Chapter - 2

THE ISSUE OF GOVERNANCE- GOOD GOVERNANCE
AND PERFORMANCE APPRAISAL OF GOVERNMENT

The issue of governance and its performance appraisal have become central to the recent discourse of social scientists, practitioners as well as the public at large and under the considerations of major international donors. Indeed, more and more importance is attached to the notion of good governance, thus rendering bad governance as one of the worst possible features of society and a major cause of its problems and dysfunctions. The present-study is an initial effort in the process of identification and analysis of salient trends in the process of governance throughout the globe in the contemporary era of science and information technology. Special attention is given to the emerging trends and developments that have been taking place in the structural functional performance of the government in the Indian sub-continent. Hopefully, this may add to our knowledge of contemporary culture of governance and its evaluation of the state under study.

According to the UN paper, ‘What is Good Governance?’ the term ‘governance’ means ‘the process of decision-making and the process by which decisions are implemented (or not implemented)’.¹ In other words, dealing with governance involves the analysis of the processes and systems by which a specific society, or organisation, operates. In earlier usage, governance, most widely referred to, ‘management’ administration and new ways of coordinating welfare-related activities through networks, partnerships and deliberative forum which give users a more central role.²

The term ‘governance’ is actually a very old one, but it has been revived recently, and became, may be, one of the most attractive concepts in social science, especially in the field of public administration. It has been widely used as a new notion meaning ‘something new and reformed’ associated with
government and public administration, which is supposed to be able to replace the negative images of them.

The popularity of governance has something to do with distrust about the government. Many people have been disappointed with the ability of the government to tackle social problems. It leads to reconsideration of the traditional theories of public administration. Self-confidence of traditional public administration has been destroyed and it has faced an ‘identity crisis.’ Public administration which has been supposed to be a powerful tool for solving social problems fell down to a serious social problem itself. As a result, many theories have been proposed as alternatives to the traditional public administration – ‘bureaucratic administration’ in Ostrom’s term.³

In general, governance refers to changes in the role, structure and operation process of the government, or the way social problems are resolved. Despite the strong intuitive appeal, governance has not been defined clearly.⁴ The ambiguity of definitions could cause many troubles, especially when the notion of governance is applied to the process of administrative reforms. It is likely that the concept of governance, which is intuitively appealing but ambiguous, is used for rhetoric rather than substantive reasons consciously or unconsciously.⁵ Frequently, when someone mentions about governance in the process of administrative reforms, “it may be unclear whether the reference is to organizational structures, administrative processes, managerial judgment, systems of incentives and rules, administrative philosophies, or combinations of these elements.”⁶ Sometimes, governance inclusively refers to every desirable change for administrative reform.⁷

Efficient, democratic, responsive, and transparent government is the ultimate goal of not only new theories of public administration, but also the traditional theories of bureaucratic administration.⁸ What distinguishes new theories from the traditional ones is, therefore, not the goals but the specific ways and tools to achieve them. To differentiate governance from bureaucratic administration,
therefore, we do need a better definition of governance, which is far less ambiguous than previous ones, such as “a ‘reinvented’ form of government which is better managed.”

As a student of political science / public administration, one knows that the essential features of the State include: (i) a definite territory; (ii) population; (iii) government; and (iv) sovereignty. The government is viewed as an agency or machinery through which the will of the State is formulated, expressed and realised. While this traditional distinction between the state and the government holds, the role of the government and nature of governance have been changing from time to time and even at a given point of time there is considerable variation when the form of government is a democracy or otherwise.

Though government is one of the main actors of governance, it is far from being the only one; depending on the specific entity under study, other actors can include “influential land lords, associations of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, financial institutions, political parties, the military, as well as the media, lobbyists, international donors, multi-national corporations, etc.” Moreover, governance applies to several contexts: international governance, and national, regional or local governance as well as the corporate governance.

GOVERNANCE: A MULTI-LEVEL PHENOMENON

There is a substantial literature on governance, but little agreement on precisely what it means, as a result of which the term is often used in different ways. A sophisticated and flexible formulation is offered by The Commission on Global Governance, which defines governance as “the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal
arrangements that people and institutions either have agreed to or perceive to be in their interest."\textsuperscript{11}

Many scholars and statesmen have used the term governance in a normative sense, as a rough synonym for democracy. As Newman points out, governance refers to the ways in which institutions, organisations and individuals should be governed as much as to the manner in which they are governed.\textsuperscript{12} Governance therefore has a strong ideological content. In this and other ways, it is interested in identity and the constitution of identity and culture. But some use the term governance more instrumentally, simply to refer to any political system which maintains order. It is important to note that democratic governance is but one form of governance, and that democratic governance can itself take a variety of forms, as we will see later in this chapter. Moreover, in some circumstances, far from being a synonym for democracy, the term governance is often used to avoid diplomatic difficulties when international organizations draft documents relating to the conduct of non-democratic states. These are valid caveats, and may represent a more classically accurate representation of what the term has meant in the past. But language changes with use, and since the end of the Cold War the term has more often than not been used in its normative sense to refer to the processes whereby democracy is promoted, established and consolidated.\textsuperscript{13}

The definition offered by \textit{The Commission on Global Governance} subtly begs two questions to which we have alluded: whether governance should be used in a normative or instrumental sense, and at what level of analysis the term governance should apply. But, as one Chinese scholar, Yu, puts it; “It is critical for good governance that people have sufficient power and rights to participate in elections, decision making and supervision of a government. Obviously, only under democratic conditions can people be entitled to such power and rights. Therefore, good governance and democracy coincide here: no good governance without democracy is actionable and vice versa. There might be
good government under an authoritarian regime but never good governance without a functioning democratic mechanism.”

Many scholars assess the prospects for the establishment and consolidation of democratic governance, at a variety of levels of analysis, in their respective domains of expertise, governance, democracy. Wolchik fineses this normative definition of governance further in her helpful discussion and comparison of the definitions of democracy offered by Huntington and Linz and Stepan. She notes that in the early 1990s it was common to employ a ‘thin’ definition of democracy such as that offered by Huntington, emphasizing free and fair elections and at least one peaceful change of government. But Linz and Stepan argued that more attention should be paid to the ‘consolidation’ of democracy, rather than focusing on a limited and procedural definition of a transition to democracy.

