

NATIONAL AGENDA FOR GOVERNANCE: ADMINISTRATIVE DIMENSIONS

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Coordinated by

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FOREWORD

For the Members' Annual Conference for 1998 the theme which has been adopted through the Executive Council decision is "National Agenda for Governance : Administrative Dimensions". The selection of this theme follows from the formulation and publication of the National Agenda for Governance of the BJP and its alliance partners for running the government at the Centre. The number of partners is thirteen including the BJP which is the leading partner at the helm of the affairs. The Agenda itself is an interesting, comprehensive and a diverse document signed by seventeen political leaders headed by the Prime Minister, Shri Atal Behari Vajpayee and including Shri L.K. Advani, Shri Bansi Lal, Shri R.K. Hedge and Shri Subramaniam Swamy among others. The Agenda talks of many things like economy, labour, unemployment, price stability, water, education, housing, empowerment of women, the youth, the children, population, constitutional and legal reforms, corruption, new states, national stability, international relations, sectarianism, scheduled cast, scheduled tribes and backward classes, environment, Prasar Bharati, Science and Technology, Information, Technology, new norms for governance by consensus and elimination of hunger, fear and corruption – the bane of the society. In the first place, while the documents talks of so many things, it does not appear to be an integrated piece but looks more as a string of various issues. Secondly, while it refers to issues like population, it hardly spells out any strategy. Thirdly, it broadly captures such vital concerns of governance like fiscal efficiency, fiscal discipline, human resource development, etc., which may enable the state to face the challenges of the emerging society—the global society—adequately. Nonetheless, it does say a lot and if the pronouncements are sincerely pursued it would mean a lot for the Indian society, the Indian nation and for the governance of this country.

For the Indian Institute of Public Administration (IIPA), what is really of interest is not so much the political philosophy of such a document as its implications for the country's governance: our public administration. What sort of administrative priorities are needed, what sort of leadership in governance is required, what sort of cohesiveness among the major sections of governance, namely, the political executive, the civil service, the agencies of

government and the judiciary are needed and what sort of interface between the arms of governance and people and the NGOs are sought for is of essence for us. Governance, in the ultimate analysis is the expression of the method by which the people look after themselves not directly but through an agency to which they subscribe. It is in this context that the administrative dimensions of the National Agenda for Governance is to be read, interpreted, analysed and understood. No document can be so comprehensive as to include everything. If it were so, the Constitution of India would not have required almost one hundred amendments in less than 50 years.

The Institute does not claim to be attempting a comprehensive treatise on every aspect covered under the National Agenda for Governance nor on the aspects which it has omitted. Nevertheless, faculty of the Institute has undertaken a careful scrutiny, analysis and assessment of the administrative dimensions of the National Agenda for Governance as succinctly as possible. The paper which is enclosed flows from that spirit and that premise. Again, it is not the handiwork of one faculty member but is the aggregate wisdom of a dozen and odd faculty members who offered to tackle one or the other aspect of the Agenda. That being so, what is before us is not the result of one single thought process but a collection of them. If the document could generate a similar thought process among the friends and patrons of IIPA, I think our task has been rewarded.

(M.C. GUPTA)

INTRODUCTION

The National Agenda for Governance (NAG) of the present multi-party coalition spells out the common minimum areas of agreement among the coalition partners. It contains some specific programmatic commitments, some policy directions, some promises and some guiding principle encompassing the whole gamut of issues the ruling coalition treats as its response to the prevailing national challenges and tasks. It could be seen as a necessity of coalition politics and as a sheet anchor for holding disparate entities together and for giving a ray of hope to the people, or rather, for reassuring the electorate. In this sense it may well be treated as the lineal descendent of the Common Minimum Programme (CMP) of the United Front Government. Ideally it may be characterised at the same time as an MOU among the coalition partners, led by the BJP, as also their MOU with the nation.

Of course, it is a consensus document and is necessarily couched in rather general, broad terms. Many, in fact, most of the elements contained in the NAG are a reiteration of what have for long been accepted as national priorities, though differences of nuances and emphases, as reflect in the idiom used and ordering assigned, are inevitable. This is so partly because it is the product of a different grouping of political parties, and partly reflects the need to define a distinct personality for present coalition.

In simple words, there are hardly any signs of paradigmatic shift in the NAG. It does not amount to a qualitative different policy regime. In this sense, the implementation of the NAG is unlikely to mark a qualitative break from the past. It is stronger on the elements of continuity than on those of change. Insofar as a large number of items are a reiteration of long-standing national commitments or outstanding tasks, some of them go back to the constitutional mandate itself.

Its *differentia specifica* has to be seen at the end of the day in the capacity, will and determination which the government may show in order to give effect to the pledges than in the content and details of the NAG as such; it is not input, but outputs or outcome which have to provide the criteria of evaluation. It is the latter which go to characterise the regime of governance. Nonetheless, the document may well be treated as a landmark in the process of evolution of national consensus. In addition to specifying the

modalities, idioms, compulsions and potential of coalition-centred governance it must identify the resources and methods of energising our administrative juggernaut. It is a product of the coming together of disparate political elements which included the post-election coming together of some groups with a view to cobble up at least a wafer thin majority in the Lok Sabha. One cannot, therefore, reasonably subject the NAG to very strict standards of judgement (like the overall integrated nature of the components of the NAG, or their fitting together in an identifiable paradigm, or the capacity to make a clear departure from the various variants of the *ad hoc*, muddling through models of governance seen for long in post-Independent India, or to be able to define and give direction and galvanise social forces for attempting a much needed transformation of India). The idiom, in fact, is one of the attempted smoother and hopefully incrementally result-oriented functioning of the prevailing model, rather than its drastic revision, modification or overhaul. Since it is short on operational modalities, methods of garnering resources and devising newer, more effective instrumentalities, it remains to be seen how far it breaks away from the *status quo*. In fact, the time horizon of these programmes and policies cannot reasonably be stretched beyond the tenure of the 12th Lok Sabha and that too on a premise that the coalition will succeed in lasting its full tenure in order to give a stable government for five years, notwithstanding the hopes and aspirations on its score, and the nagging doubts, machinations and endeavours to the contrary.

The NAG kind of statements of policy and programmatic intentions were not seen in the course of the majoritarian phase of our democracy; the election manifestos seemed to suffice. However, in the transition to the consociational phase of our democracy, with the need to soften the rough edges of divergent coalition partners (both willing and not-so-willing ones who are forced by a complex of contingent factors nonetheless into an easy or not-so easy partnership), the NAG type of an exercise comes handy. But there is a flip side of the story. The governments of the States will have to their share in the pursuit of proving equal to the task of giving effect to the NAG. With fractured polity, hung Parliaments and assemblies and ramshackle State-level diverse coalitions, there emerge prospects introducing many a slip between the cup and the lip. To these uncertainties may be added the ones arising from

the persistent fiscal crisis of state, seen in the form of rising fiscal deficit, declining tax ratio, growing negative balance of current revenue, inability to recover even the user charges for the state-supplied universal intermediates like water, electricity, transport, etc., competitive populism, misuse and diversion of public funds, cost and time over-run of projects, newer forms and arenas of cronyism, the likely fiscal burdens from sovereign counter guarantees, etc., to name a few festering sores.

