CHAPTER VII

POLITICO - ADMINISTRATIVE AND INSTITUTIONAL

There is a close relationship between politics and economics. In his Preface to a contribution to the Critique of Political Economy Karl Marx succinctly wrote: "In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely, relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness."

However, it would be wrong to draw the

conclusion from this marxist proposition that the superstructure, notably politics, is a mere reflection of the economic basis, because in modern times the political structure is a pre-requisite for economic activity. Politics is aimed to safeguard the interests of an economy. Thus, there is a direct relationship between politics and economic life. There is an active feedback effect of politics on economic development.

The government formulates long-term programmes in various spheres of economic activity for establishing equilibrium between various sectors of the economy. Economic development is now no more an arbitrary outcome but a matter of conscious planning by the government. Most developing countries seek to use political leverage to overcome the economic backwardness and to attain economic independence which is one of the main functions of the state. Once political independence has been achieved, the state has an expanding role to perform in the economy. Sometimes the governments, are faced with complicated and even contradictory problems which might call for an authoritarian-action-oriented programming. These would include reforms in the old and
archaic structures within the national economy along with abolition of the remnants of communal, feudal and semi-feudal relationships. Thus state intervention is invisible for countries striving for planned economic development.

State intervention is also inevitable for speeding up capital accumulation, for providing infrastructural support and stimulus for domestic market, for human capital formation and for provision of social welfare services like Health, Public Distribution System and provision of basic amenities.

Apart from these various acts of positive intervention the state also has the responsibility of carrying out agrarian reforms, regulating foreign capital and controlling labour. Thus, on the one hand, the state creates the necessary conditions for development and, on the other, it seeks to remove the barriers to such development. State intervention in all the spheres is aimed at providing rapid, and to the extent possible, self-reliant economic development. In other words, the state is assigned a positive
role in providing the wherewithal for economic development.

Gunnar Myrdal has given several reasons why the State should intervene in the economic development of a country. He has argued very persuasively that state planning and control of the economy is required in order to: (a) squeeze and twist consumption and thereby enhance capital formation and productive investment, (b) keep out non-essential imports, (c) invest in social and economic overheads and in core industries, (d) eliminate speculative and monopolistic practices, (e) mobilize resources through public and private loans, savings and foreign aid, and (f) ensure that the drive for private profit does not result in gross inequalities.

According to Engels "The reaction of the state power upon economic development can be of three kinds: (a) it can run in the same direction and then development is more rapid, (b) it can oppose the line of development, (c) it

can prevent the economic development from proceeding along
certain lines and prescribe other lines. This case ultimately
reduces itself to one of the two previous ones.

A government may feel justified in setting
targets for economic performance which may be partly or wholly
unrelated to the current preferences. As such there might be a
drift in priorities and wastage of resources. This may be
uncongenial to the very objective of economic development.

The capability aspect of the political
system evidently assumes a critical importance with respect to
the goals of nation-building and socio-economic development in
transitional societies. Transitional societies, poor in
combination of interest, capacities, structures and resources
for rapid and sustained progress, need substantial
governmental initiative and power. The governmental role in
development is, however, contingent upon its performance of
certain minimum basic tasks some of which also involve the
establishment of pre-conditions for continued effectiveness of
governmental role. These tasks can be identified as: (1)

4. Engels to C.Schmidt in Berlin, October 27, 1890, in: K.Marx and F.Engels, Selected works,
achieving security against external aggression and ensuring internal order (2) establishing and maintaining consensus on the legitimacy of the regime (3) integrating diverse ethnic, religious, communal and regional elements in a national political community (4) organizing and distributing formal powers and functions among organs of central, regional and local governments and between public authority and the private sector (5) displacement of vested traditional social and economic interest (6) development of modernizing skills and institution (7) fostering of psychological and material security (8) mobilization of savings and of current financial resources (9) rational programming of investment (10) efficient management of facilities and services (11) activating participation in modernizing activities, especially in decision-making roles and (12) achieving a secure position in the international community. All of these functions are important for the effectiveness of government. Particularly, the functions with respect to legitimation, national integration, democratization and economic development are of crucial importance to the stability and performance of the
governmental system.

However, the precise ways in which politics and economics interact and condition the process of change are not clear. There exists a school of thought which regards politics as a pre-requisite for economic development. On the other hand, there is a widespread view that economic growth tends to promote the development of a stable democratic political set up. Regardless of these opinions our immediate concern is why do some governments succeed in inducing desirable changes, while others prove incapable.