This brings us to the next element of the governance problematic, the existence of multiple levels of governance. Governance is also often used to convey the sense that social forces are not as easy to govern, rule, control or regulate, as used to be the norm, within the ambit of the territorially based sovereign nation-state. Thus, governance is a matter of making the rules of a game sufficiently clear in a setting where forces from above and forces from below are loosening the traditional grip which sovereign states have held on the reigns of power. The term governance also evokes notions of transparency, accountability and the rule of law. The term has come into use in this way precisely because the coercive power and regulatory authority of the sovereign state is being called into question. In this sense the use of the term governance places emphasis on willingness and capacity to learn, and an ability to adapt to change. One might say that conceived in instrumental terms, the antonym of governance is anarchy, but that conceived in normative terms, the antonym of governance is coercion.
DIVERSITY IN THE DEFINITIONS OF THE TERM

Mechanism for Resolving Common Problems

Governance can be broadly defined as ‘a wide variety of ways to solve common problems including organizational, social, national and international problems.’ Defined in this way, governance generally refers to the problems regarding forms of power and authority, patterns of relationship and rights and obligations among the people facing common problems.\(^{17}\)

This definition emphasizes the existence of various modes of governance. For example, Rhodes explains *seven* definitions of governance: (i) **Corporate governance**; and (ii) **Good governance** which emphasize formal processes of both private companies and governments for auditing, ensuring transparency, and information disclosure; (iii) **New Public Management** which refers to improving efficiencies of government bureaucracies by introducing private sector management methods; (iv) **New political economy** which emphasizes the changed relationship among the government, civil society and the market; (v) **International interdependence**; (vi) **Socio-cybernetic system**; and (vii) **Network** which denies the existence of mono-centric power.\(^{18}\) Similarly, Campbell *et al.* define governance as the political and economic processes that coordinate activity among economic actors, and provide *six* ideal type mechanisms of governance, such as markets, obligational networks, hierarchy, monitoring, promotional networks, and association.\(^{19}\)

All of the types of governance share one important common feature. They are all based on ‘rule of the law,’ which defines rights and responsibilities of members facing common social problems.\(^{20}\) In summary, broader definition of governance refers to a way of defining rights and responsibilities of members who face certain common problems, public or private, and want to resolve them jointly.
Mechanism for Resolving Common Public Problems

Institute on Governance (IOG) explains that governance comprises the traditions, institutions and processes that determine how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern. Similarly, the World Bank (1992) defines governance as ways or types of using powers in the process of management of national economic/social resources. In addition, Lynn et al. define governance as “regimes of laws, rules, judicial decisions, and administrative practices that constrain, prescribe, and enable the provision of publicly supported goods and services.”

According to the literatures that define governance this way, governance is political by nature -- there should be negotiations and compromises among participants with various interests, and consequently there should be winners as well as losers. Governance also comprises of formal institutions, decisions and influences, as well as informal ones by various participants associated with policy making and implementation processes.

Williams argues that governance has to do with taking decisions about direction at the societal level. He defines governance as the “art of steering societies and organizations.” According to his argument, governance comprises so-called ‘macro-policy elements’ such as, (i) assessment of consequences; (ii) regular periodic review; (iii) broad perspective; (iv) review of related policies; (v) use of a guiding direction; and (vi) deliberative processes at the societal level. Similarly, Wright emphasizes the role of the state in the process of governance, and warns against the potential danger of intrusion of private sector values into the public sector, which is recommended by New Public Management.

Broad definitions emphasize that there can be a variety of patterns of governance, that is, a diversity of ways in which governments are organized, and governments work. For example, Newman classifies governance into four
different models; (i) the **hierarchical model**, which is characterized by centralization and continuity/order, and emphasizes formal authority, control, standardization and accountability; (ii) the **rational goal model**, which is characterized by centralization and innovation/change, and emphasizes managerial power, maximization of output and economic rationalization; (iii) the **open system model**, which is characterized by decentralization and innovation/change, and emphasizes flexibility and expansion; and (iv) the **self-governance model**, which is characterized by decentralization and continuity/order, and emphasizes citizen power, devolution and participation. According to Newman, governance compromises multiple and complex strands. It involves simultaneous upward and downward flows of power.\(^{26}\)

Other classifications of governance can also be found in governance literatures. They are; (i) state-centric ‘old governance’ and society-centric ‘new governance’\(^{27}\) (ii) market model, participatory model, flexible model, and deregulation model\(^{28}\) (iii) privatization of services, contracting out, and compulsory competitive tendering or the introduction of a contract culture into the world of government (iv) managerial model, corporatist model, pro-growth model, and welfare model\(^{29}\) (v) state-centric model, market-centric model, and civil society-centric model\(^{30}\) (vi) procedural model, corporate model, market model, and network model.\(^{31}\)

Thus, there is divergence of opinion about the meaning of governance between the conservatives and the liberals, between socialists and the communists and between classical and modern scholars. The World Bank, for example, has sought to take a middle position with defining governance particularly as the traditions and the institutions by which authority in a country is exercised. This includes (i) the process by which governments are selected, monitored and replaced; (ii) the capacity of the government to effectively formulate and implement sound policies; and (iii) the respect of citizens and the state for the institutions that govern economic and social communications among them.
In short, the term governance is widespread in characterizing both global and local arrangements, especially reformed ones. Because of its strong intuitive appeal, precise definitions are seldom thought to be necessary. As a result, when we identify governance as an important factor to achieve policy or organizational objectives, it may be unclear whether the reference is to organizational structures, administrative processes, systems of incentives and rules or administrative philosophies. Due to this ambiguity, most of the administrative reforms driven by the logic of governance are likely to be rhetoric rather than substantive.

THE ORIGINS OF THE GOVERNANCE: INDIAN CONTEXT

Now widely used, governance in India emerged in less than two decades from virtual obscurity to take an important place in the social sciences and, partly at any rate, to displace the concept of government. Governance appears to be rivalled only by social capital when it comes to the speed of its rise within the social sciences. The concept has, by no means, a single set of references however. It is utilised to invoke a wide variety of phenomena. In the arena of Indian politics, governance is most widely employed to refer to the co-ordination of various forms of public–private interactions. Thus, in recent years the word governance has become a very fashionable term and is being used in a variety of ways and that it covers a large number of organizations, both in public and private domains.

