

# Civil Services- Accountability to People

## A Discussion Note

### Introduction

It is widely recognized that governance in India today faces a serious crisis of accountability. The very fact that despite significant economic growth, and substantial increases in social sector expenditures, India continues to perform far worse than countries much poorer than her on key development parameters is an indicator of just how deep the problem of accountability is. Accountability failures have meant that absenteeism, incompetence, inefficiency and corruption characterize every core service that the state is obliged to deliver to its citizens.

This discussion note examines the crisis of accountability in the context of the Indian civil services. It argues for the importance of creating mechanisms for direct accountability of the civil services to citizens and attempts a preliminary articulation of mechanisms and instruments by which this accountability can be achieved.

The paper is structured as follows: **Section 1** analyzes the concept of accountability. It begins with an overview of the notion of accountability and goes on to tackle the question of why civil service accountability to people is not just desirable but also necessary. **Section 2** details some core analytical principles that offer the building blocks for designing a system for accountability to the people. **Section 3** offers some preliminary thoughts on mechanisms and instruments through which to actualize this form of accountability.

### Section 1: Understanding Accountability: A diagnostic

Accountability can broadly be defined as the obligation of those holding power to take responsibility and be held answerable for their behavior and actions. This obligation might stem out of a moral-ethical need to account for one's behavior, or out of a legal requirement. It is a relational concept, as it concerns the relationship between those that perform an action or deliver a service and those on whom the service has an effect. At its core accountability can be conceptualized in terms of principles and agents, where accountability is a relationship between a principal X and an agent Y acting on behalf of Principal X.<sup>1</sup> There are two critical

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<sup>1</sup> World Bank (2006), 'India Inclusive Growth and Service Delivery: Building on India's Success', Development Policy Review

elements to actualizing this notion of accountability. The first is the question of determining who should be accountable to whom and for what? Second is that of developing institutional mechanisms and an incentive structure for sanctions and rewards on the basis of which accountability is realized. Accordingly, accountability has an *answerability* element- the need for justification of actions, and an *enforcement* element- the sanctions that can be imposed if actions or justifications are judged unsatisfactory<sup>2</sup>.

Public accountability- the need for the institutions of the state to be accountable for its actions - stems out of a social contract that citizen's share with the state. There are institutional provisions to ensure that the state respects this contract. On the one hand, there are mechanisms for **external** accountability or accountability directly to citizens. In democracies, elections are the chief institutional mechanism through which this is achieved. There are also mechanisms for **internal** accountability – institutional checks and balances and internal oversight. The constitutional separation of powers into the judiciary, executive and the legislature, internal performance monitoring and official oversight including bodies like the auditor general and ombudsmen are some examples of internal accountability.

Public accountability is realized through a 'long route' where external and internal accountability - the two arms of the long route- operate in tandem.<sup>3</sup> First, citizens must be able to draw on external accountability mechanisms to express their preferences and hold the state-politicians and senior levels of the administrative bureaucracy- to account for the fulfillment of these preferences. The state in turn, acting as an agent for its citizens, must be able to activate internal accountability mechanisms to transmit these demands to the actual provider of services (line agencies, departments, public sector bodies) and hold them accountable for service provided. Accountability is ensured when the incentives to service providers are aligned to the ultimate preference of citizens and providers are made directly accountable to people.

The long route of accountability fails when on the one hand, external accountability is weak and the state does not succeed in taking cognizance of its citizenry's needs and demands and on the other, the state is unable to create incentives for providers to satisfy citizen's wishes and be accountable to them. India's public administration framework is a classic example of the complete failure of this long route of accountability. There are a number of reasons for this.

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<sup>2</sup> Goetz,A.M and Gaventa, J (2001) 'Bringing Client Voice and Client Focus in Service Delivery', IDS Working Paper No. 138, [www.ids.ac.uk](http://www.ids.ac.uk)

<sup>3</sup> The notion of the 'long route' to accountability was first mooted by the World Bank in its analysis of accountability in the World Development Report. World Development Report (2004), 'Making Services Work for the Poor', World Bank, [www.worldbank.org](http://www.worldbank.org)

### *Weak accountability of policy makers*

In India, mechanisms for ensuring external accountability of policy makers are extremely limited. Emanating in part as a consequence of its colonial legacy which necessitated an opaque administration that was distanced from its people - administrative or civil service accountability in India has always been internal. External accountability is conceptualized in the narrow framework of elections and demanded specifically of elected representatives. In this framework, civil service accountability to the people is at best 'indirect' through accountability to the political class. This notion has two problems worth highlighting.

