

**Institute of Distance and Open Learning  
Gauhati University**

**MA in Political Science  
Semester 4**

**Paper XV  
COMPARATIVE PUBLIC ADMINISTRATION**



**Contents:**

**Block I : Comparative Public Administration: Concept and Approaches**

**Block II : Merit System Budgeting, Legislative Control over Administration and Administrative Reforms**

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March, 2012

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Published on behalf of Institute of Distance and Open Learning, Gauhati University by Dr. Kandarpa Das, Director, and printed at Maliyata Offset Press, Mirza-781125. Copies printed 1000.

**Acknowledgement**

The Institute of Distance and Open Learning, Gauhati University duly acknowledges the financial assistance from the Distance Education Council, IGNOU, New Delhi, for preparation of this material.

## **Paper Introduction**

Paper XV deals with Comparative Public Administration. In this paper, we will discuss the public administration of different countries on a comparative basis. This comparative study will help us to understand the administrative systems of different countries. We all know that Public Administration deals with how the public are administered by the government. Comparative Public Administration, is a segment of Public Administration, which deals with the study of the public administration of different countries.

**Block I Comparative Public Administration: Concept and Approaches** of this paper will contain the following three units:

Unit I on Comparative Public Administration will deal with the meaning and definitions of public administration, the characteristic features of CPA, reasons for its emergence as well as its evolution.

In unit II on Approaches to Comparative Public Administration, an attempt is made to deal with the various approaches to the study of CPA as well as the concept of 'development administration'.

Unit III on Salient features of Administrative Systems of India, UK and USA, deals with a comparative analysis of the administrative systems of three different countries.

**Block II** dealing with the Merit system, Budgeting, Legislative Control over Administration and Administrative Reforms contains the following four units:

Unit I on Merit System: Concept, Origin, Development and existing status (India, UK and USA), deals with the emergence of merit system in three different countries.

Unit II on Budget Procedure, Practice and Legislative Control over Expenditure (India, UK and USA) discusses budgeting with special reference to three countries.

In Unit III on Legislative Control over administration in India and USA, an attempt is made to elaborate the various procedures as to how legislature wields control over administration in India and USA.

Unit IV on Administrative Reforms in India and UK deals with the reform in the administrative scenario of the two countries of India and UK.

## **BLOCK I**

### **Comparative Public Administration: Concept and Approaches**

Unit I : Comparative Public Administration

Unit II : Approaches to Comparative Public Administration

Unit III : Salient features of Administrative Systems of India, UK and USA



# Unit I

## Comparative Public Administration

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### 1.1 Introduction

This unit is an endeavour to introduce you to the concept of Comparative Public Administration. Before discussing the various parameters of this concept, we must know about the importance of comparison. Comparison is an inherent trait or attribute of human nature. We compare between things, for example, for a variety of reasons like, describing the things, for proper evaluation, for reaching significant generalizations or for discovering common trends in particular institutions etc. Thus, comparison is necessary for better understanding and analysis. Thus, it was felt in course of time that in order to enrich the subject of study of public administration, comparison is a must. If Public Administration wants to be scientific, then there must be place for comparative analysis. Leading political scientist James Coleman says – ‘you can't be scientific if you are not comparing’. Comparison may be of different types like, comparison can be cross-national or cross-cultural, between liberal and authoritarian systems, between developed and developing nations, between different developing nations and so on. Comparison may be at micro as well as macro level. Thus, it is evident and self-explanatory that cross-cultural studies in the field of Public Administration would eventually place the discipline on a firm footing and thus supply sufficient

material for providing satisfactory explanation to administrative problems, establishing it on the solid bed-rock of science. Therefore, cross-cultural analysis is essential in the field of Public Administration. In this unit, you will study the meaning, characteristics, evolution of Comparative Public Administration as well as the reasons for its emergence as a subject of study.

## **1.2 Objectives**

This unit introduces you to the concept of Comparative Public Administration and its different parameters in detail. After reading this unit, you will be able to :

- *discuss* the meaning and definitions of Comparative Public Administration as a field of study
- *know* the reasons for its emergence in the post World War II era
- *understand* the evolution of this subject of study
- *analyse* the distinctive features of this subject

## **1.3 Meaning and Definitions of Comparative Public Administration**

If Aristotle is known as the father of Political Science, the American scholar-statesman Woodrow Wilson has been regarded as the founder of the discipline of public administration. As Public Administration has originated as a sub-field of the discipline of political science, similarly Comparative Public Administration (CPA) has emerged as an area of specialization of the former.

Woodrow Wilson in his pioneering article, “The Study of Administration” published in 1887, stressed the need for comparative studies of administration. Wilson was the first modern scholar to consider Public Administration to have a field, methods, techniques and principles of its own as distinguished from those of politics. In 1947, Robert A. Dahl, in his much-quoted essay, “The Science of Public Administration: Three Problems,” repeated Wilson’s call for more research on Comparative Public Administration (CPA). The first Conference on Comparative Administration was held at Princeton University in the United States in September, 1952



under the auspices of the Public Administration Clearing House. That is why Nimrod Raphaeli has very rightly identified this Conference as the starting point of the study of CPA in the United States since systematic research and teaching methods in Comparative Public Administration were first conceived at this conference. However, since then various other conferences were held under the former Comparative Administration Group (CAG) of the American Society for Public Administration. Research works were also undertaken to enrich the field of study of CPA.

Now, let us discuss some of the leading definitions on this subject in order to understand its meaning properly. Nimrod Raphaeli provided the following definition of CPA: "As is apparent, Comparative Public Administration is a study of Public Administration on a comparative basis." This definition is vague and does not tell us anything about the meaning or content of CPA. Another definition is offered by Fred W. Riggs, who has restricted comparative studies in public administration to those studies that are empirical, nomothetic and ecological. This definition is also too narrow and excludes from CPA quite a large number of normative and idiographic studies. A more satisfactory definition is formulated by the former CAG, which referred to CPA as "the theory of Public Administration as applied to diverse cultures and national settings" and "the body of factual data, by which it can be expanded and tested." Robert H. Jackson defined it as "that facet of the study of Public Administration which is concerned with making rigorous cross-cultural comparisons of the structures and processes involved in the activity of administering public affairs." This definition of CPA by Robert H. Jackson is adopted because it focuses on public organizations and not private ones, and it involves widely cross-cultural comparison rather than intra-cultural comparison.

Thus, from the above discussion, it is clear to us that CPA as a subject of study deals with cross-cultural focus on the different aspects of Public Administration of different countries. Robert Dahl once remarked that in order to establish a science of public administration, it has to be comparative. Similarly, there are other social scientists such as Edwin Stene, Herbert Simon and Dwight Waldo who believed that in order to make Public Administration a scientific discipline, it has to make its explanations comparatively rational. (*Edwin O. Stene, An Approach to a science of Public Administration, Herbert A. Simon, Administrative Behaviour*).

So, from the above discussion, it is clear that the use of rational and scientific investigations helps the subject to become capable of providing satisfactory solutions to the different problems of Public Administration. It is an established fact that the cross-cultural dimension of Public Administration has a promising future in the development of a science of Public Administration. So, CPA as a concept helps in enriching the field of study of Public Administration and making its study scientific. In the CPA movement, the most commendable work for its enrichment has been done by the Comparative Administration Group (CAG), with Prof. Fred W. Riggs as its chairman. The CAG has already brought out a number of research books. It is worthwhile here to refer to the saying of Keith M. Henderson, who informed us about the initiation of some researchers in the field of Comparative Public Administration, that there is ample evidence of current interest in Comparative Public Administration in the form of bibliographies, conferences, new courses and a wide range of scholarly articles and books. Even the *American Political Science Review*, which in the past has been slow to respond to new thinking in Public Administration, recognized this movement by inaugurating, as on March 1963, a bibliographical section entitled Comparative Public Administration. Again, Prof. Keith M. Henderson believes that in a very real sense, we may say that Comparative Public Administration is no longer a sub-area within the broader field of Public Administration, but is becoming a parallel focus, distinct from the current U.S. cultural focus.

We have discussed earlier that in Princeton University, the Public Administration Clearing House hosted a conference on Comparative Administration in the year 1952. The conclusions derived from the conference contributed to the growth of Comparative Public Administration as a discipline. The conclusions are thus summarized below :

1. Distinction should be drawn between policy values in government programmes and academic values in understanding administration;
2. Focused research would be more rewarding than re-classifying existing data; and
3. Criteria of relevance are indispensable.

Lynton K. Caldwell explains the nature of Comparative Public Administration as incorporating a greater diversity of methods and subject matter derived

from sociology, cultural anthropology, and organization theory. Its field of inquiry has been primary in the so-called new or 'under-developed' nations.

So, we have discussed above in detail about the meaning and definitions of Comparative Public Administration. From the above discussion it is clear to us that in order to enrich the discipline of Comparative Public Administration, and make it more scientific it has to be critical, analytical, cross-cultural and not merely descriptive. It should be based upon sound judgements supported by true data collected from different countries of the world.

**STOP TO CONSIDER :**

**The Essentials of Comparative Public Administration :**

In the Comparative Public Administration movement, the essentials to be precisely defined are the following :

1. Concepts to be used in understanding of administrative phenomena;
2. Comparable variables to be identified by scholars to be used to differentiate one category of administrative system from another; and,
3. New reliable techniques for investigation and inquiry.

**1.4 Characteristic Features of Comparative Public Administration**

As we know, Comparative Public Administration is relatively a young discipline having emerged only after World War II. Its origins in the academic world are to be found in the Conference on Administration held in 1952 at the Princeton University. Here, we will be discussing the circumstances which led to the evolution of the study of Comparative Public Administration. For this purpose, an examination must be made of the comparative elements in the early studies on government and administration. Then those factors which promoted an interest in the cross-cultural administrative analysis in the post-World War II era must be analyzed. In this context, the contribution of the Comparative Administration Group in the furtherance of the study of Comparative Public Administration in recent years will be assessed.

At this point, a brief reference to pre-World War II studies on “comparative” government and administration is in order, as the reaction against such studies was an important factor in stimulating the later comparative politics and public administration movements. The traditional literature on “comparative government” focused on the foreign relations, political parties, election machinery, pressure groups, constitutions, or institutions in their formal aspects. In the studies on “foreign governments”, institutional aspects were covered with reference to the major European powers : Great Britain, France, Germany, Italy and the Soviet Union.

Thus, from the above discussion, it is clear that the post-World War II studies abound with criticisms of the traditional comparative government literature. A few of these criticisms are like :

- (1) The traditional literature was culture-bound, limiting itself to the study of western nations and institutions;
- (2) It was normative in character because of its commitments to the values of constitutionalism and western liberal democracy;
- (3) It was parochial in character since it seemed to believe in a uni-directional development of political and administrative systems on the western patterns;
- (4) It was essentially legalistic and formalistic;
- (5) It was not ecological in perspective and it overlooked the multifunctional character of government institutions;
- (6) Further, it has also been observed that the traditional comparative government and administration literature was primarily descriptive rather than analytic, explanatory and problem-oriented.

Thus, it was essentially “non-comparative” in character, as despite the study of governments of several nations within a single volume, cross-cultural and cross-temporal analysis and explanation were rare. It also lacked techniques and concepts to undertake such studies, especially of the non-western areas. It was due to these defects of the traditional approaches to Public Administration, that Comparative Public Administration came up as a new discipline of study. The turn of events during and after World War II changed the state of the comparative literature drastically. Today, Comparative Public

Administration has gained a respectable academic and professional status as evidenced by the continually growing number of bibliographies, books, journals, conferences etc.

After identifying the factors which stimulated the study of Comparative Public Administration, next step is to identify the major characteristics of Comparative Public Administration. The following are the major distinctive features of CPA :-

**(1) Youth stage:** - The first feature of CPA is that it is in its youth. It is a relatively new field of study in the sense that it only emerged after World War II. In the words of Raphaeli, "Comparative Public Administration is a newcomer to the community of academic instruction and research." As stated earlier, he has traced the origins of CPA to the 1952 Conference on Administration held at Princeton University. Thus, CPA is a comparatively young discipline of study.

**(2) Pre-paradigmatic stage :-** CPA's second feature is that it is, to use Thomas S. Kuhn's term, in a "pre-paradigmatic" stage, which is characterized by a diversity of approaches and the absence of a dominant model or paradigm. Kuhn's book, *'The Structure of Scientific Revolutions'*, is concerned with the development of the natural sciences. He argues that one of the hallmarks of science is the presence of a paradigm or a universally recognised scientific achievement to guide the research efforts of the entire scientific community. Thus, a paradigm is an universally recognized scientific truth or an achievement so that it becomes the starting point for all further research and unless reversed or modified by the discovery of newer paradigm, it remains the final reference point of explanation. For instance, Newton's theory of gravity was a paradigm that ruled the scientific world until it came to be modified by Einstein's theory of relativity. Thus, in CPA as in Political Science, one finds a plethora of competing approaches but hardly any paradigm. These approaches have been classified by Fred Riggs as normative, empirical, nomothetic, idiographic, non-ecological and ecological approaches.

**(3) Empirical, Nomothetic and Ecological emphasis :-** Thirdly, CPA, according to Riggs, is characterized by the following three trends : (a) a shift from normative to empirical approaches; (b) within the empirical category, there has been a change in emphasis from idiographic to

nomothetic studies; and, (c) a shift in focus from non-ecological to ecological approaches.

Initially, the shift from normative to empirical concerns was carried too far with the result, the means rather than ends assumed the centre-stage of all administrative enquiry. However, the emergence of New Public Administration as a sequel to the post-behavioural revolution in Political Science has led to the revival of normative concerns in Public Administration in general and CPA in particular. In short, CPA today embraces nomothetic and ecological approaches without having to sacrifice its primary normative contentions.

**(4) The American Scholarship** –The field of CPA has been dominated until recently by American scholars of Public Administration in general and members of the CAG in particular. The CPA enterprise consists of those political scientists and students of Public Administration who contributed to the movement for CPA in United States Universities from 1952 onwards. With the financial assistance of the Ford Foundation, the CAG was created with the threefold purpose of increasing the volume of research, improving teaching materials and methods, and, stimulating the formulation and implementation of more effective public policies in the field of development administration. Thus, ever since its inception, the CAG made a tremendous contribution to the study of Public Administration in general and CPA in particular.

**(5) Concern for theory building** :-The next important feature of CPA is its emphasis on theory building. This concern for theory has been recognized by most scholars in the field, especially by Heady, Heaphey and Raphaeli. Theory may be defined as a general frame of reference made out of a variety of empirical data collected by the scholars in pursuance of their researches. It is simply an attempt to put together and synthesise apparently unconnected information and data into a meaningful proposition such as model. Thus, theory building is an important as well as an essential step in making a subject of study more precise and scientific. It also helps in saving time, energy and expense in designing a framework of study as a fresh starting point for every research undertaking. Thus, in other words, there is a great deal of emphasis on theory-building in CPA.

Theory building efforts in CPA have resulted so far in the formulation of two types of theories – general and middle-range theories. Examples of general theories are Fred W. Riggs’s macro-models of Agraria and Industria, and his theory of prismatic society. John T. Dorsey’s information-energy model, which is based on the equilibrium theory, is another general theory that has been applied by him to analyze political development in Vietnam. A typical example of middle-range theory in CPA is Max Weber’s ideal-type bureaucracy, which has been critically reviewed by Alfred Diamant, and tested in Egypt by Morroe Berger and in Turkey by Robert Presthus. However, in recent years, there has been a shift in emphasis from general theories to the middle-range theories in CPA. It is because of the reason that the latter are more specific, less comprehensive, easier to administer and less time consuming. In this context, Presthus has urged the use of “middle-range theory” in the study of CPA because such theory is concerned with the explanation of a restricted set of relationships and not with the entire social system. In the same vein, Subramaniam has opined that the middle-range models in CPA provide an immediate useful framework for actual comparisons.

**(6) Focus on Development Administration :-** In addition to theory-building, development administration has emerged as yet another primary motivational concern of CPA. Actually, the international power structure that emerged after the World War II has resulted in the development of the concept of Development Administration. The creation of the new states in Asia and Africa and their entry into the world concert of nations as underdeveloped or developing countries have engendered an unprecedented focus on development in these areas on the part of the more advanced or developed nations. Actually, at that time, the world political scenario was such that both the United States and former Soviet Union competed with each other to enlist the support of the decolonized states to their respective foreign policies. American scholars made use of the situation and launched extensive studies in order to assess the developmental potential of these nations. Thus, according to a Special Committee of the CAG, development administration emerged, as practitioners and scholars working overseas increasingly recognized the inadequacy of existing knowledge, theories and techniques, for coping with the administrative difficulties encountered in underdeveloped

countries, especially in technical assistance, national planning, and programme-oriented developmental activities. Thus, development administration, refers to the administration of developmental programmes designed to promote nation-building and socio-economic development and the concomitant development of administrative practices and institutions necessary for the implementation of programmes in the newly independent states of Africa, Middle-east and Asia.

### **1.5 Reasons for CPA's Emergence after World War II**

Why did CPA emerge only after World War II? If we want to answer this particular question, then we will have to look into the four reasons which can be attributed to explain the post-war emergence of CPA. These four reasons are as follows :-

- (1) The reaction against the traditional approaches to the study of social sciences known as the Behavioural Revolution had its impact on the study of Political Science and Public Administration. Like other social sciences, Public Administration needed to get over its normative concerns and be engaged in empirical, comparative, cross-cultural and cross-national studies. Thus, in the first place, CPA became important as an academic field of study soon after the outbreak of the so-called Behavioural Revolution in the field of Political Science. Henderson has thus rightly argued that the intellectual roots of Comparative Public Administration theory lie in American Behavioural Science. Thus, the behavioural revolution in Political Science has been the source of CPA's concern with developing rigorous methods for the scientific study of Public Administration.
- (2) The increasing reliance upon American experience as the sole basis of an administrative science was found to be inadequate in the proper understanding and analysis of administrative structures and processes in other nations. American scholars realized the parochial nature of their own outlook and began fanning out to study the administrative culture and experience of other nations. Woodrow Wilson, writing in 1887, was the first American scholar to stress the need for more data on administration of other countries by using the comparative method.



Although Wilson's plea for more comparative research in Public Administration was reiterated some sixty years later by Robert Dahl, it should be noted here that unlike Wilson, Dahl was more emphatic with regard to the parochial nature of traditional Public Administration research, and more explicit concerning the importance of comparison as a prerequisite for the development of a science of Public Administration.

(3) The third important reason for the emergence of CPA after World War II was the mushrooming of new states in Africa, Asia and the Middle East during the same period. These countries, by and large, were underdeveloped in varying degrees in the social, economic and political spheres. As such, after they attained independence, their main goals became nation-building and attaining minimum level of socio-economic development. Given the infancy of these states, and utterly inadequate literature about their own historical experience, there was an imperative need for more studies and research about these countries. CPA is an attempt to intensify the collection of data on the nature of Public Administration in the developing countries.

(4) The fourth and the final reason for the emergence of CPA after the war can be seen in the context of the decision of the United States and to a lesser extent, in the context of United Nations' offer to extend technical aid and co-operation to the developing nations. Initially, the newly independent nations used to adopt the American values and standards for their development. But, the success rate was low on account of the fundamental differences, in the socio-economic and cultural settings of the American and the recipient nations. Scholars thereafter had to undertake comprehensive studies and research on the indigenous structures and processes of the developing nations. They became aware of the fact that the administrative structures or principles applicable in the United States were not necessarily suitable in the context of the developing countries. In this context, William J. Siffin observed that administrative experts became acutely aware of a need for something more than a homespun approach to Public Administration in consequence of their mandated efforts to teach, evaluate, and adjust Public Administration in foreign settings. Moreover, research efforts in CPA at that time received a tremendous boost from the generous financial support

provided by the aid-giving agencies in the United States, such as the Agency for International Development and the Ford Foundation.

Thus, we have discussed above the various reasons responsible for the emergence of CPA after World War II. That is why, it is said that as a subject of study, CPA is till now in its youth stage, having emerged only after World War II.

**SAQ :**

Do you think that Comparative Politics and Comparative Public Administration movements share some common characteristics? Discuss. (80 words).

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**1.6 Evolution of CPA**

In order to understand the circumstances which led to the evolution of the study of Comparative Public Administration, we must examine the comparative elements in the early studies on government and administration. Moreover, the factors must also be analysed which promoted an interest in the cross-cultural administrative analysis in the post-World War II era. Ramesh K. Arora is of the view that the traditional Public Administration literature is primarily descriptive rather than analytic, explanatory and problem-oriented. Essentially it is non-comparative in character, for despite the study of governments of several countries, cross-temporal analysis and explanations were rare. It also lacked techniques and concepts to undertake such studies, especially of the non-western areas. In the post World War period, the scholars who studied the administrative systems of different countries, concentrated on central administrative machinery, decentralization pattern, control over the executive branch of government, civil service structures, public finances, financial administration, and the functions of

administrative officers. For the first time, in 1952, a sincere effort was made in the U.S.A when a conference was organized on Comparative Administration at Princeton University. Even the *American Political Science Review* had recognized the Comparative Public Administration movement by inaugurating in March 1963 a bibliography section entitled Comparative Public Administration. Currently, in CPA, the focus of scholarly attention is on the study of the concept of development administration and the related problems. Also, commendable work has been done by the Comparative Administration Group (CAG) in the enrichment of the study of CPA. Thus, Comparative Public Administration deals with administrative organizations or systems pertaining to different cultures and settings whose similar or dissimilar features or characteristics are studied and compared in order to find out causes or reasons for efficient or effective performance or behaviour of administrators, civil servants or bureaucrats.

Now, let us discuss the evolution of the subject of Comparative Public Administration in different phases :-

**Early stage** :- Public Administration as an aspect of government activity has existed ever since the emergence of the political systems. However, as a field of systematic study, its development has come only recently. In the United States, Hamilton and Jefferson had drawn attention to certain aspects of Public Administration, but it was Woodrow Wilson's essay, "The Study of Administration", which is now considered to be the symbolic beginning of its academic study in America. In his pioneering article, "The Study of Administration", published in 1887, Woodrow Wilson stressed the need for comparative studies of administration. Wilson argued that certain administrative practices of Europe could be borrowed by the United States, without adopting the autocratic spirit of the former. This was essential for removing the evils of spoils system from U.S.A.

During this period, two important textbooks were published by Leonard White and William Willoughby, in 1926 and 1927 respectively. The other writings on Public Administration in the 1920s and 1930s generally adopted a management approach to Public Administration, and also showed a heavy concern with the enterprise of building a science of administration through the articulation of certain universal principles of administration.