An efficient, effective and democratic government is the best guarantor of social justice as well as an orderly society. Similarly, there is also emphasis on the fact that the administrative system has to be country specific and area specific taking in view not only the institutions of governance and its legal and regulatory mechanisms but also its market, its civil society and cultural values of the people. The government would, therefore, have the singular responsibility to create an enabling environment where development programmes get properly implemented and that creative minds do not get
stifled or their energies diverted from undertaking new initiatives or enterprises. The principal response of the state, therefore, would be to facilitate, to enable, and to coordinate. Neither the market nor the civil society can perform this role as effectively as the government and thus they cannot become substitutes for the government.

India is not excluded from this global debate or transition from socialist order to capitalist growth models. Fortunately, the Indian state does not have the monopoly of the public sphere. The civil society is increasingly more concerned with public sphere issues and government intervention is considered necessary to provide welfare schemes to cover social safety needs, upgrade health-care to protect children, and help provide opportunities for women and the minorities.32

Indian leaders, policy makers and business brains are actuated by a strong desire to make the country an economic super-power in the 21st century. The high rate of economic growth coupled with comfortable foreign exchange reserves and rising Sensex figures have imparted in them a growing confidence. The world is also looking at India with respect and considers India and China as ideal economic growth models. India is aiming to have a high growth rate with focus on equity. Although these two objectives are not always contradictory but the conflict arises when scarce resources are diverted to meet the demands of the growing middle class or business houses by ignoring the needs of the poor. The imperatives of democracy, however, are forcing Indian political leadership to look deeper into the causes of poverty, inequality and suffering of the common man. In this on-going debate, major shifts in national value system has somewhat gone unnoticed or under-emphasised by academicians, media commentators and India-watchers. In order to comprehend it more clearly let us examine the phenomenon of national values with a separate heading.
NATIONAL VALUE PERSPECTIVE

The problem of governance was decisively shaped by the freedom movement and the aspirations of founding fathers of the Constitution. Every nation is guided by certain values which are shared by the people and the government. National commitments to such values greatly influence the content and the quality of governance. These values in the Indian context at the time of the inauguration of the Republic were those of nationalism, democracy, secularism, non-alignment and mixed economy. The meaning and context of nationalism that had flourished during the freedom struggle got narrowed down in physical terms as a result of the partition of India at the time of independence. The meaning of nationalism today relates more to further strengthening of a trillion dollar gross domestic product economy and less to cohesion among states or integration of princely order that Sardar Patel so magnificently accomplished.

Here, it is worth mentioning that these core values of nationalism, democracy, secularism, non-alignment and mixed economy were forcefully articulated by national and state level political leaders, academicians and journalists in the context of building a new India. The most eloquent expression of these values were made in debates in Parliament and Legislative Assemblies, in periodic letters to the Chief Ministers of the states from India’s first Prime Minister Jawaharlal Nehru, in academic journals of politics, economics and history, in newspapers and at times through statements of business captains, and occasionally, in judicial pronouncements.33

A remarkable decision was taken to make India a secular state notwithstanding the partition of India on religious lines based on the two-nation theory. Though there is no state religion, the Constitution of India went on to make a special provision to protect religious and educational institutions of minorities. A uniform civil code became a directive principle for the state in order that minorities could pursue their religious codes in respect of marriage, inheritance and other property rights. In the meanwhile, religion always had a major place
in our private lives. Politicisation of religious, ethnic and caste ties have reached unprecedented levels. Today, communal and sectarian approaches are more prominent in our polity and also in public policy at national and state levels.

It has been seen in the last sixty years, ideological frame of reference of India is determined by public choice. It is another matter that it was not always real. Socialism was preferred over capitalism and minimal state. The mixed economy which in ideal terms would have meant an equal role for the private sector and the public sector overwhelmingly yielded in favour of the latter. The belief in the state apparatus as a major instrument of social and economic change gave the public sector the primacy of position and placed it at what was picturesquely described as “commanding heights of the economy.”34 Thus, since 1991, India has slowly moved towards the capitalist path.

A bold and magnificent decision was taken to introduce one person one vote system in the country. The universal suffrage paid rich dividends and the subsequent devolution of power to grassroots levels has helped consolidate the gains. Democracy is at the heart of governance in India. However, in its working, democracy has revealed several inadequacies. The chain of accountability from the civil service to legislature and political authority is weak; follow-through at higher levels of administration is poor; and limited oversight by parliamentary committees is part of the problem. Criminalisation of politics and increasing role of caste and religion in electoral politics are major concerns. The performance of the civil service, the primary agency of implementing development, is often undermined by overstaffing, low salaries, graft and political interference. Many people wonder as to whether it was appropriate to expect that a constitution largely based on the colonial model of Government of India Act of 1935 would ensure good governance in a democratic set-up?
In the initial years of the Republic, the executive functioned with considerable autonomy in as much as district officers regularly heard petitions and grievances, intervened in the maintenance of public order particularly in case of ethnic and communal disturbances and enjoyed considerable discretion in implementation of land reforms and community development projects. The hold of politicians and specially ministers began with demands for allocation of scarce resources in favour of ruling elites and powerful interest groups. The State gradually started shedding its neutral stance in favour of the demands of the ruling party or coalition groups. The ‘neutrality’ of the civil service came under stress with ministerial instability since 1960s in the states. The fragmentation of the authority at the centre characterised by coalition governments since the late 1980s has only deepened and extended this process.

But election after election, common people are asserting their voice, changing their representatives in a manner that has ensured change in government in the states as well as at the centre. This phenomenon supported by the civil society groups, the media and an active judiciary has ushered in demands for accountability of the executive. Thus, democracy has really moved beyond periodic elections towards ‘good’ governance.

**GOOD GOVERNANCE AND PERFORMANCE APPRAISAL OF GOVERNMENT**

In the contemporary era of globalization, throughout the world, people look up to the nation-state and its organs for high quality performance. The government can play an important role as a guarantor of civil and political rights, “valued mainly on non instrumental grounds" has an instrumental component, and we may think of rights or equity as public goods in some sense.”35 When good governance is guaranteed, citizens go about their personal business and pursuits with enhanced expectations. On the other side of the spectrum, bad or indifferent governance not only restricts opportunities of success but it can even degenerate into sectarian conflicts and civil wars. In such an atmosphere
personal accomplishments as well as social achievements get severely restricted. Good governance helps create an environment in which sustained economic growth becomes achievable. Conditions of good governance allow citizens to maximize their returns on investment.

The concept of good governance is much larger than mere administrative reforms in the conventional sense of the term. In fact, it covers much more ground and substance than administrative reforms. Good governance has much to do with the ethical grounding of governance and must be evaluated with reference to specific norms and objectives as may be laid down. It looks at the functioning of the given segment of the society from the point of view of its acknowledged stakeholders, beneficiaries and customers. It must have firm moorings to certain moral values and principles. A mission statement of good governance will thus read quite differently from the mission statement of administrative reforms.