The implications of the conflicts, compromises and constant bickering characteristic of the previous coalition governance for the effectiveness, morale and probity of the permanent civil services are not likely to be too edifying. Their own culture has yet to adjust itself to the imperatives and aspirations of a democratic polity made fragile by our kind of coalitions. The manifest weaknesses and perversities of our democratic model have stood in the way of a people-friendly, poor-oriented, result-minded, socially responsive bureaucracy. The evolution of new norms and modalities of working under the compulsion of coalition politics is likely to take time, though the process would probably be helped by the experience of playing ball under faction-ridden, single party Congress governments. The task for the bureaucracy has become tougher owing to the switch-over needed simultaneously by the fast-pace moves towards implementing the pre-set agenda of liberalisation. Under these circumstances, the votaries of the NAG will have to strain every nerve to ensure that the sharp cleavage between the stated and the actually realised agenda which has been so characteristic of Indian statecraft hitherto is not allowed to persist. It is a tall order indeed.

Implicit in the NAG seems to be the assumption that Indian governance needs revamping and restructuring for greater purposive effectiveness. In one word, we seem to be facing a "crisis of governance", and hence the need for an agenda to restore governance for accomplishing its major national tasks. It has been maintained that "governance refers to capacity to make and implement policies, especially policies which require attention to detail, such as targeting, selection or judgement. The crisis of governance includes an excessive degree of centralisation, overburdening and rigidity of the government machinery, the absence of local participation which can provide the requisite attention to detail, deterioration in the professionalism, competence

and integrity of public functionaries and the weakening of judicial and quasi-judicial institutions" (Banuri-Tariq, 1997,9).

Obviously, if such a conceptualisation is accepted as a true and adequate representation of the Indian reality, there follow some clear-cut implications for the structure, strategy and specific components of various programmes and policies which are included in the NAG. In the following we take up some of the critical aspects of the NAG and examine them in the light of our experience, needs, capacities, constraints.

ECONOMIC GROWTH

Nearly six-fold increase in Gross Domestic Product (GDP) and almost two-fold increase in population since 1950-51 having brought about one-and-a-half fold increase in GDP per capita. Starting with per capita GDP at around Rs. 1,200 in 1950-51 at 1980-81 prices, we seem to have crossed the mark of Rs. 3,200 in 1997-98 as can be seen from the following table:

	1950-51	1995-96	1997-98
Gross Domestic Product (at factor cost)	Rs. 4,2871 Cr	Rs. 274,205 Cr	Rs. 310,000 Cr
Population	35.9 Cr	92.0 Cr	95.0 Cr
Per Capita Income	Rs. 1,194	Rs. 2,980	Rs. 3,260

Yet our poverty level continues to be 30 per cent if the estimates made by the Planning Commission are to be accepted. A high growth rate is therefore one of the critical requirements for the economy.

In order to build up capacity for future, we attempt to have growth rate of saving higher than of GDP. To say it alternatively, we attempt to have a marginal rate of saving that is greater than the average rate of saving. Our rate of saving at the moment is around 25 per cent. We want to raise it to 30 per cent in five years time while GDP grows at the rate of 7 to 8 per cent.

It took 20 years for saving rate to rise from around 10 per cent to 15 per cent and another 15 years to rise to 20 per cent on a sustainable basis and again 10 years to reach the level 25 per cent. And if poverty is effectively alleviated, then the saving

is likely to grow faster in view of the fact that a large section of the poor actually dissave and to a large extent, making the saving rate low. Actually we are a nation of savers but the minimal conditions have to obtain to permit us to save.

The agenda does not specifically mention about the incremental capital output ratio which indicates how much extra capital stock is needed for a sustained increase of a unit in output when both of them are measured in the same units. This incremental capital output ratio is in the main technology datum. The overall ICOR of the economy then depends on the sectoral composition of output and sectoral ICORs. In fact, the overall ICOR has of late come down a little, it is precisely because of rise in the proportion of service sector in the GDP which has a relatively lower ICOR.

It may however be noted that ICOR often remains above its technological optimum because of certain X-inefficiencies. Demand constraint on the one hand and unnecessary restrictions on the part of the government may keep ICOR above its optimum level. Given the right orientation to the structure of growth, it may not be difficult to keep the ICOR at the level of four which has already been attained during the Eighth Plan, if not to lower any further.

There can be a simple question : why does more capital get accumulated than is warranted by the level of extra output demanded? In many sectors, capital is often accumulated in terms of retained profits because tax has not to be paid on retained profits. It may be overaccumulated in those cases where capital is made available at artificially low cost. But there could also be sectors where more capital is not stocked but it is procured at higher cost. Imports of capital at higher tax may make the ICOR higher than is technologically determined. If prices of capital goods rise faster than do consumer goods prices, then the ICOR becomes higher.

In fact the structure of growth impinges upon the rate of growth via ICOR. Agriculture with its low capital labour requirements has the potential to reduce poverty by generating income through employment and keeping food prices low. This sector has the lowest ICOR after trade. Rationalising public administration which surprisingly has the highest ICOR of eight and concentrating on pipe-line investments in infrastructure in order to ensure quick results through better utilisation would help us keep ICOR down. Further the Government should give a fillip to unincorporated

business sector which has relatively lower ICOR and which provides, in good many cases, good substitutes for consumer products which could be produced by both large scale and small scale and with high capital intensive techniques as well as by low capital intensive techniques. The ICOR could thus be kept down. A lower ICOR for any given saving rate will give a higher rate of growth. At the same time the output composition will so change as to make more people better employed. It will thus cause improvement in productivity of the people on the one hand and rise in their incomes on the other. The same will be the effect of efforts' at boosting agriculture sector.

INFRASTRUCTURE

The National Agenda for Governance on economic aspects, lays thrust on development of infrastructure including energy and power generation. Evidently, infrastructure is a prerequisite for economic growth. In fact, Rakesh Mohan Committee on infrastructure estimated an investment requirement in infrastructure projects of Rs. 4,500 billion over the next five years and Rs. 7,500 billion in the following five years.

With the resource crunch of the government, budgetary allocation for infrastructure has been reduced. Guidelines have been issued inviting private sector involvement infrastructure projects. Guidelines issued in October 1991 on private sector participation in power generation, supply and distribution promise 16 per cent post tax return, stability of operations by enhancing the licensing period to 30 years, permitting a liberal debt equity ratio of 4:1, reduction of import duties on power equipment and certain tax concessions. Such guidelines have been liberalised time and again to woo the private sector. Similarly, procedures relating to foreign investment in infrastructure has been liberalised and automatic approval for foreign equity participate has been allowed upto 74 per cent in key infrastructure activities including construction of roads, bridges, ports and harbours. Road sector has been declared as an industry to facilitate borrowings on easy terms and permit floating of bonds. For infrastructure projects, particularly of the nature of 'limited access projects' diverse financing techniques like special purpose vehicle route, issue of 'Revenue bonds' on limited or non-recourse basis have been initiated. BOOT in various forms has been used and recommended for infrastructure projects including urban infrastructure projects.

