrative capabilities of its public functionaries. The period was also characterized by the appointment of the “L.K. Jha Economic Reforms Commission”, which recommended a shift in emphasis from regulation to development. The 73rd and 74th amendments made the local bodies as the third stratum of the governance system, making almost uniform introduction of the three-tier system of local government throughout the country. Since then every administrative reform undertaken at the central and state level had been making references to the efficient working of the local bodies particularly in the area of service delivery. Given the fact that local bodies are the implementing mechanisms of several central programmes, the extent to which such programmes can succeed became contingent upon the robustness and good practices of these local bodies. Since then two important reports have been submitted to the central government namely, the Report of the National Commission to Review the Working of the Constitution with Justice M.N. Venkatachaliah as the Chairman and Reports of the 2nd Administrative Reforms Commission – headed by M. Veerappa Moily. The Venkatachellaiah commission submitted its report in 2002.
The Venkatchellaiyah commission recommended decentralization of power to the District level, making it also the unit of development administration and planning. Other measures suggested include computerizing the land records, downsizing the bureaucracy and introduction of new management system, creation of autonomous personnel boards, placement of the specialists under the generalists, enactment of the freedom of information legislation by the Parliament, creation of a National Science and Technology Commission under the chairmanship of the Prime Minister for policy making, planning, promoting, and funding of higher scientific and technological research, ethical and moral elements in governance, enactment of a public interest disclosure act to protect the informants, enactment of a comprehensive law ensuring a public servant’s liability for damages caused to the state, law for confiscation of illegally acquired assets of holders of public offices, constitutional amendment requiring the appointments of the Lokpal at the centre and Lokayuktas in states were some of the recommendations (GOI, Report of the National Commission:3).

The six-member Administrative Reforms Commission (ARC-II) headed by Veerappa Moily was appointed in 2005 to “suggest measures to achieve a proactive, responsive, accountable, sustainable and efficient administration for the country at all levels of the government.” It submitted its reports (15 vols.) in 2009. Drawing on the international experience, the commission underlined the need for political leadership at the apex level with consensus across party lines, focus on the core functions of government, right-sizing the administration and outsourcing the functions, competition in delivery of public services by dismantling of monopolies, agencification of government departments, decentralization, delegation, and devolution, public-private partnership, bureaucratic deregulation, strengthening of accountability mechanisms, e-governance for efficiency and citizen-empowerment, introduction of a Performance Management System (PMS) for refurbishing of personnel administration, citizen’s charters, effective grievance redressal mechanisms, right to Information, promotion of diffusion of good governance practices, policy evaluation and regulatory impact assessment, benchmarking for continuous improvement, governance indices to understand the differential impact on those most disadvantaged and vulnerable. (2nd ARC, 13th report:39-45).
The commission urged the reduction in the number of oversize ministries and large and overstaffed secretariats at both the union and state levels, largely a product of the expansion of the role and functions of governments in the years of ‘socialist’ and populist state and patronage and coalition politics. The 91st constitutional amendment (2003) has already prescribed the norm of the size of the council of ministers at 15 percent of the membership of the popularly elected houses. The commission felt that the number of ministers in the Government of India could be reduced from about 55 to about 20-25. Regarding the administrative structures of the union and state governments, the commission advised each ministry to review whether its activities/functions are critical to the mission of the government and to be carried out by a government department or an agency. The government ministry or department should only concentrate on planning and policy, budgeting and legislative work, coordination, monitoring of implementation, appointment of key personnel, and evaluation. The rest of the activities should be carried out by agencies of the department, autonomous or semi-autonomous and professionally managed bodies. These agencies could be structured as board, commission, company or a nongovernmental organization or society, etc. To strike a right balance between autonomy and accountability, suitable performance agreements, memorandum of understanding (MOU), contracts, etc., could be signed between the government department and the concerned agency.