First, it erodes accountability of the civil services for policy related decisions and relevant outcomes. The civil services, particularly at the higher echelons of the administrative hierarchy play a critical role both in determining policy choices as well as charting the course through which policy is implemented. Internal accountability insulates the policy making process- basis on which decisions are taken, standards set and performance judged- from public scrutiny. This results in information asymmetries. Citizens have no means of accessing information on how decisions are made or on the basis of decisions. Moreover, there are no mechanisms for measuring outcomes of policy decisions as there is no information on standards and goals that policies seek to achieve. As a result, accountability breaks down.

Overlaid on this, is the hierarchical nature of the bureaucracy which privileges a top down approach to policy making. In this framework, power is centralized at the level of the line agency which sets service standards and at the same time tightly controls the implementation, including resource allocation, of services. There are many problems with this approach. From the perspective of accountability, its greatest failing has been the complete absence of citizens' participation in bureaucratic decision making. Consequently, policies and programs bear little resemblance to citizen's needs and preferences. Box 1 examines this problem illustratively through the lens of the evolution on policy to address the sanitation problem. It highlights that top down approaches can result in the wrong problem being addressed leading to a complete disconnect between stated outcomes and real impact of policies. Consequently, accountability suffers.

**Box 1: Top down policy making compromises accountability: The case of sanitation policy**

In 1986, the Government of India launched the Central Rural Sanitation Program (CRSP) to construct latrines in every village. There was little traction for the program and coverage remained low – at 20% in 2001. But more troubling was the fact that when latrines were constructed, they were rarely used. In Himachal Pradesh alone, of the 4 lakh toilets constructed a mere 3% were being used. In Maharashtra, 1.7 million toilets were constructed between 1997 and 2000, but by the government's own estimation, 53% were used for purposes other than toilets. The CRSP experience was a clear case of identification of the wrong solution and developing a program that did not bear any reflection with people's needs and preferences. The problem was not one of infrastructure rather it was one of a poor understanding of the relationship between sanitation and health pointing to the need for a public health intervention rather than an infrastructure one. A review of the program in light of this experience and shift in focus towards a behavior change model that emphasizes public health outcomes has met with far greater success than the toilet construction drive.

One argument often made in favor of internal accountability of the civil services is that accountability to the people is achieved indirectly through accountability to the political class, who in turn are accountable to the people through the electoral process. This notion of accountability is premised on the assumption that there exists a clear separation of powers between the legislature and the executive where the legislature determines policy and the executive implements policies with clear legislative oversight. In practice, this separation is extremely weak.

For a variety of reasons, elections as an instrument for external accountability have some well known weaknesses<sup>4</sup>. In India, these weaknesses are exacerbated by the particular nature of the evolution of Indian democracy. Politics is marked by a conception of competition where to hold the state accountable is to gain access to its power and the goods it provides. Clientelism and patronage are rife and voters are mobilized more on the politics of caste, regional or religious identity than on the politics of accountability and initiatives that bring long term benefits to the public as a whole.<sup>5</sup> Consequently, the state and its apparatus, including the bureaucracy are treated not so much as a means of generating public goods but as a means of generating benefits for the particular group that controls the state.

Rampant politicization of the bureaucracy is an outcome of this politics. Frequent transfers, arbitrary promotions and appointments made by political bosses are the norm in the bureaucracy today. According to one estimate, Uttar Pradesh witnessed over a 1,000 transfers

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<sup>4</sup> Weaknesses in elections as an accountability mechanism have been the subject of much analysis. For one thing, elections occur only once in every few years, but they also force an incredible diversity of opinions and evaluations together into one single vote, this makes them a rather blunt instrument to convey accountability signals to individual office holders.

<sup>5</sup> Mehta B.P, (2008), 'Citizenship and Accountability: The Case of India' (*forthcoming*)

in a period of two years between 1996 and 1998. Under one head of government, transfers ran at an average of seven per day!<sup>6</sup> Politicization has resulted in a collusion of interests between the legislature and the executive, curbing any incentive for instituting internal accountability. As box 2 illustrates, when interests collude, policy decisions are based on the achievement of short-term political gains rather than citizen preferences. Moreover, incentives for performance are weak and corruption becomes unavoidable.