However, such private sector involvement requires financial discipline among public bodies, fixation of price per unit of service remunerative enough to ensure cost recovery, a systematic, rule-based regulatory framework, (particularly) in order to avoid the danger of cronyism), development of capital market particularly the bonds market, integrated and comprehensive policy and guidelines with simple rules avoiding subjectivity and bureaucratic delays.

ERADICATION OF RURAL UNEMPLOYMENT

In India considerable section of the rural poor consisting of landless labourers, marginal farmers and small farmers remains unemployed for a considerable period of time in a year. The genesis of rural employment programmes in India could be traced to lack of employment opportunities for the bulk of the rural poor. The development efforts have proceeded so far in a manner which have not been able to contain the problem of unemployed and underemployed in the rural areas. However, as far as the Centrally sponsored rural employment programmes are concerned, it is now generally felt that such programmes have not been equal to the task. This is primarily due to the fact that the programme design itself was defective. What is now required is to take up rural employment programme in a much bolder spirit. As a matter of fact, these programmes have great potential taking into account the magnitude of the unemployed and underemployed people in rural areas. It is estimated that by 2000 AD India's population would be 950 million and our requirements for foodgrains would be in the neighbourhood of 225 million tons with simultaneous increase in demand for other items of common consumption. At the same time, it has been pointed out that land/man ratio (cultivable land) has declined from 0.48 hectares in 1951 to 0.20 hectares in 1981 and by 2000 AD, it is likely to decline further to 0.15 hectares. It has been estimated that more than 50 per cent of the crop land suffers from various forms of soil degradation. There is a need to take up various schemes relating to land levelling, soil and water conservation, reclamation of saline, alkaline, acidic and water logged land, construction of irrigation channels and drains, afforestation, etc. What is required is to have an All India Employment Guarantee Scheme providing right to work on rural public works projects. As a matter of policy, there is a need to make increasing use of labour

cooperatives in this scheme. Besides, integrating such projects with the on-going areas development schemes is also necessary. There is a great potential, if the selection of the productive projects involves the poor in the decision-making process in the real sense of the term. It would go long way for providing a more sustainable basis of development. Another important aspect which should form a part of the operating guidelines of the scheme is the need for linking asset creation by the poor as asset ownership by institutions organised for the poor. In this manner it is possible to strengthen the income base of the rural poor on a permanent basis.

SELF-EMPLOYMENT AND UNINCORPORATED SECTOR

One of the items of NAG is concerned with the requirements self-employment and the unincorporated sector, constitution of a Development Bank to promote this largest segment of the national economy which has great employment potential and systems for providing services, technology and marketing facilities for artisans, the small-scale, village, khadi, powerloom, handloom, handicrafts and other such industries.

As is well-known some 35 to 40 per cent of our population is still living below the poverty line. The generation of employment or self-employment opportunities must clearly be given priority. A large proportion of the poor own no land or other assets and work as casual labourers in agriculture or on off-farm activities, or survive on the basis of the collection and sale of nontimber forest produce.

Microenterprises for Self-employment in the Informal Sector

Access to credit is the key to almost every form of productive self-employment for the poor. The poor in general and women in particular remain locked out of the formal financial system. This constrains them in acquiring capital assets, productive resources or adequate working capital that enable production and trade.

It has been pointed out that despite "expansion of the network of rural branches of commercial banks, mandatory lending to priority sectors, discriminatory interest rate in favour of the poor,... the objective of access to easy credit has been thwarted to a large extent by lack of proper response from the financial institutions. The credit agencies see lending to the poor as a burden rather than a good feasible investment".

In addition to putting up assets as collateral, getting credit from the formal banking system requires literacy and numeracy, extensive documentation and time. The poor need small loans. Borrowing from the formal sector involves transaction time and transaction cost.

Field investigations reveal that income levels for women in off-farm activities vary from as low as Rs. 15 per day to as high as Rs. 75 or more per day. The activities that rural women are engaged in can be divided into six broad groups. These included:

Trading activities such as vending vegetables, fish, milk, and fruits, breaking bulk and grading or sorting.

Activities based on traditional skills and using local raw materials such as leaf plate making, brooms, embroidery, bead work, making ropes, mats, bamboo products, laces, sewing, knitting, pandal making, durrie weaving, fabric weaving, pottery, etc.

Production and trade in processed foods such as parboiled rice, jams, jellies, fruit bars, papads, honey, bread, biscuits, snacks, tamarind powder, spices, salt, etc., as well as tiffins and ready to serve meals.

Non-traditional activities such as making cards, notebooks, files, envelopes, poultry rearing and dairying.

Traditional service activities such as running small hotels, provision stores and tea stalls or hiring out bicycles or utensils.

Skill based non-traditional service activities such as hand pump repair, radio repair, running STD booths, cycle repair, photography, plumbing, welding, zip repair, etc.

Trading activities such as vending milk and vegetable yield relatively high returns. Trading products on a daily basis implies availability of immediate input on changes in market demand, prices and automatic adjustment in purchases for supply, thereby minimising the dangers from losses incurred in inventory pile up.

Substantial improvement in returns from any of these activities is possible with marginal interventions. For instance trading activities such as vegetable vending could benefit substantially from access to timely and adequate credit on commercial terms. Given that the local money-lender charges interest rates of

as much as 120 per cent, a charge of 24 per cent is considered relatively cheap. Access to credit for purchase of a bicycle or push cart would reduce the drudgery of carrying head loads to the market and increase the number of villages covered.

However, where specific banks or bank managers have taken the decision to be sensitive to the need of the poor, the impact of availability of credit had been phenomenal. Caution needs to be exercised in that in no case should banks be asked to push credit targets as this can cause difficulties in repayment if credit is taken for developing new skills or activities without ensuring adequate market demand.

If additional inputs can be provided, such as market intelligence related information designs where relevant inputs regarding market opportunities, that would further, facilitate production and trade. Self-help groups and women's cooperatives have been extremely successful in some parts of the country in generating opportunities for self-employment.

Non-Timber Forest Produce

Tribals get marginal return for the large variety of non-timber forest products that they collect primarily due to lack of knowledge regarding the uses and commercial value of these resources as well as lack of value addition. Minor forest products or Non-Timber Forest Products (NTFP) account for two-fifths of total forest department revenues and three-fourths of net export earning from forest produce. The majority of workers involved in the NTFP economy, sell the product at throw-away prices. Collection and processing of minor forest produce refers to products like leaves, gums, resins, seed, herbs, bamboo, cane, sandalwood, fibers, medicinal plants, nuts, dyes and other such products.

