

Need for Reform and Governance Capacities in Asia

Country Report India



Authors



Aurel Croissant is Professor of Political Science and Vice Dean of Research at the Faculty of Economics and Social Sciences, Ruprecht-Karls-University, Heidelberg. His main research interests include the comparative analysis of political structures and processes in East- and Southeast Asia, the theoretical and empirical analysis of democracy, civil-military relations, terrorism and political violence. Aurel Croissant has published 21 monographs, edited volumes and special issues of German and international journals, and over 150 book chapters and journal articles. His research has been published in German, English, Spanish, Korean, Indonesian and Russian. His articles have appeared in refereed journals such as *Party Politics*, *Democratization*, *Politische Vierteljahresschrift*, *Contemporary Southeast Asia*, *Asian Perspective*, *Electoral Studies*, *Pacific Review*, *Armed Forces & Society*, *Studies in Conflict and Terrorism*, *Terrorism and Political Violence*, *Zeitschrift für Internationale Beziehungen*, *Zeitschrift für Politikwissenschaft*, *Zeitschrift für Vergleichende Politikwissenschaft*, *Asian Journal of Political Science* and *Japanese Journal of Political Science*.



Ujjwal Kumar Singh is Professor in the Department of Political Science, University of Delhi, India. He obtained his MA from Delhi University, and PhD from the School of Oriental and African Studies, University of London. He was a Fellow at the Centre for Contemporary Studies, Nehru Memorial Museum and Library, Teen Murti Bhavan (New Delhi) and has also taught at Hindu College, Delhi University. He is the author of *Political Prisoners in India* (Oxford University Press, 1998) and *The State, Democracy and Anti-Terror Laws in India* (Sage, 2007). He has co-edited *Towards Legal Literacy: An Introduction to Law in India* (Oxford University Press, 2008) and is the editor of *Human Rights and Peace: Ideas, Laws, Institution and Movements* (Sage, 2009). His articles have appeared in *Economic and Political Weekly*, *Critical Asian Studies*, *Diogenes*, *Scienza & Politica*, *Ethnic Studies Report* and *Election Law Journal*. His current research focuses on electoral laws and electoral governance, extraordinary laws and the surveillance state.



Joachim Betz is Principal Research Fellow at the German Institute of Global and Area Studies and Professor for Political Science at the University of Hamburg. He has in the past served as editor of the *Jahrbuch Dritte Welt* (Third World Yearbook) and of several development and peace research journals. His main research interests include development policies and theory, development finance, social policies and globalization, as well as foreign, social and party politics in South Asia, and in India and Sri Lanka in particular. He has authored several published articles on these topics that have appeared in German and international journals and yearbooks.

SGI Project Team



Najim Azahaf is a graduate in Social Science and student of the Executive Master of Public Management at the Hertie School of Governance. He has worked as project manager with the Sustainable Governance Indicators project (SGI) at the Bertelsmann Stiftung in Gütersloh, Germany since 2010. He is responsible for the special SGI studies assessing and comparing policy performance and governance capacities in BRICS countries as well in economic powers in Asia. Most pertinent to his commitment to international efforts for good governance and sustainable development was his engagement at the Institute for Development and Peace (INEF). At this think tank, he worked as the assistant to the director for many years. In addition, he gathered practical experience in Germany and abroad by working with several organizations for international cooperation such as the German Agency for Technical Cooperation (GTZ, Nairobi), Capacity Building International (InWEnt), and the German NGO Welthungerhilfe.



Daniel Schraad-Tischler joined the Bertelsmann Stiftung in Gütersloh, Germany in 2008. He heads the Stiftung's "Sustainable Governance Indicators" (SGI) project, a cross-national comparison of policy performance and governance capacities in the OECD. Daniel Schraad-Tischler holds a PhD in Political Science from the University of Cologne (Faculty of Management, Economics, and Social Sciences) as well as a master's in Political Science, History and German Literature (Cologne). His main areas of research are good governance, sustainable development, and EU politics, as well as cross-national comparisons of social justice and equality of opportunity. Before joining the Bertelsmann Stiftung, he worked as a research associate at the Jean Monnet Chair for Political Science and European Affairs at the University of Cologne. Daniel Schraad-Tischler also gained project management experience at the European Parliament and at Bayer AG.

