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PUBLIC ADMINISTRATION (Test Code : 224)

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Schedule	Pub. Ad Test Series	Module	
Place	Kansal Bagh	Time	
		Date	11-06-2014
Classroom	<input checked="" type="checkbox"/>	Distance Learning	<input type="checkbox"/>
Classroom & Distance Learning		<input type="checkbox"/>	

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Q. No.	Maximum Marks	Marks Obtained
1.(a)	12.5	
1.(b)	12.5	
1.(c)	12.5	
1.(d)	12.5	
2.(a)	25	
2.(b)	25	
3.(a)	25	
3.(b)	25	
4.(a)	25	
4.(b)	25	
5.(a)	25	
5.(b)	25	

Maximum Marks : 250

146 /250

Remarks:

Signature of Examiner

EVALUATION INDICATORS

1. Alignment Competence
2. Context Competence
3. Content Competence
4. Language Competence
5. Introduction Competence
6. Structure - Presentation Competence
7. Conclusion Competence

INSTRUCTIONS

1. Do furnish the appropriate details in the answer sheet (viz. Name, ID Number and Test Code).
2. Candidates should attempt answer to the part/sub-part of a question strictly within the pre-defined space. Any attempt outside the pre-defined space shall not be evaluated.
3. The candidate need not write anything in his/her answer that derogates the dignity of an individual or an organization.
4. Candidates should attempt all questions strictly in accordance with the instruction given under each question.
5. The candidate should respect the instructions, given by the invigilator.

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15/06/2014

PUBLIC ADMINISTRATION (Test Code : 224)

Overall Macro comments / feedback / suggestions on Answer Booklet:

1. *you have written good answers shown good intro quality, exact and effective and progressive way of expression, logical and orderly presentation, which are really commendable and keep trying to hone up this skill.*

2. *In few Answers, it is noticed that few points are not elaborated well!!*

3.

You have the potential to do well..All the Best..

4.

5.

All The Best

1. (a) Explain Popperian "piecemeal engineering model" with reference to public policy. 12.5

A.

The piecemeal approach refers to breaking up tasks into several constituent tasks. Each of these tasks are worked upon on a standalone basis.

Popper's principle is that we should act to minimise suffering rather than maximise pleasure.

Public policy equivalent of this model would be quite similar to a 'garbage can' model. Several standalone initiatives work simultaneously as part of bigger problem.

Eg. poverty alleviation — Food Security Act, MGNREGA, National Skill Development Corporation, Aajeevika, etc.

These piecemeal approaches may not necessarily be integrated or adequately interlinked. *interlinked ???*
???
due to inadequate planning, lack of resources etc.

Benefits of the approach

- 1) Partial satisfaction of multiple objectives & catering to multiple interests
- 2) less pressure on planning machinery
- 3) Politically more advantageous to convey to people.

Issues

- 1) loss of efficiency, economy & effectiveness

- 2) Some programs may work counter to each other.
- 3) Wastage of scarce resources

Rewrite !!!

Thus for a developing country like India it is required that adequate strengthening of human & physical infrastructure be done to shift towards a more integrated holistic approach

Popper believed that by acting to minimise suffering, we avoid the terrible risks of "utopianism", by which he had in mind the communist and fascist dictatorships of the twentieth century. "Those who promise us paradise on earth never produced anything but a hell.

1. (b) Explain the Internal Control & Audit mechanism for Financial and Budgetary Control by the central government. 12.5

A.

Internal control & audit mechanisms are a part of government monitoring & evaluation process

Internal control systems are basically management control systems with a view to ensuring compliance with rules and regulations, reliability of financial data and reports, and to facilitate efficiency of government operations.

In India, this structure consists of:-

- 1) Secretary of Department / Ministry acting as Chief Accounting Authority
- 2) Integrated Financial Adviser (IFA) assisting the secretary in overall financial supervision
- 3) Pay & accounts office at various levels (Central, regional etc.) headed by CCA/CA.
- 4) Internal Audit wings under the Pay & accounts office.