In 1947, Robert A. Dahl, in his much-quoted essay, “The Science of Public Administration : Three problems”, repeated Wilson’s call for more research on Comparative Public Administration. Robert Dahl, asserts that as long as the study of Public Administration is not comparative, claims for a ‘science’ of Public Administration sound rather hollow.

Other scholars who contributed during this period were Heady and Raphaeli. In the first chapter of his book, “*Public Administration : A Comparative Perspective*”, Ferrel Heady advanced three reasons for comparison in the study of public administration –

First, following Dahl, he recognized comparison as an important pre-requisite for the development of a science of Public Administration.

Secondly, comparison in the study of Public Administration would help to promote international co-operation as a result of the increase in knowledge and understanding of the various administrative systems in the world.

Finally, Comparative Public Administration provided the necessary data for policy-makers in a country to consider the feasibility of adopting certain administrative devices used in foreign countries for their own country.

Thus, it is clear from the above discussion that effort was made prior to the end of World War II to undertake comparative analysis in Public Administration. But, the post-World War II period has witnessed the emergence of a major interest in the comparative study of political systems.

**1950s :-** The first major institutional effort in the emergence of a comparative politics movement was made in 1953 when the Social Science Research Council sponsored a Summer Seminar on Comparative Politics. The comparative politics movement and the comparative public administration movement share many common stimuli and motivational factors, and thus this summer seminar provided a considerable impetus towards the study of Comparative Public Administration, particularly to its developmental aspects.

The first concerted attempt to further the study of Comparative Public Administration was made in 1952, when the Public Administration Clearing House sponsored a conference on Comparative Administration at Princeton. Also worthy of mention is an outline for comparative field research formulated by Wallace S. Sayre and Herbert Kaufman in 1952, and later revised by a

working group of the American Political Science Association sub-committee on Comparative Public Administration.

During this period, two important developments took place in the subject of Public Administration. One was the tendency of the scholars and practitioners to compare the administrative systems within and outside national spheres, along with the beginning of comparative politics. The politicians also realized that comparison of bureaucracies both within and outside the country is very important. Another development in 1950s was the unfolding of foreign assistance problem. After World War II, the creation of new states in Asia and Africa and their concomitant entry into the world concert of nations as underdeveloped or developing countries have engendered an unprecedented focus on development in these areas on the part of the more advanced or developed nations. At that time in international political arena, cold war was going on. So, both the Americans and Russians tried to cultivate support for their respective foreign policies by dispensing technical assistance to willing recipient countries. These countries which received financial aid faced large number of administrative challenges. Further, political and social environments of these countries were different from those of developed countries like USA. The American scholars made use of the opportunity to launch extensive studies in order to assess the developmental potential of these nations. This led to the development of this discipline in 1950s.

**1960s :-** 1960s was the time of greatest vitality, vigour in the field of Comparative Public Administration, described as heyday of the discipline. During these years, students of Comparative Public Administration demonstrated an amazing productivity, and their field of interest grew rapidly in glamour and reputation. At the core of all this activity was the Comparative Administration Group (CAG), which in 1962, received initial funding from the Ford Foundation through a grant to the American Society for Public Administration, CAG's parent organization.

The CAG spun an elaborate network for carrying out its obligation to stimulate interest in comparative administration, with special reference to development administration problems. The CAG has developed a three-fold programme designed to encourage research, teaching and more effective public-policy formulation in the area of development administration. The Group also supported and sponsored research seminars and conferences

and worked for the improvement of teaching materials and approaches. The work of CAG was reflected principally in publications which it spawned, either directly or indirectly. A newsletter was issued regularly as a means of internal communication. For a five-year period, from 1969 to 1974, the quarterly "Journal of Comparative Administration" was issued by Sage Publications in co-operation with CAG. The record of this "golden era" in Comparative Public Administration is basically a continuation and expansion of what had already begun during the postwar period. The most conspicuous trait of the comparative administration literature during this period, nevertheless, was an extension of the search for comprehensive theory.

Thus, from the above discussion, it is clear that in 1960s, the CAG has widened the horizons of Public Administration. It has opened the doors of the discipline to all kinds of social scientists, has made the scope of the field more systematic by studying different administrative systems in their ecological settings, and has stimulated interest on the part of its members in the problems of development administration.

**1970s :-** During this period, the exuberance of CAG's heyday has been replaced by a mood of introspection. The 1970s have brought several direct alterations in the scope of activities of the comparative administration movement. The Ford Foundation ended giving support. No substitute financial sponsor has materialized with help approaching the level provided during the 1960s. The 'Journal of Comparative Administration', after only five years of existence as the primary vehicle for scholarly research in the field, ceased publication in 1974. Perhaps most symbolically if not substantively important, the Comparative Administration Group (CAG) itself went out of existence in 1973, when it merged with the International Committee of the American Society for Public Administration to form a new Section on International and Comparative Administration (SICA). These indications of decline have been accompanied, and probably stimulated, by a series of critiques of the comparative administration movement made during the last few years, usually in the form of papers presented at professional meetings, several of which were subsequently published. Keith Henderson, writing in 1969 laid down the "identity crisis" in the field. John S. Jun finds fault with CPA for not keeping pace with its own parent field of Public

Administration, and suggests that revival in comparative studies must incorporate recent developments in the broader discipline, particularly with regard to organization theory.

**1980s and till date :-** However, recent commentators have provided various thoughtful, useful and helpful suggestions to improve the field of study. Comparative Public Administration is now well established as a field of study. Comparative administration turned out to be attractive and interesting to some of the scholars of the “new” public administration because of its own relative newness. Both Peter Savage and J. Fred Springer call attention to choices in comparative studies among different levels of analysis. Public policy-making is another subject which has received much attention in recent years in this field of study. Today the subject is also concerned with the study of development administration and also focuses on the process of “institution-building”.

Thus, today, as we can see and understand from the above discussion, Comparative Public Administration has achieved great success as a field of study and is becoming ever-widening in scope.

**Check Your Progress :**

1. Explain the concept of Comparative Public Administration. Discuss its nature and scope with reference to the developed and developing countries.
2. What is comparative public administration? What are its distinctive features? Why is it studied?
3. Trace the evolution of Comparative Public Administration as an important sub-discipline of Public Administration.

**1.7 Summing Up**

After reading this unit, now you are in a position to discuss the meaning, definition and evolution of CPA. From our discussion, it is seen that during and immediately after World War II, an interest in the study of non-western nations became a common characteristic of almost all the social sciences. It is to be noted here that although the early government and administration

studies appear to be inadequate for the present purposes of cross-cultural administrative analysis, their contribution in providing a foundation for later disciplinary advancement has been considerable. Today, Comparative Public Administration has gained a respectable academic and professional status.

### **1.8 References and Suggested Readings**

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## **Unit II**

### **Approaches to Comparative Public Administration (CPA)**

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#### **2.1 Introduction**

Comparative Public Administration (CPA) is a relatively young discipline as it emerged only after World War II. Its origins in the academic world are to be found in the Conference on Administration held in 1952 at the Princeton University. This unit is an endeavor to introduce you to the various approaches to the study of Comparative Public Administration. Different scholars have interpreted this concept from different perspectives. Accordingly, different approaches have emerged in the field of Comparative Public Administration. This unit will help you to understand how different approaches helped in enriching the study of Comparative Public Administration.

## 2.2 Objectives

This unit is designed to help you understand the various approaches to the study of Comparative Public Administration. After reading this unit, you will be able to:

- *understand* the different approaches to the study of Comparative Public Administration
- *examine* the importance of these various approaches to Comparative Public Administration
- *discuss* the concept of development administration

## 2.3 Approaches to the study of CPA

We already know that CPA is a relatively young field of study. Apart from being a relatively young discipline, a product of the post-war situation, CPA, finds itself in a pre-paradigmatic stage. A paradigm is a universally recognized scientific truth or achievement that becomes the starting point for all further research and unless reversed or modified by the discovery of newer paradigm, it remains the final reference point of explanation. In CPA, one finds a plethora of competing approaches but hardly any paradigm. Before the paradigmatic stage is reached, there exists a number of competing views, languages and logics, and at this point a common research tradition and consensus regarding a common field of inquiry is lacking. One of the basic problems in contemporary Public Administration relates to the approach to be adopted to describe, explain and predict the behaviour, subject matter, areas and boundaries of the discipline.

Let us now discuss the opinions of different scholars' regarding its approaches. Robert Presthus says : "Because public administration is a generalized human activity concerned with ordering the man and materials required to achieve collective social ends, it has drawn widely from the various social sciences. ....the emphasis has often been legal, historical and normative. Traditionally, the analysis of the field has reflected certain dominant contemporary trends in political science which is usually recognized as the parent discipline of the field. ...however the discipline constitutes an amalgam of all such styles, as parts of each are retained in each new wave of revision."

Prof. E.N. Gladden accepts the historical, process-oriented, legal and activities-oriented approaches as the leading approaches to the field of CPA.

Amidst competing approaches, Riggs identifies three important shifts in emphasis in the study of CPA. These are :-

- (a) a shift from normative to empirical approaches;
- (b) a shift in emphasis from idiographic to nomothetic studies;
- (c) a shift in focus from non-ecological to ecological approaches.

While the terminology of the first and third trends is commonly known, the terms “ideographic” and “nomothetic” are peculiarly Riggsian. “Ideographic” approaches concentrate on the “unique case — the historical episode or ‘case study’, the single agency or country, the bibliography or the ‘culture area’.” On the other hand, the “nomothetic” approach seeks “generalization, ‘laws’, hypothesis that assert regularities of behaviour, correlation with variables.”

Now, we will discuss in detail the different approaches to the study of CPA :-

### **2.3.1 Ecological Approach**

Ecological approach, as developed by Fred W. Riggs explains the inter-relationship between a system and its environment. He strongly believes that one cannot understand any administrative system without a detailed knowledge of the environment in which it exists. This approach emphasizes the interactional patterns between public administrative systems and the social environment in which they operate. The ecological model formulated by Fred W. Riggs has been the most creative and at the same time a highly controversial model of administration in the developing countries. This approach is known as an alternative to the Weberian model. It is because Riggs, unlike Weber emphasized the environment and its reflection on the public administration. A social system is a vast network of interrelated parts, each one of which can be understood in relation to other parts and to the whole system. Administrative structure and behaviour being an inseparable and interacting part of the whole society can be understood in the context of the social system in which it is embedded. According to Riggs, the environment influences the system in the form of “inputs” which are converted

into “outputs” by the system. Through a process of feedback, outputs cause the emergence of new inputs. Thus, the interaction between a system and its environment is characterized as an “ecological” interaction, and such an interaction is the crux of the ecological approach. The word ‘ecology’ is borrowed by him from biology. In biology, ecology means the study of life in its surroundings.

Thus, from the above discussion, it is clear to us that by enunciating the Ecological approach, Riggs contributes to the enrichment of the study of comparative administrative studies in the developing countries. Fred W. Riggs is a contemporary theorist in the field of comparative public administration who has been primarily interested in conceptualizing on the interactions between administrative systems and their environment. He has particularly studied the differences in social, cultural, historical or political environment and their effect on administration. Thus, according to Riggs, an administrative system is influenced by the society of which it is a part and in turn it also influences the society at large.

Another contribution of Fred W. Riggs is that he enunciated the typology of “fused, prismatic and diffracted” societies, which is based on the structural-functional approach. According to Riggs, those societies whose social structure is functionally diffuse, i.e., structure with almost no specialized rules, have been termed as ‘fused’. On the other hand, a ‘diffracted’ society is one which has highly functionally specific structures, i.e., those which carry out limited number of prescribed functions on account of their specialized character. In between the two polar types, comes the category of prismatic society where exists a high degree of ‘formalism’, ‘overlapping’ and ‘heterogeneity’. Let us discuss these basic features of a prismatic society:

- (a) Heterogeneity :- The first characteristics of a prismatic society is that there is a high degree of heterogeneity, i.e., different kinds of systems, practices, and opinions are present in such a society. Social change in this society is incomplete because there is a presence of fused as well as diffracted traits.
- (b) Formalism :- Formalism is another feature of prismatic society. In a prismatic society, a great discrepancy between the formally prescribed norms and their practices prevails, whereas a fused and diffracted society is characterized by a high degree of realism.

(c) Overlapping :- Overlapping, according to Riggs, refers to the co-existence of formally differentiated structures of a diffracted society with the undifferentiated structures of a fused society. In spite of new structures prevailing in the society, old structures still dominate various functional areas in the social system.

Riggs' contributions to the study of Comparative Public Administration are worth recognising. His "prismatic sala" models and the value-neutral conceptualization of development have taken the cross-cultural administrative studies towards greater objectivity. His ideal typical models have encouraged several empirical studies on the administrative systems of developing countries. Thus, Riggs' ecological approach and his analysis of the process of administrative development can provide essential guidelines to the policy-makers in the developing countries.

### **2.3.2 Systems Approach**

Gabriel Almond's 'Comparative Political Systems' (1956) and David Easton's 'An Approach to the Analysis of Political Systems' (1957) mark the beginning of the systems approach. A system can be formally defined as a set of interacting elements in a state of mutual dependence. According to Talcott Parsons, system is the concept that refers both to a complex of interdependencies between parts, components, and processes, that involves discernible regularities of relationship, and to a similar type of interdependency between such a complex and its surrounding environment. Students of public administration have accepted the concept of "system" as the description of what was previously administrative organization. Scholars like Nicolas Henry, Stephen Bailey etc. believe that the Systems Approach has its own place of importance in the field of public administration. In the United States, Systems Analysis and Management Science have been applied in new ways by the National Aeronautics and Space Administration.

It is believed that all systems are denoted by specific boundaries, possess requirements which must be fulfilled in order to maintain an existence, and are composed of elements which are mutually dependent in the sense that a change in one part of the system unavoidably changes some other part of the system. Oran R. Young's contribution to the systems theory and its impact on political scheme is worth mentioning here.

Haberstroh writes of the Systems Approach in the following manner : In contrast to mathematical models of management science, the systems approach allows the information exchange between parts of the system. The idea of system can be used to denote the relationships between component parts within defined boundaries. Fagen defines systems as “a set of objects together with the relationships between the objects and between their attributes.” Bertalanffy refers to a system as “a set of elements standing in the interaction.” Kast and Rosenzweig define a system as “an organized, unitary whole composed of two or more interdependent parts, components, or sub-systems and delineated by identifiable boundaries from its environmental supra-system.” Thus, a system denotes interdependency or interaction of components or parts and an identifiable wholeness as the important dimensions in development of the organisation.

While advocating the systems approach to the study of public administration, Ira Sharkansky focuses on the following important points :-

- (a) an environment that both stimulates administrators and receives the products of their work;
- (b) the inputs that carry stimuli from the environment to administrators;
- (c) the outputs that carry stimuli from the environment;
- (d) a conversion process that transforms (converts) inputs into outputs; and,
- (e) feedback that transmits the outputs of one period – as they interact with features in the environment – back to the conversion process as the inputs of a later time. All these features interact with one another and together form the administrative system.

In 1957, Riggs, the foremost system theorist in Comparative Public Administration influenced by Talcott Parsons, Marion Levy, F.X. Sutton, and others, introduced an important theoretical construct in the field of Comparative Public Administration in the form of “agraria-transitia-industria” typology. “Agraria” represented a pure traditional society; “industria” represented a pure modern industrial society, and “transitia” represented a transitional society moving from the stage of agrarian to that of industria. Later, Riggs also came out with his well-known models of “fused”, “prismatic” and “diffracted” societies, on the basis of the extent to which roles in various organizations are exclusive or overlapped. Riggs’s models

are ecologically oriented, i.e., his constructs very much highlight the interactional pattern between public administrative systems and the social environment in which they operate.

Another scholar contributing to the systems approach in the field of public administration is John T. Dorsey Jr., whose “information energy” model is based on a synthesis of concepts of general system theory, of communication and cybernetics, and of energy and energy conversion. Dorsey has stressed that research in Comparative Public Administration should focus on the input, conversion and output aspects of the administrative system.

### **2.3.3 Bureaucratic Systems Approach**

Max Weber’s name is associated with this approach. Max Weber’s Bureaucratic Systems Approach is closely associated with his concept of authority system. The administrative staff in a ‘legal-rational’ authority system, has been depicted as bureaucracy. This approach has been the single most dominant conceptual framework in the study of comparative administration. Weber’s model focuses on the structural characteristics of bureaucracy, such as hierarchy, specialization, rationalized job structure and the selection of personnel on the basis of merit. The Weberian construct has facilitated further research in the field of Comparative Public Administration. Among other scholars who contributed to this approach, we can cite the names of Morroe Berger, Alfred Diamant, Ferrel Heady, Robert Presthus and Michael Crozier. Murroe Berger in his book, *Bureaucracy and Society in Modern Egypt*, tries to test Weber’s Ideal-type model of bureaucracy. Berger later tries to explore the structural-functional theory of bureaucracy as applied to the developing countries. Robert K. Merton and Professor Robert V. Presthus have tried to test the value-theory of bureaucratic behaviour in western and non-western countries. Thus, the bureaucratic systems approach is an attempt to study the bureaucratic organizations of different countries.

### **2.3.4 Decision-Making Approach**

In public administrative studies, several scholars, including Herbert Simon, James March, William Gore and Charles Lindblom were interested in the

decisional analysis. The decision-making studies by these scholars have focused on the intra-system behaviour of the administrative organizations. However, in the comparative study of public administration, the most important contribution is that of Martin Landau. Landau has observed that in developing societies, planning, programming and other facets of decision-making should be given considerable attention. Landau has also stressed the need to enhance the decision-making capacities of the administrative systems of developing nations. Landau emphasizes that in the ongoing process of development, it is essential that decisions should be increasingly based on “technical” or “fact” premises. Thus, decision-making approach has its own place of importance in the field of public administration. We know that the success of a public administrative system simply depends upon how well it can handle a particular situation by taking a correct and prompt decision.

### **2.3.5 Structural-Functional Approach**

Another important approach in the field of comparative public administration is the Structural-Functional approach. The Structural-Functional approach signifies the study and analysis of structures and their functioning. This approach assumes the fact that for societal survival, there must be certain basic structures and functions within an organization. Thus, in the case of structural-functional analysis, one determines the important structures and then attempts to trace the functions of those structures. This concept has been borrowed in the field of public administration from that of Sociology and Biology with the efforts of Bertalanffy, Henderson, Cannon, Talcott Parsons and Marion Levy. Dwight Waldo first suggested it in 1955. In this approach, it is believed that all social structures perform some functions. The term “structure” may be defined as a pattern i.e., an observable uniformity, in terms of which action (or operation) takes place. Riggs cites the example of bureau as a structure. On the other hand, “function” involves “a pattern of interdependence between two or more structures, a relationship between variables.” It refers to any consequences of a structure in so far as they affect other structures or the total system of which they are a part. In public administration, structural-functional analysis is most commonly applied with particular reference to bureaucratic or administrative structures i.e., the civil services, federal services or national/state administrative machinery.



Structural-functional analysis is, then, a form of systematic analysis which looks at political systems as coherent wholes which influence and are in turn influenced by their environments. So, from the above discussion, it is clear that this approach has been advocated successfully by Talcott Parsons, Robert K. Merton, Marion Levy Jr., Gabriel Almond and David Apter. In public administration, any governmental organization, department, ministry, corporation or board can be equated with a “system of actions” or “patterns of actions”.

Fred W. Riggs has identified five functional requisites for any society :

a. economic, (b) social, (c) communicational, (d) symbolic, and (e) political.

The same set of functional requisites applies to an administrative sub-system. However, the Riggsian analysis does not explain why only these functional requisites are chosen, nor does his analysis provide such categories a central place.

### **STOP TO CONSIDER :**

#### **Other Approaches to the Study of Comparative Public Administration**

1. Legal-Juridical approach : the main foci or preoccupation of this approach is on power, sovereignty and subsidiary organs of the governmental organization. Arthur W. Macmillan believes that this approach was nurtured and exemplified in the public law of the European continent.

2. Institutional approach-Institutional Realism : the Institutional approach is linked to the study of formal governmental structure. It deals with various parts and organs of the state like the executive, the legislative sub-system, the departments, the budgetary system and the personnel. In this approach there is greater concern for the specific parts or organs of particular governments.

The Scientific administration found its earliest expression in the work of Frederick W. Taylor (1911-1912) which blossomed into the “scientific management” movement. The “Human factor in management” was added to the roster of independent variables after the famous Hawthorne Experiment (May 1933). The Human Problems of an Industrial Civilization (Roethlisberger and Dickson 1939), and Management and Worker disclosed that social interaction among workers and between workers and management had a profound effect on output.

#### **2.3.6 Behavioural Approach**

Behavioural approach is another important approach to the field of Comparative Public Administration. This approach in the social sciences was first practiced in the early thirties by social psychologists and social anthropologists. This approach focuses on the study of human behaviour, and popularizes the terms like, 'political behaviour', 'administrative behaviour' or 'organisational behaviour'. Experimental and research-oriented social psychology had its origins in the behaviouristic movement.

The human behaviour approach is based on the thesis that, "since managing involves getting things done with and through people, its study should be centered on inter-personal relations. Various called the "human relation", "leadership" or "behavioural sciences" approach, this school concentrates on the human aspect of management and the principle that, when people work together to accomplish group objectives, "people should understand people." Scholars in this area are heavily oriented to individual and social psychology. (*Advanced Public Administration*. By-R.D. Sharma, Vol. I).

The Behavioural approach became very popular after the World War II. This approach is regarded as a modern approach because of the new trend towards the action or behaviour of individuals rather than the traditional framework. As Pfiffner and Sherwood emphasizes : "Modern behaviouralism, which developed in the late 1930s and 1940s is concerned essentially with the scientific study of human behaviour in various settings." This approach gave a serious jolt to the Scientific Management Approach. The findings of the Hawthorne Experiments gave a serious blow to the Scientific Management movement. These experiments showed that many problems of worker-management resulted not from insufficient task-specialization or inadequate wages, but from social and psychological forces. Thus, Hawthorne Experiments for the first time focused on the "human factor" in work situations. The study marked a major turning point in the history of administrative theory and practice. Thus, in administrative studies, behaviouralism is considered to have started with the famous Human Relations Movement. The gist of the Human Relations Approaches can be found in Roethlisberger and Dickson's work entitled, *Management and the Worker*. Another writer who has contributed to this approach is Chester Barnard. Barnard attempted to set forth an all-embracing theory of

organization. The writers who have contributed immensely to the development of this approach are Mary Parker Follett, Chester Barnard, Dwight Waldo, William H. White and Herbert A. Simon. Simon became interested in the behaviour of administrative organizations and explored the causes and reasons for efficient conduct in administration.