**Box 2: Where the legislature and the executive collude: The case of education in Uttar Pradesh\***

A recent analysis of the political economy of education in Uttar Pradesh by Kingdon and Muzamil (2003) reveals that teachers are strongly unionized and command significant political clout. Many teachers are active politicians themselves. Kingdon and Muzamil estimate that the proportion of teachers elected to the Upper House in UP range varies from 13% to 22% of the total members. In the lower house, teachers accounted for 10.8% of all elected MLAs in the 1993 election and 8.7% in the 1996 election. Their share of cabinet posts was even higher at 16.3% in 1991-92. This rather high representation of teachers in the UP politics persists till today. Smt. Mayawati, the current UP Chief Minister, was herself a teacher before she took the political plunge. What does this collusion mean for accountability? When interests so clearly collide, the system is rid of any incentives to make policy choices that go against teacher's interests or create mechanisms for imposing sanctions for poor performance. This is one the primary reasons for the persistence of absenteeism and poor learning achievement levels in India.

\*Kingdon and Muzzamil (2003), 'The political economy of education in India', Oxford

Politics aside, oversight of the executive by the legislature is further compromised by the fact that institutional mechanisms through which this oversight function is realized are ineffective. Box 3 examines this in the context of Parliamentary Questions – arguably one of the chief instruments through which the legislature can hold the executive to account. Another instance of ineffective oversight is the failure of Parliament to enforce governmental compliance with audit findings. Parliamentary procedure requires that all audit reports be tabled in parliament. The Public Accounts Committee (PAC) scrutinizes these reports and recommends action to be taken. In practice, the PAC has failed to ensure enforcement. The figures speak for themselves. According to the Comptroller and Auditor General of India, of 9,000 audit paras included in reports tabled in Parliament between 1994 and 2008, over 3,000 are yet to be responded to<sup>7</sup>.

<sup>6</sup> Jalan, B (2005), 'The Future of India', Politics, Economics and Governance', Penguin

<sup>7</sup> CAG speech, 2008, [www.cag.gov.in](http://www.cag.gov.in)

**Box 3: Whose questioning whom? Are Parliamentary questions an effective means of holding the executive to account?**

Formally, Parliamentary questions offer the principal means by which the legislature can hold the executive to account. Constitutionally, any Member of Parliament (MP) can ask government questions. Ministers are obliged to respond to these questions in Parliament either orally (starred) or in written (unstarred). In practice, the number of questions is limited. 20 starred and 230 unstarred questions can be responded to on any given day. Questions tabled by members are prioritized through a secret ballot. But what happens to questions that do not make their way to the secret ballot? Parliamentary rules have no mechanism to ensure that questions that are left out of the priority list get responses outside of Parliamentary sittings. Consequently, critical issues never get questioned, debated or discussed in Parliament and accountability is weak. Procedural issues apart, in recent times the relative decline of parliamentary procedure, in particular the reduction in the number of sittings per session (the 14<sup>th</sup> Lok Sabha hit an all time low with a 50 day sitting in 2008-09) as well as poor quality of questions asked has further diminished the importance of question hour as a means of ensuring accountability in India's governance systems.

*Weak Accountability of service providers*

As mentioned, for the long route of accountability to be realized, policy makers must be able to activate internal accountability mechanisms and create institutional incentives, through which providers act in the interests of people and accountability is ensured.

A key element of ensuring accountability is the ability of policy makers to monitor service provision and institutionalize incentives for performance. In administrative and managerial parlance, this refers to the 'contract' or 'compact' between policy makers, line departments and front-line service providers on the basis of which services are delivered. As the history of implementation of programs and schemes in India amply demonstrates, the sheer size and scale of government operations makes direct monitoring- even for the best intentioned civil servant- of the front-line service provider almost impossible. On occasions where monitoring does happen, it is undertaken necessarily on the basis of inputs – buildings built, roads constructed, hand pumps constructed, rather than on outcomes of what these buildings, roads and hand pumps yield. Thus performance, when judged, is not based on any 'real' indicators of service provision removing any real incentive for performance.