In order to streamline personnel administration, the commission recommended that the union and state governments enact comprehensive Civil Services Law and set up a civil services authority at each level with autonomy and neutrality for appointing senior officers of all ranks and in all ministries and departments. In the context of the proliferation of statutory independent regulatory agencies in India since the initiation of the process of economic liberalization from the early 1990s, the ARC – II implied that such agencies created under the union list subjects lack both the requisite autonomy and power. This defeats the purpose of having them in the first place. They should “differ from the conventional (bureaucratic) regulating system as they are separated from the executive wing of the government and enjoy a certain degree of autonomy.”( 2nd ARC, 13th report:144). The Central Electricity Regulatory Commission of India was suggested as a model of an independent regulatory
authority which should be replicated in other policy areas or sectors of the economy where the agencies are less autonomous at the present. Their accountability should be ensured through the respective departmentally related parliamentary standing committees, which should restrict their oversight to their major decisions rather than day-to-day functioning. The ARC-II reiterated the recommendation of the ARC-I that the district officers should be encouraged to specialize in their respective developmental/technical fields, and the administrative head of the district, the district Magistrate or Collector, should concentrate on the core functions such as land and revenue administration, maintenance of law and order, disaster management, public distribution and civil supplies, excise, elections, transport, census, protocol, general administration, treasury management, and coordination with various departments / agencies. The district administration also needs reorientation to new political and administrative concerns like technological and functional modernization and responsiveness to Right to Information Act, civil society groups, media, and public grievances (2nd ARC 13th report: 80-86).

The commission also recommended that the activities and functions transferred by state government to Panchayati Raj institutions and urban local bodies need not remain with district administration. Line departments like those of water resources, public works, or health engaged in state-wide projects should maintain their separate offices at district and sub-district levels. They should provide technical support and guidance to District Councils in planning and monitoring implementation (2nd ARC 13th report: 92).

Moreover, the ARC-II recommended an entirely new concept of “District Government” operationalized through an integrated governing structure in the District Council, with representation from both urban and rural areas. The District Officer (Magistrate / Collector) should have a dual role in it. On the one hand, he should be fully accountable to the District Council on all local matters, and on the other, he would also be fully accountable to the state government on all regulatory / other matters not delegated to the District Government (2nd ARC 13th report: 90).

Finally, as anti-corruption measures, the commission recommends the streamlining of the existing Vigilance Commissions at the union and state levels and the Lokayuktas (Ombudsman) in the states. It reiterates the enactment of a
parliamentary statute instituting the central Lokpal (Ombudsman) first recommended by ARC-I but not implemented yet (2nd ARC, 15th report: 46). It is interesting and useful to take a composite and comparative look at the major recommendations of the ARC-I and ARC-II and also ascertain the extent to which these have been implemented. As regards the implementation of the recommendations, India’s record of administrative reforms is shown to be not so promising. This is attributable to the vested interest of the political and bureaucratic classes, the weakness of the class of bourgeoisie, fragmented electoral mandates and divided governments due to coalition governments. The New Economic Policy led to the replacement of the mixed economy, where the public sector controlled the commanding heights of the economy, by a market-friendly economy heralding the era of retreat of the state. The example of the developed countries, through the process of reinvention and reengineering, to reduce the size of the government and make it more efficient and effective brought the very same ideas to the Indian shores. Thus we also started to hear terms like downsizing, right sizing, privatization, contracting etc in our public affairs. This required the Government of India to adopt the NPM type reforms, which primarily ensure efficiency and effectiveness by introducing market oriented mechanisms in public administration. The failure of governance in India has different dimensions such as the gap between the written law, political claims and ground reality of deprivation and poverty. Constitutional guarantees remain unfulfilled and laws unimplemented with a regularity that is awesome. Public services are poor and inadequate. Along with rightsizing public services, value for money, good financial system, efficiency and audit, proper monitoring and evaluation are also needed for an effective administration (Baghel& Kumar, 2006).

Even though training is not a panacea for all the ills of civil service, its role in strengthening human capital cannot be ignored. Training has been defined as ‘a planned process to modify attitude, knowledge or skill behaviour through learning experience to achieve effective performance in an activity or range of activities. Its purpose in the work situation, is to develop the abilities of the individual and to satisfy current and future needs of the organisation’. It should start right from recruitment of an employee and continue till he retires from service. It should complement the employees’ education by updating his
knowledge inculcating appropriate skills and values for performing tasks/ function thereby changing the entrenched mind sets (Manpower Services Commission, 1981: 62).

The Second ARC, widely commenting on the state of e-governance in India, says that the success of an e-Governance initiative lies in how efficiently it has enhanced people’s participation in government functioning through wide ICT access, bringing government and the services it offers closer to its citizens, promoting accountability, transparency and responsiveness in government functioning and ensuring that government works better at lesser costs. These are the *sine qua non* for good governance and a vibrant democracy.