The control is exercised via budget & budgets 4

- 1) Formulation of outcome accountability for final results
- 2) Internal Audit covering
 - i) Regulatory Audit
 - ii) Compliance audit
 - iii) Performance audit
 - iv) Assessment of adequacy of internal controls.

~~These~~ On basis of these reports are generated for the executive (ministers & secretaries) to evaluate performance on various parameters.

IFA also reports to Finance Ministry which ^{also} monitors financial performance

Weakness

- 1) No significant punishment for failures
- 2) Weak financial information systems
- 3) Inadequate capability of staff.

ARC-2 recommendation *elaborate well!!*

- 1) IFA be restructured as CFO
- 2) Adequate training for capacity building
- 3) Audit reports as basis for officers performance evaluation & grading.

5

1. (c) Examine the prospects and policy challenges incurred in the twelfth plan.

12.5

A. The 12th plan aims at 'faster, more sustainable & inclusive growth'

The main focus is on building up of infrastructure - both physical & social as well as revamping service delivery mechanisms & making them more effective. eg. PDS. Private partnership through PPP is taken as a preferred mode for investment.

Policy Challenges

- 1) Administration is ineffective due to lack of reforms constraining proper implementation
- 2) Political will for ensuring decentralization, public participation is weak as seen by state of PRI's, social audits.
- 3) Policy paralysis, slow growth will hamper ~~attract~~ investment from private & foreign.
- 4) Ineffective monitoring systems & weak law & order & judicial mechanisms erode accountability & leave scope for significant leakages, quality erosion.
- 5) Energy constraints & water constraints

Prospects

- 1) Growth targets have been scaled back from 9 to 8%. & will have to be further scaled back

- 2) Infrastructure will grow but not at the pace expected
- 3) A significant shift towards e-governance, digital identity would have taken place by the end of 12th plan laying groundwork for better monitoring
- 4) The decisive mandate in 2014 election is likely to spur decisive & long delayed reforms kickstarting growth.

1. (d) Public policy is the authoritative allocation of values. Analyze. 12.5

David Easton defines public policy as "the authoritative allocation of values for the whole society". Public policies are formulated by what Easton calls the "authorities" in a political system, namely, "elders, paramount, chiefs, executives, Legislators, judges, administrators, councillors, monarchs, and the like"

A.

David Easton analyzes public policy from a systems ~~and~~ approach..

Public policy formulation involves demands upon political system from the environment. The authorities (political executives, bureaucracy, judiciary etc.) then work as a complex network to prioritise these demands, allocate resources & prioritise the values to guide.

Ex. Rights based approach to minimum government priority to infrastructure compared to capital goods industry (post independence)

Thus public policies are a reflection of what the authorities aim to achieve & the method by which they aim to do so.

The statement however ignores certain aspects like :-

- 1) Authorities are constrained by public opinion moulded by media & civil society
- 2) In era of globalization, international pressure also constrains public policies
eg. WTO
- 3) The kind of relationship among authorities is also important.
eg democracy vs authoritarianism
prime-ministerial vs presidential form of government.

Thus on a broad scale public policies are essentially determined by state in assistance by other authorities who have the responsibility & legitimacy to do so. On a detailed inquiry there are other factors influencing public policy too.

2. (a) 'Due to the realisation that certain weaknesses have crept in the performance budget documents such as, lack of clear one to one relationship between the financial budget and the performance budget, and inadequate target setting in physical terms for ensuring years, it was felt that there was a need for tracking 'outcomes' and not the readily measurable 'outputs'. In the context of the given statement, explain what are outcome budget and its implementation in India. 25

A.

Budgeting is an important tool of the government for assessing its performance. Budget making thus has constantly evolved toward ensuring better mechanisms for performance evaluation.