#### Box 4: The importance of being measured

There is a growing body of public policy literature that argues for the importance of measuring outcomes as the real indicator through which performance of policy decisions can be determined. This emphasis is a consequence of the recognition that there is a weak correlation between financial input and outcomes. On this view, measuring impact of public policy and expenditures incurred to implement policy requires going beyond an input orientation to determining what these expenditures yield. Does for instance, the construction of a road lead to greater connectivity? Does access to a public health center improve health conditions? Does building a school lead to quality education? Measuring performance through outcomes can enhance accountability in many ways. For one thing it makes explicit, the objectives, outputs and outcomes expected from public expenditures. In doing so, it articulates clear benchmarks on the basis of which performance of policy objectives can be measured. To be effective, measurement must be accompanied by increased information on how well stated objectives are being met.

Another factor that has contributed to ineffective monitoring is the fact that information on public expenditures is weak. Ideally, expenditure information should be made available through central and state budget documents. But in practice, budget documents never report on actual expenditures for schemes. These are only available through audit documents tabled in Parliaments and state legislatures. As discussed, the audit system has its own set of problems including delays and weak enforcement of audit findings. In the absence of adequate mechanisms for expenditure tracking, there is no relationship between funds released and capacity and willingness to spend at the local level. Transparency in fund flows and expenditures is compromised and consequently, leakages and expenditure inefficiencies go unnoticed. The result: a complete breakdown of accountability.

How does this unfold in practice? Consider the case of India's primary health care sector. The central feature of the current public health care system is a network of primary health care centers (PHC) and sub centers where salaried, government appointed doctors and nurses are expected to treat patients. But what do patients encounter when they arrive at the PHCs. First, **Vacancies**- a recent countrywide study estimated average vacancies to be 18% among doctors, 15% among nurses and 30% among paramedics. Second, **absenteeism**- absenteeism rates across India average 40% with Bihar topping the list at 60%. Third, **incompetence**- a recent study on the quality of medical care in Delhi found that the competence levels of a public sector MBBS doctor in a PHC were so poor that there was as high as a 50:50 chance of the doctor recommending a seriously harmful therapy. In treating diarrhea, a basic health problem that 70% of doctors report facing 'almost every day', the typical doctor recommended harmful treatment at least 75% of the time. Fourth **corruption**, according to a 2005 Transparency

International study, health care services account for the largest share of bribes-27% -paid for public services in India.<sup>8</sup>

The crux of the problem with the health care system is the failure to monitor performance and enforce sanctions. All doctors appointed to PHCs are hired, paid, monitored and therefore accountable only to state governments. Since monitoring is weak, and fund flows including salaries and infrastructure-related monies flow despite weak monitoring, a PHC doctor's performance has little to do with remuneration. If public doctors miss their clinic opening hours or give poor quality service, they still get their salary. So what is their incentive to perform?

These weaknesses in the long route to accountability point to the urgent need to revisit current conceptualizations of civil service accountability as something internal to the system and divorced from citizens towards one that engages more directly with citizens. This notion of greater accountability to the people is not without precedent. Across, the world, governments are experimenting with new ways of strengthening citizen engagement in policy making and administration. Often referred to as 'social accountability', representing a form of accountability that breaks the state monopoly on oversight functions and actively encourages citizens to participate in its institutions. India has long been considered one of the pioneers of this form of accountability-owing largely to efforts undertaken in the civil society space. Equally, and partly as a consequence of civil society efforts, there are some important examples of state initiated reforms that have attempted to strengthen social accountability with varying levels of success. Crucial amongst them are efforts to strengthen decentralization of government through the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment, localization of monitoring through the creation of community based oversight bodies, citizen charters and the Right to Information Act.

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<sup>8</sup> Chaudhury, N, Hammer, J, Kremer, M, Muralidharan, K, Rogers, H.F. (2006), 'Is there a Doctor in House', forthcoming and Das, J. and Hammer, J (2004a) "Which Doctor? Combining Vignettes and Item Response to Measure Doctor Quality." Policy Research Working Paper Series, #3301. The World Bank, forthcoming in *Journal of Development Economics*.



