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**THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION**

**SEVENTH ANNUAL CONFERENCE**

**ADMINISTRATIVE REFORMS SINCE  
INDEPENDENCE**

*(New Delhi, September 1, 1963)*



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RING ROAD  
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**DISCUSSIONS AT THE CONFERENCE  
(September 1, 1963)**

**"ADMINISTRATIVE REFORMS SINCE  
INDEPENDENCE"**

*Prof. V. K. N. Menon*, Director, Indian Institute of Public Administration, welcomed the members to the Conference and requested *Shri N. V. Gadgil* to take the chair. Prof. Menon added that in view of the long and varied experience of *Shri Gadgil*, both in politics and in administration, there was nobody among those present who was more fitted than he to preside over the Conference.

*Shri Gadgil*, the Chairman, in his introductory speech said: "Over 16 years have elapsed and our sad experience is that administration has not attained that standard of efficiency and purity which we expected on the morning of our Independence. There may be good reasons for this, but for an institution like ours it is a matter for study and analysis so that the benefit of independent views may be available to the government of the day. Papers were invited on the subject of the present Conference and some of them have been published in the Special Number of the Indian Journal of Public Administration on "Administrative Reforms Since Independence". If there are any further papers to be submitted, these will, of course, be read before you, though not fully. I shall give an opportunity to the contributors to state briefly their points of view."

*Dr. K. N. V. Sastri* observed that in each area or aspect of the administration there could be several points of view and the reconciliation of these was the responsibilities of the administrator, e.g., the respective role of public enterprise and private enterprise; priority allocation as between different industries and scarce resources; panchayati raj vs. departmental control, relative importance of agriculture and other aspects of rural development, etc. Supporting the experiment on democratic decentralisation under way in the country, Dr. Sastri drew attention to the importance of evolving the right relationship



between the officials and the non-officials. The more the powers were given to the non-officials, the less would be the use of the officials: the more the powers were retained with the officials, the greater will be the dissatisfaction on the part of the non-officials. This would naturally happen; and the right balance between the two extremes had to be found.

*Shri W. G. Naidu* referred to the problem of reforms at the lower and middle levels of administration and observed that judging by delays in accomplishing an administrative task or supplying a service, by the long queues of persons waiting and the consequent collective loss of manpower at the post office windows, the banks and the treasury offices and other government departments, by the delay in obtaining replies from the government departments and by the isolent, unsympathetic and unhelpful attitude of those responsible for the administration, especially at the middle and lower levels, it must be said that whatever reforms had been introduced had hardly made any appreciable impact on the administration at these levels. The O. & M. units in the Central Ministries and the Special Reorganisation Unit of the Ministry of Finance, *Shri Naidu* added, might have done very valuable work but as it happened they had not been able to achieve much. There was need for greater effort in the simplification of administrative procedures and re-structuring of the administrative organisation. The existing hierarchical form was not suitable for administration of programmes and hence experimentation in new organisational forms was a necessity.

While generally conceding the usefulness of the existing method of recruitment to the civil services, *Shri Naidu* thought that it did not ensure that the administrators selected were action-minded. With due consideration to educational and other qualifications, preference should be given to those who had been good sportsmen and had actively participated in other field activities because they were likely to be more action-minded. The Indian Institute of Public Administration had tried to pursue its objectives with enthusiasm and interest but somehow or other it had not been able to make much impact either on the general citizens or the administration. The

Director of the Institute, the Chairman of the Executive Committee and its other members should make a special effort to set up and/or activate local branches of the Institute at District levels which should take up some empirical studies of administrative problems and behaviour. This would help focus attention on and find solutions to local problems, which had generally been neglected thus far.

Turning to the public sector enterprises, *Shri Naidu* felt that attention should be concentrated on gearing up their administrative management. In some of the public undertakings the trade unions had created the impression that they could by means of violence and threats make the management dance to their tune. As it was, the IAS or IPS personnel were better equipped than the engineers to deal with labour trouble. Hence, orientation of engineers in administrative techniques and the art of supervision was very important. Furthermore, the public sector undertakings had adopted generally the governmental procedures and this had led to red-tapism and bureaucratic delays, especially in the purchase, personnel and accounts departments—the three departments which were vital to the efficient running of any concern. The IIPA should try to attract the attention of the Government to the urgency of improvement in the management of the public enterprises, as the future rise in living standards was dependent upon their successful functioning.

*Prof. M. V. Mathur* divided his observations into three parts: administrative reforms at the Centre, in the States, and in relation to the panchayati raj institutions. Referring to the demand for a high-powered commission on administrative reforms, *Prof. Mathur* felt that any hurried review, even extending over a year or 18 months, was not likely to yield any worthwhile results. On the other hand it might serve the purpose better, if organisation and effort for reform were to develop on a continuing basis from within the existing agencies. The principal problem of the Government of India, he thought, was one of the relationship between the ministers and the civil servants. As proposed by *Shri V.T. Krishnamachari*, a code of conduct should be evolved.



In the opinion of Prof. Mathur the relationship between the Union and the State Governments was becoming difficult and might become more so if after the next general election a non-Congress party were to come into power in one or more States. If that were to happen, the quality of the existing relations would be impaired. It was difficult to say how successfully the present system would work in the changed circumstances. The planning process had added a new dimension to Union-State relations and raised new problems of co-ordination, expansion of the Central assistance to the States and reorienting of the State administrative machinery to undertake effectively the numerous developmental task. The latter would help to lend strength and balance to Union-State relations. Prof. Mathur pleaded for the setting up of a high-level advisory agency for plan formulation and progress evaluation in each State. Such a consultative body should have Chief Minister of the State as its Chairman and include among its members two or three full-time specialists selected with due consideration to the special requirements of planning in that area.