It is to be noted here that both Political Science and Public Administration borrowed the concept of “behaviour” from Social Psychology. Two important books published in this field were ‘*Political Behaviour*’ (1956) and ‘*Administrative Behaviour*’ (1957). Thus, from the above discussion, we can conclude that this approach specifies the behaviour of persons and social groups rather than events, structures, institutions or ideologies as the units or objects of both theoretical and empirical analysis. This approach is also significant because of the reason that it has highly emphasized interdisciplinary study in the field of Comparative Public Administration. It has greatly benefited comparative studies of the administrative systems of various cultures. The scholars have made extensive use of this approach in the field of public administration to study administrative organizations, departments, inter-state regulatory commissions, boards, authorities etc. Prof. Ramesh K. Arora rightly says that “the behavioural approach in public administration has motivated greater scientific research and systematic theory construction.”

Ferrel Heady has given the following four approaches to the study of Comparative Public Administration :

1. modified traditional approach;
2. equilibrium or input-output approach;
3. bureaucratic orientation approach; and
4. ecological approach.

Keith Henderson accepts only three approaches to Comparative Public Administration :

1. The Bureaucratic System approach.
2. The Input-Output System approach.
3. The Component Approach.

## **2.4 Concept of Development Administration**

Development administration is an aspect of welfare administration. As a concept, 'development administration' is not very old. It has gained popular currency among the new nations of Asia, Africa and Latin America which became progressively free and independent since the Second World War. These countries were under colonial rule for a long time. So, after independence, these countries wanted to attain development, but as a result of long term colonial exploitation, these nations faced immense problems. That time, the international power structure was such that the United States and the former Soviet Union competed with each other to enlist the support of the newly independent nations to their respective ideology. American scholars took the opportunity to make comprehensive studies of the political and administrative structures of the developing nations in order to assess their potential for development. It led to the development of vast amount of literature which came to be known as 'development administration'.

### **2.4.1 Meaning of Development Administration**

Development is a function of political systems involving increased ability to shape and reshape their environment. Development is also viewed as the dynamic change of a society from one state of being to another without positing a final mature condition. Riggs has defined development as "a process of increasing autonomy (discretion) of social systems, made possible by rising level of diffraction". 'Discretion' is the ability to choose among alternatives, while 'diffraction' refers to the degree of differentiation and integration in a social system. Riggs has considered diffraction as the necessary and perhaps the sufficient condition for development, i.e., for increased discretion.

Conceptual thinking on 'development administration' is to be found mainly in the writings of a group of American experts belonging to the discipline of Comparative Public Administration. Notably among this group are Edward Weidner, Fred Riggs, Montgomery, Donald Stone. Ramesh K. Arora, S.R. Maheshwari are the Indian scholars who contributed immensely to the field of development administration.

Some of the leading definitions of the concept are given below so that you can understand the concept in a better way :

- (1) According to Merle Fainsod “development administration ordinarily involves the establishment of machinery for planning economic growth, and mobilizing and allocating resources to expand national income,”
- (2) As opined by Montgomery “development administration means carrying planned change in the economy or capital infrastructure or to a lesser extent in the social services, especially health and education”.
- (3) According to Donald Stone “broadly, development administration is concerned with achieving national development.”

The above definitions focus on the basic/important elements of development administration like action, goal, economic change, social engineering, innovation, reform, planning, problem-solving, nation-building and so on.

Some scholars again define it as the capacity of a social system to make decisions with autonomy, autonomy implying a relative freedom from the constraints of the environment and also the capacity to modify it. Development is thus a dynamic process of growth as well as change. It is a dynamic process of change from one state of being to another without setting a final mature end to this process. Weidner calls it a process that is never ending, and which is never complete. According to him, “development is a state of mind, a tendency, a direction. Rather than a fixed goal, it is a rate of change in a particular direction.” (*Edward Weidner, Development Administration : A New Focus for Research, pg. 99*).

Dr. J.N. Khosla, an eminent scholar of public administration (ex-director of the Indian Institute of Public Administration, New Delhi) has identified three major areas of activity in development administration, as given below :

1. It is an effort towards planned transformation of the economy, involving not only the sphere of administration but also politics and indeed society as a whole.
2. It is an effort for the synchronization of changes in all spheres of development. Special emphasis is placed on the political and social context of administration.
3. All the above mentioned areas imply political control of administration and the formulation of plans and policies. These are also meant to include citizens’ reaction to administrative action, their active

participation in development efforts and the need to change the administrators attitude.

Ferrel Heady states that development exists in societies,

- (a) that have relatively equal distribution of benefits,
- (b) that utilize modern technology,
- (c) that assign rewards according to personal achievement and not according to family, caste or tribal background,
- (d) that use specialists in economic and government roles, instead of generalists who must provide leadership in a full range of activities, and,
- (e) that have governmental units that can adjust to social or economic change and acquire “new capabilities to meet new demands”.

To Harry J. Friedman, development administration contains two elements :

1. the implementation of programmes designed to bring about modernity, and,
2. the changes within an administrative system which increases its capacity to implement such programmes.

Thus, development administration is the part of administration concerned with the development of a country’s economy and society. Mohit Bhattacharya considers “development administration” as an “administrative ideology of the developing countries.”

#### **2.4.2 Distinctive features of Development Administration**

The distinctive features of development administration may be listed as follows:

- (1) **Change-orientation** :- Development administration is flexible and open to change along with the changing needs and aspirations of the people.
- (2) **Goal-orientation** :- Development administration is dominantly goal-oriented. It seeks to achieve progressive political, economic, social and cultural goals.

- (3) **Client-orientation** :- Development administration is manifestly client-oriented or beneficiary oriented. It has to satisfy the aspirations, and urges of the clients, i.e., the people of the areas. The needs, requirements and wants of the needy people of the scarcity hit-areas of under-developed countries are to be satisfied and fulfilled within specified time-periods. There are some identified target-groups like, children, women, people belonging to backward classes, contract labour and various other categories of people, which need immediate and prompt attention. Development administration fulfills this necessary ingredient. For example, in India, there are client oriented projects like, Integrated Rural Development Programme (IRDP), National Rural Employment Programme (NREP), Rural Landless Labour Employment Guarantee Programme (RLEGP), Small Farmers' Development Agency (SFDA), Tribal Area Development Programme (TADP) etc.
- (4) **Citizen-participation orientation** :- Development administration calls for active participation of citizens in the programmes of development.
- (5) **Time-orientation** :- It is time-oriented, which means that all the developmental works must be completed within a definite time-frame.
- (6) **Innovativeness** :- Development administration seeks to be flexible and innovative. Experimentation with new structures, methods and techniques is a normal practice in development strategy.
- (7) **Effective Integration** :- Development administration needs high degree of integration and co-ordination.
- (8) **Coping ability** :- Development administrative systems need to have high degree of coping ability, i.e., it will have to respond positively to all the demands and challenges of the environment.

Apart from the above discussed features, there are certain other variables or distinctive features, which give one an indication about the degree of development of a community, region, state or a country. These variables inform us about the rate or pace of development, or development-acceleration. These are : democratization, modernization, secularization,

affluence, institution building, differentiation, cohesion, equitable and just economic order, peaceful transformation towards decentralized society. Thus, development administration is goal-oriented, change-oriented, progressive, planned, innovative, flexible, motivational, client-oriented and participative in nature. That is why, Fred W. Riggs rightly says that development administration covers the area from administration of development programmes to the methods used by large-scale organizations notably government to implement policies and plans designed to meet their development objectives. Riggs considers development administration as both administrative problems and governmental reform.

#### **STOP TO CONSIDER :**

#### **The Causes Responsible for the Growth of Development Administration**

Various causes were responsible for the growth and increasing importance of the concept of 'development administration' :

1. Emergence of newly independent countries of Asia, Africa and Latin America after World War II. These countries were making persistent efforts for bringing about socio-economic development, but were confused as to what to do to bring development. It was at this juncture that the American scholars came forward with the concept of 'development administration', the type of administration suited to the needs and demands of these developing countries.
2. U.S. economic and technical programmes to assist the efforts of the developing nations.

The interest shown by the American scholars especially of the Comparative Public Administration group (CAG) in the developing nations and their administrative systems

#### **2.4.3 Aims and Functions of Development Administration**

It is very pertinent for us to clearly understand the aims as well as the functions of development administration for a better understanding of the concept.

Development Administration aims at :

1. societal change through modernity,



2. planned change to meet nation's broad economic, social, political and cultural objectives,
3. social justice through equitable distribution of various benefits,
4. political development by promoting equality, capacity to cope with demands etc.

Functions of Development Administration are highlighted by different thinkers in different ways. According to J.N. Khosla, the main functions of development administration are :

1. formulation of developmental goals and policies,
2. programme formulation and programme/project management,
3. reorganization of administrative structures and procedures,
4. evaluation of results,
5. securing people's participation in the developmental effort,
6. promoting growth of social and political infrastructure.

Higgins points out the following functions :

1. to provide a minimum of public order,
2. to provide a minimum of essential services,
3. to provide for common defence and for dealing with other governments,
4. to afford means for resolving conflicts over public purposes,
5. to facilitate the accumulation of saving and allocation of resources to increase availability of worldly goods, etc.

Easman considers nation-building and socio-economic development as major political goals of a country. In order to cope with these twin goals, every development administration must undertake the following functions :

1. achieving security against external aggression and ensuring internal order,
2. establishing and maintaining consensus and the legitimacy of the regime,
3. integrating diverse ethnic, religious, communal and regional elements into a national political community,

4. displacement of vested traditional, social and economic interests,
5. development of modernizing skills and institutions,
6. fostering of psychological and material security,
7. mobilization of savings and of correct financial resources,
8. rational programming of investments,
9. efficient management of facilities and services,
10. activating participation in modernizing activities, especially in decision-making rules,
11. achieving a secure position in the international community.

Thus, from the above discussion, we have come to know about the different parameters of the concept of development administration. It is clear from the discussion that the developing countries in order to have development administration, must adopt certain practices, like : manpower planning and development, perspective and long-range planning, research and development, scientific analysis and study, adoption of new values for the purpose of development, import of scientific techniques, instruments and technology, establishment of training institutes for administrative development. We all know that development administration has assumed greater importance after the independence of many European colonies. It was believed that the administrative system of newly independent countries should be geared up to take the new assignment i.e., “development” in order to make these countries capable of raising the standard of living of their people.

**SAQ :**

Do you think that development administration has some thrust areas in India? Discuss. (50 words)

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**Check Your Progress :**

- 1 Discuss briefly the suggested approaches to the study of Comparative Public Administration.
2. Evaluate the contribution of Fred Riggs towards the enrichment of comparative administrative studies in the developing countries.
3. 'Development Administration' is change-oriented, goal-oriented and policy-oriented' – explain.

**2.5 Summing Up**

In this unit, we have discussed the different approaches to the study of Comparative Public Administration. From the discussion of the different approaches, we are clear about the fact that all these approaches have its own place of importance in the field of Comparative Public Administration. We have also understood the concept of development administration, and realized that the developing countries in order to embark upon the path of development must follow the essential criterias of development administration.

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**Unit III**  
**Salient Features of Administrative Systems of India,  
UK and USA**

**Contents**

- 3.1 Introduction
- 3.2 Objectives
- 3.3 Administrative System of India
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**3.1 Introduction**

We know that each and every country has their own administrative system. Each country develops that administrative system which best suits its requirements and administrative system of a country is the result of its socio-political, cultural and economic conditions. Administrative system of country includes its governmental structure and set-up. In this unit we are going to discuss administrative system of three nations, viz. India, USA and UK. As we know India has adopted parliamentary democratic system or Westminster type of government with the President as its nominal head after getting freedom from British colonial rule. It needs mention here that UK is known for its limited monarchial system with Westminster type of government. USA has the Presidential system of government where president is the chief or real executive of the nation. Thus it is seen that though democracy prevails in all these three countries but their administrative mechanism differs from each other. In this unit, we will discuss some basic features of the administrative system of these three countries.

### 3.2 Objectives

Every country designed their administrative structure to meet the challenges faced by the society and to play the role of an agent of social change. After going through this unit you will be able to

- *discuss* the basic features of Indian administrative system
- *describe* the basic features of UK's administrative system
- *analyse* the basic features of USA administrative system
- *compare* the administrative system of India, UK and USA

### 3.3 Administrative System of India

The present administrative system of India was inherited from the colonial rulers, and it is this structure, which has primarily been entrusted with the functions and responsibilities of socio-political and economic development. Some modifications, however, have been grafted onto it from time to time. As we have mentioned earlier, after independence India adopted the parliamentary democratic system with President as its nominal executive. Thus it is seen that in India though all the administrative powers are vested in the President but it is exercised by the Prime Minister and his cabinet. In other words like UK where Queen/King is the nominal executive, in India the President is the nominal executive and like UK the Prime Minister and his cabinet is the real executive of the nation. In other words, the President is the head of the nation while the prime minister is the head of the government in India. Let us look at some basic features of Indian administration:

#### 1. Dual Polity

Though Indian constitution does not use the word federation, but the administrative structure of India follows the federal pattern. In India like USA we have seen two types of government: Union Government and State Governments. Both the governments are autonomous in their respective fields and the constitution of India clearly distributes powers between them. But it needs mention here that the union government of India is more powerful than the state governments.

## **2. Semi Presidential System**

In India the President acts as the head of the nation. The Constitution of India conferred all the administrative powers to him. But actually all those powers are exercised by the Prime Minister and his cabinet. In short we can say that the President is the nominal or titular head of the nation. But in some cases he can act as the real executive. For example during the proclamation of emergency the President can act as the real head of the nation. But in normal circumstances he must act in accordance to the decisions taken by the cabinet.

## **3. Constitution as the Supreme Law**

The Constitution of India is regarded as the supreme law of the nation. No law is above it and the Supreme Court of India acts as the guardian of the constitution. If any law is passed by the legislature, and it does not meet the requirements of the Constitution, Supreme Court has the power to declare that act as null and void. In other words we can say that the administration of the country must follow the rules and regulations of the Constitution.

## **4. Supremacy of the Parliament**

In Indian parliamentary democratic system, the parliament is the supreme law making authority. All the administrative policies are formulated and all the major decisions are taken by the parliament. Even the government of India is responsible to it (to the lower house of the Parliament). It is worth mentioning that like UK Indian parliament is bicameral consisting of House of States (Upper House) and House of People (Lower House). The members of the Lower House are elected directly by the people on the basis of universal adult franchise.

## **5. Departmentalisation**

Another important feature of Indian administration is that all the administrative tasks are divided in different departments. Each department is headed by a political executive i.e. minister and he is responsible for smooth running of his department. After the political executive all the departments are headed by a generalist or specialist officers. Some of the important departments include: Defense, Home Affairs, Health, Education etc.

## **STOP TO CONSIDER :**

### **Federalism and Indian Administration**

Though Article 1 of the Indian Constitution says: - "*India, that is Bharat shall be a Union of States.*" The 'Federation' is not used anywhere in Indian constitution, but the government is federal. A state is federal when (a) there are two sets of governments and there is distribution of powers between the two, (b) there is a written constitution, which is the supreme law of the land and (c) there is an independent judiciary to interpret the constitution and settle disputes between the centre and the states. All these features are present in India. There are two sets of government, one at the centre, the other at state level and the distribution of powers between them is quite detailed in our Constitution. The Constitution of India is written and the supreme law of the land. At the apex of single integrated judicial system, stands the Supreme Court which is independent from the control of the executive and the legislature.

### **6. Neutral Bureaucracy**

Like UK though all the decisions of the country is taken by the political executive it is the bureaucracy who implement and execute such policies. They are permanent in nature unlike the political executive. But they are required to implement all the decisions taken by the political executives, no matter whether he likes or dislikes the party in power. It is the responsibility of bureaucracy to provide all the relevant information to the political executives.

### **7. Independent Judiciary**

We know that the judiciary occupies an important position in our administration. The Constitution of India made it independent of the legislature and the executive. The Supreme Court of India stands at the apex of single integrated judicial system. It acts as protector of fundamental rights of Indian citizens and guardian of the Constitution. If any law passed by the legislature or action taken by the executive contravenes the provisions of the Constitution, they can be declared as null and void by the Supreme Court. Thus, it has the power of judicial review. But judicial review in India constitutes a middle path between the American judicial supremacy in one hand and British Parliamentary supremacy in the other.



Thus it is seen that, the administrative system of India has some distinct and unique features as compared to other constitutions. As Dr. B.R. Ambedkar, the Chairman of the Drafting Committee opines, the framers had tried to accumulate and accommodate the best features of other constitutions, keeping in view the peculiar problems and needs of the country.

**Check Your Progress :**

1. Discuss the administrative structure of India.
2. Write two federal features of Indian administrative system.
3. Who is the Real executive of India?
4. Analyse the Indian parliamentary system of government.

### **3.4 Administrative system of UK**

As we have mentioned earlier, UK has parliamentary system of government with limited monarchical system. The parliamentary system of UK has a long history. It was only after the Glorious Revolution of 1688 the parliament of UK has established its supremacy over monarchy. Now it has the oldest parliamentary government with constitutional monarchy. Like India the Queen/King is the nominal or titular head while the Prime Minister and his cabinet is the real head. In other words we can say that the King/Queen is the head of the nation and the Prime Minister is the head of the government. Though the constitution of UK is unwritten but the relationship between the monarch and cabinet is well maintained by its traditions and customs. Again the application of rule of law overwrites the power of judicial review. Let us discuss some important features of UK's administrative system.

#### **1. Institution of Monarchy**

After the Glorious Revolution the parliament has established its supremacy and the institution of monarchy remains an institution of prestige. Though all the powers are vested in the monarch in practice like India it is exercised by the Prime Minister and his cabinet. It is important to note that there is a difference between the Crown and the King/queen. According to their tradition the crown is an institution which never ends but the king/queen just holds the post. As a human being they will die but as an institution crown never dies.

## **2. Supremacy of the Parliament**

Like India all the administrative policies and decisions in UK are made by the parliament. It resembles India and USA bicameral consisting of House of Lords as upper House and House of representatives as its Lower House. The members of the lower house are elected directly by the people and the government is responsible to it. It has the power to dissolve the government. The government, like India, has to prove its majority before it to form the government. Again the laws passed by the parliament are final and the executive is required to enforce those because in the country there is no system of judicial review. Parliament can amend any laws and policy. However as the King/Queen is the constitutional head of the nation his/her assent is taken for granted.

## **3. System of Departmentalism**

The whole administration of the country is run on the basis of departmentalization. All administrative works have been divided in different departments and each one is required to look after its work and activities, without interfering in each others work. Like India each department at the political level is headed by a minister and he gives policy guidelines and is responsible for the business of his department. Again, as in India, in UK too, at the administrative level the department is headed by a bureaucrat and he is responsible for executing the policies formulated by the political executive.

## **4. Rule of Law**

One of the important features of British administration is the application of rule of law. It needs mention here that in this country there is no system of administrative law. All are to be governed by the same set of laws, irrespective of their position. Same laws are applied to all. No citizen can be punished unless he has been found guilty by the courts of law.

## **5. No Separation of Powers**

In England there is no separation of powers in so far as three organs of government namely the executive, legislature and judiciary are concerned. So there is no system of check and balance. Parliament has the legislative powers and enacts laws and the ministers who are accountable to it and members of the parliament are the executive heads of their respective

department. Again the parliament also sits as court of law at any time. The laws passed by the parliament cannot be reviewed and must be implemented by the bureaucrats.

### **STOP TO CONSIDER :**

#### **Administrative Law**

Administrative law is the legal code, or set of rules and precedents, governing relations between the individual citizen and the state. Many such interactions, for example a contractual dispute between the administration and a company supplying it service, naturally falls within ordinary civil law but even in cases like this there may be special rules that would not apply in a conflict between two private companies. The extent to which administrative law is distinct from national civil law, and the mechanisms for handling disputes vary widely. It is important to distinguish between administrative law and constitutional law because the former never deals with the legitimacy of legislation per se, but with that of administrative acts carried out under legislation.

### **6. Neutral Bureaucracy**

We know that in a parliamentary democratic system all the policies and decisions are taken by the political party in power. It is worth mentioning that though all the departments are headed by a minister, he may not be familiar with the business of his concerned department and he is temporary. So it is the responsibility of bureaucrats to provide all the relevant information to him and the continuation of their works greatly relies on them. It does not matter for them which party is in power. Thus, in UK also, the bureaucracy is neutral.

### **7. Efficient Bureaucracy**

Another important feature of British administration is its efficient bureaucracy. We know that it is a bureaucracy of colonial power, the colonies of which are spread in all parts of the globe and administered by British bureaucracy for hundreds of years. Steel framework of British bureaucracy has been adopted by many Third World countries and even the colonies which used to condemn British regime have not been in a position to give it up. It needs mention here that to improve efficiency every appointment is made by an independent commission strictly on merit basis.

Thus it is seen that Britain has the system of constitutional monarchy with west minister system of government. The institution of monarchy though lost its power after the Glorious Revolution, it is still a part and parcel of British administrative system. In England administrative system has gradually evolved. Once the country had absolute monarchy and words of the monarch used to be law. There was no system of public accountability, but gradually it changed its administrative set up and finally adopted parliamentary system of democracy.

**Check Your Progress :**

1. What do you mean by political neutral bureaucracy?
2. What do you mean by rule of law?
3. Define administrative law.
4. Discuss some salient features of British administrative system.
5. Point out some features of British administration which are similar to Indian administration.

### **3.5 Administrative System of USA**

After the disintegration of USSR, USA becomes the sole super power of the world. Now it is the most powerful nation and has established its supremacy all over the world. The administrative system of USA is presidential. Unlike India and UK it does not have dual executive. The President is the head of the nation as well as head of the government. Though it has cabinet system, it is subordinate to the President. Due to separation of power, each branch of the government accorded with such powers and functions that they can perform independently. With the judicial review power the federal court can review the policies made by the executive and legislature. It needs mention here that US is a federal country where a central government and 50 state governments co-exist. Now let us look at some salient features of its administrative system:

#### **1. Role of the President**

The President of USA is very powerful. As we have mentioned earlier he is the head of the nation as well as head of the government. He is elected

directly by the people for 4 years tenure and cannot be removed by the Congress. Again unlike India and UK, he is not responsible to the congress for his conduct. All the administrative powers are vested in him and actually he exercise these powers. In short he is the de-jure head of the administration.

## **2. Veto power of the President**

One striking feature of US administration is the veto power of the president. As we know policy formulation is the task of legislature. The constitution of USA separated works of each branches of the government. But the constitution also conferred the power of veto to the president. By using this power he can nullify any law made by the Congress.

## **3. Separation of Powers**

Public administration system of USA as like others is run by three organs, viz. executive, headed by the President, legislature, i.e. the congress consisting of House of Representatives (Lower House) and Senate (Upper House) and judiciary. Unlike UK and India, the administration of the country runs on the basis of separation of power policy. The system has been so developed that one organ of the government is a check on the other. For example, President can veto one bill passed by the congress and in some cases President cannot issue orders without the permission of the Congress. Above all there is judiciary with the power of judicial review to review the laws passed by the both organs. But the judges are appointed by the President in which congress is also involved.