## **Section 2: Institutional design for Accountability: Some analytical considerations**

In the previous section we addressed the question of whom the civil services ought to be accountable to. In the next two sections we deal with the more practical challenge of designing an institutional structure through which accountability to the people can be realized. One way of thinking about this is to go back to first principles. What are the key underlying analytical criteria on the basis of which accountability to people can be ensured? We identify two key characteristics of an accountable system.

1. **Regular, reliable and relevant information:** As the previous discussion highlighted, informational asymmetries- lack of access to information on government processes and performance- lie at the heart of accountability failures. Transparency holds the key to strengthening accountability. The passage of the Right to Information Act in 2005 is a critical step in the direction of institutionalizing transparency in administrative structures. However, transparency while necessary is not itself sufficient to ensure accountability. For information to result in accountability it needs to be produced regularly, reliably and in a fashion that is relevant to citizens. Demystifying complex government records so that they are intelligible to citizens is key. For instance, access to complex budget documents or audit reports will play a limited role in strengthening accountability. However, if these reports are de-mystified, using a non-technical vocabulary, they can be made relevant to citizens and accountability better enforced.
2. **Clear delegation of roles and responsibilities with commensurate powers and resources:** External accountability requires reorganizing internal administrative procedures and accountability mechanisms. One important aspect of this is to ensure that every level of the administrative system has clearly defined roles and responsibilities with goals that are clearly specified. This allows the possibility of affixing accountability to specific levels of administration as well as developing benchmarks on the basis of which performance can be judged.

The challenge lies in determining the basis for this delegation. There needs to be a clear basis upon which specific roles and activities are assigned to specific levels of the system. Second, the delegation of roles and responsibilities must be accompanied by the delegation of resources that would allow functionaries to fulfill their roles. In the absence of this, delegation could end up confounding rather than strengthening

accountability. Analysts have identified three key first principles of accountability on the basis of which role and responsibilities can be assigned<sup>9</sup>:

- a) *Degree of discretion*: A discretionary activity is one in which the successful delivery of a service requires for the frontline provider to adapt to local conditions instead of providing the same thing every time. Discretionary activities should be thus be assigned to front-line staff with the powers and resources- including some flexibility over budgets so that the nature of the activity can be adjusted to adapt to local conditions.
- b) *Degree of transaction intensity*: Transaction intensive activities require repeated transactions at the local level. The greater the transaction intensity, the greater the need for local control.
- c) *Ability to observe performance*: Where can performance be best monitored? If the activity requires technical expertise, performance is best judged by experts. But if the activity is simple and with easily identifiable performance indicators, local level monitoring is best. So for instance in the case of education, curriculum development may require technical evaluation but monitoring teacher presence and children's learning achievement is best done locally.

When applied, these first principles will give different answers for different sectors and services. However, they do allow for the articulation of some broad steps that can be taken both to strengthen delegation as well as information flows to citizens. In the next section we offer some preliminary thoughts on what these steps might be.

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<sup>9</sup> For a more detailed discussion on these first principles see Pritchett, L and Woolcock, M (2002), "Solutions when the solution is the problem: Arraying the Disarray in Development", Centre for Global Development, Working Paper No. 10. Also see Pande, V and Pritchett, L (2006), "Making primary education work for the rural poor: A proposal for effective decentralization", Social Development Working Paper Series No. 92, World Bank

### **Section 3: Preliminary thoughts on mechanisms and instruments for accountability**

As discussed in the first section, the notion of strengthening civil service accountability to the people has been at the forefront of many recent reform efforts within the civil services. This section is not an effort to re-invent the wheel. Rather, it hopes to offer inputs and discussion points that can build on on-going reforms and institutionalize mechanisms for direct citizen engagement with the civil services. The first principles detailed above offer the basis for these discussion points.

#### **1. *Greater decentralization***

The 73<sup>rd</sup> and 74<sup>th</sup> amendments to the Indian constitution have sought to strengthen accountability by decentralizing power to smaller, local units of government. The process of devolution of power has proceeded unevenly with political decentralization (elections to local bodies) running far ahead of administrative decentralization- where functions, funds and functionaries (3F's) are yet to be devolved adequately. The rationale for decentralization stems from the assumption that bringing governments closer to people, enhances accountability by more accurately reflecting citizen needs and preferences and crucially, making it easier for citizens to monitor performance and thereby demand accountability. Yet, all would agree, that decentralization is no panacea. After all, simply plumping greater resources to local governments without systematic reforms is unlikely to have an impact. Decentralization however, precisely because of its logic of bringing governments closer to people, offers an important opportunity through for undertaking reforms and greater accountability to the people – provided the design is right.