Turning next to the panchayati raj institution, Prof. Mathur referred to the varying powers enjoyed by Zila Parishads in different States. Very powerful Zila Parishads, as obtaining in Maharashtra, could be potential rivals to the State Government. Such a set-up could have a real function to perform if India were a Unitary State, but with States as an integral part of the federal structure it would not be appropriate to create rival bodies of influence at the district level. Prof. Mathur further urged for encouraging healthy party politics at the panchayat level.

Continuing, Prof. Mathur emphasised that a basic change was needed in the outlook of civil servants. The officials should have full faith in the Directive Principles of State Policy. For this and other reasons, it would be worthwhile to recruit probationers for the services at a lower age group and with lower academic qualifications and then to train them to meet the requirements of the service. His own idea in this regard was that persons with academic qualification of higher

secondary in the age group of 17 to 19 should be recruited and given three years' liberal education under the auspices of the State. Lastly, Prof. Mathur suggested that some method should be devised whereby talent from outside could be taken into the administrative services at a higher age-level. There was also a need for the higher-level technical personnel in the services to be trained in administration.

Shri H. M. Patel pointed out that administration was something which must be thought of in relation to the society, in relation to the people whom it was intended to serve. Mere organisational changes or laying down of new procedures would not help achieve the objectives and functions of administration unless the needs of these people and their expectations and reactions were taken into account. Prompt decisions by the public officials were necessary if the administration was to be really responsive to the people. The officials, however, tended to put off decisions as they dreaded reprisals if they went wrong. They shirked taking decisions for the simple reason, which was also mentioned by the Prime Minister in his Presidential Address to the Institute the day before, that the people had grown too fond of complaining against officers and ministers and attributing to them *mala fide* intentions or corrupt practices. Competent and capable officials of the old days would not now like to stick out their necks and invite trouble. As good administration, certain latitude had to be allowed for mistakes provided there was no *mala fide*. No amount of administrative ingenuity of evolving wonderful procedures, organizations and methods, etc., would work unless certain essential standards in the matter of relations between the administrators and the citizens and politicians were set. If a person was doing his job within his allotted sphere and exercising his initiative, he should not be harassed with all manners of obstacles.

Shri Patel further pointed out that for good administration merit should be the chief criterion for promotion. Promotions on the ground of favouritism tended to impair seriously the morale of the services. Once the criterion of merit with due



consideration to seniority was ignored (as was increasingly happening these days) all manners of other considerations would come in and the standards in the civil service would greatly deteriorate. The officials would then look more to pleasing the ministers and other persons who counted rather than to do their job as best as they possibly could. Shri Patel urged that it was of the utmost importance for the minister to create the impression among those working with him and under him that (a) he would judge them and promote them on the basis of the quality of their work alone; (b) that he would support everyone of them, even if something they did went wrong or if the results were not what they had hoped for; and (c) he would decide policies on the advice only of those persons who would be found competent to give such advice. If that kind of tradition were to be established at the top, the tradition lower down would once again be what it used to be among the civil servants in old days, and administrative efficiency would be restored.

Referring to the contemporary deficiencies in training, Shri Patel said that formal training was not so important as job training under the guidance of senior officers who must, therefore, be of high calibre and character.

The next speaker, *Shri C. L. Handa*, dwelt upon three sets of problems in administrations, viz., leadership in team-work; functioning together as one organic whole of the different limbs of the administration such as technical, financial, accounts, etc., and closing of the numerous small gaps in the smooth working of the administrative machinery. About the first problem, he observed that anyone with certain requisite qualities could become a leader irrespective of whether he was a scientist, an engineer or administrator. What was required was that he should be able to create enthusiasm and, therefore, to get team-work out of people over whom he wielded influence and authority. As regards the problem of co-ordination between the different branches of administration, it could be best solved if each branch understood the role, point of view and attitude of other branches. Such an understanding could be developed by judicious intermingling in work of

the officials in the different departments. On the third important problem of administrative deficiencies Shri Handa endorsed Shri Patel's suggestion that administration could be considerably improved if a hue and cry was not kicked up over small mistakes. That would enable officials to exercise initiative and responsibility effectively.

*Shri P. Krishnamurthy* presented the other side of the picture of government rules and procedures. He agreed that there were too many checks in the procedures laid down. But in view of the extent of corruption and dishonesty prevailing in the present-day administration, the checks were unavoidable. Procedures were necessary and had been laid down not only to ensure that a certain action was taken correctly but also to prevent misuse of government money and also to ensure that decisions were arrived at with fairness and objectivity. If the official at a lower level was to be allowed to take final decisions in money matters, without checks, corruption, would increase manifold. Shri Krishnamurthy was emphatic that delays were caused not so much by rules and procedures as by the unsympathetic attitude and apathy of officials and ministers.

The next speaker, *Dr. S. C. Seth*, stated that in effecting administrative reforms both the administrators and the politicians had a vital role to play. In this respect, the financial committees of Parliament, which oversaw the working of administration, had done some praiseworthy work. Dr. Seth stressed that at the present moment administrative reforms should be viewed in the context of the national emergency. The administration had to be geared first and foremost to the defence efforts, to the demands of international co-operation and to maintaining internal stability and vitality. The habit of blaming this or that authority for slackness should be given up and the administration should, in co-operation with the people and the leaders, help dispel the possibility of a "Pearl Harbour Mood" overtaking the nation.

*Shri G. B. Aivalli* complained that inadequate attention was being paid to the recovery of taxes and avoidance of loss of national revenues. The problem called for some new thinking



and action. Administration was, in a way, a collective and co-operative activity of certain human beings and, therefore, in any administrative measure, the human aspect should predominate. With regard to tax-collection, this would imply simplification of procedures and education of the people in their national obligations about payments of taxes. In adjudging the efficiency of an officer in the taxation department, due weightage should be given to his capacity to educate the people and the assesseees.