## **4. Judicial Review**

Another important feature of US administration is the system of judicial review. The Federal Court of US is accorded with judicial review power. It needs mention here that Indian judiciary also enjoys this power. The judiciary has the power to review every law passed by the legislature or any executive order issued by the President. It can declare any law as *ultra vires* or unconstitutional, if in its opinion that is against any provision of the constitution. It is worth mentioning that once the court nullifies any law, it is illegal for the executive to enforce the same.

## **5. Division of Powers**

As a federal country, USA has the system of division of powers between the federal government and its constituent units. Division of subjects which are to be administered by the federal as well as state government has been specified by the constitution. The constitution also provided that a subject which does not figure in either of the two lists shall be administered by the states.

## **6. Departments**

Like England there is also departmental system in USA. But unlike India and UK in USA there are only 13 departments. In addition, much administrative works are carried out through independent commission, Boards, government corporations etc. In short we can say that the departmental system of USA is not well developed like India and UK.

### **STOP TO CONSIDER :**

#### **Departments of USA**

As we have mentioned earlier USA has 13 departments. They are listed below:

1. States
2. Justice
3. Post Office
4. Agriculture
5. War
6. Navy
7. Treasury
8. Interior
9. Labour
10. Trade
11. Federal Defence
12. Federal Work
13. Federal Energy

**SAQ :**

Do you think that Indian Prime Minister can play the same role as it is played by the US President. (100 words)

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**7. Commissions/Boards**

As we know the departmental system of US is not well developed. So for the smooth running of the government several Boards and Commissions have been set up. The main reason for their creation is to increase the volume of work because of scientific inventions and discoveries on the one hand and national and international trade on the other. Again the government's responsibilities in the field of social, economic and labour are increasing day by day. So in order to deal with such increased responsibilities Boards and Commissions began to be created.

**8. Government Corporations**

Again in order to deal with the increased governmental activities like Boards some government corporations are also created. Such bodies are independent as well as a part of any government department. Such bodies are created both by the executive and the congress. But since 1945 it is seen that such corporations are created by the Congress alone. Each corporation is headed by a general manager or a board and these are free from general administrative control.

**9. Collective Bargaining**

One of the important feature of US administration is that civil servants are accorded with the power of collective bargaining. They can form trade unions. In 1912 the congress passed an act by which employees right to put forward collective representations was recognised. Now every

employee's organisations have their own trade union. It can be said that trade union system has become an integral part of the administrative system of US.

Thus it can be said that in USA the President has a great influence in its administration. From the overall working of the administrative system, it is seen that now in US administration the influence of bureaucracy is increased. The one striking feature of US bureaucracy is that the officials have the power to form trade unions and send collective representatives.

### **3.6 Comparison between India, UK and USA**

After a close analysis of the administrative system of these three countries we can make a comparative discussion as follows:

It is seen that India has adopted parliamentary democratic system where like UK two types of executive co-exist. In India the President is the constitutional head like the King/Queen of UK and the Prime Minister and his cabinet is the real executive like the Prime Minister and his cabinet of UK. But in USA the President is the real executive. Whereas in India and UK the President and King/Queen is the head of the nation respectively and the Prime Minister is the head of the government, in USA the President is the head of the nation as well as head of the government. It needs mention here that division of power is also an important feature of Indian administration. The Constitution of India through three lists placed in the 7<sup>th</sup> schedule of its constitution distributes powers between the central and the state governments. But unlike US the residuary powers are vested in the hand of the central government.

In terms of administrative powers in India and UK it is vested in the hand of the President and the King/Queen but exercised by the Prime Minister and his cabinet. But in USA all these powers are vested in the hand of the President and he actually exercise these powers.

India and USA both are federal countries. So they have two sets of government, i.e. Federal and State. But UK is a unitary nation. In India and USA all the administrative powers are distributed between these two sets



of the government while in UK there is no need of distribution of powers because there exists only one set of government that is central government. Though it has some component units they are subordinate to it.

In terms of power distribution in India through three lists, the powers are divided while in USA it has only two lists. Again the residuary powers are vested on the Central government in India while in USA it is conferred to the state governments.

Indian and US judiciary are accorded with the power of judicial review. Through this power judiciary can nullify any laws passed by the executive or legislature. But in UK there is no system of judicial review. The upper house of its parliament acts as the judicial organ of the nation. The parliament gets supreme authority in terms of policy formulation.

Collective responsibility of cabinet members is one of the striking features of Indian and UK's administration. In these two countries the government is responsible and accountable to its popularly elected house of the parliament. While in US the President and his cabinet members are not responsible to the Congress. The Congress cannot remove the President before his tenure, but in India and UK the parliament has the power to dissolve the government.

The bureaucracy of all these three countries now play an important role in its administration. Continuation of the administration greatly relies on them as the political executives are temporary. So, all these three countries favoured to establish a politically neutral bureaucracy.

**Check Your Progress :**

1. Mention some features of US administrative system.
2. What kind of role played by the US president in its administration?
3. Write a note on President's veto power.
5. What do you mean by judicial review?
6. Make a comparative study of the administrative systems of India, UK and USA.

### 3.7 Summing Up

After going through this unit now you are in a position to understand the salient features of India, UK and US's administrative system. In this unit you have learnt that any country needs an administrative mechanism to move forward. The administrative machinery is by product of one nation's past experience and dependent on its culture, environment and people's attitude. The success and failure of any administration depends on people's orientations towards it.

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Report of 1<sup>st</sup> ARC India

Report of 2<sup>nd</sup> ARC India

Report of Fulton Commission, UK

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## **BLOCK II**

### **Merit System Budgeting, Legislative Control over Administration and Administrative Reforms**

- Unit I: Merit System: Concept, Origin, Development and Existing Status (India, UK and USA)
- Unit II: Budget Procedure, Practice and Legislative Control over Expenditure (India, UK and USA)
- Unit III: Legislative Control over Administration in India and USA
- Unit IV: Administrative Reforms in India and UK



## **Unit I**

### **Merit System: Concept, Origin, Development and Existing Status (India, UK and USA)**

#### **Contents**

- 1.1 Introduction
- 1.2 Objectives
- 1.3 Merit System in USA
  - 1.3.1 Stages in the Evolution of Merit System in USA
  - 1.3.2 Spoils System
  - 1.3.3 Motives of the Spoils System
  - 1.3.4 Defects of the Spoils System
  - 1.3.5 Civil Service From 1883 Onwards
  - 1.3.6 Recent Developments
- 1.4 Merit System in India
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  - 1.4.2 Reforms From 1853 Onwards
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- 1.5 Merit System in UK
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  - 1.5.2 UK Civil Service Commission
  - 1.5.3 Fulton Committee Report
- 1.6 Summing Up
- 1.7 References and Suggested Readings

#### **1.1 Introduction**

Efficiency of administrative organization to a great extent depends on the efficiency of the personnel who manage it. Thus, on the competence of the civil servants depends the efficient administration of any country. An efficient civil service provides an effective instrument for a sound and democratic administration. A network of civil services manned by competent and

dedicated civil servants is essential for achieving the welfare objectives set by the state. This demands that the civil servants should be recruited purely on the basis of merit. Selection on the basis of merit not only ensures equality of opportunity for all the citizens to participate in the administration of their country but it also enhances public confidence in the administrative machinery. Merit system helps to eliminate nepotism, favouritism, political influence in the selection process and places a premium on competence and ability, as demonstrated in the competitive tests. Thus, Merit system, in short, means a system in which the appointment and conditions of service of an employee are determined solely at his/her intrinsic merit which includes his/her educational and technical qualifications, personal capacities and qualities and physical fitness, judged through set standards and objective tests. Such a system obviously draws out public administration from the ill effects of political intrigues and personal caprices and places it on the scientific, impersonal basis of administrative science. Merit system not only brings efficiency in the administration, but also brings out a purification of political life, and removes the temptation from the government employees to misuse their powers for personal or party ends. It gives them a security of service and thus generates in them a sense of public duty and loyalty towards the state, which helps the state to attain high degree of efficiency and economy. Since merit system plays a vital role in the administrative development, different countries have adopted this system in course of time. In this unit, we will focus our attention on the evolution of merit system in three particular countries, i.e., UK, USA and India.

## **1.2 Objectives**

This unit is an endeavour to introduce you to the concept of merit system and its evolution in three different countries. After reading this unit, you will be able to :

- *understand* the meaning of the concept of merit system
- *analyse* the importance of merit system in the public personnel system of different countries
- *evaluate* the evolution of merit system in UK, USA and India.

### **1.3 Merit system in USA**

Generally known as the home of ‘spoils system’, the selection to the civil service in America was based not on merit but on political consideration. Offices of the state were distributed among the supporters of the victorious political party as a booty. The ‘spoils system’ had a great corrupting influence on the socio-political life of the country. Thereafter, many individuals and organizations took up the question of the reform of civil service. The result was that in 1883 the Congress passed a very important civil service measure, commonly known as the Pendleton Act, which from that day onwards, though with frequent amendments, has served as the fundamental law governing admission to the national civil service. Thus, in USA, the civil service system or the merit system was introduced in January 1883. Prior to this, spoils system prevailed in USA. It is to be noted here that spoils system has not completely disappeared from USA. But, it should be said here that merit system has come to occupy the place of pride in the personnel system of USA. Today, majority of the civil servants hold their status on the basis of demonstrated merit in USA. Now, let us look into the detail as to how the merit system substituted the spoils system in USA.

#### **1.3.1 Stages in the Evolution of Merit System in USA**

The system of spoils that began on a minor scale with Washington, Jefferson and Adams, became a torrent in 1829 when Jackson came into office, and from that time until 1883 swept through all the offices of government, without any legal hindrance, and most usually without moral inhibitions. At the national level, the first application of the principle of basing appointments on ability came very early, indeed, with the first six presidents. From George Washington to John Quincy Adams, the policy was to fill federal jobs with competent persons, although political factors were also taken into account at times. Till 1800, the spoils system did not spread that much to the national level. Actually, in USA, the spoils system was a by-product of the party system. The first President, George Washington set the tradition of making appointments to administrative offices on the basis of competence or “fitness for office”. But, with the emergence of political parties, the need for political considerations in appointments began to be felt. John Adams, who succeeded Washington was a party man, but he maintained to a considerable extent

the principles advocated by his predecessors. But, the advent of Jefferson marked the first change in American Public Personnel practice. Though he agreed with his predecessors, but at the same time, he was also aware of the political significance of the power of appointment. With him the system of spoils started and the requirement of party loyalty rather than fitness for office became the prime criterion for public employment. The real boost to the spoils system was given by a Congressional Act of 1810, which paved the way for rotation in office with the change in administration.

An era of unrestricted patronage was ushered in on the national level by President Jackson's administration of spoils system in 1829. Andrew Jackson's views on public personnel policy differed in important respects from those of his predecessors. He wanted to democratize the service and open it to all segments of the society. Andrew Jackson advanced the following four main arguments in support of spoils system :

- (a) administration of government is a simple process and any person of normal intelligence and industry is capable of performing administrative duties.
- (b) democratic principles support the idea of rotation in office which provides opportunities for a much greater number of people to participate in administration.
- (c) when office-holders remain in office for long years, they are corrupted by a sense of power dangerous to the existence of democracy. That is, more is lost by the long continuance of men in office than is generally gained by their experience.
- (d) democracy is promoted by party appointments of newly elected officials.

Thus, unfortunately, the long-term effect of Jackson's public service philosophy opened the gates for the spoils system in USA, and it prevailed at all the levels of government until 1883.

“To the victors belong the spoils of the enemy” was the slogan issued by senator William L. Mercy in 1832 and ever since the expression gained wide currency. Spoils or political appointments had become the accepted order of things in the national, state and municipal administrations.



The progressive degradation and degeneration of public life under the spoils system called forth a movement in the late 1860s which demanded a reform of civil service in the name of government efficiency and public morals. Thereafter, throughout the 1870s and 1880s the movement for civil service reform gained momentum. It can be said that in the years following the civil war (1861) the movement for civil service reform gained momentum. The real father of the movement was George William Curtis, who with a small band of idealists, proposed a solution to the problem. Another important factor in this development was the report on the British Civil Service prepared by Dorman B. Eaton, who had been commissioned by President Hayes, a champion of reform, to survey the British service, with special reference to the applicability of British methods to the USA. Meanwhile, the assassination of President Garfield by a disappointed office seeker resulted in the passing of the Civil Service Act of 1883. Thus, success came to the moral crusade in 1883 with the passage of the Pendleton Act.

Thus, from the above discussion, it is clear that since public administration in USA was ridden by inefficiency, corruption and graft, under spoils system, the scholars of public administration took this clue to advocate the introduction of the merit system in the public services. Even political parties had taken up the cause of civil service reform in earnest. They demanded that corrupt men should be expelled from office and superfluous offices should be abolished. Moreover, the death of President Garfield in 1881 by a disappointed office-seeker clinched the issue. Moreover, in 1881, the National League for Civil Service Reform had been established. However, as we have mentioned, the immediate cause of substitution of spoils system by the merit system was the assassination of President Garfield by a disgruntled office-seeker. This event highlighted the shortcomings of the spoils system. Therefore, the Congress passed the Civil Service Act in 1883. This Act abolished the spoils system and introduced the merit system in its place.

### **1.3.2 Spoils System**

We have already understood from the above discussion that in USA, the Spoils system was a by-product of the party system. The United States was the last to have a system of civil service. Until 1883, it followed the

‘spoil system’, according to which all judicial and administrative offices used to go as ‘spoils’ of war of the presidential election to the victorious party. The Spoil system held its sway for a long time in USA. Its origin goes back to the days of Washington, Jefferson and Adams. Initially it operated on a very limited scale. During the days of President Jackson, the Spoils system was accorded the status of a political doctrine and the principle of rotation of the employees in office was advocated. After Jackson, other Presidents too followed his footsteps. President Lincoln also made many political appointments to boost up his influence. Since he was waging a war against confederacy, he was badly in need of support in the northern states. Nevertheless, he was quite conscious of the dangers of the Spoils system. One day having seen a large crowd eager for appointments, he observed that the Spoils system might in the course of time become far more dangerous to the Republic than the rebellion itself.

The American society was undergoing significant changes as a result of industrialization. The responsibility of the government officials was not simple and certain quarters started harbouring a suspicion that the person appointed on political consideration might not be in a position to discharge the responsibilities of the offices ably. People held the Spoils system responsible for the prevailing corruption in the federal system. Accordingly, demands were made for reform in the civil service. During the presidency of Grant, corruption was widely prevalent in the federal services. The employees appointed on political consideration committed irregularities and indulged in activities intended to cheat the government for party consideration. In order to improve the government, reform in the civil service was necessary. Such state of affairs continued till 1883 without facing any moral or legal impediments. It came to an end in 1883 when the Congress passed the Pendleton Act. It provided for the establishment of the Civil Service Commission and substituted merit as the basis of appointment in the public service in place of political appointments.

### **1.3.3 Motives of the Spoils System**

America is the traditional home of the spoils system and the chief motive behind it was the American’s faith in the democratic principle that “no man has any more right to official station than another.” Democracy stands for

equality of right and opportunity. Therefore, every citizen must be given the fullest opportunity to serve the state, there being no difference between the political and administrative offices. Thus, democratic urge was the first motive behind the spoils system.

Secondly, coupled with the democratic motive is the personal motive which works in favour of the spoils system. “Spontaneous friendliness, conviviality, and generosity”, as Dr. Finer has said, “produced and produces spoils”. Moreover, the use of nepotism gave the officials a class of loyal and obedient subordinates who would always stand by their masters.

Thirdly, the spoils system was in consonance with the system of party government. The policy laid down by a party government can be best executed by the party officials. It is argued that an incompetent supporter is better than a competent opponent because the opponent may execute the law in its form but not in its spirit and may thus defeat its whole purpose.

Fourthly, the theory of ‘rotation of office’ also favours the spoils system. And this theory is upheld as an effective “means of stopping government from becoming a caste alien to the people, a means of maintaining the responsibility of officials to the people, and in a democracy, based on the idea of the freedom and equality of citizens, it was claimed that all should have an opportunity.” Ellbridge Gerry said that rotation “keeps the mind of man in equilibrium, and teaches him the feelings of the governed, and better qualifies him to govern in turn.”

#### **1.3.4 Defects of the Spoils System**

Despite these sound motives, the spoils system has been a bane on efficient administration. Summing up the effects of this system upon American life, Dr. Finer has said, “sheer inefficiency was the first result; an increase in public costs the second; the creation of a class of office-seekers the third; political corruption the fourth; a standing battle between the President and the Senate for the control of appointments and removals a fifth; and a terrific waste of time and labour on the part of the President and heads of departments, coupled with the real pain of refusal of applications for office, the sixth.”

The more far-reaching effect of this system can be seen in the political life of the nation. It causes a profound degradation of the life of the politicians, public servants and even the common citizen. The spirit of public service is replaced by selfish interests.

In administration, sound principles of efficiency and economy are thrown to the winds and their place is taken by party considerations, group adjustments and personal caprice. National interests are thus completely ignored and neglected.

But, the worst evil of the system is that it is too hard to change it even when the whole nation is convinced of its pitfalls, because it creates vested interests, in public offices of the major political parties. That is why, America has not yet been able to completely get rid of this system, although the movement for civil service reform has been going on since the early half of the 19<sup>th</sup> century.

However, the defects of the spoils system can be discussed under the following points:

- (1) Inefficiency in administration :- As a result of the spoils system, most of the officials fell into the hands of the politicians. With the election of new President, the old incumbents were thrown out to make room for the new ones leading to lack of continuity in administration and promoted inefficiency in administration.
- (2) Increase in governmental expenditure :- The administration had to face the extra bill in making fresh appointments after having removed those who served under the outgoing administration.
- (3) Creation of a class of persons eager for government appointments :- As a result of the spoils system, there emerged a class of people who were ever eager to seek governmental appointments through political pressure.
- (4) Political corruption :- Spoils system also encouraged political corruption. Those who held their position because of political consideration, could hardly be expected to be impartial.
- (5) Conflict between Senate and the President in matters of appointment :- There was a constant state of tension between the Senate and the President regarding appointments and dismissals. Both sides tried to maximize their control in these matters.

(6) Wastage of time of the President and the head of the departments :-

The President and the head of departments had to waste their time in disposing of claims of the persons eager to enter into the government service.

(7) Pollution of the environment :- Spoils system totally polluted the political environment and thus resulted in degradation of political life.

Thus, we have discussed the various defects of the Spoils system. It was as a result of these defects that ultimately Spoils system was substituted by merit system.

### **1.3.5 Civil Service from 1883 Onwards**

The Pendleton Act of 1883 was a direct result of the assassination of President James Garfield by a disappointed office-seeker. The Act brought to a close the period of Jacksonian spoils which made governmental employment a reward for political activity. The Pendleton Act turned the tide in favour of employment by merit, which, despite occasional lapses, had spread to all levels of government. The Pendleton Act extended the merit principle to only 10% of the national employees, but later laws and executive orders extended coverage to more than 90% of the employees.

The Civil Service Act of 1883 provided for the following :

(1) The President was authorized to institute a Civil Service Commission, comprising three persons. The Commissioners were to be appointed by the President subject to Senatorial confirmation. Not more than two of the commissioners would belong to the same party. This led to the development of the Commission as a by-party organization. The Commissioners were to serve for a term of 6 years.

(2) Their duty is to aid the President, as he may request, in preparing suitable rules to carry the Act into effect.

These rules shall provide for the following, “as early as the conditions of good administration will warrant” :

(a) Open competitive examination to test the fitness of applicants for the public service now classified or to be classified.

- (b) The examinations to be practical in character and to be related with the duties of the service into which the applicants seek to be appointed.
  - (c) The offices of each class to be filled by those graded highest at the examinations.
  - (d) The offices in Washington to be apportioned among the various states and territories on the basis of their population.
  - (e) A period of probation to precede final confirmed appointment.
  - (f) The Commission to conduct the examinations make an annual report to the President for transmission to Congress, giving among other things, suggestions for the more effectual accomplishment of the Act.
- (3) Excluded from the purview of the Act are labourers and workmen and persons nominated for confirmation by the Senate. Thus, the merit principle applies to 'classified' positions.

After the Act was promulgated, no person could be appointed to any government post without having passed test conducted by the Civil Service Commission. The United States Civil Service Commission is by all odds the largest and most highly organized central personnel establishment in the modern government. Its functions cover recruitment, examination of job evaluation, training and the administration of personal investigations and retirement and insurance systems.

It should be noted here that the US Civil Service Commission is an extra-constitutional body created by the Civil Service Act of 1883. It is not merely a recruiting agency, it may be called a central personnel agency. It is to be noted here that the first Civil Service systems were poorly funded and struggled to survive. Besides being limited in coverage, they were narrow gauged.

### **1.3.6 Recent Developments**

The Central Personnel Agency in the USA was the Civil Service Commission established in 1883, under the Pendleton Act to reform the evils of spoils system. However, the US Civil Service Commission lost its effectiveness in providing staff support to the President in personnel matters and in protecting the merit system.

In 1940, the Congress passed the Ramspeck Act to encourage President Roosevelt to bring more and more positions under the federal government within the purview of the merit system. This Act authorizes the president to place by an executive order, nearly all federal positions under the civil service system. This Act is considered to be the culmination of the civil service reforms initiated in 1883 by the Pendleton Act. The Presidents since 1940 have used this authority to broaden the coverage of the civil service laws. Earlier in 1938, Franklin D. Roosevelt issued an executive order requiring the principal administrative agencies to establish bonafide, professionally staffed personnel offices. Roosevelt's order signalled the arrival of modern personnel administration, based on the efficiency approach. Thus, by 1951, the proportion of the services operated under the merit plan rose to approximately 92%. In the most recent period of American history beginning with the 1960s, the changes have been so great that it can be said that a "new public personnel administration" has been created. Collective bargaining was spread and the merit system became inclusive. A big boost for the merit principle came with the passage of the Intergovernmental Personnel Act of 1970 (IPA). Thus, the civil service reform movement which began modestly in the 60s of the last century has now come to embrace the bulk of the federal services.

However, the Civil Service Reforms Act of 1978 represents the most comprehensive overhaul of the federal bureaucracy since the Civil Service system was established in 1883. Under this Act, the Federal Civil Service Commission was abolished with effect from January 1979. Its responsibilities were distributed into the following agencies :-

- (a) Office of Personnel Management .
- (b) Merit system Protection Board.
- (c) Federal Labour Relation Authority.
- (d) Equal Employment Opportunity Commission.