In the present context of ICT use, Knowledge Management (KM) has been recognized as a prerequisite for holistic e-governance. KM is founded on the notion that the organization’s most valuable resource is the knowledge of its people. Knowledge Management is essentially about facilitating the processes by which knowledge is created, shared and used in organizations. It is not about setting up a new department or getting in a new technology. It is about making changes to the way individuals in organizations function. In this regard, the Second ARC has recommended that the Union and State Governments should take proactive measures for establishing Knowledge Management systems as a pivotal step for administrative reforms in general and e-Governance in particular. It also suggested that Public-Private Partnership (PPP) should be the preferred mode to implement e-governance projects as most of them tend to involve technology providers and system operators at the ground level. The Union government’s efforts to create the Unique Identity Management Authority – meant to provide unique identity card of aadhar to all Indian citizens – is a step in this direction.

It may be noted that the roots of e-governance in India could be traced in some ways to the establishment of the National Informatics Centre (NIC) in 1977. The main thrust for e-Governance was provided by the launching of NICNET in 1987 – the national satellite-based computer network. This was followed by the launch of the District Information System of the National Informatics Centre (DISNIC) programme to computerize all district offices in the country for which free hardware and software was offered to the State Governments. NICNET was extended via the State capitals to all district
headquarters by 1990. In the following years, computerization, teleconnectivity and internet connectivity led to a number of e-Governance initiatives, both at the Union and State levels. A National Task Force on Information Technology and Software Development came into being in 1998. In the following year, the Union Ministry of Information Technology was created. In 2002, the National e-Governance Plan was rolled out and its policy goals were to be achieved by the end of the eleventh plan.

4.2 Reforms in Kerala

Many states also constituted Administrative Reforms Committees on their own. In the state of Kerala, there were altogether three administrative committees till date. The Kerala administrative reforms commission report 1958 was one of the first such reports coming from the states. The report of the first ARC laid the basis of the Kerala Panchayat Bill (1958) and Kerala District Council Bill of 1959. The latter accepted the perspective of a strong district level self-governing body that had to be developed in a phased manner, as was recommended by ARC. Decentralisation particularly the creation of a two-tiered system of District and Gram Panchayats was envisaged in the report as a priority area. The committee sought to review the working of the administrative machinery with a view to establishing a democratic government in a welfare state. The main suggestion of the committee was improving the administrative machinery to enable it to cope with development activities, promote better co-ordination, facilitate expeditious dispatch of government work, enhance the democratization of the organs of the government to promote effective participation of local self-governing institutions. Towards this end, it called for the constitution of village panchayats, with sufficient administrative and financial resources, to plan and implement schemes and, to control the staff assigned to them from various departments. At the village level, the revenue staff were to be integrated with the panchayats, a bold suggestion that has not been carried out anywhere in India.

The report also sought to combine revenue and development functions at the taluk level under the Tahasildar and proposed the constitution of a Taluk Council consisting of representatives from the Panchayats and Municipalities with a non-official Chairman to render advice and organize proper co-ordination.
Further, the report proposed to set up a non-official Council at the District level with some autonomous area of functioning besides having the function of co-ordination of the Panchayat and Taluk Councils. Other suggestions included greater delegation of powers to heads of department and their subordinates, with freedom to exercise the delegated powers for improved management. O & M units were to be set up in the major departments. With decentralization it was hoped that the secretariat would have reduced strength and it could be regrouped into nine departments.

In the services, economic backwardness was to be a condition for reservation of jobs. At the intermediate level, direct recruitment was envisaged, but at lower levels seniority was made the criterion of promotion. However, promotions at higher levels were to be based on merit. Incentive award system with provisions for stringent anti-corruption measures was also envisaged. Emphasis was laid on controlling government expenditure with recruitment of new staff to be done after careful scrutiny. Proper arrangements were to be made for visitors to meet the officers.

However, the bills were not enacted, as the legislative assembly was dissolved consequent upon a violent anti-communist ‘liberation struggle’. This lapse however exerted a decisive influence on the future of local governance in Kerala. The new government that came into power through the mid-term election largely ignored most of the recommendations of ARC. But they enacted the Kerala Panchayat Act, 1960 and Kerala Municipal Corporation Act 1961. The second administrative reforms committee recommended the synchronization of Grama Panchayats with the revenue village, and Taluk Panchayat to be co-terminus with reorganised taluk, which will be smaller than an existing taluk, but larger than block. The directorate of municipalities and the directorate of panchayats were to be abolished and the District Collector was to be given the powers of the Director. Funds to Panchayats were to be given based on a formula with reduction in allocation if there is a shortfall in the realisation of panchayat’s own revenues.