What are the features of a well designed decentralized system of government? First and foremost, the funds, functions and functionaries must be aligned such that functions are clearly delegated at each level of government and funds and functionaries are made commensurate with functional responsibilities. For accountability to be ensured and if local governments are to accurately reflect citizens needs and desires, funds need to be transferred in a manner such that local governments have the power to take decisions over resource allocation. Crucially, this greater autonomy must be accompanied by greater public scrutiny. Strengthening public access to information on local government budgetary allocations is one possible way through which this can be achieved. In rural areas, for instance, information on budgets allocated could be made accessible by painting information on the Gram Panchayat building. Mandatory scrutiny of budget documents at the Gram Sabha is another mechanism. Advertisements on budgetary

allocations could also be published in the local media and disseminated through local radio channels.

But how does one create incentives to ensure that information dissemination takes place? Many of the provisions for dissemination described above already exist. Yet, they never get implemented. One option is the creation of an independent regulatory agency that monitors information dissemination activities at the local level. Alternatively, proactive disclosure of budgetary details can be linked with the financial audit process such that failure to disseminate information gets a red flag in audit findings. We discuss this issue in greater detail in the section on social auditing.

2. **Greater monitoring of public expenditures:** As has been discussed earlier in this note, effective monitoring is crucial to accountability and for monitoring to be effective information on public expenditures is critical.

In 2008, the central government recommended the creation of a Central Plan Schemes Monitoring System (CPSMS) to track and monitor expenditures at the state and district level for centrally sponsored schemes. This is a welcome move. But is tracking funds to the district sufficient? After all, real expenditures are incurred at levels far below the district and usually the service delivery point- be it the school, the primary health centre or the public works site. Can systems be developed to track funds all the way down the system to the service delivery point? Lessons can be learnt from the web based information management system built by the government of Andhra Pradesh for the National Rural Employment Guarantee Act (Box 4) that reports on financial performance and progress at the level of the individual job card holder.

**Box 5: Andhra Pradesh's MIS System for NREGA: Key features**

In 2006, The Government of Andhra Pradesh (AP) instituted a process to develop an information management system (MIS) to track the implementation of the National Rural Employment Guarantee Act (NREGA) in the state.

The AP NREGA MIS is a web-based MIS. The Mandal Control Centre (MCC) is the lowest node where information entry happens. Each MCC is connected to the central database in Hyderabad through the district level. When wage-seekers apply for job-cards at the Gram Panchayat (GP), their details are registered into the MIS, and the MCC generates a job-card for the household, which is assigned a unique ID. Details of the works are also maintained in the Works Shelf part of the MIS. Once the work begins, the field assistant sends a weekly progress report on the work, along with the muster rolls to the MCC. Data entry happens at the MCC, and then payment orders are generated, which are sent to the GP for display. Payments are done either through the banks or the Post Offices, and these are also tracked on the MIS.

Because all information about every transaction, every work and every household is entered into the MIS, not only can the process be monitored at every step, the system can also generate all kinds of reports that enable detailed analysis of the program. For instance, there can be reports on beneficiary households at the state, district, mandal and GP levels, disaggregated along indicators which enable important analyses like gender-wise and caste-wise wage analyses, and work-access and wage analyses for disabled wage-seekers. There are also reports that enable comparison and tracking of progress of works undertaken at different levels, the delayed payment reports, and detailed reports on the performance of the program.

Of course, MIS systems while crucial for strengthening transparency need not implicitly strengthen accountability to people. After all the accuracy of an MIS system is dependent on the accuracy of information entered in to the MIS. What MIS systems do offer is the ability for citizens to access information on public expenditures in real time. For accountability to be realized, access to information needs to be coupled with mechanisms such as social audits discussed below that create platforms for citizens to directly interact with service providers and demand accountability.

### **3. *Mandatory social auditing***

The concept of social audits - the cross-verification of government records and data with information on the ground and the sharing of audit findings with government through public hearings- has gained much ground in recent years as an important tool through which accountability can be realized. With the passage of the National Rural Employment Guarantee Act (NREGA) social audits of NREGA works is now mandatory and some state governments (Box 5), have taken path breaking steps in the direction of institutionalizing social audits in to the everyday functioning of government.