The Reforms Act of 1978 places great emphasis on improving the public service by increasing management flexibility, rewarding efficiency, fixing accountability for agency performance, and, encouraging the exposure of fraud, abuse and corruption.

## **1.4 Merit System in India**

The framework of the development of merit system in India may be traced back to the days of British rule in India. The British government was responsible for giving a definite shape to the civil services in India. Till the end of the 19<sup>th</sup> century, there existed in India only the Indian Civil Service, recruitment to which was made by the U.K. Civil Service Commission. Here, we will make a historical study regarding the development of merit system in India.

### **1.4.1 Evolution of Merit System in India**

During the British days, the Indian Civil Service was a very well organized, skilled and highly efficient body of officials. It was the nerve of the British rule and kept the British empire in India intact for over a century and a half. However, the first step to reform the system was taken by Lord Clive during his second governorship. Clive's reforms did not improve matters. The credit for radical reforms goes to Lord Cornwallis. He changed the whole administrative set-up of the country. Lord Wellesley took a very bold step by establishing the college of Fort William for the training of the newcomers in the covenanted civil service. This college remained in existence until 1858.

### **1.4.2 Reforms from 1853 Onwards**

The Charter Act of 1853 abolished the patronage system and established the 'open competition' system of recruitment. This gave India a highly efficient civil service. Then, the Government of India Act, 1858, was enacted, which transferred the control of the Government of India from the company to the crown. A new office namely Secretary of State was created. With the emergence of this office, the administrative system was concentrated in his office. The civil service introduced during the time of the East India Company got a purely governmental character with the transfer of their authority to the British government and the service acquired a reputation for excellence, efficiency, integrity and concern for the common men.

The next step in the civil service reforms was towards the inclusion of Indians in the higher services. The Act of 1870 provided for the appointment of



Indians to the covenanted posts by nomination according to rules to be framed by the Government of India. This however, did not satisfy the Indian public opinion. Public opinion was in favour of holding simultaneous examinations in London and India. Meanwhile, the Indian National Congress had come into existence in 1885. In 1886, Lord Dufferin appointed a commission under the chairmanship of Sir Charles Aitchison to devise a scheme which might do full justice to the claims of the natives of India to higher and more extensive employment in the public services.

The establishment of Public Service Commission is interlinked with the history of Indian nationalism and the persistent demand of the Indian leaders for the progressive indianisation of the services under the British Raj. Demand was also made by Indian National Congress (INC) in 1885 and in subsequent years for the Indianisation of civil service. The Montagu-Chelmsford Report accepted the demand for the Indianisation of higher civil services in principle. Consequently, the Government of India's dispatch on India's constitutional reforms of 5 march, 1919, suggested for the first time the establishment of public service commission in India. A provision for it was incorporated in the Government. of India Act, 1919. Thus, in India, it was the Government of India Act, 1919, which for the first time set up a public service commission. The provisions of the Act did not satisfy the Indian public opinion and led to the setting up of the Royal Commission on the superior civil services in India under the chairmanship of Lord Lee, which submitted its report in 1924, recommending the setting up of the Public Service Commission. This led to the establishment of the first Public Service Commission on 1<sup>st</sup> October, 1926, under the chairmanship of Sir Ross Barker.

The Public Service Commission was transformed into a federal Public Service Commission under the Government of India Act, 1935, in which provision was also made for the formation of Provincial Public Service Commissions. With the transfer of power in 1947, the Indian people had the opportunity to frame their own Constitution which came into force in 1950. The Constitution has provided for Union Public Service Commission and State Public Service Commissions in all the states under Article 315 of the Constitution.

### 1.4.3 Existing Status

With independence and the transfer of administration from the crown to the popular governments in India, substantial changes occurred in the context of the civil service. With the dawn of independence, the former Indian Civil Service (ICS) was replaced by Indian Administrative Service (IAS) as the highest service in the state. At the same time, arrangements were also made for the adoption of provisions for the proper recruitment of the higher civil service in India. The Union Public Service Commission had been entrusted with significant powers to ensure proper recruitment of the qualified candidates to the highest level of civil service on the basis of merit.

Thus, from the above discussion, we can say that merit system has been established in India. Now-a-days, entry to civil service in India is through open competitive examinations, held by the Public Service Commissions.

**SAQ :**

Do you think that merit system helps in bringing efficient personnel in administration? Discuss. (50 words)

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.....  
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### 1.5 Merit System in UK

Herman Finer describes British Civil Service as the 'envy of the world'. Until 1853, however, it was far from being envied because that time it was founded and perpetuated on patronage and graft. The need for an effective civil service for India provided the inspiration for the reform of civil service at home. The establishment of the Haileybury College in 1813 was a recognition of the need for training of civil servants. Thus, the civil service in Britain today may be said to be organized on the basis of suggestions made in the Northcote-Trevelyan Report on the organization of the Permanent Civil Service, which was presented to Parliament in 1854. The Report attacked the system of patronage, and recommended the system of

examinations for entrance to the civil service. This report is a milestone in the history of civil service reform movement in Britain.

### **1.5.1 Evolution of Merit system in UK**

The revolution of 1688 had given Parliament the supremacy over the crown, and to safeguard this sovereignty, Parliament determined to exclude from the right to its membership any official holding a place of profit under the crown. Acts of Parliament went even further in the attempts to exclude officeholders from politics. The Act of 1782 disfranchised customs, excise and postal officials, and this prohibition was maintained until the year 1868. But entry to these offices is still used as a political favour.

Here, we must take into account the pioneering work of Jeremy Bentham. In his – *Official Aptitude Maximized, Expense Minimized* – he laid down the general basis for a reform of the corrupt officialdom and rank patronage of his time. In 1849, the Permanent secretary of the Treasury, Sir Charles Trevelyan pointed out the defect of the Civil Service of his day; it was overstaffed, inactive, and incompetent, and people commonly considered the civil service as the last option for livelihood. Thereafter, British Civil Service was in urgent need for reform. Lord Macaulay’s speech in the House of Commons on 23<sup>rd</sup> June 1853 set the tone of civil service reform. So, the Treasury commissioned Sir Charles Trevelyan and Sir Stafford Northcote to examine conditions common to all public establishments and submit a report. The Northcote-Trevelyan Report submitted in 1854 recommended the following :

- (a) replacement of patronage by fair competition
- (b) establishment of a Civil Service Commission to organize recruitment
- (c) introduction of promotion on the basis of merit and seniority
- (d) creation of general grades of civil servants such as administrative, executive and clerical classes
- (e) admission into the civil service on the basis of prescribed age and prescribed general educational qualifications.

The Report was generally accepted. However, implementation of the recommendations took place in terms of the following stages:

- (a) In 1855 the Civil Service Commission was established.
- (b) In 1870 open competitive examinations were introduced for all departments except Home and Foreign offices.
- (c) In 1870 all departments were unified in terms of common services with uniform rates of pay and pensions etc.

Thus, the Civil Service Commission came into existence in 1855, with three members, with tenure during the pleasure of the crown, “to conduct the examinations of young men proposed to be appointed to any of the junior situations in the civil establishments.” The Commission would decide upon the age, health, character and requisite knowledge and ability for the discharge of their official duties, and would give a certificate to this effect prior to the appointment.

Since 1870, the development of the civil service has been marked by a series of thorough inquiries, always searching for improved efficiency. There were the Playfair Commission of 1875, the Ridley Commission of 1884-90, the Macdonnell Commission of 1910-14, and the Gladstone Committee of 1918, and all of these addressed the questions of classification, recruitment and promotion, all interdependent parts of a single problem.

### **1.5.2 UK Civil Service Commission**

The recruitment to the Civil Service in U.K is made by an independent Civil Service Commission. The main objectives behind the establishment of British Civil Service Commission was that appointment should be made on the basis of merit rather than on political pressure. The members of the British Civil Service Commission are referred to as the Commissioners. All the Commissioners were appointed by the queen. The Commissioners were usually persons with experience in the service. They enjoyed a kind of quasi-judicial status and freedom from political pressure. The Treasury is intimately connected with the work of the Commission. In matters of recruitment, the Commission is independent of any outside control. To guarantee the independence of the Commission it is provided that their removal can take place only on the address of both the Houses of the Parliament. The duties of the Commission are contained in the order of Council of 1920. These are : (1) to “approve” the qualifications of “all persons proposed to be

appointed, whether permanently or temporarily, to any situation or employment in any of Her Majesty's Civil Establishment"; (2) to make regulations prescribing the manner in which persons are to be admitted to the Civil Establishments and the conditions on which the Commissioners may issue certificates of qualifications; and (3) to publish in the London Gazette notice of all appointments and promotions with respect to which certificates of qualification have been issued. The Commission administers Civil Service Examination and the result of promotion. The method of entry to the Civil Service in U.K. is by means of open competitive examinations conducted by the Commission under regulations made with the consent of the Treasury and Parliament. The U.K. Civil Service Examinations measure the intellectual equipment and general ability of the candidates. The subjects of examination are distinctly academic. Thus, in U.K., Civil Service personnel are recruited who have brains, personality, effectiveness, judgement and integrity.

Thus, the Civil Service Commission of Great Britain is the oldest public service commission in the world. As seen in the preceding paragraph, it was first established in 1855 and it was this commission which gave a concrete shape to the civil service reforms recommended by the Northcote-Trevelyan report.

### **1.5.3 Fulton Committee Report**

By the early 1960s, leaders of British opinion had begun to seek remedies for disorders in the economic and financial management of their affairs. There was a feeling that national prestige was waning and it was natural to look for reform. In 1965, the Estimates Committee of the House of Commons published a report on recruitment to the civil service which hinted at certain deficiencies in the service. In 1966, a Departmental Committee under the chairmanship of Lord Fulton, Vice-chancellor of the University of Sussex, was appointed. Its other members were Dr. Norman Hunt of the University of Oxford, 4 senior civil servants, 2 M.P.s, one conservative and one labour, and 4 other 'independent' members drawn from business, trade union movement and the Universities. The Fulton Committee published its report in 1968.

Main points of the Fulton Committee's report may be summarized as follows :

- (a) The British civil service was still based on the philosophy of amateur (generalist).
- (b) The civil service consisted of the various services, called 'classes' in Great Britain, each of which functioned more or less as a completely separate entity, which seriously impedes the work of the service.
- (c) The specialists employed in the government generally remained deprived of authority that was commensurate with their responsibility.
- (d) Too few civil servants were trained in administration and management.
- (e) The civil service was not as close to the society as it ought to be in a democracy.
- (f) The personnel administration in the government was unsound and unsystematic. Hardly an awareness existed for the need of career planning and career management in the civil service.

Thus, in order to bring about reform in British civil service, the Fulton Committee made the following recommendations :

- (1) A new civil service department should be created to take over the establishment work of the treasury and to oversee the Civil Service Commission.
- (2) The Fulton Committee also recommended the abolition of all classes (or 'services') and adoption of a single unified grading structure covering the totality of the civil service.
- (3) The committee suggested that to provide training in administration and management, a civil service college should be set up.
- (4) Principles of 'accountable management' should be applied throughout the service.
- (5) Management service units should be set up in all major departments.
- (6) Ministers should be allowed to employ temporary experts to advise them.
- (7) There should be more 'openness' so that the outside world could see more readily who was taking the decisions.
- (8) As regards the trainers, the Fulton Committee recommended that the trainers should be drawn from different walks of life.

Most of the recommendations of the Fulton Committee were accepted and progressively implemented, like :

- (a) The civil service department was created in November 1968, thus taking over the personnel functions of the treasury. The department is responsible for personnel management in the civil service including recruitment, training, career management, manpower planning, development, and application of new systems and techniques in management. The Civil Service Commission also forms a part of this department.
- (b) A civil service college was also set up at Sunningdale, Berkshire.
- (c) Treasury classes were replaced by unified grades of both generalists and specialists.
- (d) Genuine steps were taken in the direction of 'accountable management'.
- (e) The use of specialist advisers has also grown.

Thus, many changes have been introduced in the organizational set-up of the British civil service since the Fulton Report.

### **STOP TO CONSIDER :**

#### **Cardinal Points of the British Civil Service**

Cardinal points of the British Civil Service are as follows :-

- (a) recruitment at an early age with a view to a life career;
- (b) a close link between the various levels of entrance and those of the educational system of the country;
- (c) an emphasis on a general, rather than a specific, education as a preparation for an official career.

There are some fundamental differences between the American examinations and the civil service examinations in U.K. the civil service examinations in America are specific, practical and non-academic. Candidates in America are tested to find out how well they are qualified to perform the duties of the particular position which they seek. The U.K. civil service examinations, on the other hand, measure the intellectual equipment and general ability of the candidates. The subjects of examination are distinctly academic.

**Check Your Progress :**

1. Trace the development of the merit system in the USA.
2. Discuss the evolution of merit system in India.
3. Discuss the evolution of merit system in USA.
4. “To the victor belongs the Spoils” – explain the statement.

**1.6 Summing Up**

In this unit, we have discussed the meaning of the concept of merit system and its evolution in three different countries i.e., U.K, U.S.A, and India. After reading this unit, it is clear to us that merit system helps in ensuring efficiency and economy in administration. It is because the success of administration depends on the quality of civil servants, and the best quality civil servants can be infused in the Public Service only if they are appointed on the basis of merit. Thus, merit system has its own place of importance in every administrative system.

**1.7 References and Suggested Readings**

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## **Unit II**

### **Budget Procedure, Practice and Legislative Control over Expenditure (India, UK and USA)**

#### **Contents:**

- 2.1 Introduction
- 2.2 Objectives
- 2.3 Meaning and Definition of Budget
- 2.4 Budget in India
  - 2.4.1 Legislative Control over Expenditure in India
- 2.5 Budget in UK
  - 2.5.1 Legislative Control over Expenditure in UK
- 2.6 Budget in USA
  - 2.6.1 Legislative Control over Expenditure in USA
- 2.7 Summing Up
- 2.8 References and Suggested Readings

#### **2.1 Introduction**

We know that finance is the fuel for any type of administrative system. L. George remarked that government is finance. The statement is quite correct because almost everything the government performs does require money. Allocation of funds, distribution of finance consist of one nation's financial administration. Here comes the concept of budget which plays an important role in a country's financial administration. Budget implies the financial statement of a nation for one financial year. To provide a forecast of revenues and expenditures, Budget constructs a model of how the governmental business might perform financially if certain strategies, events and plans are carried out. It needs mention here that preparation and enactment of budget varies from country to country. Here in this unit we are going to discuss the procedures of budget preparation and its enactment procedures in countries like India, UK and USA. The unit also deals with the legislative control over expenditure in these three countries.

## 2.2. Objectives

This unit deals with the budget procedure as well as legislative control over expenditure in three different countries. After going through this unit you will be able to

- *discuss* the very concept of budget
- *describe* the budget procedure in India
- *examine* the budget procedure in UK
- *analyse* the budget procedure in US

## 2.3 Meaning and Definitions of Budget

You are already familiar with the meaning and concept of budget in your previous semesters. The English word budget has been derived from the old French word *bougette*, which means leather bag. During the ancient period, the financial officer used to carry a leather bag consisting of the documents dealing with the financial statement of the nation. As time passed, those statements were known as budget. Thus, budget means a financial plan and a list of all planned expenses and revenues of a nation for a given period. In the words of R. Stourn, “Budget is a document containing a preliminary approved plan of public revenues and expenditures”.

In India, the word budget denotes the estimates and expenditures of the government. In England the budget implies the revenue and taxation part of the financial plan. On the other hand, the budget of USA describes the entire financial process consisting of the preparation, enactment, execution, accounting and auditing of the budget. Thus it is seen that budget basically refers to all those financial statements of a nation which deals with revenues, taxation and expenditure. It helps to aid the planning of actual financial operations by forcing the government to consider the changed conditions and the consequent steps to be taken. It also encourages officials to consider problems before they arise and helps to co-ordinate the activities of the governmental departments by compelling the concerned authority to examine relationships between their own operation and those of other departments.

## **STOP TO CONSIDER :**

### **Financial Year**

The basis of budget preparation is financial year. It means the date from when the budget should be executed. But the dates of commencement are different in different countries. In India and England it begins on 1<sup>st</sup> April and ends on the 31<sup>st</sup> March. While in USA it is 1<sup>st</sup> July and 30<sup>th</sup> June.

Article 112 of the Constitution of India provides that at the beginning of the every financial year, the President shall, in respect of the financial year, cause to be laid before both the houses of Parliament a statement of the estimated receipts and expenditure of the government of India for that year. This statement is called the Annual Financial Statement which is popularly known as the budget.

## **2.4 Budget in India**

As we have mentioned earlier, the financial year in India starts from 1<sup>st</sup> April and ends on 31<sup>st</sup> March. In India there are two types of budget - the Union Budget for India and the Railway Budget for the Railway department. The state governments also have their own budget. Here in this section we are going to discuss only the budget procedure of Union along with its enactment procedures. The Union budget of India is prepared by the Budget Division of Department of Economic Affairs of the Ministry of Finance annually. This includes supplementary excess grants. The railway budget is presented separately.

Through budget, Government of India basically seeks internal & external balance, lowers debt, ensures long-term sustainability and represents formulation and implementation of government sector activities. The Union budget basically provides public goods, promotes private investment, engineers pro-poor growth and reduces poverty and provides good governance. In short, we can say that the Union budget of India is prepared to ensure inter-generational equity in fiscal management and long-term macro-economic stability by achieving sufficient revenue surplus and removing fiscal impediments in the effective conduct of monetary policy.

### **Preparation of Budget**

As we know the financial year in India commences from 1<sup>st</sup> April, the preparation of budgets begins 6 to 8 months before it. Basically the Indian

budget is prepared in September. To prepare the budget, all the departments are asked to submit their estimates to the Finance Ministry. After getting the estimates from all the major departments, the Finance Ministry makes the estimate of the revenue and expenditure. It needs mention here that the estimates are made on the basis of following criteria when estimates are being prepared for the year 2012-13:

1. The actuals of the previous year, i.e. 2010-11
2. Revised estimates for the current year 2011-12
3. Budget estimate for the next year 12-13
4. The sanctioned estimates for the current year, 2011-12
5. Actuals of the current year at the time of preparation, and
6. Actuals of the corresponding period of the previous year.

Such estimates for the coming year are made on the basis of the above mentioned figures, allowing for any special circumstance causing variations. It is worth mentioning that, the estimates are prepared in two parts. The first part deals with existing revenues and charges, while part II deals with new schemes of expenditure and the proposals for the abandonment of any existing source of revenue.

Such estimates are made by each and every department and the local officials send it to the head of the department. The head of the department after reviewing the estimates, send it to the appropriate Secretariat Department to scrutinize and finally it is sent to the Finance Ministry. The finance Ministry, on the basis of such estimates prepares the final annual budget.

### **Role of Finance Ministry**

We know that in India the Finance Ministry is responsible for the preparation of the annual budget. Finance Ministry has the power to make necessary revision or modification in the budget. Without the permission of Finance Ministry, no department can increase expenditure. If any department tries to increase expenditure but Finance Ministry rejects the plea it becomes a cabinet question. It is worth mentioning that cabinet can overrule the decision of Finance Ministry, but rarely does so.

It is seen that Finance Ministry plays an important role in the preparation of budget or it can control the budget making process. Because, it is responsible

for protecting the interests of the public at large and the proper utilisation of resources as incurred in the budget estimates.

**Check Your Progress :**

1. Write a note on the preparation of budget in India.
2. Write a note on the role of Finance Ministry over the preparation of Budget.

**Enactment of the Budget**

The budget in India goes through 5 stages in the course of its passage in the Parliament—

- Introduction in the legislature
- The general discussion
- The voting of the demands for grants
- The consideration and passing of the Appropriation Bill, and
- The consideration and passing of the taxation proposals, i.e. the Finance Bill.

Let us discuss these stages briefly:

**• The Introduction**

According to the provisions of Indian Constitution, the Finance Minister introduces the “annual financial statement” in the House of People with the speech popularly known as budget speech. This annual financial statement is also laid before the Council of States, but this chamber can only discuss it. The Council has no power over grants at all.

**• The General Discussion**

After a few days of the presentation of Annual Financial Statement, the general discussion would take place. Two or three days are granted for this discussion. It is consigned to the general principles or policy underlying in the budget. It needs mention here that during the period of general discussion

no detailed discussion and cut motions are made. Each house is accorded with this power of general discussion over budget's principles.

- **The Voting of Demand**

This stage begins after the general discussions where the Lok Sabha has the exclusive power. In this stage the expenditure part of the budget is placed before the House for approval. The estimates of expenditure included in the Budget and required to be voted by Lok Sabha in the form of Demands for Grants. These Demands are arranged Ministry-wise and a separate demand for each of the major services is presented. Each demand contains first a statement of the total grant and then a statement of the detailed estimate divided into items.

- **The Consolidated Fund Charges**

The consolidated fund is that fund from which government receives and spends money. It includes expenditure of the President, Judges of the Supreme Court, Chairman and the Speaker of both Houses of Parliament, CAG, charges in respect of public debt of India, certain pensions etc. Such kind of expenditure due to its fixed nature, admit of no reduction and is not placed in the voting on demand stage. The budget presents details of what the government expects to receive and how it plans to spend money from it.

- **The Appropriation Bill**

The Appropriation Bill is intended to give authority to government to incur expenditure from and out of the Consolidated Fund of India. The procedure for passing this Bill is the same as in the case of other money Bills.

- **Finance Bill**

The main part of the budget is the introduction of Finance Bill. The Bill seeks to give effect to the Government's taxation proposals. The Bill is introduced in the Lok Sabha after the Appropriation Bill is passed. Parliament gets 75 days to pass this bill. The bill is related to imposition and collection of fresh duties or variations in the existing duties.

- **Vote on Account**

It needs mention here that in democracy it is necessary to give full opportunity to the parliament to discuss the budget in details. Since Parliament is not

able to vote the entire budget before the commencement of the new financial year, the necessity to keep enough finance at the disposal of Government in order to allow it to run the administration of the country remains. A special provision is, therefore, made for “Vote on Account” by which the government obtains the vote of Parliament for a sum sufficient to incur expenditure on various items for a part of the year. Total allotted time for this provision is two months only.

- **Consideration of the Demands by Standing Committees of Parliament**

To discuss the provisions of the budget in details, parliament formed standing committees. The reports of the Standing Committees are of persuasive nature (Rule 331N). The report shall not suggest anything of the nature of cut motions.

- **Cut Motions**

The cut motions is made for reduction to various Demands for Grants. It seeks to reduce the sums sought by Government on grounds of economy or difference of opinion on matters of policy or just in order to voice a grievance.