Shri Aivalli added that in rural areas the same officer should be responsible for both development and taxation work. The area of the block development officer was too large. The B.D.O.s should be entrepreneurs and should have educated assistants. They should be carefully selected so that they realized their responsibilities and were fully capable of performing their duties effectively.

Shri R. G. Nagarajan drew attention to the urgency of administrative reforms in three important directions, viz., (a) control and eradication of corruption; (b) better utilization of scientific manpower; and (c) the mobility of junior and subordinate personnel. In each of these fields, progress in reforms had been tardy, and the situation called for new perspectives and measures.

As to corruption, viewed in a broader perspective, the earning of wealth through illegal means, with virtual impunity in practice, went a long way to create doubts among the people about the seriousness of Government in power to establish socialistic pattern of society and had undermined their confidence in the administration. The public had a natural right to expect that persons, having an income much above the normal, say, more than Rs. 10,000 per month, should satisfy the State and society whether there was no illegality in the methods of earning it. All the restrictions applicable to a private company should be applicable to individuals who earned such high incomes. They should be asked to carry on their transactions beyond certain monetary limits through the banks, get registered their movable and immovable property with a Registrar

and should submit an audited statement of accounts to the Registrar. No person should be able to pass on the illegally acquired property to his successors. The vigilance department of the Central and State Governments were trying to do their best to prevent and check on the acquisition of illegal income but their efforts were not adequate in terms of scope and speed. Though the institution of Ombudsman had been discussed in the country for some years now, doubts were entertained whether a single official would be able to handle all the corruption complaints in a State or at the Centre. Shri Nagarajan felt that the Constitution should be amended so as to ensure that a clear and honest administration was a fundamental right of all citizens and the right to hold property was not extended to cases where the mode of acquiring it had not been explained satisfactorily and there was suspicion about the methods. The relevant provisions in Article 39 of the Constitution (Directive Principles) relating to the distribution of wealth should be made a Fundamental Right and hence legally enforceable.

Shri Nagarajan added that the past experience showed that the Fundamental Rights had been enforced by the judiciary with great objectivity and speed. The amendment of the Constitution, as suggested, would bring, in one stroke, the eradication of corruption in any form within the jurisdiction of the Writ procedure of the Supreme and High Courts. Thus, it would become possible for the Government to confiscate directly properties illegally acquired and to take immediate penal action against the persons involved. This would decidedly restore the confidence of the people in the administration.

Referring to scientific personnel, Shri Nagarajan said that they should be promptly absorbed into a flexible scientific service with senior and junior cadres.

Lastly, Shri Nagarajan emphasised the need for affording adequate and suitable opportunities to subordinate personnel to improve their lot by allowing them to move vertically and laterally within and outside their parent service.

Shri Rai Batra pointed out that the Official Secrets Act was used to conceal many deficiencies and weaknesses of the



Government from the public gaze. The malpractices of officials should not, however, be so sheltered. The standards of conduct were rarely evolved on the job. Shri Batra lamented the fact that the employees with initiative were often given adverse entries in their character rolls. Such an employee was *ab initio* disliked by higher officials who would not like his being the initiator of a new scheme or possessing original ideas which they lacked. He was also opposed by the conservative element at his own level. The result was that whatever he proposed would not go through. And if after three, four or five years his idea was accepted, he had already been condemned in successive character rolls in the meantime. Conceding even that certain sacrifices had to be made, the price which a young civil servant had to pay for his bright ideas or initiative was too high.

Referring to panchayati raj, Shri Rai Batra felt that the Sarpanches were the political adjuncts of M.L.A.s and had come to stay. Best use should be made of their abilities by giving them good training.

Shri Batra also suggested that the civil servants recruited to man the place of those who would come back to civil service from the armed forces at a future date should be employed on renewable contract basis.

The next speaker, *Shri R. N. Vasudeva*, dwelt on the inadequacies of the O. & M. departments. The O. & M. consciousness had not evenly permeated all sections or departments. Consequently even the best section or department from the O. & M. point of view was often not much effective. For having a real impact on administrative processes, O. & M. activity must have a proper patron-saint. In the absence of backing from very high levels and from a large number of senior persons, O. & M. tended to become a somewhat ineffective exercise which was, at best, tolerated by a vast number of executive agencies. It was this lack of proper authoritative backing which was responsible for the frustrating phenomenon that the conclusions of the O. & M. department on the O. & M. exercises, however carefully worked out, were not easy to sell.

Another factor responsible for the inadequacy of the O. & M. departments, according to Shri Vasudeva, was their limited perspective. The O. & M. had so far concentrated on organisational and procedural improvements from a mechanical approach while good administration depended to a large extent on the attitudes of the employees and the officials. Shri Vasudeva urged the Institute to address itself to the problem of how to re-orient those attitudes and to weed out those who would not change even if they had good paper-records.

*Shri T. C. Shankaran* regretted that much of the work done by the Institute had been of an academic character, which might have been beneficial to teachers and research workers in the universities and other educational institutions but of little operational use to the administrators in the field and in the secretariat. He hoped that the necessary steps to remedy this shortcoming would be promptly taken by the Institute authorities.

Shri Shankaran complained that the problems of the lower-level civil servant had never been fully discussed and considered. These persons dealt with the public and their dealings determined the overall efficiency of the administration. This was an important aspect. Hence, it was essential that these officials were properly trained and their problems and difficulties were adequately studied and tackled so as to raise the standards of their morale and efficiency. Next in importance was the question of the relationship between the Minister and his Secretary. As already stated by a previous speaker, nobody in administration wanted to take responsibility because no one was sure what stand would be taken by higher-ups if the decisions taken went wrong. It was, therefore, essential that a code on Minister-Secretary relations should be drawn up soon, defining their respective roles, functions and relations in clearer terms.