#### **Box 6: Social Audits in Andhra Pradesh**

With built-in features like decentralized planning and implementation, proactive disclosures, and mandatory social audits on its projects, the National Rural Employment Guarantee Act (NREGA) provides the catalyst for activist governments and civil society organizations to institutionalize accountability tools in governance system. A remarkable instance of one such activist government is Andhra Pradesh which has since the inception of the program in 2006 been conducting systematic and regular social audits on its NREGA works across the state.

A strong political will and committed top-level bureaucracy provided the impetus for this venture. The institutional space for developing a team and managing the social audits was found in the Strategy and Performance Innovation Unit (SPIU) of the Department of Rural Development. Between March and July 2006, the Department collaborated with MKSS, the civic group in Rajasthan that pioneered social auditing in India, to hold training sessions for officials and interested civil society activists, and to help with the design and conduct of pilot social audits. These trainings culminated in the setting up of strong cadre of 25-member state resource persons, drawn exclusively from the civil society, which is crucial to ensuring a high degree of autonomy and objectivity in the exercise. In addition, 260 district-level resource persons have also since been trained. The actual audit is conducted by educated youth volunteers in the village, who are identified and trained by this pool of resource persons. The first social audit was conducted in July 2006. Since then, an average of 54 social audits are conducted every month across all 13 NREGA districts.

This is a unique instance in that nowhere else in India have social audits taken place on such a large scale with such frequency. And although research needs to address whether such deep institutionalization of accountability mechanisms has indeed resulted in improved accountability in service delivery, emerging evidence points to significant and lasting improvements in citizens' awareness levels, their confidence and self-respect, and importantly their ability to engage with local officials.

Despite these successes, institutionalizing social audits remain a challenge. First, the success of a social audit is crucially dependent on transparency. To conduct a social audit, citizens must have access to information on the basis of which government performance can be verified. The Right to Information Act, through its provisions for mandatory disclosure (section four) of information on all proceedings by government departments provides the institutional framework through which this transparency can be enforced. In practice, most government departments have failed to comply with disclosure norms articulated in the Act. The challenge thus lies in ensuring compliance with the Act. One possible way by which this can be achieved is to link disclosure with the formal audit process by making compliance audits on section four provisions a mandatory part of the yearly financial audit.

Second, for social audits to take root, communities need to be mobilized both to generate demand for social audits and for communities to participate in them. How can government's facilitate this mobilization? Moreover, is mobilization a governmental responsibility? The Andhra Pradesh government (Box 5 above) experience with conducting social audits is instructive in this regard. In the Andhra model, the government merely acts as a facilitator providing resources and the institutional set up for social audits to be conducted. The mobilization and conduct of social audits is the exclusive domain of the state and district resource people all of whom have been drawn from civil society. Going forward, this could be on model to emulate.

Third, a successful social audit requires timely response and follow up to social audit findings. Here too, the formal audit mechanism can be activated to ensure follow up by incorporating social audit findings in to the formal audit reports tabled to Parliament and state legislatures. There is of course the larger problem of the weak enforcement of audit findings referred to earlier. But should this preclude the incorporation of social audits in to the financial audit system?

Thus far we have examined mechanisms for citizen accountability from the perspective of front line service provision. How can greater citizen accountability be achieved at higher levels of service? We propose two, related ways in which this might be achieved.

1. *Setting and widely disseminating performance benchmarks*

*and*

2. *Linking performance with outcomes*

The importance of monitoring outcomes and performance has already been discussed. In this section, we examine some processes by which this can be realized. In 2005, the Government of

India took a very crucial step in this direction with the announcement of an 'Outcomes Budget'. While the intention was noble had much potential, it has thus far failed to have any real systemic impact. How can outcomes budgets be strengthened?

There are two critical elements to a successful 'outcomes budget'. First, it requires the identification of clear, concise and quantifiable outcome indicators. These indicators need to be tangible and realistic. Here the outcomes budget falls short. Indicators are vague – the health ministry describes 'funding of institutions' and 'widening of surveillance mechanisms' as some of its key outcomes- making measurement impossible and irrelevant.