India embarked on performance budgeting in 1970s itself to better link inputs to results. All departments were mandatorily required to prepare performance budgets. Over the years however various weaknesses were realised like :-

- 1) Outputs were not resulting in desired outcomes
eg. schools created but learning outcomes poor
large number of rural branches but institutional credit for farmers was still poor.
- 2) Performance budgeting had become a mere ritual without significant focus on its results.
- 3) Budget making still ~~basically~~ ^{primarily} relied on financial budget

These & other failures prompted the central government to move towards outcome budgeting in 2005. Performance

Budgeting was subsequently merged with it.

Outcome budget essentially relate the outcomes to the outlays (inputs). It thus goes one step further than the outputs.

Benefits

- 1) Focus on relationship between outputs & outcomes desired leading to better planning
eg. MGNREGA — reworked to include skill development to ensure better outcomes.
- 2) Focus shifted on just ensuring physical output targets to quality
eg. focus on learning outcomes in education by improving teacher learning from just constructing schools.
- 3) Integrated approach as outcomes require multiple departments achieving output targets
eg. ~~Rural development~~ — ~~infrastructure, education,~~
agriculture, water
eg. health — education, hospitals, —
sanitation, clean water etc.

Issues

- 1) Many cases outputs are taken as outcomes
- 2) lack of accountability on officers for lack of achievement of outcomes.
- 3) Evaluation & feedback process weak on learning from failures.

- 4) Difficult to measure certain outcomes
eg. learning outcomes
- 5) Lack of consensus on goals in certain areas
eg. Strategy for rural development.

Outcome budget is thus following a path similar to performance budgeting & becoming a routine exercise. To make it effective there is need to

- 1) Capacity building of staff
- 2) Fixing of accountability
- 3) Future budget allocations dependent on outcomes achievement.
- 4) ARC-2: Learning about the process through evaluation of one or two model ministries.

Good effort..

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2. (b) India is the first country in the world to have specialized Environment Courts. Taking an example of India's Environment Policy, elaborate the process of conceptualization of policy and policy-making. 25

A Policy-making is a continuous process & policy is being made as it is being administered & administered as it is being made.

The process of conceptualization of policy & policy-making can be divided into several stages for Environment Policy of India:-

1) Defining the problem

This involves the legislature, executive, civil society & judiciary.

legislature - public constituents issues reflected

executive - opinions of bureaucracy on problems

civil society - opinion of experts + public opinion of minorities

judiciary - legal judgements provide problems

eg. CAMPA (Compensatory afforestation authority)

Yamuna cleaning. (NGT has taken up)

Major issues are picked up and ranked in priority within an integrated framework after consultation, bargaining & consensus

eg. 33% forest cover; ~~67% SSA in forest~~ Western Ghats conservation

2) ^{Define various} ~~Criteria~~ of alternatives

main players are ~~of~~ bureaucracy & judiciary who define alternatives with assistance from experts.

eg. NGT banning sewage flow in Yamuna to clean it

3) Evaluation of alternatives

In terms of costs, consequences
Generally an expert area. Aids in decision making.

eg. Western Ghats → 67% ESA → better for villages
→ 100% ESA → better for conservation

4) Choice of alternatives

Here the major role is assigned to executive & legislature.

They take into consideration various constraints like

- public support
- international obligation
- economic cost benefit

Judiciary through their decisions can reject one or more alternatives or recommend certain alternatives

eg. NGT ~~by defining forest~~ ^{defining forest} cover expansively than forest department for forests in Manesar.

Specialised environment courts ^(NAT) became a necessity owing to

- a) large scale destruction of natural resources. like forests, rivers
- b) PIL asking for judicial intervention to step in ~~was~~ due to executive misadventure.

These environment courts are now forcing the state to take long term view & devising guidelines to ensure policy goals are met & not subverted. The challenge for future is the courts playing a supporting role & not usurping executive power.

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good effort..

3. (a) "The budgetary system in India is far from being ideal". What are the limitations of the present budgetary system? Suggest some steps to ensure best possible utilization of resources.

25

A.