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EXECUTIVE SUMMARY

In the 2009 general elections, continuing what has become a regular pattern of coalition governments, the United Progressive Alliance (UPA), a coalition led by the Indian National Congress (INC), came to power. The Congress won 206 seats in 2009, 61 seats more than in 2004, the last time it had formed a UPA coalition government. While in 2004 the UPA had the support of the Left Front, the Samajwadi Party (SP) and the Bahujan Samaj Party (BSP), the latter two being major parties in North India, the Left Front was conspicuous by its absence in 2009, having withdrawn its support due to its disagreement with the Congress over the Civil Nuclear Agreement with the United States. The 2009 version of the UPA notably also included the Trinamool Congress, led by Mamata Banerjee. Active in the state of West Bengal, the Trinamool Congress later dislodged the Left Front government in the 2011 assembly elections there, ending the Left Front's previously unbroken 34-year rule in the state.

The UPA has two intersecting power centers, respectively focusing on the head of the government, Prime Minister (PM) Manmohan Singh, and on UPA chairperson and Congress Party President Sonia Gandhi. These two nodes of power have functioned in tandem, even while appearing to speak two different political languages. While PM Manmohan Singh, a distinguished economist, is expected to guide the country along the path of liberalization at a steadier and perhaps faster pace, Sonia Gandhi is seen in her capacity as head of the National Advisory Committee (NAC) as initiating and pushing through social legislation on issues such as the right to education (2010) and the right to food (under consideration). The Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA, 2005), an NAC-framed program designed to generate employment in rural India, has become a flagship project for the UPA and the Congress party. These pieces of social legislation have been largely seen as means of alleviating social inequalities aggravated by the government's new economic policies, by providing a minimal level of entitlements to the poor.

However, India's governance-reform momentum and its progress with a second, structural wave of economic reforms, which were expected to gather pace with the UPA's second coming in 2009, have faltered after 2009. This was partly the result of a large governing coalition that encompassed a number of minuscule partners only partly interested in the common goal of economic reforms. It was also the result of a poor record with regard to the control of corruption, with a series of scandals leading to a massive popular movement calling for more effective anti-corruption legislation and institutions. This uprising gave the Hindu-nationalist opposition a months-long pretext to paralyze the parliament, an institution whose effectiveness was already compromised. Legislative activity therefore came to a standstill. In addition, shocked by the popular backlash against corruption and the spectacular rise of food prices, the government either withdrew longstanding projects to

liberalize foreign investments (in infrastructure), or changed course at the first sign of criticism (retail trade). Bright spots included a number of initiatives to make growth more socially inclusive, from the expanded National Rural Employment Guarantee Scheme to acceleration of school enrollment at the primary and secondary level, to the upgrading of public health facilities and the introduction of a health insurance program for workers in the informal sector. These are not minor accomplishments, as arresting the widening income and wealth gap within India is a critical task.

Apart from the staggered reform process, governance indicators also show stagnation or even decline. For example, measures of economic freedom have not improved since 2003; weak spots in the reform process include the country's legal structure (enforcement of contracts), government consumption (due to the lack of subsidy reform), inflation control and business regulation. India continues to be ranked comparatively poorly in terms of the ease of doing business, and has fallen even further with respect to the control of corruption, most obviously because of the strong publicity associated with the latest scandals.

While the prime minister has a very strong constitutional and de facto position in the government, has a powerful and knowledgeable bureaucracy at his disposal, and is able to exercise substantial influence over his ministers and the implementation of policy by different ministries, his powers are circumscribed by political imperatives. The numerous partners in the coalition government have led to the creation of more than 70 ministerial posts in the central government, which along with a multitude of task forces, committees, and groups of ministers, generate multiple veto points and drive a compromise-driven style in making decisions. Significantly, the parliament has attracted a significant number of prominent industrial figures among its elected and nominated members. However, consensus does not exist in either the political or economic reform fields. For example, some members of the coalition including the Trinamool Congress and the DMK (until December 2011) joined with opposition parties to oppose the government's move to open the retail sector to foreign direct investment. Opinion among civil society groups is similarly fractured. Privatization within the health and education sectors has led to increases in inequality and differential access to public health system resources and higher education institutions. The public health system has decayed even as the purchase of health services in the private sector has become more expensive, and unemployment continues to be a worry.

The government has recently been plagued by a series of corruption scandals, some of which have been subject to judicial scrutiny. In reaction to these developments, a strong civil society movement has emerged to demand the creation of a strong ombudsman (Lokpal) and the passage of an anti-graft bill to ensure transparency, accountability and corruption-free government. The Office of the Comptroller and Auditor General has also been at the forefront of public debate, as it has relentlessly pursued cases of graft in government accounts over the past year. Following the onset of economic liberalization, the judiciary has

affirmed the government's liberalization policies, as well as government decisions and policies pertaining to matters of "national security." This has included the ratification of anti-terror laws. In recent years, however, courts have made decisions that have been tough on the political executive, particularly on issues concerning corruption and violation of the people's rights. In particular, in a July 2011 order in a public-interest case filed against the government, the Supreme Court came down heavily on the state and the central government for deploying a special police force drawn from the tribal population to combat the armed Maoists in the state, holding the state responsible for human rights violations. Indeed, the year 2011 was marked by a spate of cases in which the Supreme Court intervened either to probe or reverse decisions taken by the government. Electoral reforms have served to consolidate the electoral system, with the Election Commission of India, the constitutional authority entrusted with the responsibility of conducting fair and free elections, gaining greater legitimacy.