Pinpointing the present chaotic state in rules and procedures, Shri Shankaran observed that there must be simplicity of procedure. There was a marked tendency of issuing of general orders for every small matter. It is worth consideration



whether this tendency should be allowed unchecked or whether some way could be found to deal with the new subsidiary issues within the ambit of the existing rules. This question deserved to be carefully studied by an expert study group.

Commenting on the current incentives for good work, Shri Shankaran felt that good work should be rewarded in ways other than the usual ones (viz., a good character roll leading to possible promotions) and that promotion should not depend on the personal relationship of the subordinate with the boss.

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The Chairman, in his concluding speech, said :

“Gentlemen, a dozen speakers have participated in this debate and the main question of administrative reforms has been discussed at some length both from the academic as well as practical point of view. In administration I consider there are two things: one is the dynamics of the administration and the other is the mechanics. So far as the mechanics is concerned, all our problems from recruitment to retirement remain unresolved, and just as a sentence can be grammatically correct and yet be meaningless, so also the administration may comply with all the procedures and rules laid down and it may not still produce results expected of it. Therefore the far and more important point or aspect of administration is the dynamics and that is entirely dependent upon those who constitute the Government—whether the government is run at the will of one individual or it is a democratic government. Our’s is a democratic Government and further we have laid down in our Constitution certain objectives for which the State stands. It is binding on whatever the party running the government that these objectives are implemented as efficiently and in as honest a manner as possible.

“During the last 16 years, various attempts have been made for reforming the administration. The first three or four years immediately after Independence were the years in which adjustments took place between those who were already in the administration and those who came to govern for the first time in this country. The next stage was that of planned economy.

The third phase began with the attempt to decentralise the power by introducing panchayati raj institutions. And presently, we are facing an emergency in which somewhat different patterns and attitudes in administration are necessary.

“One of the important issues faced by us today is the Minister-Services relationship. It is certain that no administration can successfully discharge its duties unless it is left alone and allowed to implement the policies of the Government. The business of the Government is to lay down the policy and take full responsibility for the political decisions whether it relates to economic planning or some other field. The responsibility of the administration is to see that whatever decisions are taken, these are faithfully carried out. Here, many problems crop up and unless we give a measure of freedom to administrators, it will not be possible for them to do their jobs efficiently. What has happened during the last 10-15 years is that there has been constant interference with the administration right from the top to the lowest level. The interference might be by the Minister or by an ordinary member of the ruling party, trying to practically brow-beat the lower official and threaten him with reprisals if the wishes of the former were not complied with. The official might be threatened of a transfer and things of that type have happened. Therefore, the civil servants are fast losing self-confidence and sense of responsibility.

“Looking to the other side of the picture, the administrators do not want to do any original thinking at all. They say our responsibility is to carry out the policies laid down and if there is any difficulty we take it to the Minister. I would like to give a few illustrations. Take the case of the Fertilisers Factory at Sindri. You will be surprised to know that till three-fourth of the expenditure had been incurred there was no financial sanction. All that was done before 1947. After Independence when I took over as Minister of Works, Mines and Power, I went through the papers and I found out the discrepancy and we managed somehow. But the real difficulty was that the work was not progressing. It has been my experience that if you study any problem the solution is indicated in the study itself. Hence, I sent the Secretary of the Department to study



by the Prime Minister. Not that there was no trouble. But, the troubles were not from the officials. The troubles were from the public and one foolish thing my Chief Engineer did was to give a certain contract to a particular politician who was shouting too much. The giving of the contract, however, started further trouble and the people were agitated.

“So I went to Pathankot and told them: Listen please. We want to cross this river. I will keep a complaint book at the site and you can put all your complaints in it. I shall look into them personally when we have crossed the river. I will not allow anyone of you to keep within miles of Madhopur works. Actually I asked the District Magistrate to issue an order prohibiting unlawful assembly of five or more persons trying to overawe by criminal force any public servant in the exercise of his duty under Section 144 of I.P.C. The work was completed and even the American papers wrote: ‘India can do it’. The point is that if I had insisted on compliance with formalities, the project would not have been finished within time and possibly I do not know what would have happened.

“I will give yet another example. Under the terms of the Partition the Sutlej river was to be the boundary between India and Pakistan for quite good length on Punjab side. The Radcliffe Award made a slight change but a very dangerous change. It gave a little loop on this side of the Sutlej and the Pakistani people took advantage and started the construction of a barrage. The result would have been that our Ferozepur barrage would have been left high and dry without water. When this was brought to my notice by the present Governor of Orissa, Dr. A.N. Khosla, I said: ‘You are my adviser. You suggest the remedy and it is my job to see it through.’ He replied that we must build up some barrage higher up. I said, ‘Tell me the exact point on the river’. He mentioned Harike and also told about the difficulty in getting sanction. I asked my Secretary to go to the Finance Ministry and tell them bluntly that the Minister had decided to start the work but he would not ask for a single copper coin from the Ministry for the current year and meet all the cost by reappropriation. The result was that the barrage was completed in

the situation and he reported that the sanction of the Central Government was necessary even for purchase of trivial things. Soon afterwards, I called the General Manager of the Factory, and asked the Secretary of the Department to issue two important directives. Firstly, I said, no sanction should be necessary for any expenditure for less than Rs. 1 lakh; and, secondly, for any expenditure above Rs. 1 lakh but less than Rs. 5 lakhs the General Manager should make a reference to the Government and if he does not get any direction within 72 hours he should go ahead. The result was that within six months things were put right. The Accountant General raised some objections about prior sanction of estimates, etc. Normally, such objections are justified but there are times when departure from the normal procedure is absolutely in the national interest.