Administrative Challenges and Implications

NTFP constitute renewable resources and green design concepts can be introduced to develop products for high end of the export market. Home based workers in India produce a wealth of products ranging from baskets made of forest fibers that sell locally for as little as Rs. three to herbal products for which there are large markets, but where the poor do the laborious collection of forest produce but earn just a subsistence. While several government and non-government organisations are helping the poor

to improve their earning capacity and some even help provide credit, few are willing to provide critical marketing support, much less ensure that the bulk of the returns accrue to the poor. There is often lack of know-how regarding entry into markets or production that is not against specific orders, thereby resulting in problems of inventory pile-up. Interventions such as marketable designs and what to make strategies, based on market intelligence and information on changing market needs would need to be provided, if inventory pile-up is to be avoided.

PUBLIC HEALTH

With the accent of overall policy on processes of liberalisation, privatisation, deregulation, and globalisation, public health is becoming a major casualty. While the general health conditions are worsening on account of unhindered race for exploitation of India's resources and environments, the squeeze of resources is worsening the public health system, which is also being pushed towards similar processes of marketisation and privatisation. This is generating a dangerous health scenario.

In 1978, with the signing of Alma Ata Declaration, the goal of "Health for All by the year 2000" was accepted by the Government of India. In effect, however, India has not witnessed any major improvement in respect of health over the recent years—in terms of HDI, India remains 136th among 174 countries of the World. In fact, there has been a resurgence of several of the older diseases, such as malaria, in more virulent forms. Communicable diseases still account for a large number of deaths in India. TB remains the biggest killer. Epidemics like plague and dengue have raised doubts about the health conditions in general. Among the major reasons for this are not only lack of free drugs available in public institutions, though this by no means is unimportant; emergence of new problems in environment has contributed to the growth of certain diseases too. Besides growing resistance of certain diseases to treatment, individual resistance to certain treatments because of the poor state of nutrition, either on account of inadequate food availability or lack of purchasing power, and poor health services are equally important factors in this process. The National Agenda adopted by the present government only mentioned concern for health. It is silent on strategy as well as the specific institutional means.

The debate on health in India cannot be centered on drugs and technology alone. The thrust on economic development at the cost of deforestation, disappearance of wild life, ill-planned and poorly managed irrigation projects have increasingly upset the human-environment interface and threatened existing strategies for survival for many, especially in the tribal and rural areas. Development has worsened the health scenario for them, by threatening their traditional survival mechanisms, without offering them any of the benefits of development and strengthening their capacity to make use of the modern system of medicine. This needs to be addressed through the overall development strategy itself rather than as a segment of development package. Vertical programmes in disease control without a strong health care system and healthy environment cannot help much. Recent incidents of food adulteration and dropsy deaths points to the need for effective regulatory mechanisms in creating a healthy environment. A comprehensive health strategy which combines promotional and curative with preventive efforts, on the one hand, and which strengthens health infrastructure and ensures accessibility to it in the remotest parts of India and to the poorest as well, on the other, appears to be an urgent need.

Public sector health care system is faced with resource problems, administrative bottlenecks, and infrastructure gaps. Availability of health through public institutions is confined to certain regions and inadequate equipment and manpower as well as the supply of drugs makes it difficult for the poor, especially in many rural areas to rely on public health institutions. The need is to strengthen these and to work out strategies which prevent misuse of resources by health service delivery systems rather than to abandon these. Public health system needs a complete over-hauling but cannot be replaced by private sector or market-oriented strategies of health provisioning, especially in a country with more than 40 per cent population living below poverty line. Public health cannot be left to the NGO sector either. Selective approach to disease prevention and control or 'fire-fighting' approach, advocated by most donor agencies which dominate the non-governmental sector and their agenda, can not help divert resources away from the needs of people to the concerns of donors. This will be a worse state of affairs than the present one. Improving the effectiveness of legal, administrative and judicial system is crucial to the creation

of an overall context for the operation of even private or NGO sector in an effective manner.

Since regional variations in health as measured in terms of health indicators like life expectancy at birth and infant mortality rate are enormous—from 72 years and 13 per thousand respectively in Kerala to 54 years and 97 per thousand in Madhya Pradesh—it is important to examine the reasons for such variations in a comparative perspective and learn from the success stories. But it is also important to look into the varied needs of the regions and work out strategies accordingly.

EDUCATION

Education for all has been enshrined in the Directive Principles of our Constitution. Yet education has been the most neglected area of post-Independence development policy. The result is that we have more illiterates today than the entire population of the country in 1947. The statement that India has the world's largest number of illiterates has almost become a cliché.

Part of the problem arose from the concept of development itself which was adopted after Independence. While to Gandhi and a number of other nationalist thinkers, constantly increasing levels of consumption was not the end of development. Nehru and economic planners accepted the 'Commodity-centred approach' to development, which as, Prof. Sukhomoy Chakraborty states, was the 'modernizing' approach of the time. Growth of GDP, therefore, took a precedence over manifestation of human capabilities in India.

The prevalent economic theory also postulated a causal relation between growth of GDP and investments in material capital. It was felt that the key to economic development lay in raising the (physical) capital formation ratio from about five per cent of GDP to over 15 per cent GDP. The role of human capital formation was never incorporated in our plan models and therefore investments in education was not considered central to development but as a peripheral social sector expenditure which the state should attempt after the basic goal of GDP increase is achieved. Investment in Human capital formation is now considered necessary for sustained economic growth. 'The East Asian Miracle' states: "Primary education is by far the largest single contributor to the HPAEs'

predicted growth rates. Between 58 per cent (Japan) and 87 per cent (Thailand) of predicted growth is due to primary school enrolment." And again: "Far and away the major difference in predicted growth rates between HPAEs and sub-Saharan Africa derive from variations in primary school enrolment rates.... Education is the main theme of the story of the differences in growth between sub-Saharan Africa and East Asia".

All this has changed with the development experiences of the East Asian Countries and the rise of endogenous growth theories. Investment in Human capital formation is now considered necessary even for sustained economic growth. Growth of the economy, growth in productivity (an issue partly discussed under ICOR) and even growth in exports are critically dependent on the spread and quality of education. Education has been observed to lower infant mortality and fertility rates. It improves hygiene, health and nutrition standards and goes a long way in developing self-respect and self-confidence among the under-privileged, which includes women. Yet, after liberalisation, government spending on education as a proportion of GDP has declined from four per cent in 1991-92 to 3.1 per cent in 1995-96. Any attempt to raise the ratio to 6 per cent of GDP must not only be welcome but should be given the first priority.

This is specifically necessary in view of several studies which have shown that direct costs of education, together with small opportunity costs, is one major factor for continued educational deprivation among the poor. Government expenditure for primary education and on programmes like mid-day meals will therefore matter. A study, for example, of Uttar Pradesh, Himachal Pradesh and Kerala concludes that it is the "inability to meet direct costs (which includes fees, cost of text books and other writing materials, etc.) which compels parents to withdraw children from school". (EPW, Jult 4-10, 1998).