The budgetary system in India has not evolved with changing times and is still regarded as input focussed system.

India currently follows an outcome budgeting system along with a financial budget.

Limitations

- 1) Outcome budgeting not yet adopted by all departments/ministries
- 2) Outlays are not related to previous year outcomes → input focussed
- 3) Single year budgeting leading to March rush as ~~the~~ resource can't be carried over to next year
- 4) No effective linkage with the 5 year plans.
↳ Ineffective long term planning.
- 5) Expenditure in budget doesn't lead to actual spending at ground level.
This is because funds are in ~~paper~~ pipeline of implementing agencies but get recorded as expenditure in budget

6) Weak financial information system for continuous monitoring of spending & ~~target~~ output *Unrealistic budget estimates*

7) Bottom up approach allowing top executives little latitude in introducing new initiatives owing to lack of resources *Delay in implementation of projects*

8) Ineffective planning at local level.

The budgetary system in India thus incentivises, ① focus on full utilisation of resources without emphasis on outcomes

② lack of accountability

③ lack of incentives to cut costs in programmes

④ lack of incentives for long term perspective

To ensure best possible utilisation of resources -

ARC-2 recommendations

1) ~~linking~~ Medium term budget framework linking budget with 5 year plans

2) Top-down budgeting

3) New system of expenditure approvals under NAS - with approvals for expenditure flowing down hierarchy not actual funds & expenditure recorded only when amount paid

4) Multi-year budgeting with allowing carry over of cash

↳ implemented as Modified Cash Management System

5) Linking of outputs / outcomes to future outlays

Indian budgetary system needs to become more outcome driven, technologically superior, digital & accountable to ensure better resource utilization.

good effort..

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3. (b) Policy making and implementation of development plans could get a boost through active civil society organisations performing their role effectively and in collaboration with the government. However, certain constraints act as bottlenecks in the relationship. Identify some of these constraints and suggest remedial measures. 25

A Civil Society Organisations ^{provide} a platform for the people to group & ensure state is held accountable for effective implementation of development initiatives.

The effectiveness of civil society organisations (CSO) is due to

- 1) Their power to shape public opinion
- 2) Ability to create awareness among public about the avenues to hold state accountable good
- 3) Suggesting innovative solutions to government.

Constraints in civil society - government relationships are :-

- 1) Bogus & fraud CSO - to siphon money. They create a bad name
- 2) Conflict among different CSO owing to the groups they represent. Eg. FICCI versus trade unions.
- 3) Unwillingness of executive to cede power to CSO
- 4) Lack of uniformity among CSO in terms of structure creating difficulty in ensuring coordination among

multiple CSO engaged in single task.

5) Resource base

CSO in India not adequately funded as in west. Lack of adequate government & corporate sponsorship.

6) Many CSO have been accused of furthering foreign interests harming nation using foreign money.

7) No defined government policy in engaging CSO for all programs like in case of SHG.

~~2) Lack of~~

Thus the bottlenecks are essentially related to resources, perceptions, coordination.

Remedial Measures

1) Perception

- a) Govt begins CSO & impose strict penalty on those found violating norms.
- b) Strict action against CSO furthering foreign interest harmful to nation.

2) National Apex Body

- a) To give guideline on a broad level to ensure CSO ~~also~~ have similarity in structures & are better grouped & networked.

b) It will also allow CSO to better mobilise public by joining for common causes & thus put more pressure on State

3) Resource

- a) Relaxation for foreign funding
- b) Encouraging linking of CSR with CSO

4) Transparency

- a) In selection of CSO in national level bodies like NCR, NHRC
- b) Auditing of CSO receiving substantial government funding.

Civil Society Organisation can supplement policy process through expert advice as well as mobilising people in support of implementation. It is thus in state's best interest to remove any bottlenecks.

good.

17

4. (a) Is regulating 'microfinance' a challenge for public policy? Discuss.

25

A.