“I will give a second illustration. One fine evening in October, 1947, while we were sitting in the Cabinet, Sardar Vallabh Bhai Patel put a map of Jammu & Kashmir before me and told me that the road from Madhopur to Jammu must be constructed before June, 1948, as otherwise our troops would be cut off completely. I said this was the work of the Military Engineering Service. ‘Why?’, he asked, ‘they are not going to do it. You must do it.’ I replied that because of the hilly terrain it was a pretty big job and it was not possible to do it within the time limit mentioned. The Prime Minister said, ‘No, you must do it’. So I came home and immediately called the Secretary, the Joint Secretary and the Chief Engineer for consultations. They all told me that it was an uphill task and advised me not to accept it. They even warned that I would lose whatever little reputation I had earned. I assured that it was not a question of my reputation. Moreover, it was not open for consideration whether it was to be done or not. We had to do the job. They raised the question of sanction and other formalities. I replied that they should not bother about the procedural matters but go ahead and that I would ask the Finance Secretary to open a suspense account. Believe me, within nine days, 92 special trains loaded with all kinds of materials were moved from various parts of India to Pathankot and the road was completed by 1st July, 1948, and was opened



time and if it had not been done the Ferozpur water-system would have been finished and the Rajasthan canal that you find today would not have come into existence at all.

“The point is that if you apply the mind it is what is dynamics. That must come from the Minister and that he can only translate it into concrete action if he gets the co-operation of the administration. For getting the co-operation of the administration, my own approach has been that of Sardar Patel. He often told me that the self-respect of your officer is your self-respect and you must see that he is not dishonoured. You must defend him and if you want to say anything about his work, whether it is inadequate or wrong, call him in your room and do it. I have done it and I have found what little success I achieved as Minister or as Governor was entirely due to this approach.

“As I have said earlier, if you study any problem the solution is indicated in the study itself. That is a line to be followed and that is what has led me to draw certain suggestions on administrative reforms. Firstly, I suggest that in every Ministry, apart from the O. & M. Division, there must be one officer whose only job should be to study the problem and make concrete suggestions. Whenever there is any difficulty, he may be asked to go there, just as a fire-fighter, who is asked to go wherever there is a fire.

“Another matter which is equally of great importance is that the civil servants feel, somehow or other, that even within the framework of rules and regulations, promotion is not being given according to their merit. I have suggested in some of my speeches and articles that there must be administrative tribunals. This is a concrete suggestion.

“Another suggestion is that no politician should be allowed to interfere in the administration. It is very difficult to put it into practice but unless this is done the administration will not improve. I would like that a clear-cut line is drawn between formulation of policy and its execution. The review of progress in implementation must be done by the politicians in authority but constant interference must be avoided completely.

Since Independence, ministries have been regrouped to suit certain persons. That is a wrong policy. It is time these are restructured again on a scientific basis. I do not want to say more about it. Unless there prevades throughout the administration an atmosphere of faith that justice will be done, there will be no enthusiasm in the efforts of those who are in charge of the administration.

“Last of all, I thank all of you very much. I warmly congratulate the Director of the Institute for having arranged this conference and I hope he will arrange another conference on corruption in the near future. A similar suggestion was made out by the Prime Minister yesterday but he seemed to be rather doubtful of its ability. I am not. I have done work as an administrator for five years, and for another five years as a Governor and I have succeeded to some modest measure, and I can certainly contribute to a conference of that kind or a seminar, if one is arranged. Thank you once more.”



## APPENDIX I

### Working Paper\*

on

## ADMINISTRATIVE REFORMS SINCE INDEPENDENCE

This working paper attempts to focus attention on some of the major areas of our administrative system in respect of which the Emergency has emphasised the need for urgent reforms. Administrative problems in the industrial and agricultural sectors, and those in the field of general administration, some relating to its impact on the citizen, others to the need for its modernisation, are considered in this paper. There may be other problems also which the Conference may like to identify as among those requiring urgent consideration.

### I

#### PROBLEMS IN GENERAL ADMINISTRATION

It is the general experience that the higher levels of organisation and functioning of the administration receive most of the attention that is bestowed upon the field of administrative reform and the lower levels tend to get relatively much neglected. This neglect takes place at the hands alike of the politician, the upper or middle level executive and the research worker. For them there is generally no leisure for, nor any great interest in, the functioning of the so-called low or routine levels of administration.

2. And yet, it is at these level—the levels, for instance, at which a counter-clerk deals with a common citizen in a public office—that innumerable points of contact are established every day between the Government and the people. These levels of

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\*Prepared in the Institute for the Conference on "Administrative Reforms" held on August 10 and 11, 1963.



administration constitute what has been aptly described\* as its "cutting-edge". For the large bulk of the citizens, this indeed is the only or the predominant form of contact with the administration. In any society, the performance of Government must, in the long run, be judged with reference to the totality of individual experiences at these routine and low levels of administration. It is common experience that there is a wide gap between the efficiency as well as responsiveness of the higher and middle levels of administration on the one hand, and that of the lowest levels of administration on the other.