But expenditure, which could help in providing free education to the poor or reduce their burden of educational expenditures, is not adequate. Numerous studies have shown the ineffectiveness of our school system. The 1994 NCERT study, for example, presented a dismal picture : "On basic tests, on arithmetic and reading-comprehension in mother tongue, the scores showed that many children were not capable of answering even half the questions correctly, *i.e.*, were nowhere near mastering basic reading and

numerical skills." (EPW, July & August 3, 1998)

Universal primary education and a step-up of governmental expenditure are not adequate. What is needed are steps towards effective universal education. That is the real challenge.

NATIONAL HOUSING POLICY

The problems of housing in our country are enormous in magnitude and diverse in character. Today, it has become one of the most complex problems. Since last decade or so, special attention is being given to the formulation of purposive National Housing Policies and Programmes. Recently, a new Housing Policy Draft has been submitted to the Parliament. It is in the fitness of things that the following specific issues be deliberated upon to evolve rational housing policy.

1. Affordable Housing for 'Have Nots'

The bulk of the housing shortage in urban and rural areas concerns the poor and the 'have nots'. They have hardly any savings to spare for housing. Along with dwellings in modern days, basic service like water supply and sanitation are essential for healthy living. In addition, housing must contribute to overall human resource development. The crux of the problem is to have affordable housing for the masses like the squatters in urban areas and rural landless agricultural workers. In view of steep rise in the prices of land, building material and labour, it is increasingly becoming difficult to build houses at affordable cost. The National Housing Policy needs to devise ways and means by which housing at affordable cost could be provided to the masses. This involves technological aspects like town planning regulations, optimising densities of habitations, use of cheaper building material and their production, provision of low-cost services, increasing productivity of labour, etc.

2. Sustainable Development and Appropriate Technology

Vast amount of resources are needed for large scale housing programmes to be undertaken both in urban and rural areas. It is imperative that only such resources are exploited which do not impair ecological balance. In order to meet growing housing needs, it is necessary to evolve, choose and adopt technologies and

numerical skills." (EPW, July & August 3, 1998)

Universal primary education and a step-up of governmental expenditure are not adequate. What is needed are steps towards effective universal education. That is the real challenge.

NATIONAL HOUSING POLICY

The problems of housing in our country are enormous in magnitude and diverse in character. Today, it has become one of the most complex problems. Since last decade or so, special attention is being given to the formulation of purposive National Housing Policies and Programmes. Recently, a new Housing Policy Draft has been submitted to the Parliament. It is in the fitness of things that the following specific issues be deliberated upon to evolve rational housing policy.

1. Affordable Housing for 'Have Nots'

The bulk of the housing shortage in urban and rural areas concerns the poor and the 'have nots'. They have hardly any savings to spare for housing. Along with dwellings in modern days, basic service like water supply and sanitation are essential for healthy living. In addition, housing must contribute to overall human resource development. The crux of the problem is to have affordable housing for the masses like the squatters in urban areas and rural landless agricultural workers. In view of steep rise in the prices of land, building material and labour, it is increasingly becoming difficult to build houses at affordable cost. The National Housing Policy needs to devise ways and means by which housing at affordable cost could be provided to the masses. This involves technological aspects like town planning regulations, optimising densities of habitations, use of cheaper building material and their production, provision of low-cost services, increasing productivity of labour, etc.

2. Sustainable Development and Appropriate Technology

Vast amount of resources are needed for large scale housing programmes to be undertaken both in urban and rural areas. It is imperative that only such resources are exploited which do not impair ecological balance. In order to meet growing housing needs, it is necessary to evolve, choose and adopt technologies and

materials that are appropriate: investment in housing has to be economically productive and environment-friendly.

3. Land Development and Infrastructure

With the high density of population both in villages and cities, scarcity of land and steep rise necessitate economical use of land built-up space by evolving sound land utilisation policy. The land has to be prepared for housing, including provision of basic services and other infrastructural facilities. This involves high capital cost. Ways and means have to be devised to undertake land use and its development at economical cost from the angle of affordability.

4. Public-Private Participation

Though the Government has the primary responsibility for housing the millions in our country traditionally, housing has been provided for the people themselves largely through self-help and mutual help.

Self-help housing is still being continued in the rural context. In cities, however, the scope of self-help housing is severely restricted. But informal sector is quite active in building houses by utilising a variety of non-formal measures and methods. Now, it is increasingly realised that the Government and public sector alone cannot tackle enormous shortage of housing in the country. It has become necessary to involve the private sector more and more in one form or the other. The private builders, contractors and developers should be provided the required support facilities and credit to build more and more houses at affordable cost. One of the potential means is to form cooperative societies to harness cooperation in housing as well as to encourage other community organisations.

5. Research and Development

Housing needs are changing fast and complexities in providing housing are also increasing. The technological aspects like search for cheaper materials and appropriate technology for construction to suit local geo-climatic and socio-economic conditions are of

urgent necessity. Research investigations and studies should be given priority by providing finances, resources and other facilities to evolve innovations, use of the new materials, construction techniques, design concepts, etc. In addition to this, indepth research in socio-economic aspects of housing is of great significance in identifying the felt-needs of the people and ways to satisfy these.

National Informatics Policy

The NAG refers to the long-overdue transformation of India into a modern, prosperous and knowledge-driven nation by ensuring integration of efforts in the field of science and technology in the development programmes in various socio-economic sectors. It promises to speed up the modernisation of National Laboratories, strengthen R & D and establish Centres of Excellence. It recognises Information Technology as an important vehicle for future development. It promises to unveil a National Informatics Policy with short, medium and long-term perspectives to transform India into a software superpower.

The Government of India notified the appointment of a National Task Force on Information Technology and Software Development in May 1998 for formulating within 3 months draft National Policy on Informatics to enable India to emerge as an information technology superpower within the next ten years.

The Task Force released the Information Technology Action Plan containing 108 recommendations covering both bottleneck areas and broad promotional measures relating to telecommunication, finance, banking, revenue, commerce, electronics, human resource development, finance and rural development. They address national needs in the areas of information infrastructure, internet access, software development and exports, hardware manufacture, electronic, commerce, R&D in IT, manpower training and education. A unique promotional campaign suggested in the Action Plan is operation knowledge, which aims at universalising IT and IT-based education at all levels of the education pyramid in India. Among other things, it recommends easy availability and extensive transparency of government information and setting up of National Institute of smart Government to focus on all issues concerning IT-Supported governance. It foresees India's emergence as an Information

Technology Superpower in the shortest possible time, provide INTERNET access modes at all District Headquarters and local charging areas by 26th January 2000, achieve an export target of US \$50 billion of IT software and IT services by the year 2008, and IT for all by 2008.

The origin of IT revolution coincides with the Independence of India and provides an opportunity for India to participate as an equal partner in this revolution alongwith the industrialised nations unlike during the first industrial revolution when India was under British occupation and could not participate effectively leaving India under-developed. Information Technology is a very powerful force that provides nervous system to the society. It has the capacity to integrate societies, break national and state barriers and transform the world into a global village.

