

Impact of Globalisation on Indian Administration

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Abstract

This article examines the meaning of the term Globalisation. It examines how the changes brought in the economic scenario by globalization has brought about a change in the nature and functions of public administration. It examines the role of public administrator as an enabler and facilitator by privatising the substantial part of welfare delivery functions. The article also examines the attempts made by various Administrative Reform Commissions and Parliamentary Acts to make Indian Administration responsive to the needs of Globalisation.

Key Words- Globalisation, Public administration, Administrative Reform Commission, Parliamentary Acts.

Introduction:

The major trend in the contemporary world is globalization. Globalisation is a search for new society. Globalisation has been defined as “increased and intensified flows between countries. These flows are of goods, services, capital, idea, information and people, which produce non-border integration activities”. Globalisation has a multi-dimensional characteristic and today is widely used to find solution to the problems encompassing international trade. The main indicators of globalization are- Cross border relations, border openness by removing regulatory barriers, plural democracy, global market. The development of fast means of transport and communication has facilitated the movement of people and goods at international level and eventually a new global society and a new global culture have emerged.

Since the 1980's a number of countries came under the influence of the concept Liberalisation, Privatisation and Globalisation (LPG). In the 1980's, India started the process of LPG, one form of LPG has entrusted the management of public sector enterprise partially or fully to private companies. Another form of LPG is disinvestment in public sector enterprises. As a result of this the public sector enterprises find themselves in a competitive and challenging environment.

The role of Public Administration under LPG is quite significant as the bureaucracy has to play an investor friendly, responsive, transparent, open and competitive role. So this requires the administrative reforms eliminating the redundant practices and procedures. The policy of LPG has altered the role of state resulting in minimum state interference in the lives of the individuals.

The New Economic Policy in early 1990's brought a shift from the public sector to private sector. With this international donor agency exercised immense influence on the domestic economy by attaching 'conditional ties' while giving aid. This has given rise to 'neo-liberalism' and no country is free from this. This changed context has contributed to a new concept in the form of 'reinvesting government' that actually seeks for a transformed role of public administration.

Reforms in administration in India in 1990's have been basically driven by the measures of economic liberalization.

Under the influence of Globalisation, public administration has experienced a change both structurally and functionally. Structurally speaking, due to social economic political transformation under globalization, the rigid, hierarchical and bureaucratic form of governance has given way to a more flexible, de-hierarchical and post – bureaucratic form of governance. Similarly, at the functional level, globalization has ushered a new collaborative form of public administration which has to play a role of enabler, partner, regulator as the governmental agencies have to operate at various levels with that of market, private sector, civil society groups, NGO's, Self-help groups and they should aim at cutting cost, reducing public expenditure and increasing performance through enhancing output.

Objectives of the study:

This paper aims to analyse the various implications of globalization on Indian Administrations and the attempts made by various Administrative Reform Commissions and Parliamentary Acts to make Indian Administration responsive to the needs of globalisation.

The Impact of Globalisation on Public Administration may be seen in the Following Areas:

Re-inventing Government: - The Traditional Public Administration was marked by rules, regulations and red-tapism. With the globalization there was a paradigm shift in the functioning of government and public agencies worldwide which has been termed as New Public Management (NPM). The main features of NPM is organisational restructuring including organisational procedures, flattening of hierarchies and so on. NPM reconceptualises citizens as 'active customers' to be kept in good humour, and not just passive recipients. NPM is in favour of cost cutting in public sector and encourages quasi markets and contracting out techniques to ensure better management of ailing cash-strapped public sector. The basic principles of reinventing government are: steering rather than raving, empowering rather than servicing, injecting competition into the service delivery.

Entrepreneurial Government: - Under the impact of globalization, public administration has adopted entrepreneurial form of government. Efficiency and productivity are the two pillars of entrepreneurial government. Public sector organisations are now under pressure to enhance the productivity by increasing efficiency. Along with cutting down waste and increasing output, the bureaucrats now have to simultaneously try to facilitate better service delivery.

Changing Role of Bureaucracy: - With the extinction of USSR, it has been proved that state socialism is not the answer for economic growth, and productivity and efficiency can be achieved only through privatisation and liberalism. The government is a political and not industrial organization. Developmental activities cannot be managed by bureaucrats who lay more emphasis on rule book and on following the prescribed regulations. In the present era of economic globalisation only business management experts can deliver the goods. The bureaucrats have to function as helpers and accelerators and not as a director or manager.

Good Governance: - Good Governance is the first priority towards reforms in public administration. It is development oriented committed to improve the quality of life of the people. It is citizen friendly, caring and aims at building bridges between the state and the society through people oriented mechanisms of administration.

E-Governance: - E- Governance is the chief feature of good governance. E-Governance is the application of information technology in the functioning of government. Information technology is a main factor of modernising governments. It has led to improved delivery of services. E-Governance has brought procedural simplicity, speed and convenience in governance. Traditionally, the interaction between a citizen and government agency use to take place in government offices. With the advent of e-governance, government can provide services to people 24 hours a day, 7 days a week.