The recent push for microfinance with RBI granting ^{banking} license to Bandhan along with the scandals & clampdown in states like Andhra Pradesh has made 'microfinance' an important public issue.

Microfinance essentially involving providing loans of small amounts to underprivileged who wouldn't normally get loans from banks. It involves

- a) higher rate of interest than banks but lesser than moneylenders
- b) lending is generally done to a group like SHG ensuring better recovery due to group pressure.

Microfinance is rapidly expanding in India as:-

- 1) Large population is outside formal banking ~ 50%.
- 2) Banks don't give loans to this class generally
- 3) Demographic dividend throwing up self-employment opportunities which require credit provided by microfinance

Seeing its importance in financial inclusion & poverty alleviation, MFIs (Microfinance Institutions) have been supported by government through cheap credit, funding etc.

Issues

- 1) There have been cases of harsh recovery practices by MFIs in some states
- 2) MFIs are still concentrated in few states and not in the poorest ones like UP, Bihar etc.
- 3) MFI success requires other infrastructure like roads, electricity are made available so that the loan is able to be returned
- 4) MFIs can themselves become similar to earlier moneylender by charging high rates & coercive practices in absence of regulation / competition

Microfinance thus presents a significant opportunity to public policy in achievement of the goal of bettering standard of life particularly of the lowest strata.

The challenge is in carefully nurturing it to enable it to help attain desired objectives by :-

- 1) ~~En~~ Creation of appropriate guidelines by RBI for their functioning.
- 2) Support by state to SHGs & MFIs to expand their reach & make them sustainable.
- 3) Creating an enabling environment for entrepreneurship.
- 4) Strict enforcement of laws & penalties for harassing practices while not overdoing ^{regulation,} ~~at~~ harassing the sector as was done in Andhra Pradesh

good..

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4. (b) What do you understand by participatory budgeting? Highlight the implementation of such budgeting and evaluate. 25

4. In the new paradigm of citizen-centric administration, budgeting has evolved towards the new concept of participatory budgeting.

Participatory budgeting involves the addition of citizens ^{& lower staff} in the budgeting process. This is achieved via :-

- 1) Inviting ~~public~~ opinion on relevance of various existing schemes
- 2) Inviting ideas for economy, efficiency in current allocations
- 3) ~~Public~~ Discussion on budget formulated ~~between~~ making executive explain the rationale behind various provisions & subjecting budget to public scrutiny

This was necessitated as :- A centralised

- 1) Budgeting had become too bureaucratic[^] with bureaucratic tendencies of budget maximising creeping in without regard to final outcomes
- 2) Public can ensure accountability
- 3) ~~Public~~ ^{lower staff} can be a source of new ideas
- 4) It will lead to greater public support & ownership of government initiatives

This was to be implemented at local levels i.e. panchayat, municipalities & then district according to logistics. Thus

- a) Gram Sabha & Ward Committees full involvement
- b) District budget requiring meetings called for concerned citizens
- c) At higher level, comments solicited by citizens via net, letters.

Implementation

Has been very weak at lower levels with exercises not carried out & if done - it is a mere formality.

This is because

- 1) Local level staff not sufficiently capable of forming budget. They thus copy paste from last year & have difficulty explaining rationale to public.
- 2) lack of awareness among people.
- 3) lack of sufficient initiatives by civil society

At higher levels the practice of inviting suggestions is prevalent at Centre but not much effective at state level.

Ministry of Finance still works more as centralised mechanism, with Planning Commission allowing some participation through discussion with experts & other departments.

Evaluation

~~Participatory budgeting is currently a failure as new~~

- 1) While opinion of other departments is taken at top level, within departments there is lack of this initiative
- 2) Public participation has been negligible particularly at local level where it should have been encouraged.
- 3) Appropriate mechanisms & guidelines need to be established & the process be institutionalised
- 4) Awareness generation via civil society
- 5) Department heads be held accountable for budget estimates & performance, incentivising them for participatory budgeting.