Every society wants to enjoy the fruits of science and technology but only few societies provide the necessary environment and value system for development of science and technology. Developments in science and technology have been led by both the market forces, and scientific attitudes. It is unfortunate that inspite of the third largest trained manpower in science and technology, India has not made any significant contributions to science and technology in recent times. The causes of this under performance may lie in the socio-economic environment as well as cultural and social values. Ancient Indian culture is a matter of pride for us and provides a sound foundation for a strong and rich society. But, dogmatic adherence to ancient values can become a serious impediment in the development process led by science and technology.

Independent thinking is a basic precondition for scientific attitude. Only if the exploitation of man can be stopped, vast among of trapped human resources can be released for productive activities. Hence the government should launch a national social security programme to ensure food, shelter, and education to every child and employment at minimum wages to every adult. The resources for this programme can be generated by eliminating wasteful expenditure in public institutions including public limited companies. Family and community based managements, which is the main cause of wasteful expenditure, should be overthrown and replaced by professional managements.

A large proportion of Indian population do not have the means

to participate in the market mechanism and are simply led by the leaders. They are fed with a regular dose of superstitions in the name of knowledge to prevent them from providing competition to the Indian elite. So called, *Ram Rajya* may not provide a suitable environment for development of science and technology. It is doubtful whether the ideological basis of the ruling party is in conformity with their ambitions in science and technology. But, if their scientific ambition is taken to the logical conclusion, it has the capacity to destroy their own ideological basis. India needs to deal with the resolve this contradiction.

Empowerment of Women

Redistribution of power encounter patriarchal ideology and male dominance is what is understood by the term empowerment of women. It is a process in itself and also result of the process. There are structures and institutions that perpetuate gender discrimination and, therefore, there is need to bring about change in these structures and institutions to be helpful in empowering women. One way to do away with discrimination would be : (i) removal of the imbalance prevailing in the decision-making positions between men and women; (ii) improving education status of the women; and (iii) strengthening the hands of those who want to start their own enterprise by making finance easily available to them. All three options have been included in the agenda for governance.

Reservation can be introduced either by reserving some of the constituencies for women or by making political parties willing to select more women candidates. In India, since there is no prevailing law to impose such a reservation on political parties, the concept of reserved constituency, to start with, would be the welcome choice.

It is desirable to have a time-frame for reservations. Once the women acquire the requisite representation and the processes of empowerment bear perceptible fruits, it may not be necessary for them to persist with electoral reservation.

Some step which would be helpful in making the process effective would be:

- (i) Empowering women through education and training.
- (ii) Empowering women by making them financially independent.
- (iii) Empowering women by giving them choice to decide the family size.

- (iv) Empowering women by making them aware of their rights.
- (v) Empowering women by making their representation large so as to function as pressure groups.

The distribution of men and women in the employment market is uneven. Women are in the sphere of production but neither in significant numbers nor positions. As they lack the required education and training for skilled jobs they are forced to take manual or semi-skilled jobs which entail low pay packets. The gender segregation must be discontinued and the best way to do this is by making women skilled and enabling them to have higher jobs. The self-employment sector has lots of opportunities but for the financial constraints it is not possible for women to start their own enterprises. It is necessary to strengthen their hands by providing them financial assistance.

COMMISSION TO REVIEW THE CONSTITUTION OF INDIA

The present government wishes to appoint a Commission to review the Constitution of India in light of the experience of the past 50 years. In this context the first question which may appropriately be asked is that what is the legitimacy of such exercise particularly by a combination of parties which do not enjoy the support of 2/3 of Parliament? This government is oath bound to uphold the Constitution. It is true the Constitution is a living law. For this there is an in-built mechanism to keep the Constitution in tune with the demands of the time in terms of the provisions in the Article 368 of the Constitution. There are a number of provisions under the Constitution which have not been implemented so far. In this context the attention needs to be drawn to Articles 309, 300, etc. One may like to think of a new Constitution because the Constitution is for the people. However, we should also address ourselves to basic question: whether the Constitution has failed or we have failed the Constitution?

National Judicial Commission

The proposal to appoint National Judicial Commission (NJC) to recommend judicial appointments in High Courts and the Supreme Court and draw up a code of ethics for the judiciary is right step. In addition, the NJC may also be given power to recommend transfer of High Court Judges. The NJC should be given

Constitutional Status and should also be given power to recommend reforms in the administration of justice including the administrative justice system. It should not be more than five members body including its Chairman. The Chairman and Members of NJC may be appointed for a period of five years. The salary, allowances and other conditions of service of the Chairman shall be the same as those of the Chief Justice of India and other Members shall be the same as those of a Judge of the Supreme Court. The Chairman or a member shall not be removed from his office except by an order made by the President on the ground of proved misbehaviour or incapacity after an inquiry made by a committee consisting of the Chief Justice of India and two other judges of the Supreme Court next to the Chief Justice in seniority, in which the Chairman or the Members had been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges. In addition there is also a strong need to create a judicial ombudsman.

Lokpal

The present Lokpal Bill, 1998 introduced by the Hon'ble Prime Minister on August 3, 1998 is seventh in the series. It goes against the promise made in the NAG. Item 24 of NAG states that the Government will "enact the Lokpal Bill with adequate powers to deal with corruption charge against *anyone*", including the Prime Minister. However, the Bill covers only public functionaries and not public servants. Any way, it would be hard to consider present Bill as Lokpal (Ombudsman) Bill. At best the Bill can only be called as Permanent Commission on Political Corruption (PCPC). The idea of Lokpal as conceived by the ARC (1966) was much wider and included public grievances of the citizen against administration within its ambit. This aspect is completely missing from the present Bill. This is one of the serious omissions.

For India, Lokpal (Ombudsman) means an agency for ensuring greater accountability of administration, a facilitator of administrative responsiveness, contributor to administrative reform and better access for the common man to grievance redressal. It should be seen as a part of the total drive for de-feudalisation of the administrative culture for better service to the citizen. Addressing corruption *ex post facto* without first attending to the business of reforming and improving administration is like putting the cart before

the horse. Therefore, addressing public grievances, arising from injustice, felt or actual, due to administrative failure, both through improved internal complaint procedures and through operation of the Lokpal system, would have a direct impact on the level of corruption existing at any given moment.

The present Bill is restricted to offence punishable under the Prevention of Corruption Act, 1988. [Section 1(2) (3)]. It may be remembered here that more or less similar jurisdiction under the 1985 Bill was violently opposed by the opposition members of Parliament whose joint minute of dissent was appended to the Report of the Joint Selection /Committee of Parliament on Lokpal Bill, 1985. It recorded, "of various versions of the Lokpal Bill... the 1985 Bill seemed to us the most anemic in content and the most restricted in scope." It was also mentioned that the standards of good conduct were no less important governance. They recorded:

"We agree with the view that the Lokpal's jurisdiction should not be restricted to examination only of those complaints which involve alleged corruption but should also cover complaints about of power, gross misconduct, maladministration causing harassment of citizen, etc."