Empowering Citizen: - Globalisation has also lead to the rise of grass roots, people's participation at the local level in areas such as women empowerment, education for all, human rights, consumer's rights, environmental protection and decentralization. Thus empowerment of citizens has been an important component of reforming public administration.

State Retreating: - Under the impact of globalisation there is a remarkable change in the role of the state. It has started withdrawing itself from numerous sector wherein it once used to play controlling and ownership roles. Thus some public entrepreneurs have been handed over to private entrepreneurs or the governments shares have been reduced therein. It is said that economy have to operate as per market forces and not as per government policies, rules and regulations. Private enterprise and non-state sectors such as voluntary agencies, co-operative institutions, have entered several fields like education, health, human rights and welfare of the poor.

Attempts made by various Administrative Reform Commissions and Parliamentary Acts to make Indian Administration Responsive to the needs of Globalisation:

In the Conference of Chief Ministers of States (May 1997) an Action Plan for Effective and Responsive Government, was discussed and adopted. The three main themes dealt in the Action Plan were:-(i) accountable and citizen –friendly government (ii) transparency and right to information; (iii) improving the performance and integrity of the public service.

Fifth Pay Commission – a) Downsizing the government through corporatisation of activities which involves ‘manufacturing of goods or the provision of commercial services’. (b) Transparency, openness and economy in the government operation through privatization where the contracting of services can be outsourced to the private sector. (c) Contractual appointment in selected areas of operations in order to ensure the availability of most competent and committed personnel for certain specialized jobs. The central government has been advised to go for a thirty percent reduction in the strength of the civil services and to continue the voluntary retirement of the employees after twenty years of service.

Second Administrative Reforms Commission (ARC) set up by government on 31 August, 2005, under the chairmanship of Sri.Veerappa Moily suggested measures to achieve a ‘proactive, responsive, accountable, sustainable and efficient administration. Some of the important recommendations made by the commission include. (i) Establishment of National Institution of Public Administration to offer Bachelor’s Degree courses in public administration, governance and management. (ii) The permissible age for appearing in the civil services examinations to be 21-25 years for general candidate; 21-28 years for OBC candidates, and 21-29 years SC/ST as well as physically challenged candidates. (iii) The number of permissible attempt should be three, five and six for the general, OBC, SC/ST/Physically handicapped candidates, respectively. (iv) As a measure for capacity – building it suggested that every government servant should undergo a mandatory training at the induction stage and also periodically during the service. (v) To set up a central civil services authority to formulate guidelines for appointments at the ‘Senior Management level’ in the Government of India. (vi) Government to be citizen – centricity, with an aims to provide good governance. Some of the measures suggested by the commission in order to make the administration citizen centric are the adoption of appropriate modern technology, right to information, citizens’ charter, grievance redressal mechanism, and active citizens’ participation (Second ARC 2009), (vii) In order to ensure ethics in governance, the commission recommended for the establishment of a national ombudsman to be called as ‘Rashtriya Lokayukta’. (viii) It suggested that the state vigilance commission/Lokayukta may have the power to supervise the prosecution of corruption related cases. (ix) The commission recommends for greater devolution of powers and responsibilities to the local institution of governance. (x) The commission also recommends the officers with a larger public interface should have an online complaint tracking system; and (xi) The commission in its first report titled right to information -master key to good governance has recommended that the official Secrets Act, 1923 be replaced and substituted by a chapter in the National Security Act. The Manual of office procedure be revised in the light of the provision of the Right to Information (RTI) Act, 2005.

The Sixth Central Pay Commission which submitted its report on 24th March 2008, made the following recommendations- (i) Reduction of Layers: - The commission has recommended reducing the layers within the government structure. From thirty-five standard pay scales, the grades have been reduced to twenty, spreading across four distinct running pay bands, one apex scale and another grade for the post of cabinet secretary and equivalent. (ii) Restoring the pride in public service: - In order of motivate government employees to take pride in public service the commission recommended various measures for job enhancement and job enrichment. (iii) Delegation with accountability: - The commission recommended for restoring delegation with accountability at each level in the decision making process. (iv) Ensuring the availability of the best possibility talent for government: - The commission has recommended for lateral entry at the higher level in the government to ensure the availability of best possible talent from within and outside. It suggested for a shift from career based to post based selection for higher level officers in order to get people with expertise. (v) Performance related incentive scheme (PRIS): - The commission recommended for the introduction of a PRIS, to reward performance, innovation, creativity and responsive administration for inclusive outcome and service delivery.

The Union Public Service Commission (UPSC) in 2001, appointed a committee chairmanship of Sri. Yogendra Kumar Alagh to review the existing scheme of civil services examination. The Alagh Committee recommended an aptitude test with emphasis on comprehension, logical reasoning and problem solving and data analysis. Based on these recommendations the UPSC has finally changed the pattern of the preliminary examination. This entrance Test is rechristened as civil service aptitude test (CSAT) and is in practice from year 2011-12.