Participatory budgeting is an important step in line with participatory management of Argyris for best utilization of available talent & encouraging the workers to be committed to organisation's objectives

well written..

ensure neatness!!

5. (a) Policy implementation is an arena of administration but it does not remain untouched from legislature and judiciary influence. Examine the ways in which legislature and judiciary exercise their influence on policy implementation. 25

A

In the era of multistakeholder networked governance, policy implementation has also moved ^{from} being exclusive reserve of administration to being influenced by other actors.

Policy implementation ~~is~~ involves executing the proposed schemes to achieve the stated objectives.

Legislature

The primary role of legislature is approval of final policy & deciding content through discussions & debates.

It influences policy implementation through *good*

- 1) Question hour - enforcing accountability on the executive
- 2) Influencing political executive through highlighting issues regarding implementation in Parliament
- 3) Contact between MPs & administrators as elected representatives try to get the grievances of their constituents addressed.
- 4) Strategies for implementation are also sometimes outlined in bills, or recommended by Parliamentary Committees. Eg. Strategy for PDS reform

in food security act

legislature thus acts as a supervisor in the policy implementation process & brings to light the deficiencies improving the execution.

Judiciary

As final interpreter of constitution & by its power of Judicial Review it influences policy implementation via:- ^{good}

- 1) Ruling on implementation strategies validity
eg. Creamy layer introduced for OBC reservation
- 2) Judicial activism - forcing implementation when executive is inactive
eg. Sexual Harassment guidelines.

Judicial intervention thus ensure that policy implementation is carried along the ~~democratic~~ ^{constitutional} values like equity, rule of law etc.

Challenges of this influence

- A) legislature - a) excessive scrutiny & finger pointing may lead to government paralysis & inaction.
eg. bureaucrats refusing to take decision on files

b) It may stifle innovation

3) Judiciary

a) It may supplant executive in
name of judicial activism.

eg. nursery school admission case in
Delhi

b) It doesn't have the required
expertise in many cases leading to
ineffective decisions.

Judiciary & legislature have a
supplementing role to play in
policy implementation but need to
be conscious of their limitations.

well written..

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5. (b) Policy transfer is emerging as prominent phenomenon in policy making. Discuss and provide examples from different part of world. 25

A. In the era of globalisation, nations are being interconnected & knowledge being ~~freely~~ ^{extensively} shared. Policy transfer is emerging as a byproduct of this process.

good

Policy transfer involves utilisation of policies at one place at other places for achievement of objectives. The successful policies are thus being transferred.

Brazil's Bolsa Familia has been a guiding framework for India's recent rights-based approach & transition to direct benefits transfer.

China's SEZ model was adopted by India after suitable modification for export promotion.

Reasons for emergence

- 1) It fast forwards the trial & error phase as the successful policy has already incorporated the various learning experience.
- 2) Developing countries not having required expertise are benefitted from expertise invested in forming successful policy e.g. India's patent regime policy being

adopted in African countries.

- 3) The country ~~of~~ of origin can assist the other country in implementation due to experience.
- 4) It saves time, money
- 5) International agencies like World Bank, UNICEF etc. are promoting such best practices.

Thus countries worldwide are developing specialisation in certain core areas & benefitting from each other experience in others.

Limitations

- 1) ~~The~~ ^{good} conditions in new country may not be suitable
Eg. failure of SEZ to take off in India
- 2) It discourages home grown innovative ~~solution~~ ^{good} solution better designed for local conditions as preference for tried & tested initiatives.
- 3) Threat of neo-imperialism, cultural disassociation.
- 4) Some conditions like India's huge population not present anywhere else, constraining India's ability to import such ~~so~~ policies.

In the future, while the process of collaboration in policy making will increase, the focus needs to be on developing sufficient local expertise to incorporate local conditions, requirements into the policies.

Eg: Collaboration in policing initiatives specially in technology but retaining individual institutional structures & adopting technological solutions to them

eg. US — elected head of police
 ↓ collaboration
 UK — bureaucratic

good answer!!

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