3. The Conference might like to consider what causes and cure there might be for this gap. A suggestion made is that hierarchical organisations lend themselves to this neglect of low levels of administration and that it is an error to take for granted the principles or utility of hierarchical administration. Under cover of hierarchy, decentralisation and delegation, the task of administration at the level of its "cutting edge" comes to be dealt with by low-level functionaries, ill-equipped and ill-trained for the point of physical contact between the administration and the citizen. As one descends down the hierarchical ladder, generally speaking, competence decreases, there is less resilience in administration, less wisdom in using judgment or discretion within the law or regulation, more rigidity and a tendency to be authoritative. Often, a high or middle-level departmental chief is inclined to assume responsibility for incompetent acts and decisions taken at much lower levels than his, and thereby develops some kind of built-in self-justification in administrative institutions. Often too, the reliance on the mechanism of appeals or on a system of vigilance or inspection merely clogs the machine with the sheer number of cases, and soon these processes of rectification and reform become the dead weight of routine.

4. What then are the principal lines along which administrative reform at these levels should be pursued so as to make the "cutting-edge" of administration more efficient, more

\*Dr. A. A. Park, in a recent talk at the Indian Institute of Public Administration.

resilient and more responsive to the common citizen whom it seeks to serve. Should existing administrative organisations and institutions be broadly taken for granted, or is there such a concept as the age of institutions to reckon with? In the context of the present national Emergency, should reforms and rationalisation be undertaken with the time-horizon of only a few years in view, or should we rather be prepared to make major changes and not be content with minor adjustments.

5. For the efficient and satisfactory functioning of the lower levels of administration, is it enough to rely upon a system of vigilance or inspections by the higher executives, upon a mechanism of appeals or complaints against decisions taken or behaviour shown at lower levels, or upon an emphasis on accessibility to the general public on the part of the higher or middle executives, or are more positive measures to supplement the above likely to yield good results, e.g., (1) better selection and training of the low-level functionaries, specially those manning the public counters or supervising these counters; (2) better techniques and more modernisation in work; (3) better physical facilities and conveniences in public offices for the visiting public, like inviting waiting-rooms and enquiry windows served by kindly receptionists, simple direction boards and directories, help in filling up forms or understanding the regulations and so on; (4) better designing of public offices, on the pattern of good commercial firms in the West, so that not only is the middle or higher level executive accessible to the general public but work in his organisation is carried on under the watchful and helpful eye of the superior; (5) lesser emphasis on hierarchical channels and convention, so that the clerk at the counter, seized of an apparently genuine personal problem of his visitor, may feel free to consult his superior on the spot and take his counsel as to whether or not a less rigid enforcement of a rule or regulation is called for; (6) establishment of public information bureau which are not concerned with enforcement or execution, but only with the task of guiding the public; or (7) the administrative education of the general public in other ways.



6. Should not reliance be placed at least as much on a suitable system of rewards and incentives for an official giving a good account of himself at the low-levels of administration, as on the system of vigilance, deterrence and punishment of the delinquent ?

7. The rationalisation and simplification of form and procedure at the low levels of the district office, the planning office, the post-office, the customs office, the railway booking office, the power-distribution office, the licensing or any other office have always been recognised as an important line of reform. But in the sphere of forms and procedures, is it not generally true that in devising new forms or procedure, the old system of checks and controls, based as it is upon all-round distrust and undue caution, is taken for granted, and there is disinclination to break new ground, to advocate the taking of risks in simplifying procedure and rules, or to evaluate and balance the prevention of losses from vigilance on the one hand with the cost of excessive vigilance on the other ? Should not the task of research into administrative ills at the level of the "cutting-edge", and their possible cure, be entrusted to a body of "outsiders" or to the organisation with an adequate proportion of experts in the field of public administration? Such people are perhaps likely to produce more purposeful accounts than the somewhat dramatised versions of the functioning of administration published by journalists, or given out by politicians. The former should do better also than administrators unaided by such knowledgeable outsiders, because administrators are apt either to take existing institutions for granted or often to turn in reports of a self-justifying character.

8. The need for adequate and timely attention to the problem of improving the administration at the level of the "cutting-edge" is obvious. Quite apart from the problem of the present Emergency, in a developing economy this matter assumes even greater importance. For, with economic development, wider spread of education and a general improvement in the social and economic well-being of the common man, there will also be growing political consciousness and growing demand for

more and more efficient, resilient and responsive administration at the lowest levels.

## II

### THE INDUSTRIAL SECTOR—PUBLIC AND PRIVATE

Government—both at the Centre and in the States—impinges on industry at many points. With the growing emphasis that the development of industry has received in India's economic planning over the last 12 years, the effective administration of Government's industrial policy at all levels has become a crucial factor in determining the country's rate of economic growth. The declared policy—of rapidly developing certain basic industries primarily in the public sector, while at the same time fostering the growth of privately-owned units over the whole range of residual industries—is hardly now in dispute. The Conference may, however, take stock of the extent to which the machinery of Government is actually able to carry out the policy of industrial expansion, identify the areas where administrative shortcomings are hindering that policy, and suggest improvements.

#### *Industrial Planning*

2. Licensing policy under the Industries (Development and Regulation) Act seeks to serve a number of aims, all of which may not always be reconcilable. For instance, regionalisation and dispersal of industries may result in higher operating costs; economies of scale may conflict with the need to prevent the growth of monopoly; insistence on foreign participation in equity tends to favour established business houses as against new entrants, and so on. It may be considered whether the agencies concerned with implementing these policies have sufficient information and technical knowledge to examine all the implications of new investment, size of units, location, etc.; whether clearer directives are necessary to enable officials to deal with conflicting aims of policy; and whether the procedure for the consideration of applications for industrial licences needs to be modified.



3. The need for balanced development introduces constraints on the growth of some sections of privately-owned industry, as also does the allocation of scarce resources like foreign exchange between maintenance and short and long-term investments. Again, while economic planning generally provides a positive stimulus to the growth of private industry, the setting of targets by five-year periods may, if applied inflexibly, place unnecessary obstacles in the way of the rapid growth of the more efficient and progressive units of an industry. The questions the conference may consider are whether there is an adequate inter-change of ideas between Government and industry making for effective industrial planning; the extent to which the Development Councils are fulfilling this need; the utility of other Advisory Councils; and whether representative associations of private industry are so organised and informed as to be able to contribute effectively to their task.