Right to Information Act – In order to make public administration transparent and accountable, the Indian parliament enacted the Right to Information Act on 11 May 2005. The act provides for the proactive disclosure of information, establishment of the Information Commission, appointment of public information officers, procedures for getting information and so on. The act extends to all level of governance. It applies to the union, state and local governments- urban and rural and public authorities. It covers all authorities which happen to be recipient of government grants.

Citizen Charters- Since the conference of Chief Secretaries in November 1996, the Government of India has introduced citizen's charters in a number of departments. The process started with sectors having large public interface (e.g. Railways, Telecom, Posts, Public Distribution Systems). Citizen's charters have the potential to bridge the gap between citizen's expectations and quality of public service delivery through change of mindset of the service providers. Guidelines for formulating the Charters as well as a list of do's and don'ts were communicated to various government departments/organizations by DARPG to enable them to bring out focused and effective Citizen charters. The Department of Administrative Reforms and Public Grievances in its efforts to provide more responsive and citizen-centric governance provides guidelines for formulation and implementation of the Citizen's Charters. So far 99 central ministries / departments and 25 states have formulated citizens' charters in India

A comprehensive Website of Citizens' Charter, www.goicharters.nic.in was launched by the DARPG on 31 May, 2002.

E-Governance Initiatives in India - The Government of India kick started the use of IT in the government in the right earnest by launching number of initiatives. With the assistance from UNDP National Informatics Centre (NIC) was set up under the Electronics Commission, the NIC contributed immensely to the growth of the computer culture in the government. In 1989, a Nationwide ICT Network called NICNET was established. Based on the NICNET the Districts Government Information program (DISNIC) was taken up in 540 districts. In May 1998, a National Task Force on IT and Software Development under the chairmanship of the deputy chairman of Planning Commission was set up. This task force had a mandate to formulate the draft of a National Information Policy. It suggested earmarking at least two percent of the budget of every ministry or department. On the recommendations of this task force, government initiated several regulatory and promotion measures to enable the growth of IT industry in the country and to enable large scale applications of IT in various areas related to day-to-day lives of the people. The Information Technology (IT) Act, 2000 provided legal framework to facilitate electronic transactions.

National E-Governance Action plan implemented during the year 2003-2007, aims to improve speed, reliability, accessibility and transparency in the delivery of various public services to citizens and business

Privatization - With the adoption of the new economic policy in the early 1990s, there have been major initiatives towards restructuring of public sector units (PSUs), in view of their low productivity over staffing, lack of technological upgradation and low rate of return. In order to raise resources and ensure wider public participation in PSUs, it was decided to offer its shareholding to mutual funds, financial institutions, general public and workers. In the similar way in order to revive and rehabilitate chronically sick PSUs, it was decided to refer them to the Board for Industrial and Financial Reconstruction (BIFR). In order to promote the role of the private players, the National Mineral Policy (1993) de-reserved thirteen minerals for exploitation by the private sector. The National Telecom Policy, 1994, allowed private participation in basic telecom services. The Air Corporation Act, 1994 enabled private air taxi companies to operate regular domestic services. The Fifty Pay Commission Report (1994) stated that it is increasingly felt that in capital intensive infrastructural sectors like energy, telecommunication roads, ports and others, the shortfalls in investment are so large that a massive infusion of private investment is a must. Many states initiated special measures to attract FDI for greater industrialization in their region.

Lokpal and Lokayukta- The first ARC recommended for setting up of ombudsman type of institution both at the Centre and States for dealing with complaints against the administrative acts of ministers or secretaries. The authority at the Centre to be called Lokpal and at the State the Lokayukta. Many states have constituted 'Lokayuktas' to investigate allegations or grievances arising out of the conduct of public servants including political executives, legislators, officers of the state government, local bodies, public enterprises and other instruments of government. After eight failed attempts to pass a Lokpal Bill, the Parliament finally gave its approval to a powerful Ombudsman on Dec 18, 2013. The Lokpal is empowered to probe complaints against all public servants including Prime Minister.

Decentralisation - The 73rd and 74th Constitutional Amendment Act of 1993, provided for momentous changes in terms of grass root people's empowerment by providing for (a) regular elections (b) regular finance through statutory distribution by finance commissions and (c) reservation of seats for weaker sections of society including women.

Conclusion:

Administrative reforms in India in the 1990's are basically driven by the measures of globalisation, liberalization and privatisation, based on the philosophy of NPM. The best application of this could be seen in the report of Fifth Pay Commission. New Public Management attempts to create a new entrepreneurial and user oriented culture in public organization, with emphasis on performance measurement. The focus now has shifted to privatising, downsizing, marketisation, contracting out, and so on. The thrust area of the administrative reforms is to make administration more people-centred, open, decentralized and flexible and free from corruption. Introduction of RTI Act, decentralization of power to the local self-governing bodies, citizen's charter's, e-governance initiatives, appointment of lokpal and lokayukta to check corruption make it clear that the nation is moving towards a responsive, people-centric and accountable administrative system.

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