Good governance, as a concept, is applicable to all sections of society such as the government, legislature, judiciary, the media, the private sector, the corporate sector, the co-operatives, societies registered under the Societies Registration Act, duly registered trusts, and organizations, such as the trade unions, and lastly, the non-governmental organisations (NGOs). Public accountability and transparency are as relevant for the one as for the other. It is only when all these and various other sections of society conduct their affairs in a socially responsible manner that the objective of achieving larger good of the largest number of people in society can be achieved.

However, it is an unpleasant fact that good governance has become a catchword and that some scholars try to take into account its implications. Good governance is given a broad definition that encompasses an array of issues in the socio-political and economic order of a country. The United Nations Committee for Development Planning in its report issued in 1992
entitled “Poverty Alleviation and Sustainable Development: Goals in Conflict” identified the following as being part of the attributes of good governance:

1. Territorial and ethno-cultural representation, mechanisms for conflict resolution and for peaceful regime change and institutional renewal;

2. Checks on executive power, effective and informed legislatures, clear lines of accountability from political leaders down through the bureaucracy;

3. An open political system of law which encourages an active and vigilant civil society whose interests are represented within accountable government structures and which ensures that public offices are based on law and consent;

4. An impartial system of law, criminal justice and public order which upholds fundamental civil and political rights, protects personal security and provides a context of consistent, transparent rules for transactions that are necessary to modern economic and social development;

5. A professionally competent, capable and honest public service which operates within an accountable, rule governed framework and in which the principles of merit and the public interest are paramount;

6. The capacity to undertake sound fiscal planning, expenditure and economic management and system of financial accountability and evaluation of public sector activities;

7. Attention not only to central government institutions and processes but also to the attributes and capacities of sub-national and local government authorities and to the issues of political devolution and administrative decentralisation.36

Good governance does not occur by chance. It must be demanded by citizens and nourished explicitly and consciously by the nation state. It is, therefore, necessary that the citizens are allowed to participate freely, openly and fully in the political process. The citizens must have the right to compete for office,
form political parties and enjoy fundamental rights and civil liberty. Good governance is, accordingly, associated with responsible political leadership, enlightened policy-making and a civil service imbued with a professional ethos. The presence of a strong civil society including a free press and independent judiciary are pre-conditions for good governance. Therefore, good governance is a form of governance that encompasses a broad agenda that includes effective government policies and administration and it embodies eight specific characteristics, and can be seen as the ideals of governance; these are:

(i) Accountability

Accountability is a key requirement of good governance. Not only government institutions but also the private sector and civil society organisations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies, depending on whether decisions or actions taken are internal or external to an organisation or an institution. In general, an organisation or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

(ii) Consensus-Oriented

There are several actors and as many viewpoints in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus on what is in the best interests of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.
(iii) Effectiveness and Efficiency

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of the resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

(iv) Equity and Inclusiveness

A society’s well being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires that all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well being.

(v) Participation

Participation by both men and women is a cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. Representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision-making. Participation needs to be informed and organised, which requires freedom of association and expression and an organised civil society.

(vi) Responsiveness

Good governance is also responsive to the present and future needs of society. It requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

(vii) Rule of Law

Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities.
Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

**(viii) Transparency**

Transparency means that decisions made and their enforcement are achieved in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media.³⁸

These characteristics assure that ---

- corruption is minimized,
- the views of minorities are taken into account, and
- the voices of the most vulnerable in society are heard in decision-making.

**PERFORMANCES APPRAISAL OF THE INDIAN GOVERNMENT**

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. The central challenge before good governance relates to social development particularly in the third world countries like India. In his famous ‘Tryst with Destiny’ speech on 14 August 1947, Jawaharlal Nehru articulated this challenge as ‘the ending of poverty and ignorance and disease and inequality of opportunities.’³⁹ Good governance must aim at expansion of social opportunities and removal of poverty. In short, good governance, in the Indian context, means securing justice, empowerment, employment and efficient delivery of services. There can be a number of parameters through which the performance of the government of India in restoration of good governance may be examined:
Securing Justice:
There are several inter-related aspects of securing justice including security of life and property, access to justice, and rule of law.

Threats to Peace:
The most important public good is the supply of security especially security of life and property. The responsibility of the Indian nation-state to protect the life and property of every citizen is being seriously threatened particularly in areas affected by terrorism (Jammu and Kashmir), insurgency (North-Eastern states), and Naxalite violence in 150 districts of India’s mainland. The Indian nation-state is aware of complexities of the situation and the need is to show greater determination and relentless in support to its instruments of law and forces of democracy and social cohesion to defeat the elements of terror, insurgency and Naxalite violence. Government of India has taken several steps to restore peace and security, the menace of terrorism persists, with greater intensity and alarming regularity.

Access to Justice:
Access to justice is based upon the basic principle that people should be able to rely upon the correct application of law. In actual practice there are several countervailing factors. Some citizens do not know their rights and cannot afford legal aid to advocate on their behalf. A related aspect is fairness of access as some people involved in the legal proceedings and large numbers of criminal prosecutions are not voluntary participants. The most severe challenge relates to complexity of adjudication as legal proceedings are lengthy and costly and the judiciary lacks personnel and logistics to deal with these matters. Systematic solutions are, therefore, needed for strengthening access to justice. At the same time ad hoc measures are required to provide immediate assistance to the needy citizens.
Rule of Law:

The concept of good governance is undoubtedly linked with the citizens’ rights of life, liberty and pursuit of happiness. This could be secured in a democracy only through the rule of law. The rule of law is expressed through the axiom that no one is above the law. One has to clearly understand that the rule ‘of’ law is different from the rule ‘by’ law. Under the rule ‘by’ law, law is an instrument of the government and the government is above the law while under the rule ‘of’ law no one is above the law not even the government. It is under this framework that rule of law not only guarantees the liberty of the citizens but it also limits the arbitrariness of the government and, thereby, it makes government more articulate in decision-making. The rule of law as Dicey postulated is equality before law. This is secured through formal and procedural justice which makes independent judiciary a very vital instrument of governance. It is widely appreciated that human factors i.e. the quality of political leadership, the executive and judicial officials play important roles not only in upholding supremacy of rule of law and in efficient delivery of service but also in shaping traditions, customs and institutional cultures that are integral part of the liberal democratic machinery.