Unlike the first Administrative Reforms Committee, the Taluk Panchayats were to be given developmental functions and the District Panchayats were to have only advisory role. Also, bringing of village office under the panchayat was not contemplated. Similarly, the committee was wary
of entrusting agency functions in respect of health and education to the local bodies. On the whole the report actually sought to strengthen the position of the District Collector and also proposed the merger and reorganization of a number of departments through mergers and creation of new ones. Like the first committee the second committee also favoured direct recruitment at the middle level, but fixed the proportion of direct recruitment at 40%. The Committee also recommended the creation of a Kerala Administrative Service, creation of staff councils in all departments, reduction in the strength of peons and clerks and refixing of the ratio of supervisory officers vis a vis clerks in different offices. Finally, the committee felt that the efficiency of a department should not be judged by the quantum of money spent, but by the output measured in relation to inputs.

The Vellodi committee in 1965 also made several recommendations such as setting up of training institute of civil servants, setting up of a personnel department for manpower training and career development for all state personnel in association with the State Public Service Commission (SPSC), developing personnel for higher posts and doing research in personnel administration (Maheswari, 1981).

The third reforms committee of Kerala State headed by E.K. Nayanar has particular relevance in the present context of New Public Management as well the Modernization Government Program (MGP) implemented in the state. One also needs to understand the context in which the third ARC was set up in 1997 to come up with recommendations for the improvement of the quality of public service delivery, work discipline and service ethos of public servants. The constitution of the ARC synchronized with the people’s plan campaign going on in Kerala at that period. It was unprecedented in its scale and in one go the state sought to come to the forefront of decentralization initiatives in the country by making the 9th plan of the state a people’s plan by demystifying the planning process.

Along with it the government also appointed another committee to suggest amendments to the existing Panchayat Raj legislation to make it friendly to participatory planning as well as infused with good governance elements such as right to information, ombudsman and so on. Decentralisation had created new avenues of governance by late 1990s and the ARC had the vision
that a lot of development functions and sizeable staff can be redeployed to the local bodies, and thereby a natural downsizing of state bureaucracy could be effected.

The ARC with its vision of people centered governance submitted 15 reports with a wide range of subjects including citizen’s charter, transparency and right to information, financial reforms, general governance reforms, personnel reforms and better service delivery. The ARC was entrusted with the responsibility to suggest measures to eliminate delays, lethargy, corruption and nepotism in the administration. Along with people-centered governance, the ARC recommended greater professionalism for efficient administration through content training and scientific methods of performance assessment. The reports came out of the state’s own past experience in governance and the depth and coverage of issues were much more than those contained in the ADB sponsored Modernising Government Programmes (MGP).

In the Third ARC’s (Gok, 2001) terms of reference included goals such as:

1. To review the working of the Administrative Machinery in the State and the systems and procedures under which it functions; with a view to assess their adequacy and suitability for a democratic Government in a welfare State responsive to the needs and aspirations of the people, in particular the backward and weaker sections of the society.

2. To suggest measures calculated to improve the efficiency of the administrative machinery to enable it to cope with the developmental activities in a welfare State.

3. To suggest measures for the further decentralization of the power at various levels so as to ensure expeditious dispatch of business in all public offices including local bodies and ensure maximum satisfaction to the public.

4. To suggest measures to eliminate delays, lethargy, corruption, and nepotism in the Administration and to make it result oriented.

5. To suggest measures to cut unnecessary and avoidable paper work and for using modern management techniques in administration.

In other words the goal was to achieve a people centered form of Governance whose implications could be fleshed out as:
Government at all levels has to give utmost importance to the citizens, and the common man in particular.

Decentralized governance resulting in the creation of vibrant Local self-governments with clear functional domains, and the power, authority and resources to discharge the assigned functions autonomously, is most conducive for genuine people’s participation.

Administration has to become more efficient for which greater professionalism is called for which can be achieved through constant training and through scientific methods of performance assessment.

