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Manufacturing has not grown as much as it should have considering India's need for more jobs outside the agricultural sector. Photo: Ramesh Pathania/Mint

Preparing for Policy Implementation 3.0

4 min read . Updated: 12 Dec 2016, 01:36 AM IST

Arun Maira

The government needs to change its approach to development and policy implement

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The eradication of polio in India was a remarkable achievement. The government implemented a universal immunization programme aimed at 100% coverage of children under the age of 5. A standard dose of vaccine was given to every child across the country including remote villages. It was a huge logistics operation.

Though right now India's logistics management capabilities are being severely tested to deliver new currency notes to banks and ATMs around the country, India's ability for "Policy Implementation 1.0", which requires management of large logistical challenges, is remarkable. The country has the ability to carry out a standard procedure in millions of locations, many in very difficult conditions. It conducts the world's largest elections, bringing electronic voting machines even to remote places in the high mountains. The issuance of unique, electronic identity cards to all Indians—the Aadhaar project—was the latest illustration of the country's logistical capabilities in implementing a public policy.



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Implementation 2.0" capabilities, to change behaviour of citizens and obtain cooperation of communities. An example is sanitation. Large programmes for installing toilets have not been able to change behaviour to eradicate open defecation. Public health programmes invariably require better local governance, rather than central delivery of services. India's persistent neglect of local governance capabilities is the principal reason for public health in India lagging behind China, Vietnam, Thailand, Indonesia, and many other developing countries.

More complex changes in the economy require coherence amongst many policies, coordination amongst many agencies, and cooperation of many stakeholders. They require even more sophisticated "Policy Implementation 3.0" competencies. Industrial policy is an example of a 3.0 level policy challenge. As in the case of Policy 2.0, the behaviour of stakeholders must be changed—in this case, entrepreneurs. However, several conditions in the economy must be changed together to improve conditions for enterprises to be productive and to attract more investments into the economy. Physical infrastructure must be improved. An array of regulations and institutions must be tuned concerning labour management, corporate governance, land acquisition, and other subjects. Often, financial institutions need c

The complexity of Policy Implementation 3.0 generally provokes two opposite responses. One is, "just leave it to the market". The market will figure out best. The other response, when large-scale change is required, is to use a top-down implementation approach.

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had, which was comparable to China's, whose manufacturing sector has grown since then to seven-eight times the size of India's.

So India is at the crossroads again. What approach should it take to create more jobs? Jobs cannot be planted into the economy top-down by the government (except jobs on government's own rolls). A jobs policy must stimulate changes in behaviour of entrepreneurs, employees, and investors. To do this, it must make many changes in many areas in a coherent and coordinated manner. It must apply a Policy Implementation 3.0 process.

Policy Implementation 3.0 requires participation of many ministries and agencies, and many stakeholders. The agencies have their own turfs and tend to operate in their own silos. Coordination amongst them is generally difficult. Stakeholders in a jobs policy, such as employers, unions, environmentalists, landowners, and communities, will have contending views on many matters. To bring them together, to convert the confusion amongst agencies into coordination, and the contentions amongst stakeholders into collaboration, requires the application of systematic processes for their participation in the shaping and implementation of p

Policy Implementation 3.0 requires a different mindset towards managing complex systems, as well as different competencies than Policy Implementation (or even 2.0). India's progress will not be as fast as it could be, and needs to be, until governments at the Centre and in the states change their approaches to development

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When the market is not working, or when the market is not producing the outcomes society wants, citizens demand that the government must act. This is the challenge for many ideologically pro-market governments today. In the US and the UK, for example, citizens are demanding that their governments must do something to create more jobs by inducing more production within their countries. Therefore, the need for some form of “industrial policy” has emerged in these countries too.

The opposite response, to leave it to the market, is central planning. This approach was adopted by many countries, including India, for industrial development following the example of the Soviet Union. Central planning down to the last level—how much of what will be produced by whom—was basically a Policy Implementation 1.0 approach applied to a Policy 3.0 challenge. With contradictions in regulations by many ministries and departments, and with further regulations attempting to sort out the contradictions, Indian industrial development got tied up in knots of red tape. Entrepreneurship and innovation were stifled.

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The decision was taken at the board of directors meeting held on Saturday, HDFC Bank said in a regulatory filing

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Sushant Singh Rajput: The outsider

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In the aftermath of the actor's death by suicide, the discussion has turned to how Bollywood's insular culture multiplies the pressures of stardom on atypical outsiders

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Indian side has never undertaken any action across LAC: MEA on Galwan Valley