In our constitutional system, every person is entitled to equality before law and equal protection under the law. No person can be deprived of his life or personal liberty except according to the procedure established by law. Thus, the state is bound to protect the life and liberty of every human being. In the majority opinion in *Kesavananda Bharti v. State of Kerala* that “rule of law” and “democracy” were declared as the basic structures of the Indian constitution not amenable to the amendment process under article 368 of the constitution. It flows wherefrom that the courts have the final authority to test any administrative action on the standard of legality. The administrative or executive action that does not meet the standard of legality will be set aside if the aggrieved person brings an appropriate petition in the competent court.
A necessary corollary of this phenomenon is called ‘judicial activism.’ A large number of Public Interest Litigations (PILs) are filed in High Courts and the Supreme Court against the apathy of the executive. This has served us admirably but it has also highlighted the need for circumspection and self-restraint on the part of the judges in performance of this task. It is being increasingly felt that Public Interest Litigation (PIL) is being misused by people agitating private grievances in the garb of public interest, in settling political scores and seeking publicity than espousing public causes and defending the deprived.

Fortunately, in the case of Divisional Manager, Aravali Golf Club v. Chander Hass, a Division Bench of the Supreme Court in an order in December 2007 cautioned ‘against judicial activism’ and issued ‘an unequivocal message to the judiciary’ to restrain itself. Another matter of significance in the context of good governance relates to the fact that there are virtues of ‘judicial creativity’ but this phenomenon must not stifle ‘executive creativity’ particularly of officials working at grassroots level for they are in day-to-day contact with citizens and interact with them in myriad ways.

**Empowerment:**

An empowering approach to poverty reduction needs to be based on the conviction that poor people have to be both the object of development programmes and principal agency for development. However, it is generally found that when poor people are associated with public programmes, they have consistently demonstrated their intelligence and competence in using public funds wisely and effectively. The involvement of poor women in micro-financing institutions of SEWA in Gujarat or in self-help groups in Andhra Pradesh and Tamil Nadu have clearly established that they not only understand financial systems but also repay their loans on time. In short, the poor women have demonstrated that they can outperform all other customers in profitability.
Our Constitution is committed to two different sets of principles that have a decisive bearing on equality. First is the principle of equal opportunities to all and the second, the principle of redress of educational and social backwardness. The social and political climate has radically changed in the country from what it was in 1950 or 2000. However, notwithstanding an increasing role of the market and the NGOs as institutions of modernization and progress in the country, the state continues to have a leading say in transformation of society to make it just and equal. The question is, not only of the extent to what reservation in government employment can really change things for the better, but how it could, in order to benefit the socially, educationally and economically backward ones.

Our preferential policies in government employment were initially confined to persons belonging to Scheduled Castes and Schedules Tribes. After acceptance of Mandal Commission Report by the Government of India in the year 1990, this got extended to eligible candidates hailing from other notified backward classes as well. One of the advantages of affirmative action has been the improvement in the distribution of opportunities among the Dalits and Backward Classes. Ordinarily, children of poor and lower status parents get lower level jobs and consequently lower salaries and income. The reservation of jobs at all levels has ensured that the children of dalits and backward class parents are selected for All-India Services like the IAS and the IPS. The advantage, however, has not as yet percolated to the entire community of poorer and lower status parents. In providing these protectionist regulations in government employment no special care was taken for the poor students since the Constitution only recognized “educational and social backwardness” and not economic backwardness as a norm to be applied in formulation of preferential policies in government employment.

The Supreme Court in a landmark judgment delivered on 16 November 1992, while upholding the reservation of 27% of vacancies in the civil posts and services in the Government of India in favour of other backward classes
(OBCs) provided for exclusion of socially advanced persons/sections among them commonly known as “the creamy layer”. The Supreme Court further directed the Government of India to specify socio-economic criteria for exclusion of “the creamy layer” from the OBCs. Subsequently, the children of persons holding eminent positions in government and also of rich farming families were made ineligible from reservation in services. Recently, the Government of India has stipulated that sons and daughters of persons having gross annual income of Rs. 2.5 lakhs per annum and above would be excluded from reservation of services.

In the scheme of affirmative action that the Constitution provides, the state has been authorized to make special provisions not only for the advancement of socially and educationally backward classes of citizens, for the Scheduled Castes (SCs) and the Scheduled Tribes (STs) but also for women and children. Significant measures have been taken in this regard during the last sixty years. One such step relates to reservation of seats for women in local bodies.

Today, India has millions of elected representatives in panchayats in nearly half a million villages out of whom approximately over one million are women. Assuming that for every elected office in the village panchayat system there are three contenders. Direct elections have also brought into the village national life and consciousness about strengths of democracy and the need for democratic behaviour in terms of the Constitution of India. The print and electronic media in particular have strengthened this process.

Sensitively enough in the era of growing role of the private sector, the state is demanding the private sector to adopt affirmative action policies. The developments in this area would lead to greater empowerment of the people and would also have a positive bearing on social responsibility and sensitivities of the private sector. It is a widely known fact that there are more than 200 million people below the poverty line in the country. This poverty line indicates that the income of the people below poverty line is not high enough
for adequate nutrition. There is high concentration of persons below poverty line in the large and poorer states of the North and the East. The need is to identify persons below poverty line correctly and computerise the list. Then it would be possible to provide economic advantages to them. These economic criteria will naturally cut across religion and caste lines, among rich and poor States, and also between rural and urban areas.

Empowerment of the poor people would create new demands and pressures on services and these would be in the nature of quality. An effective administrative system alone can manage these new demands. We are living in a period of time in which, encouraged by affirmative action incorporated into the Constitution about Scheduled Castes, Scheduled Tribes and Other Backward Classes, several communities are demanding similar facilities. Recent happenings have shown signs of degenerating into street conflicts and civil wars. All these constitutional steps of empowerment are within a frame work. The need is to look at the frame work itself now and to take such corrective measures as would be necessary to allow the fruits of affirmative action reach those who need it.

A significant threat in terms of empowerment could come if moves are made to take a religious or sectarian view of secular, political and economic action. We must take into account the presence of extremist elements among different religious groups, i.e. the Hindus, the Sikhs and the Muslims, who are occasionally nourished by the communal violence that they stir, in our task of maintenance of peace and order in the country.