#### *Foreign Exchange and Import Licensing*

4. Availability of foreign exchange is, and will probably continue for a long time to be, the main factor limiting the full utilisation of industrial capacity as well as the more rapid establishment of major new industries. Apart from overall scarcity, and the priority and allocation problems raised thereby, the multiplicity of sources of external assistance and the variety and complexity of foreign-aid release-procedures operate to increase the time-lag in implementing new industrial projects and in achieving full production. These difficulties face private and public sector projects equally. It may be considered whether any simplification of procedures and reduction in processing time can be suggested for:

- (a) Capital goods licensing (including clearance "from the indigenous angle);"
- (b) Import-licensing of raw materials, components and spares;
- (c) Drawal of foreign credit (including loans from international financial institutions).

5. It may further be considered whether any administrative changes could increase the inflow of foreign private capital into

those industries for which—owing to the need for foreign "know-how" or otherwise—foreign investment is welcome by Government. The uncertainties involved and the time taken at present in obtaining Government approval to the terms of foreign technical collaboration and foreign capital participation, could probably both be reduced. The permissible limits to acceptable terms should be fairly wide, to allow for some weight to be given to especially urgent needs, and these terms and limits should not be frequently varied.

#### *Other Restrictions on new Enterprises*

6. Besides an industrial licence, approval of collaboration terms and import licences for capital goods, a new enterprise has often to obtain approval or assistance from governmental agencies for:

- (a) Issue of new capital;
- (b) Acquisition of land; building plans;
- (c) Mining leases, concessions of forest resources etc;
- (d) Procurement of cement and steel for factory construction.

For each of these, government policies, priorities and procedures tend to change from time to time, sometimes without the entrepreneur's knowledge. At each point there is the likelihood of delay. What can be done to reduce delay and uncertainty?

#### *Services and Supplies*

7. Government provides rail transport, and increasing quantities of power and fuel to industry. For road-access, water supply and sewage also, industries are often dependent on governmental or quasi-governmental agencies. So any lack of advance planning, wrong estimation of demand, or delay in augmenting the availability of these supplies and services, or inefficiency in their operation, naturally tends to retard the pace of industrial growth. On the other hand, temporary imbalances between demand and supply—as in the case of coal transport and power supplies in certain areas last year—are



probably inevitable from time to time. The Conference may consider whether any specific measures can be suggested for correcting existing imbalances (if any) and avoiding them in the future.

### *Public Enterprises*

8 (i) *Planning* : There is cause for anxiety in the time-lag that exists at present between the initial conception of a project and the placing of contracts for the construction of the plant; the causes of delay, as far as they are within our control should be eliminated. There is need for adequate forward planning for expansion and diversification of the large projects in the public sector. In particular, expert cadres for design, construction and consultancy have to be built up quickly in many fields of technology.

(ii) *Construction* : Delays at the construction stage are only too common. Together with planning delays, these account for the relatively slow rate of utilisation of tied foreign credits. Capital costs are also raised and imbalances caused in the economy. The usual causes of delay might be discussed, and the possibility of better programming of construction works examined.

(iii) *Operation* : The setting up of production targets, introduction of management accounting systems for proper evaluation of financial and operating data, and measures to increase productivity are some of the immediate problems of units in the public sector, as in private sector. The need for structural changes in the management of these enterprises (delegation of powers, fixation of responsibility, extent of financial and audit control) might be considered, as also the respective roles of technical specialists and generalists in their management.

### *Manpower Planning*

9. Industry has so far paid little attention to the need to train technicians for its own future expansion programmes, and has depended on the foresight of Government to provide at all times an adequate pool of trained manpower on which it may

draw. With the growth already achieved in industry, mining, power and transport, and the much greater rates of growth just ahead, and with the increasing complexity and specialisation of the industrial structure, the need for producing technical manpower, quantitatively, and qualitatively deserves very close attention. The programmes for the training of various types of engineers, supervisors and operatives, including apprenticeship and in service training schemes, may be considered with a view to suggesting any modifications in scope and method.

### *Miscellaneous*

10. If time permits, the conference may also like to consider other industry—Government relationships, such as the procedures for purchase of civil and defence stores, the administration of export-incentive schemes, the functioning of the Excise, Customs and other Inspectorates, operation of joint management schemes sponsored by Government, sanctioning of loans for modernisation of obsolete equipment, etc.

## III

### THE AGRICULTURAL SECTOR

#### *Union-State Relations*

1. In the Constitution, agriculture has been listed as a State subject. The Government of India does not possess the powers of direction and control over the administration of agriculture. The Department of Agriculture in the Ministry of Food and Agriculture is responsible only for formulating an overall policy and programme for the country and advising the State Governments in carrying out the programme in their States. In view of the great importance of agriculture in the Indian economy, its strategic position in the economic development of the country and the limited success the programme of agricultural development has made in the past, it may be useful to examine whether the Centre should not play a more pivotal role and assume greater direction and control over the agricultural administration in the country. The Conference may like to consider this important issue and indicate lines of advance on the present position.



*Distribution of powers and responsibility between the Ministry of Agriculture and the Ministry of Community Development at the Union level*

2. Agricultural development is, on the face of it, the responsibility of the Ministry of Agriculture. It has to answer to Parliament for any shortfalls and failures of programmes. But the organizing, developing and supervising of the Agricultural Extension work at the local and grass-roots levels has been entrusted to and is being carried out by the Ministry of Community Development, Panchayati Raj and Cooperation. The work is being carried out to some extent in an atmosphere of indecisiveness and there may be only partial commitment among participating Ministries to achieve the targets. In the interest of vigorous and devoted application to achieve greater food production and the goals of the Five Year Plans, it may be necessary to place the relationship between the two Ministries on a clearer and more rational and practical basis. It has also been suggested that the two Ministries may be merged. The Conference may consider this important question and examine the various suggestions which have been put forward in this connection.