- **Supplementary/Excess Grants**

We know that no expenditure in excess of the sums authorised by the Parliament can be incurred without the sanction of Parliament. Whenever a need arises to incur extra expenditure, a Supplementary estimate is laid before Parliament. If any money has been spent on any service during a financial year in excess of the amounts granted for that service and for that year, the Minister of Finance/ Railways presents a Demand for Excess Grant. The procedure followed in Parliament in regard to Supplementary/Excess Grants is more or less the same as adopted in the case of estimates included in the General Budget.

Thus, after passing through various stages the budget is placed before the Lok Sabha for final assent. Due to the majority in the House the ruling party can easily pass the Budget. It needs mention here that the Rajya Sabha can discuss the bill but once the Bill gets assent of Lok Sabha, Rajya Sabha is bound to give its consent. After the assent of the Lok Sabha and Rajya

Sabha, the Bill is sent to the President for his approval. Once the bill gets assent of the President it becomes law.

It needs mention here that execution or enforcement of budget is the responsibility of the executive as the grants of money are made by the legislature and it also collects the taxes.

### **STOP TO CONSIDER :**

#### **Parliamentary Control over Finance**

India has the system of Parliamentary Government based on Westminster model. The Constitution of India therefore vested the power over the purse in the hands of chosen representatives of the people. In this context we can say that in India 'no taxation without representation'. Again, the preparation and approval of budget is a constitutional obligation of the government. To make government accountable and responsible, the Constitution provides legislative prerogative over taxation, control over expenditure and executive initiative in financial matters. We have also found some specific provisions in the constitution which strengthens parliamentary control over budgeting. For example, Article 265 provides that 'no tax shall be levied or collected except by authority of law'; no expenditure can be incurred except with the authorisation of the Legislature (Article 266); and President shall, in respect of every financial year, cause to be laid before Parliament, Annual Financial Statement (Article 112). These provisions of Indian Constitution make the government accountable to Parliament.

#### **2.4.1 Legislative Control over Expenditure in India**

Control over expenditure within the terms of the budget is necessary to minimise the cost and check whether the expenditures conform to the budgetary provisions. It is a complex task. Many governmental mechanisms are involved in this process. Here in this section we are going to discuss the legislative control over Indian expenditure.

As we have mentioned, the objectives behind controlling expenditure are :

- to see that no excess money is spent over budgetary grant in any head, and
- ensure that the money spent would not be improper, extravagant, wasteful.



It is worth mentioning that the grants allotted through budget for any head is maximum amount that any department can spend and for extra cost they have to take fresh legislative sanction. In short, we can say that legislative control ensures that executive may not spend maximum amount in any head unnecessarily. Let us discuss the process of legislative control over Indian expenditure.

We know that without legislative sanction, executive cannot impose any tax. For effective control over public finance Indian parliament formed four committees, i.e.

1. Public Accounts Committee
2. Estimate Committee
3. Committee on Public Undertaking
4. Department related Standing Committee.

The purposes of these committees are to ensure that the funds would be utilized economically for the approved purpose within the framework of the grants. Let us discuss the working of these committees:

### **Public Accounts Committee**

It is annually elected body of Indian Parliament originally composed of 15 members drawn from Lok Sabha. In 1953 the number was raised to 22, out of which 7 were drawn from Rajya Sabha. It has a Chairman who is a non-official member from the party in power. The functions of the committee are as follows:

- a. To see that amounts shown in the accounts as having been disbursed are legally available for and applicable to the service or purpose to which they have been applied or charged.
- b. To see that the expenditure conforms to the authority which governs it.
- c. To see that every re-appropriation has been made in this behalf under rules framed by competent authority.

Apart from these, the committee is responsible for examining the report of the Comptroller and Auditor General and the statements of expenditure of autonomous and semi autonomous bodies.

It needs mention here that to examine the accounts and statements of expenditure the state government can also form Public Accounts Committee.

### **Estimate Committee**

Following the British model, Indian government has created the Estimate committee which is a permanent and continuously functioning machinery for the investigation of the scope for economy in expenditure and for recommending concrete steps to the centre and states. The Central Estimate Committee consists of 30 members who are elected from the members of Lok Sabha according to proportional representation by the method of single transferable vote so that all the parties may find due representation in it. It has a chairman nominated by the Speaker of Lok Sabha among the members. The committee performs the following functions:

1. to report what economies, improvements in organisation, efficiency and administrative reform, consistent with the policy underlying the estimates, may be effected,
2. to suggest alternative policies in order to bring about efficiency and economy in administration
3. to examine whether the money is well laid out within the limits of the policy implied in the estimates.

In 1959, then speaker of Lok Sabha made the statement that, “the fundamental objectives of the committee are economy efficiency in administration and ensuring that money is well laid out but if,, on close examination, it is found that it is found that large number of sums are going to waste because a certain policy is followed, the committee may point out the defects and give reasons for the change in policy for the consideration of the house”.

### **Committee on Public Undertakings**

Since 1953 there had been a demand for the creation of a committee to look into the functioning of Public Undertakings and finally in 1963 Indian Parliament had established a Committee on Public Undertakings. The committee consists of 15 members, 10 are elected from the Lok Sabha and 5 from the Rajya Sabha. The following functions are performed by this committee:

- a. To examine the reports and accounts of the enumerated public undertakings
- b. to examine the reports, if any, of the CAG on the public undertakings
- c. to examine in the context of the autonomy and efficiency of the public undertakings, whether the affairs of the public Undertakings are being managed in accordance with sound business principle and prudent commercial parties.

**STOP TO CONSIDER :**

**Jurisdiction of the Committee of Public Undertaking**

The committee has the jurisdiction over the following undertakings company/ organisation:

1. Damodar Valley Corporation
2. Industrial Finance Corporation
3. Indian Airlines Corporation
4. Air India
5. Central Warehousing Corporation
6. Life Insurance Corporation
7. ONGC
8. Hindustan Aeronautics
9. Bharat Electronics
10. Mazgaon Docks, Mumbai
11. Garden Research Workshop
12. All Government Companies

**Constitutional Provisions of Legislative control of Public Expenditure:**

The Constitution of India provides various legislative procedures in financial matters through various Articles. The relevant Articles are 112 to 117 of the Constitution. The following are some of the important provisions :

1. No demand for a grant shall be made except on the recommendation of the President.

2. No proposal relating to expenditure can be brought without the recommendation of the President.
3. Parliament cannot increase a tax though it is empowered to reduce or abolish it.
4. 'Charged' expenditure upon the Consolidated fund of India shall not be submitted to the vote of Parliament, though it is subject to discussion.
5. Parliament cannot amend the Appropriation Bill in a way as to have the effect of varying the amount, or altering the destination of any grant or of varying the amount of any charged expenditure.
6. Powers of the Rajya Sabha are quite restricted in financial matters. Voting of demands for grants is the exclusive privilege of the Lok Sabha. In the passing of the Finance Bill as well, the Rajya Sabha has limited powers in that it must give its concurrence, with or without any recommendation, within fourteen days. The Lok Sabha may accept or reject any or all of these recommendations. The Finance Bill, however, does not go again to the Upper House, it is submitted to the President for assent.

**Check Your Progress :**

1. Explain the various provisions contained in the Indian Constitution in the context of legislative control over financial matters.
2. Discuss the role of Finance Ministry in the preparation of the Budget.

Thus it is seen that Indian legislature can exercise control over revenue, expenditure, borrowing and accounts of Indian government. It needs mention here that legislative sanction is required for the imposition of new taxes or for the increase in the rates of existing taxes, for the withdrawal of money from the Consolidated Fund for public expenditure and for raising of loans also. Many committees are formed for scrutinising the public accounts. Again, public funds, accounts and expenditure are audited by a statutory authority which is independent of the executive, known as Comptroller and Auditor General (CAG).

## **CAG and Legislative Control over Public Expenditure**

It is worth mentioning that the control of Parliament over expenditure is fruitful if it is able to ensure that allotted funds are spent by the executive for the purposes for which they are granted. It can be ensured through proper audit by an independent authority. In India for this purpose a post of Comptroller and Auditor General was created. He is appointed by the President of India and it is an independent body. He is responsible for auditing all expenditures of the union and the States and ascertains whether money shown in the accounts as having been disbursed was legally available for and applicable to the purposes for which it has been used. CAG also audits all other accounts of both central and state governments and submits his report to the President and the Governors concerned. The President and the Governors places his report before the Parliament and concerned State legislature. He is also responsible for resolving the disputed matters regarding accounting or financial principle and transactions where heavy losses have occurred or might occur, expenditure on new services and departure from settled precedents and procedures. In short we can say that he is custodian of Indian public finance.

### **Check Your Progress :**

1. Why is it considered necessary to control Public expenditure by the legislature?
2. Discuss the functions of Parliamentary Committees.
3. Discuss the role of Comptroller and Auditor General of India in controlling Public expenditure.
4. Discuss the constitutional provisions which empowered Indian legislature to exert control over public expenditure.

## **2.5 Budget in UK**

In UK, the national finance is controlled by the Parliament and carried out by Treasury, Revenue and other Financial Department. It needs mention here that Treasury is the most important organ of its financial system. Like

in India, in UK no tax can be collected without the approval of the Parliament. The basic principle of UK's financial administration is that without the approval of the Parliament, no tax can be legally levied and collected. But, initiative for the preparation of the budget lies with the executive.

### **Preparation of Budget**

The exercise of budget in UK starts in the month of October where the Treasury plays an important role. Like in India, each department is required to prepare its own budget estimate under the guidance of Treasury. It needs mention here that for Civil Service and Armed Forces estimates are separately prepared. After the preparation of all estimates they are placed before the House of Commons, the lower House of U.K's parliament in the month of February. The Estimates show:

- a. committed expenditure
- b. expenditure to be incurred as salary and wages to the employee, and
- c. expenditure to be incurred on new schemes.

It also shows expected or likely expenditure.

The budget proposal is first introduced in the House of Commons which is called introduction stage but no financial measures can be introduced without royal approval. It is pertinent to know that in order to facilitate the work of the House, all the estimates of income and expenditure are presented in the form of a statement. It needs mention here that the House gets 26 days for the discussion over the budget proposal. When the House of Commons passes the budget proposal it is sent to the House of Lords (Upper House) for its approval. Like in India, the upper House of UK has only limited powers regarding money bill and cannot make any alteration but can delay the budget only for few days. After getting the approval of both the Houses the budget is sent to the King/Queen for the final approval. After getting the consent of King/Queen, it becomes law and the government gets the right to withdraw money and impose taxes. It needs mention here that all the collected money is deposited in the Treasury where money can be withdrawn as per authorisation.

### **Role of Treasury in UK's Financial Administration**

We have already mentioned that in all financial matters including the preparation of budget, the Treasury plays pivotal role. It is responsible for

controlling both income and expenditure of the nation. The prime function of the Treasury is to coordinate financial activities of other financial institutions and departments. No money can be spent without its approval. It also controls all public expenditure by way of preparation and supervision of estimates of expenditure. It can impose taxes and collect revenue, but it needs the approval of the Parliament.

It is seen that the enactment of British budget is almost similar to the enactment of budget in India. But unlike India, U.K does not have separate budget for railways. It needs mention here that whereas the voting of demands and of taxes lies solely with the House of People in India, it is done by the Committee of Supply (for expenditure part) and Committee of Ways and Means (for the revenue part) in Britain.

#### **STOP TO CONSIDER :**

##### **Chancellor of Exchequer**

In England all financial activities are performed by the department of Treasury. The political head of the Treasury is known as Chancellor of Exchequer who is like the Finance Minister of India. Like the Indian Finance Minister he is responsible to the parliament both for the collection of revenues, taxes imposed, exemptions allowed and proper custody of all revenues. His basic function is to provide a broad outline of all public expenditure and the way in which both income and expenditure should be balanced.

#### **2.5.1 Legislative Control over Expenditure in UK**

Already you have learnt that in UK the Parliamentary process for budgeting decisions plays out in two events:

1. The Annual Budget Statement delivered in Parliament contains all the revenue legislation for the year, along with the spending plans that reflect government priorities.
2. The spending plan then allocate discretionary spending among government departments. It is pertinent to know that British Parliament can approve the estimates, but these estimates reflect decisions already made on budgets in the spending reviews. These Reviews are the real decision-making process,

but they hardly receive any parliament scrutiny. Furthermore, little of the information explaining Departments' expenditure proposals relates to the Estimates, which are the least informative of the documents.

However the British legislature can control budgetary process through various ways, which are mentioned below:

In UK, the parliament like in India, sets up various committees. Among them the permanent Select Committee on Public Accounts draws upon the work of the National Audit Office, which makes for a substantial information base. It receives roughly fifty reports on expenditure and impact during the year. Other select committees are charged with examining the expenditure, administration and policy of the various departments. However, they lack the information base of the Public Accounts Committee.

Again in the UK, a committee stage involving the Standing Committee on Finance was introduced in 1968. Furthermore, the departmental related Select Committees set up in 1979 were, amongst others, given the task to review the expenditure of government departments. Although these initiatives may have been implemented with varying degrees of success, this trend is an indication that Parliaments themselves have realised the value of committee involvement in the Budget process, ultimately meant to improve Parliament's approval and oversight capacity.

Like India, Britain has also the provision of establishing the Estimate Committee by the parliament. The committee strengthens the control of Parliament over public finance. The Estimate Committee of Britain is a permanent and continuously functioning machinery for the investigation of the scope for economy in expenditure and for recommending concrete steps for it. It needs mention here that the committee consisting of 20 to 30 members has existed in Britain since 1912. It is also termed as an annual Select Committee for the detailed examination of the estimates of the various ministries and departments.

It is worth mentioning that the British Parliament does not have Ways and Means committees, no budget committees and no appropriations committees like India to control over public finance. The committees that do scrutinize government departments lack the power to authorize new government programs and spending.



**STOP TO CONSIDER :****Role of British Prime Minister in Financial Administration**

We know that in UK the Chancellor has the sole responsibility for setting tax rates collecting revenue. He makes his tax decisions in an annual statement to Parliament, which is referred to as the annual Budget Statement. In short he has the supreme authority over the Public Finance. The only real check on the Chancellor's power is the Prime Minister, who is both the leader of the majority political party in Parliament and the Head of the British Government. The Prime Minister has the power to hire and fire the Chancellor along with all the members of his Cabinet and Government. Often, the Prime Minister plays a significant role in economic and budget policy. In fact, one of the Prime Minister's official titles is First Lord of the Treasury. This title emphasizes the historical importance of the Treasury in British politics. However, the influence of the Prime Minister over economic policy depends on the political circumstances.

**Check Your Progress :**

1. Discuss the role of Treasury in the preparation of British Budget.
2. Who is responsible for collecting and levying taxes in UK? Discuss his powers and functions.
3. Examine the means through which the British Parliament can exercise control over public finance.
4. Compare the budget making procedure of UK and India.
4. Compare the role of Finance Ministry of India and Chancellor of UK.

**2.6 Budget in USA**

It needs mention here that before 1921, there was no coherent executive budget in USA. During that period various departments prepared their estimates and sent it to Treasury department which consolidated and sent them to the Congress without any scrutiny or co-ordination. In each House of the Congress, the estimates for expenditure were considered by an Appropriation Committee which worked through 14 other sub-committees. These committees were responsible for the presentation of all estimates before the House of Representatives, the lower House of US congress.

With President Reagan a new trend began in US. He had introduced the Congressional Budget Act, and under the provision of this Act the

Congressional Budget Office was created. Now the US budget procedure is controlled by the provision of Budget and Accounting Act of 1921, the Congressional Budget and Impoundment Control Act of 1974. According to the Budget and Accounting Act of 1921, the President of US must submit a budget to the Congress each year. In its current form, federal budget legislation law specifies that the President must submit a budget between the first Monday in January and the first Monday in February. In recent times, the President's budget submission, entitled Budget of the U.S. Government, has been issued in the first week of February. It is pertinent to know that the US fiscal year currently begins on October 1 and ends on September 30 of the next calendar year.

The budget preparation of US begins with the budget request of the President before Congress. Drafting of the budget resolution is the next step of US budgetary process. US State House Committee and Senate (Upper House of US Congress) Committee on the Budget is responsible for the drafting of budget resolution. According to the norms, by early April both the committees finalize their drafts and submit it to their respective floors for consideration and adoption.

After the Congress approves the resolution, it is sent to the President, who may sign it into law, or may veto it. It is worth mentioning that a vetoed bill is sent back to the Congress, which can pass it into law with a two-thirds majority in each chamber. Congress may also combine all or some Appropriations Bills into an omnibus Reconciliation Bill. In addition, the President may request and the Congress may pass supplemental appropriations bills or emergency supplemental appropriations bills.

**SAQ :**

Find out the differences between US and UK's budget making procedures. (50 words)

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### **2.6.1 Legislative Control over Expenditure in USA**

The constitution of US establishes the financial supremacy of Congress by specifying that “no money shall be drawn from the Treasury but in consequence of appropriation made by law”. The constitution also provides that all money bills for raising revenue shall originate in the House of Representatives along with the Appropriation Bills. Theoretically the Upper House of US Congress, Senate enjoys equal power with House of Representatives but in practice it functions as a Court of Appeals in financial legislation, often mending defects of such measures sent over from the Lower House.

The budgetary powers of the Congress are indeed great as both Congress and the President shape national policy making. In other words we can say that the US system is a system of separated institutions sharing powers. It needs mention here that the budget is presented by the President which reflects his policy judgements and the Congress reviews these policies. The Congress also reviews the relative importance of alternative use of national resources.

Thus it can be said that the US Congress is the custodian of its federal finance. It can control the national purse. It is well known to you that the Bureau of Budget helps the President in the preparation of budget. The Congress alone has the power to levy tax and it decides the quantum of foreign aid. In short we can say that the executive is dependent upon the Congress for the finance needed to run the administration.

#### **STOP TO CONSIDER :**

##### **US Treasury Department**

In US the Treasury occupies an important position because on its working depends on financial stability of the nation. The department was established in 1789 by first US Congress. It is one of the oldest departments of the nation and since then it looks after national finance and collects federal revenues. The bureau is required to assist the President in financial activities.

#### **Check Your Progress :**

1. Discuss the budgetary procedure of US.
2. Discuss the means through which US Congress controls the federal finance.

## 2.7 Summing Up

After going through this unit now you are in a position to examine the budgetary procedures of India, UK and USA. In this unit you have learnt that Financial administration of these three countries is executed through (a) the legislature, (b) the Executive, (c) the Finance department (d) the Audit and (e) the Parliamentary committees. You have also learnt that in all these three countries, the legislature is the only competent authority of government which authorises the executive to collect taxes and also to spend them in a particular manner. Without legislative approval neither the amounts can be appropriated nor taxes collected. It can also abolish or decrease or levy taxes. But in theory it is the executive which demands and the legislature approves.

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## **Unit III**

### **Legislative Control over Administration in India and USA**

#### **Contents**

- 3.1 Introduction
- 3.2 Objectives
- 3.3 Need for Legislative Control over Administration
- 3.4 Legislative Control over Administration in India
- 3.5 Legislative Control over Administration in USA
- 3.6 Limitations of Legislative Control
- 3.7 Summing Up
- 3.8 References and Suggested Readings

#### **3.1 Introduction**

Today, we are living in the era of welfare state. In this era, the functions of government have increased and have become multi-faceted and multi-dimensional. Now-a-days, government has to look after various aspects, leading to phenomenal increase or expansion of governmental functions, thereby increasing the scope of misuse of governmental power. But the enlightened public opinion is always in favour of getting good governance, which is transparent and free from corruption. The twin concepts of 'good governance' and 'welfare state' require that certain instruments of control must be devised in order to minimize the chance of misuse of power and authority. Thus, certain instruments of control over administration have been devised, like legislative control, judicial control, executive control, ombudsman etc. In this unit, an attempt is made to study the various techniques used by the legislature to exercise control over administration, in the two countries of India and USA.

#### **3.2 Objectives**

This unit deals with legislative control over administration in India and USA. After reading this unit, you will be able to:

- *understand* the need of such legislative control over administration
- *examine* the various techniques devised by the legislature to exercise such control
- *evaluate* the limitations of such control

### **3.3 Need for Legislative Control over Administration**

Now-a-days, as a result of phenomenal expansion of governmental activities, administration is draped with unparalleled powers. The multifarious and complex functions of government cannot be performed effectively unless we vest public services with adequate authority and discretion. But at the same time, it must be admitted that power has a corrupting influence and there is a direct relationship between the extent of power and the extent of corruption. The grant of powers inevitably carries with them a fear of their abuse or misuse. So, it becomes necessary that public administration must exercise power with restraint. Thus, the need for effective control over administration is obvious. In the words of White, "It is obvious that an administrative system is an agency possessing great power. Power in a democratic society requires control, and the greater the power the more the need for control. How to vest power sufficient to the purposes in view and maintain adequate controls without crippling authority is one of the historic dilemmas of popular government." Thus, legislative control over administration is essential in order to minimize and eliminate the misuse and abuse of authority. This will enhance the twin concepts of efficiency and economy in administration.

Thus, the need for effective legislative control over administration can be summarized under the following points :

- (a) It eliminates the chances of misuse and abuse of administrative authority.
- (b) It helps in increasing 'efficiency' and 'economy' in administration.
- (c) It makes public administration accountable, which acts as a check against arbitrary use of authority.
- (d) It helps in making democracy a success.
- (e) It also helps in protecting the rights and freedom of the citizens.

- (f) The budgetary control helps to ensure optimization of the available resources.
- (g) Since it consists of the representatives of the people, the legislature is obviously the branch of government to whom the administration should be accountable.
- (h) Finally, it is the legislature which makes, amends and repeals laws, formulates broad national policies, grants funds for financing government programmes and so, exercises overall direction, supervision and control of public administration.

So, from the above discussion, it is clear to us that the legislative control over administration is essential so as to maintain efficiency and economy in administrative set-up.

### **3.4 Legislative Control over Administration in India**

Legislative control over administration in parliamentary countries like India is different from the presidential system of government prevailing in the United States. In USA, the Congress has certain direct and distinctive powers over the administration. This is not so in parliamentary countries like Britain and India. In these countries, the legislature exercises control over administrative agencies only indirectly, and that too for broad issues of policy and general administrative performance. The legislature is not expected to concern itself with day-to-day affairs and detailed administration. The cabinet or the ministry carries on the administration, and in turn is accountable legally, constitutionally and politically to the legislature, or strictly speaking, to the more representative chamber i.e., the lower house eg. the Lok Sabha in India. In India, having a parliamentary form of government, the ministers are also members of the legislature and they participate actively in its proceedings, initiate measures, answer questions, defend governmental policies, and above all are accountable to it for their over-all performance.