**Employment:**

Generation of gainful employment for the youth is the most challenging task facing India’s political economy. India’s working age population is over 50 per cent. A fast-growing working population will ensure more workers, more savings and hence more investments. This mechanistic view of growth assumes that demography is destiny and that economic policies and programmes play
little or no role. But population growth by itself does not add to prosperity, unless young people are educated and new jobs are created. If we fail to generate employment and equip the youth with good quality education and skills, India’s demographic dividend could become a demographic liability.

The history of economic development clearly demonstrates that development of non-farm sector is tied to modernization of agriculture and its improved productivity. The increasing application of modern technology also frees labour to move to urban areas for gainful employment in non-farm sector. In this background, employment growth accelerated to 2.6 per cent during 1999-2005 but the average daily status unemployment rate increased further to 8.3 per cent in 2004-05 as more persons entered market-seeking employment. There is a need to prepare the youth with such education (we have more than 300 million illiterate children adding to the enormity of the problem) that would help them acquire vocational skills and mastery over new technology, including internet. This would make the youth employable in the job-market and also help those who want to work on their own.

In addition, there is an imperative requirement to pay special attention to generation of employment opportunities in agriculture, expand area of coverage of rural employment guarantee schemes, accelerate the pace of implementation of Bharat Nirman schemes and several other programmes. Similarly, it would be essential to encourage private sector partnership and support movement of self-help groups and micro-financing institutions.

**Regional Diversity:**

Abraham Lincoln stated in the ‘House Divided’ speech that ‘the United States could not endure half slave and half free. It would become all one thing or all the other – all free or all slave.’ We are at a level of economic development where India’s southern and western states have enormously developed in economic and educational terms while the northern and eastern states are lagging behind. The level of frustration on account of this disparity is
becoming evident in the spread of naxalism and insurgency. It is true that the nation-state is deeply concerned about this phenomenon but it is only through the quality of governance in northern and eastern states combined with high level of investment that regional disparity could be bridged. Generation of employment among the youth in rural areas in northern and eastern states could be the catalyst. 45

**Delivery of Services:**

The principal feature of the scheme of effective delivery of services needs to be seen in the context of the fact that demands have to flow from the bottom up and not the top down. It is true that both the Government of India and the state governments have been allocating a fairly good size of public funds to health and education. A closer scrutiny of as to whom these facilities reach has revealed that public spending on health and education is typically enjoyed more by the non-poor. The schools and health centers in areas where poor live are often dysfunctional and extremely low in technical quality. The three institutions which have played remarkable roles in improving public service delivery in India are: (i) the judiciary; (ii) the media; and (iii) the civil society.

The independent character of the judiciary that the constitutional architecture has carefully provided for has been of immense help. The judiciary has intervened meaningfully to correct failures in service delivery by the executive. Public Interest Litigation (PIL) has emerged as a powerful tool in the hands of individuals as well as non-governmental organizations (NGOs). In recent years, the high courts and the Supreme Court have intervened in diverse matters to improve delivery of services, ranging from grant of pensions to superannuated officials to supply of food grains to individuals from public distribution networks. Unfortunately, the judiciary is saddled with millions of pending cases and is slow in delivering judgments. The nexus between lawyers, court staff and litigants often ensures that most cases get prolonged through the
method of seeking adjournments. There are also no time limits for case disposals.

The media, both electronic and print, have emerged as a source of pressure for change. It has brought to the fore aspirations of the common people, which in turn have exerted enormous pressure on public officials to deliver goods. The emergence of a large number of non-governmental organizations in different fields ranging from environment to culture to education has become institutions that bring forward the concerns of the public with a degree of regularity. Along with micro-financing institutions, the self-help groups (SHG’s) are emerging as institutions of social capital. SHG’s have moved beyond credit and are doing commendable work in areas of marketing of commodities, distribution of age-old pensions, works related to community-based food security, dairy development and the like.

**Administrative Responses:**

The Indian administrative scene is marked by few successful innovations and practices in public service delivery and a large number of pathetic performances. The general weakness of accountability mechanisms is an impediment to improving services across the board. Bureaucratic complexities and procedures make it difficult for a citizen as well as the civil society to navigate the system for timely and quality delivery of services. The lack of transparency and secrecy that have been associated with the administrative system from colonial times, besides generating corruption, has also led to injustice and favouritism.

The frequent transfers of key civil servants have enormously contributed to failures in delivery of services. In some states, the average tenure of a District Magistrate is less than one year. Development projects have also suffered as a result of frequent changes in project directors. Another important factor in delivery of services relates to the role of political leadership. In a state where the chief minister has been reform oriented, it has invariably resulted in better
delivery of services. Similarly, bipartisan consensus across party lines on delivery of services too has helped enormously. Stable governments with clear majority in the State Assembly too have contributed to better service delivery.

The political realities vary from state to state and from time to time. Stable governments with a clear majority in the State Assemblies are always better positioned to carry out the vision of the chief minister than fragile coalition governments which are required to make compromises to remain in power almost on a daily basis. When the political leadership granted key civil servants direct access, it was possible to resolve issues that might have got complicated due to factional interest of political leaders at the grass-root levels or through conflicting circulars of the State Government. Public signaling of support by the state leadership always helps civil servants reach the poor people by ignoring political interferences that are aimed at securing individuals or group interests of comparatively better off people in the society.

It is common knowledge that people seeking access to healthcare or livelihood facilities are required to pay several visits to multiple government offices located in different parts of the district headquarters. In recent years, several states have harnessed information technology to make it easier for citizens to interact with the authorities. Karnataka, for example, has made available land records for some 20 million farmers by placing them online under its Bhoomi Initiative. The public distribution systems (PDS), admission to schools, health records of citizens are all amenable to information technology applications and that in turn will make delivery of services much better.

The individual initiative and commitment of a project director or a district magistrate is crucial not only to innovation and application of new methods in delivery of services but to overall image of administration and in its responsiveness towards the needs of the people. The message is clear that when properly empowered by political leadership, a project director or a district
magistrate can be transformed into an effective instrument not only for innovation in service delivery but also for its quality and delivery on time.

**Capacity Building:**

Capacity building at all levels of an organization is widely perceived as the most important approach to achieve quality of services and customer’s satisfaction. In a federal democracy, decentralization of power is viewed as necessary to empower people in rural and urban areas to improve their lot. The empowerment of the local levels of administration would foster confidence and enable more individuals even outside the bureaucracy to come forward to handle community needs and enhance public good effectively without hesitancy or the need of approval by higher level authorities.