It may, however, be mentioned that Shri L.K. Advani, the Minister of Home Affairs in the Government of India, was one of the signatories of the joint minute of dissent. Therefore, "grievance" and "allegation" both should be brought within the jurisdiction of the proposed Lokpal. It would, however, not be out of place to observe here that in the successive Bills, the idea and ideals of the institution of Lokpal have undergone a dilution.

SMALLER STATES

The national agenda assures giving full statehood to Delhi and promises to create Uttaranchal, Jharkhand and Chattisgarh as new states. Let us examine the rationale for small state? Are small states required for the all round development of the country? Whether it will not open the floodgate for demand for separate states of Telangana, Vidarbha, etc.? Whether the small states already created in North-East have solved the problem of underdevelopment of the region?

No doubt, due to the vastness of the territorial areas of different states of the Republic of India as socio-cultural, religious and variation within the states, in the last two decades we have

witnessed unrest and upsurge in major parts of the country and there has been increasing demand for creation of small states. As a matter of fact this phenomena creates problems of law and order and hampers the pace of development. The reason for such tendencies is the lopsided development which poses the danger of disintegration of a state. But one cannot maintain that the creation of smaller states in the North-East has made any reckonable differences to intra-state imbalances.

Creation of small States is not the real solution to such a problem. Our experience of the creation of small States in North-east shows that a lot of money has to be spent on administrative infrastructure particularly in creating the State secretariat and most of the development funds are diverted in that direction. Therefore, we need to reduce regional imbalances and specific policies for the purpose are the need of the hour. Moreover, we should give adequate attention to decentralised system of governance, e.g., setting up of Regional/Development Councils. These Regional Councils may be constituted with and effective powers, on the basis of the assessment of social, economic, cultural and regional problems of the various regions of the States. Allocation of plan resources has to be made responsive to such intra-state imbalance alongwith the power to plan and execute development programmes.

The State Public Service Commission may ask for intra-regional preferences of the candidates and the succesful candidates may be assigned a particular region of a State. This may bring local level bureaucracy closer to the community and a better functional understanding. On the lines of the IAS and IPS, based on their competence and efficiency the regional bureaucracy may also be deputed to the State secretarial on deputation. The officers opting for particular region should be responsible to the Regional/Developmental Councils for their actions.

This may help in diffusing the tensions in different regions of the State. Therefore, in our opinion creation of small States is not the solution to the regional disparities, social and political tensions and development needs. The Regional Councils supported disparities, social and political tensions and development needs. The Regional Councils supported by the committed regional bureaucratic cadre may take care of such problems and may diffuse the demand for spearate states.

POLICE REFORMS

A commitment made by the present BJP-led alliance government at the Centre in its "National Agenda for Governance" is to "introduce time-bound programmes of needed administrative reforms including those for the police". To fulfil this commitment, the Union Government has constituted, in July 1989, a four-member panel with six-months' term for guiding it to take effective steps on the recommendations made by several commissions for police reforms which were so far kept under the carpet by its predecessors.

During the past half-a-century after Independence, there has been, in fact, no serious and systematic effort on the part of our political leadership to insulate the police from its colonial legacy and transform it into an impartial, professional and people-oriented force in consonance with the democratic system of governance. The brazen manner in which the police force was misused during the emergency of 1975-77 led the first non-Congress Union Government to appoint the National Police Commission after three decades of Independence. In its voluminous report, the Commission headed by Dharma Vira, *Inter alia*, recommended the setting up of the State Security Commission and laid down its composition, functions and jurisdiction to give necessary autonomy, transparency, accessibility and accountability to the police force and also enable it to perform its investigative work with a higher degree of professional commitment and competence without any sort of interference from any outside authority whatsoever. Unfortunately, the important recommendations made by this and other commissions such as the Law Commission of India and National Human Rights Commission have not so far been implemented. Over the years, on the contrary, the police force has become "totally politicised" and is being blatantly misused by parties and persons in power. The threat of frequent transfers and posting is now the most common practice to discourage and debar and force from functioning in an independent and fair manner.

It is against this backdrop that the Vajpayee Government's commitment to police reforms would inevitably raise certain questions which need to be debated at length and addressed in

a fair and forthright manner. These are :

- (i) Since police is a State subject and the BJP and its alliance partners are now in power in a number of States, why do they not initiate police reforms at least by setting up Security Commission in their respective States instead of appointing a panel, if they are really sincere to their "joint and unanimous commitment"?
- (ii) Assuming that the climate of political uncertainty disappears and the four-member panel submits its suggestions within the stipulated time, will the State governments run by the BJP and its partners really implement them by sacrificing their existing power and authority to control (or rather to misuse) the police force?
- (iii) Should not the proposed Security Commission, if accepted by the four-member panel, be extended beyond the State level and percolated down to the local and district levels under the Nagarpalika and the New Panchayati Raj Systems in pursuance with the mandate and the policy of democratic decentralisation under the 73rd and 74th Constitution Amendments.

ELECTORAL REFORMS

Like police reforms, the much-needed electoral reforms are still pending due to lack of political will. No wonder that the "National Agenda for Governance" includes "necessary electoral reforms" to deal with "the malaise of defections, corruption and criminalisation of politics, and to prevent electoral malpractices".

An all-party meeting on Electoral Reforms was held on May 22 this year. The meeting presided over by Union Home Minister, L.K. Advani, and attended by representatives of 18 political parties, is reported to have reached consensus on state funding of elections and set up a seven-member committee headed by former Union Home Minister, Indrajit Gupta, to concertise proposals in this regard.

Subsequently, in reply to a question in Parliament, the Law Ministry reportedly said that it had received suggestion from the Election Commission to bar candidates with criminal background from contesting elections in September 16, 1997. The Commission had made certain proposals for "restructuring and strengthening"

Section 8 of the Representatives of the People Act, 1951, which contains provisions for disqualifying a person on conviction of offences listed therein. However, unlike the usual response of "the matter is under consideration", the Ministry reportedly told the Parliament: It is only "in case consensus emerges" amongst political parties that government "would consider" introducing a bill to give effect to such proposals. This indicates not only the government's approach, but more so, the fate of "necessary electoral reforms". Hence, some of the major issues that may now come up are identified as follows:

- (i) What does the term "necessary electoral reforms" mean? Does it not mean multi-pronged and holistic reforms of our existing electoral system instead of *ad hoc* and piecemeal exercises?
- (ii) Is state funding of elections without "necessary electoral reforms" justified, reasonable and fair even on the pretext of "governance by consensus"? In the present state of our parliamentary democracy and electoral politics, will it not lead to reinforcement of criminalisation of politics at the cost of public exchequer?
- (iii) Should not the age of entry in public life and the age of retirement from public life constitute an agenda for electoral reforms? If so, what should be the minimum age for entry and the maximum age for retirement?
- (iv) When political will is lacking in curbing criminalisation of politics, why not the Indian voters should have the right to reject undesirable and frivolous candidates?