In India, the tools of legislative control are: Questions, Resolutions, Zero Hour Discussion, Adjournment Motions, Votes of Censure, Budgets and Parliamentary Committees, Public Accounts Committee, Estimates Committee, Committee on Public Undertakings, Committee on Subordinate Legislation and the Committee on Assurances. Thus, the legislative

opportunity for exercising control over the administration assumes several forms. Let us discuss these in details :

- (1) **President's Speech:** - Every new session of Parliament opens with a speech from the President. The President's speech broadly spells out the major policies and activities with which the executive will be preoccupied in the period immediately ahead. The members of the Parliament during this period gets an opportunity to criticize the entire realm of administration for its alleged acts of omission as well as commission.
- (2) **Question Hour:** - The first hour of every parliamentary day is reserved for questions, which provide an effective form of control. It keeps the entire administration on its toes. The question hour has proved to be the most interesting and lively part of the proceedings of Parliament. A question is an effective device of focusing public attention on the different aspects of administration policies and activities. A question is generally followed by supplementary questions, which provide a sort of cross-examination of the Minister. The question hour has been described as a searchlight turned on the activities of administration. It can reach the remotest and darkest of its recesses and expose them to public view. For example, the well-known Mundhra Scandal of 1956 came to the surface in response to a question put by a member of Parliament. The Life Insurance Corporation episode of 1956, resulting in the resignation of the Finance Minister, arose from an answer to a question. Any administrative action can provoke a question, though the member cannot compel the minister to give the answer. The Speaker also may disallow certain questions. A minister can also refuse to answer a question on the ground that it will not be in public interest to do so but this privilege is to be used infrequently and with great care. However, it must be pointed out here that the instrument of questioning is flexible, quick, immediate, and though strong enough to discredit, it is not strong enough to kill. Thus, Question hour is an effective means of legislative control over administration.
- (3) **Resolutions and Motions:** - Another effective means or method of drawing the attention of the government to certain matters is to move a resolution or motion. Resolutions or motions are of two kinds, those



which recommend the government a particular course of action and those which seek to censure an individual minister or the whole ministry.

The most important motion is the adjournment motion. The device of adjournment motion is a tool of day-to-day control, and may be utilized for raising a discussion in the House on any specific question of urgent nature and of public importance. If allowed by the presiding officer, an immediate debate takes place on the matter raised, thereby suspending the normal business of the House. The right to move such a motion is subject to certain restrictions, namely:

- (i) it should concern itself with a definite and specific matter and should not be framed in general terms nor cover more than one matter;
- (ii) the matter should be urgent, that is to say, should have arisen suddenly as an emergency;
- (iii) it should be of general public interest;
- (iv) it should not raise a question of privilege.

Provision for 'no-confidence' motion also called 'censure motion', exists in the Constitution itself. A censure motion provides an occasion when the entire policy of the government, or a part of it, comes under criticism. An adverse vote on this occasion leads to the resignation of the government. This provision, however, remained practically a dead letter until 1962. Its frequency has increased in the post-Nehru era. It must be remembered that it was on the 'no-confidence' motion tabled in July 1979, that the ruling Janata party began disintegrating and the Morarji Desai government resigned. Thereafter, subsequent ministries fell on no-confidence motion. Thus, resolutions or motions are very important devices to exert control over administration.

- (4) Debates and Discussions: - The various readings of a bill provide ample opportunities to the members of Parliament to criticize the entire policy underlying the bill. These criticisms may even make the government change its mind, for the welfare of the public. There are two other methods of raising discussions on matters of public importance, like half-an-hour discussion and two-hours discussion. In India, 'Zero-hour' discussion is an innovation in the field of parliamentary practices, and it emerged since 1962 as a powerful tool of control over the executive.

It is invoked in the House immediately after the question hour but before the items on the order paper of the House are taken up for discussion and disposal. Thus, Parliamentary debates and discussions are very powerful devices to exercise control over the administrative machinery.

- (5) Financial Control: - The financial control exercised by the legislature over executive is very important. So, we will have to discuss this in detail.

Control over public revenues and public expenditure is the most important element of legislative control over public administration. It is one of the primary functions of the budgetary process to satisfy the requirements of accountability to Parliament which, in our democratic set up, is the ultimate authority to sanction the raising and spending of public funds. Parliament's control of the purse is fully established, and taxes cannot be imposed nor money can be spent without its approval. It is a cardinal principle that no taxation can be levied and no expenditure incurred, without the prior approval of the Parliament.

The financial control exercised by the Parliament is of two kinds: control before the money is appropriated, that is, budgetary control, and measures adopted to exercise control after the appropriations have been made, that is, post-budgetary control. The budget, that is, the annual financial statement of estimated revenue and expenditure, is an important tool of legislative control over administration. The financial procedure of the Indian Parliament resembles the British financial procedure. Article 112 provides that the President shall in respect of every financial year cause to be laid before both the Houses of Parliament a statement of the estimated receipts and expenditure of the government of India for that year referred to as the Annual Financial Statement. It must be noted here that the finance ministry, who is the steward of the nation's purse, is responsible for the preparation of the Annual Financial Statement i.e., the Budget.

Besides the General Budget (the Annual Financial Statement), there is the Railway Budget, separated from the former as early as 1921. Same procedures govern both the budgets. The Railway Budget is regularized by Rule 134 of the Rules of Procedure and Conduct of Business in Parliament.

The journey of the Budget through the Parliament is the vital part of the process. In Parliament, it goes through the following five stages:

- (1) **Presentation to the Legislature:** - The first step is the presentation of the budget by the Finance Minister before the Lok Sabha. The Finance Minister presents the budget to the Lok Sabha in the last working day of February. This he does with the speech known as the budgetary speech.
- (2) **General discussion:** - The second step is the general discussion on various aspects of the budget. At this stage, which usually lasts for two or three days, the Lok Sabha discusses the budget as a whole on any question of principle involved therein. This general discussion is in the nature of a critical appraisal of economic and financial state of the nation and the proposed policies to be followed in the ensuing financial year by the government in these fields. Members of the legislature also utilize this occasion to comment upon the overall working of the government during the last financial year. In this stage, however, the details of the budget are not discussed. There is no voting, nor are cut motions allowed.
- (3) **Voting on Demand for Grants:** - After the general discussion, the demands for grants of various ministries are presented by the ministers concerned. The Lok Sabha can either assent, reduce or refuse the demand but it cannot increase them. Under law, no proposal relating to expenditure can be brought without the recommendation of the President. It is at this stage that members move cut motions relating to particular demands. The purpose of the cut motions may be either to draw attention to the lapses of administration or specific grievances or to concentrate discussion on some concrete points.
- (4) **Consideration and Passing of the Appropriation Bill:** - The fourth step is the consideration and passing of the Appropriation Bill. A debate precedes the passing of the Appropriation Bill. The enactment of the Appropriation Bill completes the parliamentary authorization of the government expenditure.
- (5) **Consideration and Passing of the Taxation Proposals, i.e., the Finance Bill:** - The last step is the consideration and passing of the finance bill embodying proposals for fresh taxation. Here as well, the Parliament cannot increase a tax though it is empowered to reduce or abolish it. The budget is approved with the passing of the finance bill.

### **Post-budgetary Control :-**

The control continues in another form after the budget is passed. The objective is to ensure that the funds appropriated by the Parliament have been utilized for the purpose specified and in the manner intended. In this phase of parliamentary control, the instruments used are the financial committees of Parliament, namely, the Public Accounts Committee, the Estimates Committee and the Committee on Public Undertaking.

(1) Public Accounts Committee: - Parliamentary power over voting money for specific purposes is meaningless unless it is buttressed with the power to ascertain that the money voted by Parliament is utilized by the executive for the purposes for which it was voted. This is secured by subjecting the public accounts to audit by an independent authority – the Comptroller and Auditor General – and, further, the examination of his report by a special committee of Parliament, called the Public Accounts Committee. The functions of the Committee is to satisfy itself :

- (i) that the money shown in the accounts as having been disbursed was legally available for and applicable to the service or purpose to which they have been applied or charged;
- (ii) that the expenditure conforms to the authority which governs it; and,
- (iii) that every reappropriation has been made in accordance with provisions made in this behalf under rules framed by competent authority.

(2) Estimates Committee :- The Estimates Committee is a Standing Committee, and is set up every year. Its functions, method of appointments and other relevant matters are laid down in the Rules of Procedure and Conduct of Business in the Lok Sabha. It consists of 30 members, all belonging to the Lok Sabha. This Committee has been entrusted with the following functions :-

- (a) to report what improvements in organization, efficiency and administrative reforms, consistent with the policy underlying the estimates may be effected;
- (b) to suggest alternative policies in order to bring out efficiency and economy in administration;

- (c) to examine whether the money is well laid out within the limits of the policy implied in the estimates, and,
  - (d) to suggest the form in which the estimates shall be presented to Parliament.
- (3) Committee on Public Undertakings :- The third financial committee is the Committee on Public Undertakings which started functioning in 1965. Its functions are : (a) to examine the reports and accounts of public undertakings; (b) to examine the reports of the Comptroller and Auditor-General on public undertakings; and, (c) to examine, in the context of autonomy and efficiency, if the public undertakings are being managed in accordance with sound business principles and proven commercial practices.

Thus, we have discussed the nature and effectiveness of legislative control over budgeting in India.

- (6) Audit :- As seen in the preceding paragraph, the Parliament exercises control over public expenditure through the Comptroller and Auditor General, who audits all governmental accounts.
- (7) Other Parliamentary Committees: - To exercise control over administration, the Parliament has some other committees like,
- Committee on Petitions: The committee is nominated by the Speaker. The committee examines petitions or representations received from individuals and associations. Through this committee, the parliament acts as a sort of Ombudsman to redress the grievances of the common citizen.
  - Committee on Government Assurances: The committee was set up in December 1953 and is one of the most active and effective committees. It consists of sixteen members. The purpose of the committee is to scrutinize the assurances, promises and undertakings given by the ministers from time to time, and to report on the extent to which such assurances have been implemented and where implemented, whether such implementation has taken place within the minimum time necessary for the purpose.
  - Committee on Subordinate Legislation: Now-a-days, legislature all over the world finds itself overburdened with work. So it cannot

legislate in minutest details. It simply lays down the broad framework of a law, thereby leaving the details to be filled in by the executive. Now, there is always a need to check whether this power is wielded properly or not. So, in Dec. 1953, the Committee on Subordinate Legislation was appointed. The function of the committee is to scrutinize and report to the House whether the powers to make regulations, rules, sub-rules and bye-laws conferred by the Constitution or delegated by the Parliament are being properly exercised within such legislation.

- Committee on the Welfare of Scheduled Castes and Scheduled Tribes: This committee was set up in 1973 as a Standing Committee of Parliament. It consists of thirty members. The functions of the committee are : (a) to consider the reports of the Commissioner for Scheduled Castes and Scheduled Tribes under Article 338(2) of the Constitution and to report to both Houses as to the measures to be taken by the Union Government including the administrations of the Union Territories for their welfare; (b) to report on the action taken by the Union Government and Union Territories on the measures proposed by the committee; (c) to examine the measures taken by the Union Government to secure due representation of these castes and tribes in services and posts under its control including public undertakings, statutory and semi-government bodies vide Article 335; (d) to report on the working of the welfare programmes for these castes and tribes in the Union Territories; and, (e) to examine such matters as may seem fit to the committee or are specifically referred to it.

Also, there are the consultative committees, which are neither constitutional, nor statutory nor even standing committees of the parliament. They are just informal committees. They were first set up in 1954 and have proliferated since to cover all ministers and departments of the union government. They provide a forum for discussion between members of Parliament and the ministers. Thus, these committees provide members with some opportunities to exercise some control over the administration.

Moreover, there are Standing Committees of the Parliament, which also play a vital role in exercising control over the administration. These Standing

Committees possess the power to summon and examine the civil servants. This way the concept of administrative accountability is more effectively enforced.

Thus, we have discussed above the various measures adopted by the legislature to exercise control over administration in India. It is clear from the above discussion that the responsibilities of a modern government are vast and grave, and so there is always the need of control so as to keep the government in right track and avoid the fear of arbitrary rule. So, in order to make democracy a success, this control is very essential.

**SAQ:**

Do you think that in India the legislative control over administration has minimized the extent of corruption? Discuss. (80 words).

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**STOP TO CONSIDER:**

**Standing Committees of Parliament :**

In 1993, the Parliament took a decision to set up Department related Standing Parliamentary Committees to scrutinize the demand for grants of the various ministries/departments before these are discussed and voted in the House. Such Standing Committees has started functioning from 1995. The main functions of Standing Committees are as follows :

1. To consider the Demands for grants of the concerned ministries and make a report on the same to the Houses;
2. To examine bills pertaining to the concerned ministries;
3. To consider annual reports of ministries and make reports thereon; and,
4. To consider national basic long term policy documents presented to the Houses.

### **3.5 Legislative Control over Administration in USA**

USA Constitution is based on the doctrine of 'Separation of powers'. Though there is in the Constitution itself no direct statement of the doctrine of Separation of Powers, the Constitution-makers provided that the operation of each of the three processes of government, i.e., executive, legislative and judicial, should be entrusted to a separate agency. But, at the same time, it was realized that an absolute separation of the three departments of government would make government itself impossible, and that unlimited power was always dangerous and might lead to arbitrary rule. So, the framers of the Constitution introduced modification to the doctrine of Separation of Powers when they introduced the system of 'checks and balances'. Having divided governmental activities into a three-fold process and having assigned to each process a supposedly independent branch, they authorized a very considerable amount of participation in, or 'checking' of the affairs of each branch by the other two. The object behind this system was to make exercise of power limited, controlled and diffused. Thus, in accordance with the system of checks and balances, in USA, the legislature exercises control over the administration.

The legislative department checks the executive through its powers to appropriate money and to impeach. The Senate confirms the appointments made by the President and approves treaties made by him. The President's power to declare war is subject to the authority and approval of the Congress. Congress may also impeach and remove federal judges from office. Thus, no feature of American Government is more characteristic than the separation of powers, combined with precautionary checks and balances.

The Senate shares with the President many powers and functions so as to exercise control over the administration. The President shares with the Senate the power of appointing federal officers. The President nominates and the Senate confirms officers of the United States by simple majority. The underlying idea was to restrain the unlimited powers of the President by a system of checks and balances and thereby ensure the appointment of honest and capable men to office. The Senate also shares with the President the power of making treaties. So, the Senate plays a significant role in making treaties and ratifying treaties. Another special function of the Senate is that of acting as a court for the trial of impeachment cases. The Constitution



prescribes that the President, Vice-President, and all Civil Officers shall be removed from office on impeachment for and conviction of treason, bribery, or other crimes and misdemeanours. The House of Representatives initiates the charge and the Senate sits as a court of trial. So, the above discussion makes it clear that in USA, the Senate is a co-ordinate body and not a subordinate branch of Congress and exercises co-equal powers with the House of Representatives.

The Legislative Reorganisation Act, 1946, requires the Standing Committees of Congress to keep watch over the agencies on the administrative side. There is now increasing emphasis in the United States on the “watchdog” function of the investigation committees. The only way Congress can check the administration is through the questioning of official witnesses in the committees when appropriation bills are under consideration, or through interim investigations of its own into the way executive agencies are being run. It is, indeed, an effective method of checking administration. The Senate can also influence the foreign policy through investigations.

It is to be noted here that the President and his principal subordinates, no doubt, actually direct and supervise administration, but it is Congress which creates all the administrative departments and agencies. The form, the organization and the powers to be exercised by the administrative departments are all defined by the Acts of Congress. Almost all agencies are required to make annual reports to the Congress. Members of Congress may call for information and explanation. All this opens a way for watchfulness over the work performed and help to make administration accountable. Arthur Macmalon comments “Legislative oversight of administration is familiar and well-grounded assumption of responsible government.” The Legislative Reorganisation Act of 1946 stressed the importance of continuous vigilance over the execution of all laws by the Standing Committees of both the Houses. Then, Congress may from time to time pass laws directing the administrative departments to report to it. Thus, the Controller- General has been made responsible to the Congress rather than to the President. The Congress may sometimes pass a resolution directing the administration to follow a certain course of action in a particular situation.

The Legislature also exercises control over budgeting in USA. After the budget is prepared, it is submitted to the Congress on the responsibility of

the President. It is considered by two committees of the House of Representatives, the Committee of Ways and Means and the Committee of Appropriations. These committees report the budget to the House of Representatives which after debate passes the Finance bill and the Appropriation bill. The bills are then sent to the Senate and then to the President of America.

Thus, from the above discussion, it is clear to us that the USA Constitution gives to the Congress the power to control the laws of the nation, the finances of the nation, the strength of the armed forces of the country. By implication it possesses unlimited investigatory powers. It has the right to impeach the President, the Vice-President and other officers of the United States, exercises complete supervisory powers over administrative agencies. From the above discussion, we know that even in a presidential system of government like USA, the legislature exercises control over the executive so that administration runs on smoothly without becoming despotic and corrupt. The unique blend of the twin concepts of ‘separation of powers’ and ‘checks and balances’ in USA has resulted in proper control over each organ of the government by the other two branches, thereby resulting in harmony and balance.

**SAQ:**

Do you think that the legislative control over administration differs in parliamentary and presidential forms of government? Discuss.(50 words)

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**3.6 Limitations of Legislative Control**

A proper review of the parliamentary control over administration reveals the fact that at times such control may be positive or negative. Examples of positive control have already been discussed above. But when legislature exercises negative control, it becomes very difficult to smoothly conduct the administrative work. Negative control may be exercised through refusal

of demands for grants; not passing government bills, resolutions and other proposals etc. At times, it appears that the legislative control over administration is not as effective as it ought to be. Inefficacy of legislative control and surveillance, is more or less a universal feature, India being no exception. The noted American authority on public administration, Paul H. Appleby, offers some of the criticisms like, firstly, there is a general fear among members of parliament that its responsibilities are not being preserved. Secondly, parliament takes a much too narrow view of recruitment to civil services, thus undermining the responsibility of the ministries. Thirdly, parliament is a chief citadel of opposition to delegation of powers. Writing in the context of the United States, White comments : “The existing system of congressional control is defective. It is basically control over details, not over essentials. It is negative and repressive rather than positive and constructive. It reflects fear rather than confidence. It is sometimes irresponsible. . . .it has been known to squander time and energy on trivialities while serious waste and mismanagement went unnoticed. Congress has done both too much and too little as an instrument of administrative control.” Pfiffner and Presthus have pointed out the limited effectiveness of Congressional control over the executive in the USA in the following manner : “legislatures, in sum, have neither the staff nor the expertise to exert effective control in the most meaningful areas.”

The following limitations of legislative control may be pointed out :

- (1) In the formulation of policies, the executive plays a decisive role. The legislative leadership, therefore, safely rests with the government.
- (2) In this era of welfare State, the functions of administration have increased in volume and complexity. Legislatures do not have the necessary time and expertise to effectively control the rapidly expanding administration.
- (3) In a parliamentary system, at times, in case of thumping and absolute majority, the government feels safe behind its majority in the parliament, thereby posing difficulty for the legislature to exercise effective control.
- (4) In case of financial control, generally it is seen that the legislators do not often possess the technical knowledge of the various departments. Therefore, they face problem to exercise effective control.

Thus, it must be noted here that though the legislature faces problems in exercising effective control over the administration, yet the fact remains that such control is essential to keep the administration in the right track. The legislature of each and every country should try to combat these problems so as to exercise much more effective control over the administration.

**Check Your Progress :**

1. Discuss the nature and effectiveness of legislative control over administration in USA and India.
2. Discuss the need of legislative control over the administration.
3. Discuss the limitations of legislative control over the administration.

**3.7 Summing Up**

After reading this unit, you are able to understand the need and necessities for legislative control over administration. Also, you have studied about the different techniques used by the legislatures of the two countries of India and USA, so as to exercise control over administration. From the above reading you have come to know about the limitations of the legislative control also. It is clear from the above discussion that legislative control is an effective means of keeping the government in the right track.

**3.8 References and Suggested Readings**

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## Unit IV

### Administrative Reforms in India and UK

#### Contents

- 4.1 Introduction
- 4.2 Objectives
- 4.3 Administrative Reform
- 4.4 Administrative Reforms in India
- 4.5 Administrative Reforms in UK
- 4.6 Summing Up
- 4.7 References and Suggested Readings

#### 4.1 Introduction

The concept 'administrative reform' got its impetus in the countries like UK, USA, Australia, New Zealand during the 1990s. Administrative reforms of a country aims at updating its administrative structure to maximize its efficiency or productivity. Basically, administrative reforms of a country ensure major transformation of ideals and practices of its traditional civil services. Thus, it can be said that administrative reform denotes the idea of updating nation's administrative mechanism in accordance with needs of time. Here in this unit we are going to discuss the process of administrative reforms in UK and India. It is interesting to note that once India was under the rule of British Empire. India got independence in 1947 and introduced a unique administrative mechanism inspired by the British administration. Again UK also has a different pattern of administration. Here in this unit we shall discuss the efforts taken by these two countries to make their administration up to date.

#### 4.2 Objectives

The future of a country depends on its administrative efficiency or services provided by its administration. After going through this unit you will be able to

- *examine* the concept of Administrative Reforms
- *discuss* the administrative reforms procedures in India
- *describe* the administrative reforms procedures in UK

- *make* a comparative study of the administrative reforms of these two countries

### **4.3 Administrative Reform**

As we have mentioned earlier, administrative reform simply means updating nation's administrative structure. Initiative for administrative reforms are basically directed towards achieving the desired change. However, devising strategies for successful implementation of major administrative reforms for bringing wide-ranging changes in well entrenched and nation-bound public administration particularly in the developing countries is not an easy task.

In the recent years, it is observed that irrespective of their ideologies and beliefs, most of the countries of world including developed and developing countries have been under a process of reform. They took such initiative as the role of the state came under attack in the recent years. Now good governance is an emerging issue for the countries. In the pursuit of good-governance in the context of liberalization, privatization and globalization, government in most countries are called upon to reform and re-engineer their administrative apparatus to meet the challenges. So, the countries formed some autonomous administrative reforms commissions periodically to study the entire administrative process and to provide suggestions in this regard.

Now it is seen that indifferent and un-accountable government is a major concern for the society. Though the prevailing administrative structure in general ensures satisfaction among the people, it is true that public institutions created in the past have failed to meet the growing challenges of the changing times. In response to this fall from public apathy, many industrialized and developing countries have tried to redefine the role of the state, government and public institutions. In this process, many world organizations like World Bank, International Monetary Fund, UNO etc came forward and has suggested valuable recommendations, strategies for administrative reforms. These includes "liberalization, deregulation, downsizing the public sector, shrinking bloated public organizations, privatization, debureaucratization, civil service reform, performance measure, business like management, long term transparency, computerization and mechanization and greater productivity, efficiency and accountability. Now it is clear to you that

administrative reforms is now major topic of concern which aimed at updating one nation's administrative set up to meet the challenges. Establishment of good governance is one of the major objectives of such reforms initiative.