*The Generalists and Specialists*

3. The administration of Agriculture, like similar fields of administration, has the problem of working out a pattern of relationship between the Generalists and the Specialists. Power and responsibility is shared from top to bottom by two more or less parallel lines of officers. On the one hand, there is the Secretary, the District Officer, the B.D.O. and even the V.L.W., on the other hand, there is the Director of Agriculture, the District Agriculture Officer, the Agricultural Extension Officer at the Block Level and also the V.L.W. in so far as his main work is considered to be in the Agricultural sphere. The Specialist's position is generally that of an adviser to, if not a subordinate of, the generalist at his level. In the accepted philosophy of Indian administration such a set-up is regarded as satisfactory, and any difficulties which may arise in its working are believed to be capable of solution by

coordination. It remains, however, that the technical men are heard to complain of inadequate powers, insufficient status, and divided responsibility. The Conference may consider this problem. In this context it may also consider the suggestion for the creation of an all India Agricultural Service.

*Democratic Local Bodies and Agricultural Development*

4. Since the organization of Panchayati Raj Institutions high hopes have been expressed in some quarters that, by placing these institutions at different levels in overall charge of the Planning and Administration of Agricultural Programmes at the local level, the administration of agricultural development has been placed on a sound basis. On the other hand, some doubts have been expressed about the correctness of the heavy involvement of these local bodies in agricultural programmes. The suitability of Panchayati Raj institutions as administrative instruments for agricultural development may, therefore, be considered by the Conference.

*Strengthening Points of Responsibility*

5. The field of Agricultural Administration is extensive; starting at the level of Central Ministries it reaches down to the village level. It comprises varied activities ranging from the arrangement of supplies and making different kinds of services available to the farmer to research and education in agriculture. What has been said in the earlier paragraphs may also be put in terms of the importance of locating and strengthening points of responsibility in the widespread range of activities directed and controlled by the Ministries and Departments concerned directly or indirectly with agricultural operations.

IV

MODERNISING THE ADMINISTRATION

The main problems arising under this head may be stated as (a) overcoming resistance to change; (b) organisation of innovation; and (c) introduction of modern techniques and tools in administration.



and studies largely on their own and there is, generally speaking, a lack of adequate contact between these institutions and the Government organisations. It would be to the considerable advantage of the latter if they were to make greater use of the facilities for independent research available in the academic institutions by assigning to them problems of particular interest to the Government organisations. This would also make research and studies undertaken by the academic institutions concerned more purposeful.

4. The third major problem in the field of modernisation of administration is the one of introducing modern techniques and tools in administration. Far too often, the tendency has been to attempt administrative reform or re-organisation by taking existing structures and organisation, as they have existed, as sacrosanct. It may be desirable to consider the advantages of what might be described as "clean-break" from the past in considering the structural and procedural re-organisation of a given organisation, and also to consider whether the concept of "age of an institution" has validity and importance. In the field of modern techniques and tools, the ideas that might be considered for adoption are operations-research, performance-budgeting, work-study, job analysis, efficiency-rating, appraisal-techniques, promotion of initiative and creativity, location of potential talent and its nurturing and appropriate use, production-planning, programming and control, etc.

5. Apart from the question of introduction of modern techniques, there is serious need to consider the introduction of automation in the public offices and the use of modern tools which promote expeditious disposal of public work. Besides the advantage of expedition, introduction of these tools should provide greater job satisfaction to the employees and result in reduction of monotony and drudgery. The tools that are in mind are items like modern duplicating machines, dictaphones, calculators, modern filing and recording devices, etc.

6. Another necessary step in the direction of administrative reform is the association of non-governmental expertise.

1. The first of these problems is the most difficult of solution. Before it can be tackled, it would appear necessary to make a survey of the extent to which resistance to change exists in a given organisation, the forms in which this resistance manifests itself and the psychological, institutional and other devices that can possibly be adopted to overcome the resistance. The solution would have to cover the more positive aspect of promoting administrative personnel the necessary receptivity for change.

2. Under the head "Organisation of Innovation", one important line of administrative reform might be to ensure that organisation and methods arrangement do not get confined to the higher levels of administration, but percolate to the lowest levels; it is at these levels that the administration comes into contact with the people. There is also the obvious need in every organisation for co-ordination of O. & M. efforts. There is similarly need for self-survey, i.e., each administrator, manager, supervisor and employee continually analysing for himself the activities for which he is responsible, and reviewing the existing arrangements to deal with those activities, with a view to effecting as many improvements as possible in the light of actual experience. The important thing here would be that the process should be built-in and should be continuous in character with every member of the organisation inculcating an interest in and a sense of responsibility for thinking creatively about the work discharged by him.

3. Organisation of innovation must also necessarily cover the important field of research in innovation. Reliance upon either a built-in system of internal O. & M. effort or an external arrangement on the same lines would not by itself serve the purpose fully. These processes would have to be supplemented with independent research in the field of innovation. If such research is to be of practical use in promoting administrative reform, it would necessarily have to direct itself to specific problems concerning a given organisation. At present, there are institutions of an academic character where facilities exist or can be organised for the conduct of independent academic research in such problems but mostly they carry on research



This could take the form both of adopting techniques, tools and devices in use in the more advanced and modern business firms inside and outside the country as well as the utilization of consultant services in the field.