

E-GOVERNANCE DEVELOPMENT

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Abstract: Poor public service delivery is a major symptom of poor governmental performance in India at all levels. The problem is probably more acute at the subnational level because day-today and basic services – such as health care, education, water and sanitation – are more the responsibility of subnational tiers, while, at the same time, these tiers of government have been disadvantaged with respect to fiscal and administrative capacity.

Keywords: Poor public service delivery, E-governance

1. INTRODUCTION

Increases in patronage politics and rent-seeking over time have also resulted in a decline in the quality of public expenditure. Seeing this situation in terms of the functioning of accountability mechanisms, whether of elected officials to citizens or of other government employees to elected officials, a major problem is lack of good information flows both within government and across government boundaries to citizens. IT has a dual role to play in the case of governance and administrative reforms aimed at increasing efficiency and effectiveness. First, the use of IT for improving internal government processes is important, through its potential to increase the efficiency of these processes. For example, the costs can be lowered, and accuracy improved, of data entry for tasks such as the preparation of electoral rolls and lists of welfare eligibility.

Second, and perhaps more importantly (because it can hasten the first change), transparency, accountability and responsiveness can all be enhanced by using IT to alter the citizen-government interface. This second avenue is particularly relevant in rural areas, where government is both extremely important and also stretched very thin: effective access to government services can be difficult and costly for the average rural citizen. There are now many examples of IT use in governance in India, and we will discuss some of them briefly, especially in the context of their impacts on expenditure quality and service delivery. Before we do so, we discuss a conceptual framework (Pritchett and Woolcock, 2004) in which to consider the examples.

Pritchett and Woolcock begin by identifying two dimensions of variation for public services: transaction intensity and degree of discretion. They further distinguish between policies (when the service is non-transaction-intensive and discretionary), programs (transaction-intensive and non-discretionary problems) and practices (transaction-intensive and discretionary services). They argue that practices are the most challenging category from the perspective of governance.

Shah (2006) adduces three types of benefits of IT within this conceptual framework: reducing discretion (converting practices to programs), reducing transaction costs, and improving incentives by improving information and transparency (the core of improved accountability). One of Shah's case studies is the computerization of the railway reservation system. Given the size and reach of the Indian Railways, this has rightly been perceived as one of the most successful government implementations of IT in India. Shah discusses how the use of IT achieved all three benefits, reducing the discretion of individual reservation clerks, cutting transaction costs, and increasing transparency (reducing information control by any individual) and thereby improving incentives for reservation clerks. A key feature of Shah's analysis is his identification of the stages of implementation: it began in 1985, and proceeded from branch-level databases to a unified national database, with electronic remote access by consumers (in other words, an IT-based citizen-government interface) via the Internet coming much later. In fact, the vast majority of ticket purchasers still do so by queuing up at reservation counters. As Shah observes, opportunities for discretion and corruption remain, but they have been substantially reduced.

2. PLANNING

Examining the railway reservation example more closely, one can note that reducing discretion is a benefit when the discretion is misused: this is therefore a subset of improving incentives. Incentives are improved, and inappropriate discretion curbed, when digital information systems increase transparency and access by service users. Report cards that rank various e-governance initiatives (e.g., Kochhar and Dhanjal, 2004, 2005) use an array of evaluation criteria, including “ease of use,” “speed of delivery,” “low incidence of errors,” “reduction in corruption,” “staff behavior” and “staff competence.” With some minor oversimplification, one can argue that these lists can also be reduced to the two fundamental criteria of reducing transaction costs and improving incentives. Going back to the Pritchett and Woolcock (2004) classification in the context of the railway reservation example, one can further argue that the key characteristic for citizen-facing public services is transaction-intensity, while discretion is a much more malleable characteristic.

To summarize, citizen-facing public service delivery that is also transaction-intensive suffers from two potential problems. First, the transaction costs are often quite high, relatively uniformly across users, and independent of the effort of service providers (government officials). In the language of economics, the production technology is inefficient. If IT can be implemented to reduce these transaction costs, by making access to information easier, or executing procedures (e.g., applications for documents and certificates, or making payments) more efficiently, this is a straightforward welfare gain. If service providers are not hurt (losing income or jobs) by the IT, they should not be opposed to such implementation

CONCLUSION

India’s recent national e-governance plan raises several potential red flags. By focusing on a broad, ambitious set of public services, delivered through a vast new, decentralized infrastructure (100,000 common service centers), it may both overpromise and focus on the wrong initial areas for improvement. As long as state and local expenditure management systems are not upgraded, through the implementation of IT systems, training and reorganization where necessary, it will be difficult to deliver the kinds of services that are envisaged. It is also not clear to what extent national control will override decisions that might be best made at the state and local level, in terms of local infrastructure and service delivery: this is a trade-off with standardization and inter-operability that has to be recognized. Of course, the front-end citizen-government interface is important for engaging ordinary people in the functioning of government, but the less glamorous, less politically popular back-end should not be neglected either. And with respect to the back-end, there are two layers as well – one which provides the infrastructure for IT-based service delivery, but also, another deeper layer, which provides basic tracking of expenditure and outcomes. This tracking can be integrated into a “dashboard” for guiding better policy-making and expenditure management.

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