The administration has also to be effective in achieving the objectives for which it exists.

There is need for greater accountability to the people. This can be best achieved by creation of systems and institutions facilitating people’s participation.

Creation of a simple and rational administrative system which is understood by all and which is capable of rising up to the expectations of everyone.

There has to be a constant assessment of costs and return. Society has to get the value for the money it spends on administration.

In order to attain this vision, one time reform alone would not be sufficient.

The third ARC of Kerala had anticipated several elements of NPM even before the MGP was operationalised in the state. It included the creation of a local government ombudsman, provisions for right to information relating to local governance and local development projects, citizen charters in local bodies, introduction of performance audit and social audit and so on in addition to issues like downsizing, value for money, citizen centredness and transparency. Some of these reforms were institutionalized through the 1999 amendments to
the Panchayat Raj Act of Kerala. Staff were redeployed from the line departments to local bodies and placed in their field units under the dual control of both the department and the local body.

4.3 E-governance

Kerala has a Wide Area Network (KSWAN) reaching out to the remotest field offices which provides the backbone of the state’s e-governance initiatives. The network connects more than 2,500 offices of government departments through Wireless and an even larger number through Leased Lines. The state has successfully rolled out the e-district project in two of its districts which is being extended to all districts. One of the earliest attempts in citizen service delivery is the project called FRIENDS (Fast Reliable Instant Effective Network for Disbursement of Services), which is a single-window facility where citizens can deposit their bills and taxes without any hassle. This was later followed up with an entrepreneur-driven model called AKSHAYA.

There are various initiatives like the e-procurement, SPARK (a government HRMS and payroll), IDEAS (file tracking system), Secretariat Workflow automation System, etc. which are common applications created for usage by all departments under the government. The Government of Kerala has implemented the e-Government Procurement System to enhance transparency and efficiency in public procurement activities and monitor the same on a real-time basis. SPARK-Service and Payroll Administrative Repository for Kerala is an Integrated Personnel, Payroll and Accounts information system. This web based application has been implemented for all the employees in Kerala. Every employee is allotted with a unique Permanent Employee Number (PEN) through the system.

The state has pioneered the m-Gov initiatives in the country and today text-based and voice-based messages are supplementing the various e-Governance initiatives in departments. Kerala is targeting a 100 percent Aadhaar enrolment by the end of 2012-13 to ensure that pensions and other welfare schemes reach the targeted beneficiaries through their bank accounts. The state is piloting a project for creating a citizen database. Other measures include a Citizen’s Call Centre (CCC) that enables citizens and government to interact
effectively. There are pioneering efforts being made in terms of treasury computerisation, local self-government computerisation, education department related (exams and results) computerisation, motor vehicles departmental initiatives and commercial taxes automation, etc.

Based on the recommendation of the Administrative Reforms Commission on promoting e-Governance, the state has proposed Capacity Building at the individual level by starting a Diploma programme on e-Governance. In this regard, Institute of Management in Government (IMG) and Indian Institute of Information Technology and Management – Kerala (IIITM-K) decided to jointly conduct a Post Graduate Diploma in e-Governance. The objective of the course is to help the participants to understand how to manage e-Governance projects implemented in the state. The course is spread over two semesters with a total duration of one year and is open to all government employees. There has also been automation of Chief Minister’s Grievance Redressal Cell and convergence of all the available forms of communication to redress the grievances of the citizens through sutharya Keralam (http://www.itmission.kerala.gov.in/home.html).

Excessive emphasis on procurement of hardware and setting up expensive network even before the application software is designed and developed is what happened in many government departments in Kerala. This is to show physical setting up of the facilities and the expenditure without seeing whether there has been any functional progress (Prasannakumar, nd).

**Conclusion**

It can be seen from the various administrative reforms committee reports of both the centre and Kerala that many elements of NPM such as cost-cutting, value for money, greater receptivity to the people, reorganization and mergers of departments, merit-based recruitment and promotion, decentralisation etc. were anticipated by them even before the NPM-inspired MGP emerged in the state. But both the second national administrative reforms committee and the third Administrative Committee of the state of Kerala had access to the NPM type reforms carried out throughout the world to draw on. It must be emphasized that when NPM reforms were introduced in Kerala through MGP, it was legitimised as emerging from internal processes within the state, from the recommendations of the third ARC, rather than being driven by the donors.