Second, information must be made regularly available to the public. On this count too, the outcomes budget has fallen far short of expectations. The budget itself was launched with much media fanfare but over the years it has simply disappeared from the public radar. There is no evidence of any proactive effort by government agencies to generate and disseminate information on progress.

If implemented properly, efforts like the outcomes budget can go a long way in ensuring that information to the public is both relevant and reliable. Lessons can be learnt from the experience of NGO's across India that have been experimenting with different ways of strengthening information on public services in India. One interesting effort in this direction is the Annual Survey of Education Report (ASER)- a report card on the status of primary education in rural India, prepared annually by Pratham, an NGO working on education in India.

ASER has successfully identified simple indicators of learning competence- word and number recognition, basic comprehension and basic arithmetic. These are tangible, quantifiable and most important applicable all across the country. This makes cross state comparisons possible. Most importantly, these indicators are extremely realistic and relevant. The indicators are based on a reasonable expectation that a child attending standard 5 can recognize words, do basic math and read a standard 2 textbook.

To ensure that information is widespread, ASER has developed an inbuilt strategy for information dissemination across the country. This includes the preparation of annual regional reports and simple district level report cards. These report cards can be used as a tool to mobilize citizens to advocate for the improvement of the primary schooling system. Initial results from an impact evaluation of this experiment reveal that these district level report cards have generated widespread public interest on the issue of education and discussions on the issue of learning levels have increased dramatically at village level meetings.

Lessons can also be drawn from international experience. In the United States for instance, the White House has developed a program assessment rating tool (PART) that is drawn to conduct objective evaluations of all government programs. Departments are given performance ratings across key parameters<sup>10</sup>. In 2007, over 1000 programs, amounting to 98 per cent of the federal budget were assessed and ranked. This information is made publicly available through the internet and other media. Over the years, several government departments have responded to these rankings and worked to improve performance.

**Box 7: Program Assessment Rating Tool ( PART)**

The United States Office of Management and Budget (OMB) has developed a tool known as Participatory Assessment Rating Tool (PART) to assess and review US federal government program performance. This assessment helps program managers and other stakeholders in understanding what changes may need to be made to improve performance, and also highlights best practices that can be shared with similar programs.

Designed as a questionnaire, PART looks at critical areas of assessment that affect and reflect program performance. Accordingly, the first set of questions asks whether a program's purpose is clear and whether it is well designed to achieve its objectives, the second involves strategic planning, and weighs whether the agency establishes valid annual and long-term goals for its programs, the third set rates the management of an agency's program, including financial oversight and program improvement efforts, and the fourth focuses on results that programs can report with accuracy and consistency. Data emerging from this process is then used to assess and rate the programs (ranging from "effective" to "ineffective"). Once the assessment is completed, the OMB in collaboration with the Federal agencies develops a program improvement plan based on the assessment. They then track the progress on these plans, so that all assessed programs are held accountable for improving their performance and management.

The type and scope of the follow-up actions in improvement plans vary greatly. In some cases, the recommended actions focus specifically on one or two key areas needing improvement. In other cases, the follow-up actions are much broader. Sometimes, a program assessment finds that a program is duplicative of other, better-run programs or even that the program has already fulfilled its original purpose. In cases such as these, one of the follow-up actions might be to work with the Congress to end, or terminate, the program.

To date, 1015 (about 98% of all) Federal programs have been assessed. Of which 193 have been found Effective, 326 Moderately Effective, 297 Adequate, 26 Ineffective, and 173 Results Not Demonstrated.

#### **Section 4: Pulling it all together: Concluding remarks**

There is little doubt the civil service accountability to the people is both desirable and necessary. Ensuring this accountability is arguably one of the greatest challenges that confront India's civil services. This discussion note has touched upon a few instruments and processes that can create platforms for greater citizen engagement and accountability. In the final analysis, however for accountability to take root, incentives need to be built in to the system. To be sure, greater transparency and resultant public scrutiny do create incentives for better

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<sup>10</sup> <http://www.whitehouse.gov/omb/part/>



performance. But is this enough? If not, how can accountability to the people be institutionalized? Can measures of performance be incorporated in to the formal appraisal system as one of the benchmarks through which internal bureaucratic performance is assessed? Can promotions and pay increases be linked to these benchmarks? These are some of the key questions that need to be addressed in order that civil service accountability to people is realized.