It is observed that the past initiative for reforms aimed at reforming administrative machinery. We can say that it was a deliberate attempt to use political power to influence the goals, structure and process of state bureaucracy. But now it is seen that reforms initiative appeared to be episodic aiming at re-organization and re-engineering of public administration.

Now it is clear to you that administrative reforms which aims at updating nation's administrative set up to meet the challenges is a major concern. Establishment of good governance is one of the major objectives of such reforms initiative.

**STOP TO CONSIDER :**

**Classification of Reforms**

Administrative reform is classified into three categories

1. Those that turn out to be strictly tied to and shaped by a simultaneous constitutional revision
2. Those encouraged by economic models, promoted in particular by the desire to open up public service to the logic of the market or to connect the provision of public service to the financial needs of the state, and
3. Those encouraged by renewed attention to the rights of each citizen, considered to be an aware and sovereign subject, who looks to the administration for the satisfaction of his or her individual needs.

**SAQ:**

Do you think administrative reforms can be more useful in the context of the developing countries? (50 words).

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#### **4.4 Administrative Reforms in India**

We all know that India has spent more than 200 years under the British colonial rule. After getting independence, India has adopted the parliamentary system of government. Though, India has adopted a new administrative mechanism, the administration of the country is greatly inspired by the British administrative pattern. In short, we can say that Indian administration is the relic of its past. It needs mention here that though Indian constitution does not use the word federation; Indian administration follows federal patterns of governmental system. After independence the major concern of the government both at the centre and the states of India is to ensure responsive, accountable, transparent, decentralized and people friendly administration at all levels.

After independence India has shown firm belief in democratic ideals. However, though democracy is the rule of the majority and people have share in it, it has become a rule by elite class or a handful of powerful manipulators. Soon it is found that to get power coercive methods of money power, muscle power, criminal power, and political/diplomatic power are used. Again the bureaucracy or public officials were mainly concerned with the maximization of their own profit and status. Hence the frustration and dissatisfaction amongst the people, especially the weaker sections of society, about the apathy, irresponsiveness and lack of accountability of public servants were seen during the 1980s. The alarming rate of corruption and criminalization of politics and public life has also increased anxiety amongst the people and governmental agencies. Thus, the sharp deterioration of Indian administration opened the eyes of higher officials and policy makers to take some reform initiative at all the levels of administration. In short, we can say even after so many years of independence we are not in any better state of affairs. So, need was felt to initiate reforms, or correction of the administrative system for the better. Now let us discuss the reforms initiative taken by the Indian policy makers in the recent past.

Before discussing the reform initiative introduced by the Indian government it is worth mentioning here that the government of India mainly focused on the following areas of reforms:

1. Centre-State relation
2. Administrative Machinery
3. Civil Services
4. Public Grievances, etc.



Here in this unit we are going to discuss the efforts of the Indian government for the establishment of good governance.

**SAQ:**

1. Why did Indian policy makers opt for administrative reforms in the country despite having a democratic structure? (50 words).

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**• Centre-State Relation**

Article 1 of the Indian constitution has stated that “India i.e., Bharat is a Union of State” but India has a federal structure of government. In India since its 4<sup>th</sup> general election when Congress had occupied a predominant position both in the centre and the state, there was no need to review the centre state relationship. But soon after the 4<sup>th</sup> general election, the emergence of regional aspirations of Indian people and set back of Indian National Congress paved the way for the reviewing the centre state relationship.

Hence, in view of the growing demand from the various states for review of the center state relations, the government of India appointed a commission under the chairmanship of R. S. Sarkaria (retired judge of supreme court), popularly known as Sarkaria commission on 24<sup>th</sup> March 1983. The commission is responsible for reviewing the existing centre-state relation and making suggestions to improve it. The commission had submitted its report to the government in 1988. According to the report a strong centre is necessary for the national integration. One major recommendation of the commission was that the central government should take the consent of the state government while passing laws from the subjects of concurrent list.

To resolve centre-state conflicts the commission made the following suggestions:

1. According to this commission the centre should perform only those functions which are specifically allotted to it by the constitution and abandon those extra constitutional functions which it has come to acquire over the years.

2. The commission had suggested that the financial resources of the states must be compatible with the administrative responsibilities entrusted to them.

3. The states must realize that demand for excessive autonomy is bound to hamper national unity and integration. It is in their interest that the country should be strong so that they may operate with fair amount of autonomy.

(Source : Sarkaria Commission Report)

Thus, the Indian policy makers are always trying to find out a solution to improve its administrative efficiency. We can say that government of India since independence took various initiatives for reform to maintain the integrity of its administration. Apart from these, Indian states are also reorganized to meet the public demands. However actual initiative for reform in its administration was started when the first Administrative Reform Commission was established on 5 January 1966. Here in this unit we will consider in details the activities of the Administrative Reform Commission.

### • **Administrative Reform Commission**

As we have mentioned earlier, almost all the countries of the world had established some independent commissions to make recommendations on its administrative mechanism. In India after independence for the first time in 1966 an administrative reform commission was established. In other words we can say that ARC is that committee which was appointed by the Government of India for giving recommendations and reviewing the public administration system of the country. Since independence, Indian government had established two such commissions. Let us discuss these two commissions and their recommendations briefly:

#### **First Administrative Reform Commission (ARC)**

The first ARC was constituted by the Ministry of Home Affairs under Government of India by resolution no. 40/3/65-AR(P) dated 5 January 1966. In the resolution, the composition of the ARC, the mandate of the

commission and the procedures to be followed was described. The first ARC was established on 5 January 1966. Initially the Committee was chaired by Morarji R Desai but when he got the post of Deputy Prime Minister, K.Hanumanthaiyah became the chairman of the committee. The resolution of the ARC described that it is a Commission of Inquiry to be called the Administrative Reforms Commission to examine the public administration of the country and make recommendations for reform and reorganization where necessary.

**STOP TO CONSIDER :**

**Members of First ARC**

The Commission consisted of Shri Morarji R. Desai, M.P., as the Chairman and the following as Members:

- (i) Shri K. Hanumanthaiya, M.P.
- (ii) Shri H.C. Mathur, M.P.
- (iii) Shri G.S. Pathak, M.P.
- (iv) Shri H.V. Kamath, M.P.
- (v) Shri V. Shankar, I.C.S. -Member Secretary.

The Commission was mainly concerned with the need for ensuring the highest standards of efficiency and integrity in the public services, and for making public administration a fit instrument for carrying out the social and economic policies of the government and achieving social and economic goals of development. It will also be responsive to the people. If we closely analyse the tasks of the commission we will find that the following subjects got priority in the discussions of the commission.

- (1) The machinery of the Government of India and its procedures of work;
- (2) The machinery for planning at all levels;
- (3) Centre-State relationships;
- (4) Financial administration;
- (5) Personnel administration;
- (6) Economic administration;

- (7) Administration at the State level;
- (8) District administration;
- (9) Agricultural administration; and
- (10) Problems of redressal of citizens' grievances.

The recommendation of the commission provides that "the ministries and departments of the Government of India will furnish such information and documents and other assistance as may be required by the Commission. The Government of India trusts that the State Governments and all other concerned will extend their fullest cooperation and assistance to the Commission."

In terms of financial administration the commission considered the following subjects for reviewing:

- (i) Budgetary reform.
- (ii) Reform in the administration of accounts.
- (iii) The role of audit.
- (iv) The system of expenditure control, including procedures for sanctioning schemes and the problem of financial delegation and decentralization.
- (v) Procedures governing financial relations between the Centre and the States.

ARC also focuses on the following subjects:

- (i) Personnel planning and organization for it.
- (ii) Recruitment policy and procedures, including selection techniques.
- (iii) The Union Public Service Commission and the State Public Service Commissions.
- (iv) Promotion policies and incentives.
- (v) Policies and rules governing conduct and discipline to ensure efficiency, honesty and maintenance of morale.
- (vi) Training

(vii) The role of the Cabinet Secretary and the Ministries of Home Affairs and Finance.

(viii) Personnel management for public sector enterprises.

ARC recommended to bring out the reforms on the following lines:

- (i) A rational system of filling policy – advice positions with possessing the required qualifications and competence needs to be devised. This would require the building of needed specialization in the headquarters personnel.
- (ii) Incumbents for senior management posts should be selected from all the relevant sources – generalist and specialist – and for this purpose talent needs to be discovered and developed in all the cadres, specially among those who have not hitherto been induced into higher administration in any significant degree.
- (iii) A unified grading system and a rational pay structure need to be adopted as to reflect actual responsibilities borne in each job.
- (iv) In order to tone up morale throughout the personnel system, much greater scope needs to be created for talent in lower ranks make up to higher positions in civil service, on the basis of competence and performance.

In order to give practical shape to these principles, the Commission suggested the following changes in the existing system :

- (1) Selection should be entirely on merit, tested through a competitive good career examination.
- (2) After selection, the officers should get an intensive training within their respective specialisms.
- (3) Another set of important reforms suggested by the ARC is in the area of pay structure.
- (4) To eliminate haphazard growth of public personnel, there should be adequate personnel planning.
- (5) The ARC also recommended reforms in our promotion system.
- (6) The commission recommended the raising of upper age limit for entrance to the competitive examination.

Again the ARC was empowered to devise its own procedures, create Committees and appoint advisors to assist it. The Commission had set up 20 Study Teams, 13 Working Groups and one Task Force. The Working Groups made detailed studies of specific agencies and organizations such as Customs & Central Excise, Post & Telegraphs, Life Insurance, Income Tax, Police and Developmental Control and regulatory organizations. ARC had submitted 20 major reports containing 537 major recommendations which were based on inputs received from various administrative Ministries and a report indicating implementation position was placed before the Parliament in November, 1977.

Thus, it can be said that to establish an accountable and citizen-friendly government, the Indian government had established the ARC. The major aim of such commission is to provide suitable measures to meet the public demands and to make government mechanism up to date.

### **STOP TO CONSIDER**

#### **Name of the Reports Submitted by the 1<sup>st</sup> ARC**

<b>Sl. No.</b>	<b>Name of the Report</b>
1.	Problems of Redress of Citizens Grievances (Interim)
2.	Machinery for Planning
3.	Public Sector Undertakings
4.	Finance, Accounts & Audit
5.	Machinery for Planning (Final)
6.	Economic Administration
7.	The Machinery of GOI and its procedures of work
8.	Life Insurance Administration
9.	Central Direct Taxes Administration
10.	Administration of UTs & NEFA
11.	Personnel Administration
12.	Delegation of Financial & Administrative Powers
13.	Centre-State Relationships
14.	State Administration
15.	Small Scale Sector

- |     |                        |
|-----|------------------------|
| 16. | Railways               |
| 17. | Treasuries             |
| 18. | Reserve Bank of India  |
| 19. | Posts and Telegraphs   |
| 20. | Scientific Departments |

**Check Your Progress :**

1. Discuss the efforts of Indian government to reform its administrative mechanism.
2. Write a note on ARC.
3. Discuss the role of the first ARC in Indian administration.

**Second administrative Reform Commission**

Though the first ARC had recommended many suggestions to reform Indian administrative structure, we have noticed that the performance of Indian public administration has come under close scrutiny in the last few years. Rampant corruption, inefficiencies, wastage and irresponsiveness to the needs of citizens are some of the commonly acknowledged problems affecting the administration. While these problems are common to all the levels of government, the spotlight has firmly been on the Right to Information Act. For this purpose, government of India established the Second Administrative Reform Commission on 31.08,2005, as a Commission of Inquiry, under the Chairmanship of Shri Veerappa Moily for preparing a detailed blueprint for revamping the public administrative system. The Commission consists of the following members

- Dr. A.P. Mukherjee - Member
- Dr. A.H. Kalro - Member
- Dr. Jayaprakash Narayan – Member (resigned on September 2007)
- Vineeta Rai - Member-Secretary

It needs mention here that Veerapaa Moily resigned on April 1, 2009 and V. Ramachandran was appointed as the chairman.

The Commission was given the mandate to suggest measures to achieve a proactive, responsive, accountable, sustainable and efficient administration for the country at all levels of the government. The Commission was asked to, inter alia, consider the following :

- (i) Organisational structure of the Government of India
- (ii) Ethics in governance
- (iii) Refurbishing of Personnel Administration
- (iv) Strengthening of Financial Management Systems
- (v) Steps to ensure effective administration at the State level
- (vi) Steps to ensure effective District Administration
- (vii) Local Self-Government/Panchayati Raj Institutions
- (viii) Social Capital, Trust and Participative public service delivery
- (ix) Citizen-centric administration
- (x) Promoting e-governance
- (xi) Issues of Federal Polity
- (xii) Crisis Management
- (xiii) Public Order (Sources: Mandate 2<sup>nd</sup> ARC)

It is worth mentioning that like the first ARC, the commission was to exclude from its purview the detailed examination of administration of defence, railways, external affairs, security and intelligence, as also subjects such as centre-state relations, judicial reforms etc. which were already being examined by other bodies. The commission was, however, free to take the problems of these sectors into account in recommending reorganization of the machinery of the Government or of any of its service agencies. (Resolution for 2<sup>nd</sup> ARC)

The achievement of 2<sup>nd</sup> ARC is the implementation of Right to Information Act. According to the preface of 2<sup>nd</sup> ARC, *“The Right to Information Act is a path-breaking legislation which signals the march from darkness of secrecy to dawn of transparency. It lights up the mindset of public authorities, which is clouded by suspicion and secrecy. Openness in the exercise of public power – Executive, Legislative or Judiciary – is a culture, which needs to be nurtured, with privacy and confidentiality being an exception. The right to information will also be a powerful*



*means for fighting corruption. The effective implementation of the Right to Information Act will create an environment of vigilance which will help promote functioning of a more participatory democracy.”*

The Commission, in its Report, has dealt with the application of the Right to Information in Executive, Legislature and Judiciary. According to the commission, “the Judiciary could be a pioneer in implementing the Act in letter and spirit because much of the work that the Judiciary does is open to public scrutiny.” Under the provision of the commission the government of India has sanctioned 700 crore to meet the cost of proposed e-governance project. The commission has viewed that public accountability should be the responsibility of all three organs of State.

The commission seeks to establish good governance with the help of participatory democracy. For this purpose the commission said that the right to information is the key to achieve such goals. According to the commission, *‘access to information can empower the poor and the weaker sections of society to demand and get information about public policies and actions, thereby leading to their welfare. Without good governance, no amount of developmental schemes can bring improvements in the quality of life of the citizens.’* (Report of the 2<sup>nd</sup> ARC). For the public grievances the commissions advised the states to set up independent public grievances redressal authorities to deal with complaints of delay, harassment or corruption.

Apart from establishing commissions at all levels of the government, the policy makers are now keen to review the existing administrative mechanism. For example, the chief ministers of all states of India in their conference held on 24<sup>th</sup> May, 1997, discussed to establish an Action Plan for Effective and Responsive Government at the central and state levels. The conference had acknowledged that though India completed 65 years of independence still its people are assailed by growing doubts about the accountability, effectiveness and moral standards of administration. So, both the government should move together to justify the trust, faith of the people by taking up the implementation of the proposed Action Plan. The action plan has the following three themes:

(II) Accountable and citizen-friendly government

(III) Transparency and right to information and

(IV) Improving the performance and integrity of the public service.

Thus it is seen that Indian government undertook various activities to reform its administration. The government of India basically reviews the existing civil service system as we know that civil service of a democratic country is regarded as the backbone of the nation. The continuity of the administration greatly relies on them. Despite the notable achievements of Indian Civil Service over the last six decades, it is criticized for inefficiency, lack of professionalism, irresponsiveness, nepotism and corruption. So, the UPA government appointed an expert committee under the chairmanship of Hota. The committee was responsible for reviewing and suggesting changes to the administrative structure. In its report the committee has suggested changes in recruitment and performance appraisal system, opening of civil service position to outsiders and relaxing norms pertaining to removal from service to shake complacency of the civil servants. Hence it can be said that now Indian administration is under the public scanner. To meet the challenges of time and to fulfill the public demands, Indian policy makers has introduced various strategies to review existing administration and suggest measures.

**SAQ :**

Do you think that the reforms initiatives taken by the government of India can meet the public demands? (50 words)

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**4.5 Administrative Reforms in UK**

We have already mentioned that by the middle of 1980s, most of the western countries including U.S., the U.K., New Zealand, Australia etc. and their administrative mechanisms felt the impact of the reform agenda of New Public Management. Such move for new reforms was ripe as they argued for public sector cut-backs, limiting public expenditure, and improving

productivity, efficiency and economy. The administrative reforms of UK started during the period of Glorious Revolution. We know that the Glorious Revolution paved the way for the establishment of supremacy of the Parliament and curtailed the absolute power of the monarch. Since then, parliament became the king maker as well as the policy maker and has established the supremacy of people. The trend still continues in UK. As UK does not have written constitution and system of judicial review, the procedure of amendment and reform of its existing system is dependent on the parliament and unlike India the procedure is quite flexible. It needs mention here that the structure of its administration is very systematic and its bureaucracy was proved as world's best. Due to its civil services it had ruled almost all parts of the world. However, changing scenario of world and domestic politics led to the need of reform agenda.

Since 1979, reforms initiatives are initiated for a fundamental transformation of its administrative system. The Thatcher Government of 1979 took this initiative and called it 'Prior Option Review'. Under this scheme various departmental activities were examined in terms of their efficiency, viability or utility. The major administrative reforms in the U.K. during this period include:

- Measures were taken for financial delegation through cost-analysis.
- Next Step Agencies were established for discharge of a specific set of activities in a business like manner.
- In 1991, the scheme of 'Citizens' Charter' was introduced which insisted on public agencies to frame, publish and achieve clearly defined service standards.

It needs mention here that like India the civil service reform is also a major concern in UK. As we have mentioned earlier, Thatcher Government has introduced some reform initiative. But before that Harold Wilson had also tried to reform it in the 1960's. For this purpose he had introduced a Civil Service Department that had the brief to manage the Civil Services but Thatcher abolished it.

Thatcher was of the view that the civil service of UK was

- Inefficient

- Badly managed
- Unresponsive

So, he had established an Efficiency Unit led by Lord Rayner. Again, in 1982, the Financial Management Initiative was introduced for improving efficiency, which was seen as the key to an improved Civil Service.

In UK, the most important time for change in the civil service occurred after 1988 with the so-called “Next Steps” reforms. These reforms were issued after the publication of a report by Sir Robin Ibb. He identified a number of major issues that he felt should be addressed as follows:

- The service lacked innovation
- It was too large to be efficient with too many jobs duplication and some departments overlapping what others did.
- The service was not providing a quality service to the country – both the advice it gave and its policy implementation were poor

Again in 1999, the government had produced a White Paper entitled “Modernising Government”. Here the government had identified seven areas that it wanted to reform in the Civil Service as follows:

- More openness in the Civil Service
- Greater efficiency and effective policy delivery
- Better business planning
- More women and ethnic minorities in senior civil service positions
- Flexible pay and fast-track promotions to attract the best into the service
- More extensive use of IT
- Better co-ordination of public services and policy-making.

**STOP TO CONSIDER**

**Major Initiative Taken by the UK Government to Reform its Civil Services**

- The Financial Management Initiative (1986)
- The Next Steps Executive Agencies (1988)

- Continuity and Change (1994 and 1995)
- Public Service Agreements between Departments and the Treasury (1997)
- Modernising Government (1999)
- Departmental Efficiency Programmes (2004)

### **FULTON REPORT ON CIVIL SERVICE REFORM (1968)**

In 1966 the government of UK appointed a commission to review its existing civil service system and to provide measures to increase efficiency. The commission was popularly known as the Fulton Commission. The commission identified the following problems in the civil service of UK in its report :

- too much based on generalist
- specialists undervalued
- too few skilled managers (policy advice rated more highly than management)
- not enough contact with the community it served
- too little attention to personnel management and career management

The commission has provided the following suggestions for improving efficiency and accountability of civil services as follows:

- The Fulton Committee recommended the setting up of a separate Civil Service Department responsible for central management of the Civil Service. It was also suggested that it would take over the functions of the Civil Service Commission.
- It also recommended the abolition of all classes and adoption of a single unified grading structure covering the totality of the Civil Service.
- The civil service must cultivate a high degree of professionalism.
- The committee suggested that to provide training in administration and management, a civil service college should be set up.
- Regarding the trainers, the Fulton Commission recommended that the trainers should be drawn from the different walks of life.

Apart from the civil service reforms, in their political orientation in UK the reforms were directed at enlarging the rights and opportunities of the (local) citizens to influence, and ‘participate’ in local decision-making process. To make its local government more viable ‘territorial reforms’ which are typically meant to put local government functions on a territorially are introduced. In short, we can say that the reform initiatives of UK like India basically aimed at improving the functioning of (still largely ‘Weberian’) administrative structures (and personnel) by the introduction of planning, information and evaluation capacities, including an early thrust of management concepts and instruments (‘management by objectives’).

Hence it is seen that administrative changes, including regime change, democratization, and the collapse of the preexisting order resulted in new institutional arrangements. In terms of India, administrative reforms are often closely linked to political reforms arising from decolonization and nation building. Different paradigms are found to have impacted on administrative reforms. Two notable ones are the “new public management” (NPM) and “good governance” models. NPM is generally held to have informed administrative reforms in many developed Organisation of Economic Cooperation and Development (OECD) countries (Haque 2001a; McCourt and Minogue; Turner 1998, 2002). The “good governance” objectives are advocated by regional and international organizations. However such reforms are valueless without the awareness of the people and openness, reciprocity, and checks on administrative discretion.

**Check Your Progress :**

1. Discuss the reforms initiative of UK.
2. What are suggestions forwarded by the Fulton Commission?
3. Write a note on Civil Service reforms in UK.

**4.6 Summing Up**

After going through this unit, now you are in a position to examine the need of administrative reforms. You have learnt that reform activities are basically initiated for improving efficiency of the government and to strengthen

corporate governance systems. You have also learnt that administrative reforms are directed towards the achievement of the goals of good governance. For this purpose as we have studied in this unit, India and UK have established various independent commissions to study the existing administrative mechanism and find out the drawbacks of the same. Such commissions as we have mentioned earlier are responsible for providing measures to overcome such obstacles. At last we can say that now when corruption becomes a major challenge for smooth running of the administration we need an effective administrative mechanism and it needs a radical change in our existing administrative structure. It will happen only when all raise their voice against government sponsored corruption.

#### **4.7 References and Suggested Readings**

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#### **Reports:**

Report of 1<sup>st</sup> ARC India

Report of 2<sup>nd</sup> ARC India

Report of Fulton Commission, UK