The concept of capacity building in public administration heavily relies upon professionalism of the civil service. There is an increasing awareness about the low level of professional quality of public servants employed in districts and in rural areas. Resistance to the capacity building programme comes from the staff as well as from the supervisor. People normally do not like change. There is also a myth that capacity building means bigger work-loads. Resistance also comes from supervisors and managers who often perceive that staff capacity building would lead to reduction of their own powers. The most crucial element in capacity building is leadership. Good leadership aimed at improvement of organizational culture is integral to capacity building. Capacity building demands staff to behave responsibly and produce desired and agreed upon results. It means a collegiate effort in which an individual or an organization could be made accountable and responsible for any action that they take.

Access to information, participation, innovation and accountability are needed to build an environment for capacity building. In traditional organizations, information is the preserve of higher level bureaucracy. This system needs to be broken to allow people to get whatever information they need to perform
their tasks. The staff should be encouraged to actively participate in the tasks of the group.

**MAJOR CHALLENGES TO GOOD GOVERNANCE**

**Criminalization of Politics**

The criminalization of the political process and the unholy nexus between politicians, civil servants, and business houses are having a baneful influence on public policy formulation and governance. Political class in India as such is losing respect gradually. The Indian State is facing a serious challenge to its authority from lawless elements. Terrorism in Jammu & Kashmir and its ad hoc but frequent spread to other parts of India, the insurgency in the North-East, and rapidly expanding base of Naxalite movement in mainland India constitute grave challenge to democratic governance. Fortunately, one sees national consensus against terrorism and it is for the Indian State to deal firmly with this menace. Insurgency in India’s North-East is largely confined now to Nagaland, Manipur and Assam and these are being tackled by democratically elected state governments with full support from the centre. Of late, one sees a political resolve to deal with Naxalites as well. Dialogue process alone would provide the final answer but in every eventuality the State has to be continually firm in order that it discharges its basic responsibility of protecting life and property of its citizens.

The more insidious threat to India’s democratic governance is from criminals and musclemen who are entering into state legislative assemblies and national parliament in sizeable numbers. A political culture seems to be taking roots in which membership of state legislatures and the parliament are viewed as offices for seeking private gain and for making money. Such elements have also found place in council of ministers and a prime minister or a chief minister in an era of coalition politics can not take strong action for that might lead to the fall of the government itself. The Gandhian values of simple living and self-
less service to public causes are rapidly vanishing. The dictum that ‘howsoever high, the law is above you’ is sought to be replaced by rule of men.

It is true that public is not a mute spectator to this phenomenon nor is the media. The process of judicial accountability has succeeded in sending several legislators and ministers to jail. But new methods have also been devised to fiddle away with the processes of law. Criminals facing prosecution get out on bail and even go scot-free. During the period of consideration of their bail petition as well as trial, the doctor invariably finds a serious ailment that enables the accused to escape discomforts of jail by admitting himself in a 5-star hospital.

The question staring all of us is how to close the gate of the portals of democracy for criminals. At the behest of the Election Commission, the Indian Parliament has enacted certain laws that make it obligatory on the candidate contesting an election for parliament or state assembly to declare as to whether he is accused for any offence punishable under law for two years or more, for which charges have been framed. Candidates would also have to disclose whether he has been convicted for any offence in which the punishment has been awarded for one year or more for the information of the voter. All these have created a favourable environment for curbing criminalization of politics. But it is necessary to move further to debar criminals from contesting elections. It is imperative, therefore, to amend Section 8 of the Representation of the People’s Act 1951, to disqualify a person against whom the competent judicial authority has framed charges that relate to grave and heinous offences and corruption. It is one of the marvels of parliamentary democracy in India that notwithstanding entry of criminal elements in the Lok Sabha and in Vidhan Sabhas, we have a Prime Minister of high integrity and scholarship and several Chief Ministers whose honesty is beyond any iota of doubt.
Corruption

The high level of corruption in India has been widely perceived as a major obstacle in improving the quality of governance. While human greed is obviously a driver of corruption, it is the structural incentives and a poor enforcement system to punish the corrupt that have contributed to the rising curve of graft in India. The complex and non-transparent system of command and control, monopoly of the government as a service provider, underdeveloped legal framework, and lack of information and weak notion of citizens’ rights have provided incentives for corruption in India.

A conscious programme for strengthening of public awareness and also empowering the existing anti-corruption agencies would be required. The statutory right to information has been one of the most significant reforms in public administration. The ‘Right to Information Act’ (RTI) provides a strong national framework within which public awareness programmes could take place. Corruption takes place within a frame. Accordingly, basic reforms in file management, government rules and regulations, provision of public expenditure review could provide the concerned citizens the relevant knowledge to hold service providers accountable. This would ensure that the resources that belong to people are used in the right way.

Corruption and Electoral Reforms

The hitherto laissez-faire system of funding of elections is the biggest countervailing factor in the emergence of democratic India as an honest state. It is widely agreed that state funding of elections/parties will provide a certain degree of financial independence to parties and their candidates and that in turn will help reduce the incentives to raise party/election funds through corrupt means. Public financing holds great promise because it levels the playing field and gives candidates an incentive to accept spending limits. With public financing, poorer candidates can challenge well-funded ones, enlivening the
debate and opening up the system. Public financing should be accompanied by free media space.

The state funding of elections regime should be accompanied by strict accounting procedures including rules to internally democratize parties. All these will improve the image of political parties in the eyes of the public and help create a virtuous cycle of democratic competition within political parties for election nominations in which candidates exposed to be corrupt can expect to be weeded out over time. It will also encourage honest persons from various walks of life to join the electoral battlefield. The state funding of elections in India would also go a long way in reducing the clout of religious, ethnic and some business houses on the government.

Some Other issues

Religion and culture play an important role in social cohesion. The religious attitude of tolerance and peace and cultural values of pluralism are conducive to good governance. Indian democracy is a product of freedom movement which gave primacy to values of pluralism and equal treatment to people of different faiths and ethnic backgrounds. The constitution guarantees, the judiciary upholds it and the leadership believes in this value system.

India’s democracy is at the centre 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. Pakistan is making experiment with various forms of governance, democracy as well as military dictatorship, and merely succeeding in saving the nation-state from being a failed one. The Bangladesh army seeks similar justification in managing and calibrating the transition to democracy, as does the Gayoom regime in the Maldives. In Sri Lanka, notwithstanding high rates of literacy and economic growth through decades-old democracy, it has not been able to secure cooperation of the Tamil minority, with the result that democracy thrives side
by side with a bloody civil war. In Nepal, democratic institutions which have been undergoing serious strain under the Maoist threat are trying to resurrect under a fledgling inclusive republican order.