The Christian Science Monitor of the US reported recently that in California, efforts are being made to get a "None of the Above Voter Empowerment Act" passed. If enacted, the voters will have an opportunity to record their rejection of all the candidates, marked against the option 'Non of the Above' (NOTA) provided in the ballot paper. In case the NOTA option receives the largest number of votes, a repeat election would be held with a new set of candidates.

Why not the Indian voters should have such an option? How long will they be compelled to choose some one from among a bunch of criminals and corrupt politicians as their representative?

ENVIRONMENT

India is moving towards being the most populous country in the world. Simultaneously, it is also moving towards being the most polluted country in the world. The air quality in many of our towns and cities is abysmal. A recent publication records the levels of suspended particulate matter in city after city to be much above safe levels. A World Bank assessment shows that the health costs due to high ambient air pollution levels in 36 Indian cities is over 8,500 crores of rupees per year. They have also stated that on a very conservative estimate and taking into account only a few of the environmental parameters, the annual environmental damage in India adds up to over 40 thousand crores of rupees, which is 4.5 per cent of GDP at 1992 values.

Today there is a greater understanding of the fact that true development must be environmentally sustainable. There is a realisation that whereas the poor sometimes degrade the environment because they have no other options for survival, the affluent degrade it all the time because they waste and consume excessively. There is also a recognition that development activities and projects that are not environment-friendly often destroy much more than they create.

Clearly, then, the way forward towards protecting and conserving the environment lies in addressing these basic issue. For one, the poor must not be forced to commit ecological suicide by destroying their own environment. Ideally, all poverty would be eradicated and the imperatives of survival would not force anyone to destroy the environment. But, till this happens, intermediate strategies need to be developed.

Over the last few years it has been observed that where the people have assured access to a national resource and a right to manage it themselves, there is a much greater chance that they would use it sustainably, even if it means substantial deprivations for them. Having been assured of reaping the benefits, they would also invest time and effort in making that ecosystem more productive. The joint forest management initiative in many parts of the country bear witness to this fact. Therefore, any agenda before the nation must include efforts at progressively decentralising control over natural resources and, more and more, involving the communities living in and around wilderness areas in their conservation and regeneration.

Where there is not enough to meet their needs sustainably, the nation must invest in developing sustainable alternatives to satisfy their income and biomass needs. Recent initiatives at establishing an ecodevelopment approach, which attempts to do this, for management of some national parks and sanctuaries have shown great promise. The nation needs to resolve to adopt such an approach for all conservation initiatives.

Concurrently, the process of removing poverty must go on. However, it must be ensured that activities and projects intended to alleviate poverty do not end up further impoverishing the poor. When forests are destroyed, rivers and lakes are polluted or drained, and soils are degraded, then the tribals, the forest dwellers and the poorest of poor, who depend on these resources for their day-to-day survival, are further impoverished. Therefore, it is important that a comprehensive environmental impact assessment of proposed development activities and projects be invariably carried out and only the environmentally viable ones permitted. People are also adversely affected by hazardous industries. Fortunately, the recently passed Act for setting up environmental tribunals would give them some relief, if and when it becomes operational. This indicates the vacuum which has to be filled by well-directed administrative efforts.

However, often projects are justified, even when they are very destructive to the environment and compromise the survival prospects of the poor. It is argued that such projects, nevertheless, contribute to the development process by generating electricity or manufacturing goods. While this might be true, in a country like India where there are huge disparities between different segments of the society and between different regions, it is essential to ensure that there is distributive justice. Therefore, the question that needs to be asked is : whose resources are being appropriated for whom? In other words, the traditional cost benefit analysis is not adequate, we must also conduct a class benefit analysis'.

Projects, even if their benefits are greater than their costs, must not be allowed if cost are primarily being paid by the poor and the benefits are primarily going to rich. Many projects which destroy rural environments and provide resources to the urban rich, would come under this category. Therefore, any agenda for the nation must include a greater stress on protecting the poor man's (and woman's) environment from the clutches of the rich and powerful.

But, then, how are the needs of the cities to be met? From where would come all the electricity and water that our fast expanding cities need? Perhaps, in a country like India, we cannot afford to support and encourage the levels of consumption and waste our cities have come to represent.

As things stand, there is a reluctance to incorporate measures for protecting the environment in development projects, on the plea that the cost of such projects would go up too much. However, the environmental degradation that results is not costed. Therefore, any agenda for the country would necessarily have to include a resolve that there would henceforth be a realistic costing of all projects and activities and that subsidies at the cost of the environment would be discontinued.

There is, therefore, an urgent need to start assessing the cost of environmental degradation to our economy and the nation. We need to develop a more comprehensive system of natural resource accounting and budgeting, and incorporate the costs and gains in the environment sector into our national accounts. As things stand, if environmental costs are calculated, our growth rate for the last many years would be negative.

The recent experiments in decentralised planning in the state of Kerala need to be seriously considered for the whole of the country. The Planning Commission, which has over the years become progressively irrelevant, should devote itself to the task of sustainable development.

SUMMING UP

In the last fifty years since attained freedom we have undoubtedly achieved spectacular progress in many areas such as science and technology, industrial development, agricultural production and communication, etc. Yet, the long cherished dream of our great national leaders and freedom fighters to establish a just and egalitarian society remains unfulfilled. We are yet to provide food, shelter and even drinking water for millions of our people. The commitment made by us to ourselves, through the Preamble to the Constitution still remains unrealized in parts. In its realization, lies our goal.

The National Agenda for Governance, though not an integrated blueprint for nation building, covers a vast spectrum of issues which

are relevant for our nation building exercises. This is why, the Indian Institute of Public Administration, being a premier Institute and the think tank for the governance and administration of the country, considered it necessary to provide some guidelines and strategies to address some of the very important issues covered by the National Agenda. Since the primary concern of the Institute is governance and public administration, a modest endeavour has been made in this Theme Paper to highlight administrative dimensions, challenges and implications of certain issues in the National Agenda such as economic growth, development of infrastructure for economic development, eradication of unemployment, requirements of self-employment and unincorporated sector, public health, education, national housing policy, national informatics policy, empowerment of women, constitutional and legal reforms, creation of small states, police reforms, electoral reforms, environment and sustainable development.

Since this is a modest endeavour, it will be prudent on our part to admit that the issues raised and discussed in this paper are not exhaustive. We, therefore, look upon this august body of IIPA members and patrons to enlighten us with their considered views, opinions and observations so that we can improve upon our effort. Needless to say, the revised version of this paper will be sent to the concerned bodies and persons. If the issues raised and discussed provide some valuable inputs for our policy makers, planners and administrators in their endeavour to transform the commitments in the National Agenda into reality, then we will consider our effort, *albeit* modest, to be effective and useful for ushering in a new era of citizen centric and result-oriented governance.