An analysis of the Indian model, distinctively reflects our relative inability to function politically as a single conspicuous unit throughout its long history. Historically the Indian political structure was constituted by numerous small kingdoms subservient to no central political authority at the national level. Thus, India's modernization began with an ancient and highly plural society, multi-racial, having many religious groups and a marked class and status distinction. Thus, the conflict

6. C. N. Bhalerao, (Ed.), Administration, Politics, & Development in India.
potential is much greater and politics is more acrimonious. In fact, the ability of the political system to arrange and articulate social and economic relationships into a purposive model of development is not an easy task. "Under such a system even the traditional goals of development, such as the rate of economic growth, the degree of requisite social overheads and the diffusion of new ideas and values, would to a considerable extent depend upon the performance of the political system and its ability to mobilize diverse elements into a framework of unity through growth." It is slowly being realised that economic development is not just an economic process and that its success depends on progress on so many other fronts. So far, such a realization however is more in terms of "preconditions of economic growth" than a comprehension of the total process involved.

Naturally therefore the concept of development includes not only the economic process, but also social, political and administrative processes. Mobilizing and involving masses of people in the productive process is not simply a function of the accumulation-and-saving construct but

involves such imponderables as incentives, involvement, morale, motivation, participation, and articulation of demands. These call for a reconstruction of existing differentiations and relationships, the creation of mediating factors between macro-and-micro-dimensions of society, and consequent patterns of response through which the traditional society must pass in order to develop productive capacities and orientations. The role of political system has to be discerned against such a framework of tasks.

At the time of India's political independence, there were several barriers to her economic growth which could only be resolved by a strong government with a clear perspective about definite goals to bring about the much needed social transformation. The success of any government lies in its formulating consistent and realistic economic plans and in implementing them effectively. However, in Myrdal's terminology India is a "soft-state". Myrdal has described the consequences of "soft development": A general lack of social discipline in underdeveloped countries, signified by many weaknesses and deficiencies in their legislation and, in particular, in law observance and
enforcement; lack of obedience to rules and directives handed down to public officials on various levels, frequent collusion of these officials with powerful persons or groups of persons whose conduct they should regulate; and, at bottom, a general inclination of people in all strata to resist public controls and their implementation. Also within the concept of the soft state is corruption, a phenomenon which seems to be generally on the increase in underdeveloped countries.

The goal of realizing a modern state and a modern society is contingent upon the establishment of a stable and coherent polity and to strengthening of the authoritative structures of government. When we consider the case of India, it would appear that there has been a decline in the capability functions of both the political and the administrative sectors of the system. The system is based on inadequate legitimacy of the political regime which undermines popular mobilization and participation in development programmes. such political development is marked by the emergence of weak political institutions and ineffective

political leadership.

The political leadership constitutes an important link between society and polity. Political parties perform important functions of communication and mobilization for developmental tasks. They also determine the character of political leadership which emerges at different levels. But like all useful instruments this one can also be abused. Considering them as sovereign representative of the people, politicians and political leaders often tend to usurp power and privileges to themselves and to exercise their authority over administration in an unquestioned manner.

The administrative system is the only instrument of action which the governments of emerging countries use for executing their development programmes. With the vast expansion of the functions of government and its increasing role in social and economic development, the administrative system has assumed crucial importance. The administrator plays a two-fold role. Firstly, he assists the process of policy making. Secondly, once the policy has been determined, he has the responsibility for its implementation.
Often, the administrative agencies get aligned with political leaders and interests with resultant factional politics and rivalry between the departments. Administration both influences and is influenced by the polity. In India there is increasing politicization of administration. The political leaders and elected representatives of the people tend to excessively control the administration, interfere with its executive processes, bring improper pressures and demands on it and carry their politics to the stage of administrative departments and agencies. Both the political leaders and administrators seek to strengthen their respective powers. This gives rise to tensions and conflicts in their interaction and does not permit them to collaborate in nation-building and system-maintaining activities.

In the words of Asoka Mehta "Spontaneous pushes and pulls in the political and social process are an essential part of the dynamics of development and will have to be counter-balanced by the administrative functioning in a more balanced manner. The administrator will have to work out a solution which can be offered to society. If the administrators come to the conclusion that working out a
solution of these difficult problems is none of their responsibility, they will only be trying to pass on the decision making to the political and social process. Administrators interested in the democratic functioning of society, persons committed to growth and change cannot expect to evade their fundamental responsibilities.

Many authors in the field have looked upon unwarranted interference by politicians in the daily activities of administrators as one of the greatest enemies of administrative efficiency. Such interference results in blurring the line of demarcation between policy and its execution and thus endangering the goal of good administration. As long as the administrator conforms to the policy laid down by political leaders, he must enjoy substantial freedom in carrying out his daily tasks. Otherwise it will be nearly impossible to expect accountability, efficiency and responsibility on the part of the administrator. Ever since independence, politicians have frequently interfered with the activities of administrators on

a wide range of matters. Therefore, one of the keys to economic and social progress is a vigorous and unremitting effort to improve the standard of public administration. Apart from the withdrawal of excessive political intervention, delays and difficulties encountered in the execution of development programmes due to deficiencies in public administration requires due correction. Deficiencies in the structure and performance of public administration will have a more adverse repurcussion on India's development. Therefore, a government which is incapable of altering or reforming its own administrative organisation is unlikely to be capable of assisting the economic development of the country.