The major shifts in India’s national value system made impact both on the nitty gritty of administration as well as the intellectual build up of the civil service, the police and the judiciary. This is not the occasion to analyse 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 shift in national values corresponded with new democratic experiences and change in regional and global environment. The geography of nationalism got restricted with partition in 1947 itself. The meaning and context of nationalism and non-alignment underwent major transformation on account of the Chinese perfidy in 1962. The reassertion of democracy became evident during 1975-77. India shifted from the commanding heights of the public sector economy policy and slowly opted for integration of markets and moved on the path of capitalism beginning from 1991. It is true that capitalism is not the accepted creed of the Indian nation-state. In an era of coalition governments, the national government has had to use ingenuous methods to push economic reforms to usher in rapid economic growth. This is also true of foreign policy arena. For our purpose, it suffices to say that the concept of good governance though in vogue all the world over, the Indian product has its own special features and flavour. In an era of shift in values, governance is marked by trial and error and new rules of the game are getting formulated as we move along.

It is being widely appreciated that good governance is dependant 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. Poverty reduction depends on improvements in the quality and timely delivery of services to poor people of basic education, health, potable water and other social and infrastructure requirements.

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. 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. 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 favour 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.

There is no doubt that market has better delivery of services. Moreover, in a competitive environment, the market can be both cheaper and more effective than the government in providing certain types of services. However, the
markets, controlled as it is by businessmen, operate for profits and the poor have little or no voice in the regulation of its operations. Thus, the failure of the government and the profit motive of the market have led to distorted developments in which the rich have become richer and the poor poorer. Market is an integral part of social order but the truth is that principles of market cannot be allowed to govern society and polity. Accordingly, no democratic government can leave market uncontrolled and free from regulations.

It is true that despite security of tenure, the permanent services including the IAS, IPS and the IFS are marked by decline in idealism of early years of the republic. It is no denying that if political leadership becomes corrupt or apathetic to good governance, the permanent services may not remain idealistic or efficient for long. And yet the senior leadership of the All India and Central Services need to look within and develop themselves professionally and in ethical terms to fulfill the ambition of the new generation to build a strong India. How and whether the services would rise to this challenge needs to be both posed and watched?

Placed in these circumstances, a multi-sectoral approach to governance that serves the cause of growth as well as equity alone can help in achieving the goal of good governance. It is precisely here that NGOs, self-help groups, women’s groups, legal assistance organizations and several other civil society instruments can play an influential role. In fact, most of these organizations are addressing specific concerns and know the ground realities. These organizations are at the centre where they frequently interact with the government and the market. Just as the government regulates the market from committing misuses that are detrimental to society as a whole, the role of the civil society is to ensure that government is not only accountable and responsive to the citizens but it also performs its essential role as the guarantor of social justice. In the emerging multi-faceted nature of governance, the civil society institutions can play a constructive role not only in harnessing the
resources of the government but also in tapping the structure and resources of the market to give a fair deal to the people, and in creating an environment where sustainable development takes place.

**Conclusion**

After a deep study of the concept of governance, its origin and diversified definitions, we find that the term differs in nature according to time, place, situation and the context of study. So far as the performance appraisal of government is concerned we find that there is a major shift from, or even collapse of, core values of freedom movement are making adverse impact on institutions of the republic and functioning of the government. The new Indian republic was not always market friendly. It was expected that the state shall supersede the market by generating a system of control so that it produced a result that it would not have produced itself.

In the era of capitalist innovations that leaves a lot of people out and the market laws even threaten to dominate natural environment. Fear of terrorism has contributed to the view for strengthening of the nation-state. Although, a return of ‘license-permit’ era is ruled out for ever as we are getting increasingly linked to the global market, good governance that people need in order to improve their lives depends, in a larger measure, on government activities and approaches. Therefore, State-sponsored development programmes must aim at reduction in poverty and improvement in productivity levels of workers. Towards these, poor people need to be directly involved. ‘Public Expenditure Review’ meets should be organized periodically at village, sub-district and district levels to ensure proper utilization of funds and ownership of development programmes by the people. Civil service should be given clear responsibility for delivery of services in respect of approved schemes and held accountable for their acts of omission and commission. One third of the seats in assemblies and parliament should be reserved for women. Persons who are charge sheeted by a competent court for heinous offences and corrupt practices
should be debarred from contesting elections. Partial state funding of elections should be commenced urgently.

In the post Gandhi-Nehru era, the involvement of civil society in governance has become crucial. Civil groups like NGOs, women’s groups, trade unions, cooperatives, guilds, and faith organizations are all essential to building of inclusive growth. Without the involvement of the people, without their voices, without their participation and representation, a programme can only be implemented mechanically. Today, we need innovators in two areas in particular: women and livelihood programmes. Women’s increasing representation in democratic institutions has provided stability to Indian polity. Women can bring constructive, creative and sustainable solutions to the table. Women participation in economic programmes needs to be augmented for in women we get expendable providers, educators, caretakers and leaders.

Livelihood should relate to social economy and local resources as well. It should also mean upgrading of existing and traditional skills that people have possessed from time immemorial in agriculture, in animal husbandry, in fishing, in textiles and so on. Investment in upgradation of such skills would lead to harmonious relationships with nature. In view of the deep-rooted social and economic inequities for centuries, India can’t blindly follow capitalist model of growth that puts excessive reliance on market forces, for such a model would fail to provide stability to Indian polity. And yet rapid economic growth is essential to meet aspirations of the Indian youth. Placed in these circumstances, the innovators have to devise ways and means that secures both fast growth and an approach that combines Gandhian ethics with democratic temper.

Innovations are taking place in the government, in the market and in the civil society. Social and political processes are getting increasingly interlinked changing the character of the elites in the countryside. In the process the high caste elites of 1950’s have increasingly yielded space to intermediate caste
landholders and businessmen and also holders of administrative and political offices. The nature and content of good governance would undergo changes in tune with rising expectations and fresh demands by the people. Democratic governance would expect and secure from its leadership to be alive to such aspirations and to continually tune institutions of polity to be effective instruments of citizens’ welfare. One is aware that ‘million mutinies’ are taking place almost on a daily basis in the country. The need is to go for ‘million negotiations’ that would ensure that government, market, and civil society work together for the poor.
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