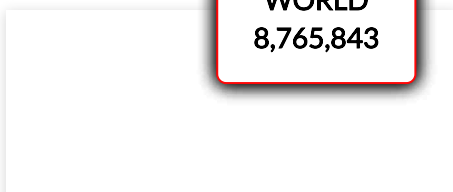
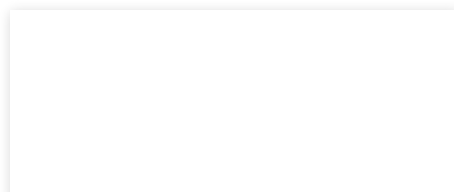
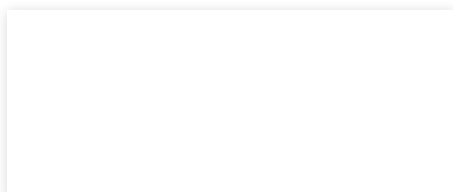
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Attempts by Chinese side to now advance exaggerated and untenable claims with regard to LAC in Galwan are not acceptable, says MEA

We expect Chinese side to sincerely follow understanding reached between foreign ministers to ensure peace, tranquillity in border areas, says MEA

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...active cases, ... and ...
deaths, over past week

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...sincerely, more likely, to
take part in protests

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...cases are up in West Bengal,
Karnataka over past week

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Vande Bharat Mission: Govt offers 750 repatriation flights to private airlines

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Civil aviation ministry will soon meet airlines and find a solution to the refund issue, civil aviation secretary Pradeep Singh Kharola said

Capping of domestic airfares, which remain till 24 August, may be extended depending on the situation, Kharola added

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Glenmark launches Favipiravir after encouraging results in clinical trials

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Glenmark developed the active pharmaceutical ingredient (API) and the formulation for FabiFlu® through its own in-house R&D team

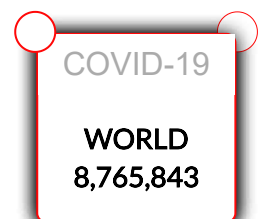
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Yoga Day to be marked on digital platforms amid Covid-19 pandemic

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This year's theme is 'Yoga at Home and Yoga with Family' and people will be able to join the celebrations virtually at 7 am on June 21

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Expect to post profit in current fiscal, says PNB MD and CEO Mallikarjuna Rao

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India boycotting Chinese goods will not hurt China's economy: Chidambaram

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India must continue to be part of the global supply chain and not boycott Chinese goods, says Congress leader

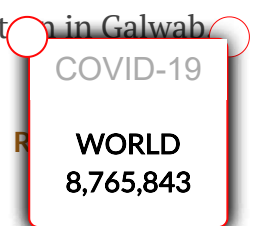
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China's claims over Galwan exaggerated and untenable, says India

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Indian troops are fully familiar with alignment of LAC in all sectors of India-China border areas, including in Galwan Valley, says MEA

Since early May, Chinese side has been hindering India's normal patrolling pattern in Galwan, says MEA



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No mandatory institutional quarantine for covid-19 patients in Delhi

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This comes a day after the LG Anil Baijal passed an order to cancel home quarantine for positive patients in Delhi

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Defence Minister Rajnath Singh to visit Moscow next week

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Rajnath Singh was scheduled to leave on 22 June but he will now leave a day earlier. A source familiar with the minister's programme said

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Saudi Arabia to lift nationwide curfew, resume economic activities from Sunday

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The curfew will be lifted as of 6 AM local time on Sunday

Restrictions will remain, however, for religious pilgrimages, international travel and social gatherings of more than 50 people

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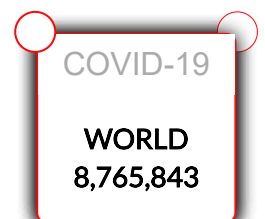
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Four financial tasks you need to finish before the 30 June deadline

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The deadline of 31 March for financial tasks such as making tax-saving investments and filing belated ITR was extended to 30 June due to the lockdown

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Determined to deliver, geared up for any contingency: IAF chief on Galwan tussle

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His statement comes in the wake of 20 Indian soldiers losing their lives in a violent clash between the troops of India and China at Galwan Valley in Ladakh on Monday night.

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'Mischievous interpretation of PM Modi's remarks': Govt issues clarification

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The Central government, in a statement, said that the Prime Minister was clear that India would respond firmly to any attempts to transgress the Line of Actual Control

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We will oppose LG's order to scrap home isolation: Manish Sisodia

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Manish Sisodia said that the order is against the guidelines issued by Indian Council of Medical research and will cause chaos in the capital

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PM Modi launches Garib Kalyan Rojgar Abhiyaan. Top highlights

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The Prime Minister in his speech credited workers for giving him the idea of starting this scheme.

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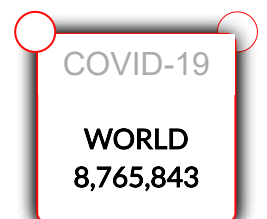
Beijing tests food, parcel couriers for coronavirus as city checks widen

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Officials have been expanding testing across the city of 20 million since a cluster of new infections linked to a food wholesale market erupted just over a week ago.

The outbreak, the first in Beijing in months, has now surpassed previous peak numbers in early February

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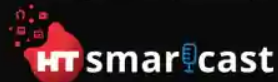
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