OUTLOOK

Aside from Japan, India is the only country in Asia to have continuously maintained a democratic governance system since the late 1940s. Though the quality of democracy has consistently been undermined by political, economic, cultural and social factors, there is no doubt that India demonstrates a strong tendency towards sustaining a democratic government.. Moreover, for almost two decades, India has attempted to reconcile democratic rule and economic reforms transforming a mixed economy into a market economy. Despite the manifold deficits and shortcomings of sustainable governance identified in this and other reports, today's India has become one of the most vibrant democracies in Asia as well as one of the most dynamic economies worldwide. Viewed from this perspective, India's democratic development constitutes a kind of counterexample to the authoritarian development model in China.

Despite these remarkable achievements in providing democratic governance, India will in the upcoming years face a number of challenges relating to the restoration of the legitimacy of political institutions and the implementation of sound economic policies. Democratic institutions are strongly entrenched in India, and indeed have enjoyed heightened legitimacy in recent years, but public trust in elected institutions (including parliament) and the apparatus of government (primarily the police) has steadily declined. The Administrative Reforms Commission (which has examined questions of ethics, public order and transparency in government), the Law Commission (focusing on the issue of reforming the criminal justice system) and the Election Commission (electoral reforms) have made specific recommendations. The public mood as 2011 drew to a close was evidenced by mass anti-corruption mobilizations around the country (through particularly in Delhi) advocating for a

strong anti-graft law and the creation of an ombudsman institution. More recently, a nationwide strike by trade and public-sector employee unions (including the largest, in the banking sector) was held in February 2012 to protest against disinvestment and the loss of jobs in the public sector. A number of popular movements around the country have set themselves against takeovers of land held in common. This type of event has often taken place in mineral-rich tribal areas in which the use of land by tribal people is protected by the constitution; despite these formal protections, the land has been used to establish industrial sites owned by Indian and transnational capital interests (e.g., POSCO, a South Korean steel company, is setting up a plant in the tribal areas of Orissa). The challenge before the country today is to devise institutional mechanisms to accommodate these popular aspirations, which social legislation based on minimum entitlements may not satisfy. Trust in institutions needs to be sustained through institutional arrangements that are more citizen-friendly, and also by strengthening specific domains of the social sector such as health, education and employment. Moreover, substantial improvements should be made in the level of access, inclusion and security accorded to vulnerable sectors of the population such as women, farmers (India has been rocked by a spate of farmer suicides across the country, including in Punjab, one of the states that led the so-called Green Revolution), migrant labor and the urban poor, the indigenous minorities (“tribes”), and those marginalized and displaced as a result of government’s development projects.

Criticism of the government’s record in many sectors of Indian society and in the media may be exaggerated, but this is clearly a symptom of expectations rising along with the country’s growth. This increase is not unjustified: If India is indeed to reach developed-country status by 2035 or so, a long list of challenges has to be tackled. Failing this, the economy risks falling into the middle-income trap that has characterized Latin American countries for several decades. India cannot compete forever on the basis of low-cost labor, and cannot provide jobs for the masses solely through IT-sector development and business process outsourcing (BPO) services. Employment-friendly and socially/ecologically sustainable development requires initiatives on several fronts, including:

- increases in geographic, personal, group- and skill-related diversity, in order to prevent the economy from degenerating into a kind of oligarchic brand. This will require a massive scaling-up of public services (especially in education);
- improvements in environmental quality, which means better enforcement and staffing rather than simply new regulations and institutions, as well as the diminution of eco-unfriendly subsidies;
- the elimination of critical infrastructural bottlenecks (which in turn requires more effective engagement with the private sector and sufficient fiscal flexibility);
- improvements in the quality of public services, and especially better demand management in the energy sector as resource shortages become evident; and

- the willingness to shoulder larger responsibilities on the global scene (especially in trade and climate negotiations), where India has heretofore acted predominantly as a free rider.

In the short term, environmental protection, health and education are the three sectors which need the most attention. Each of these has developed rather unevenly in terms of quality and access, and has fallen recently into a state of decay. Research, innovation and the development of a knowledge-based society are also areas in which the country needs to take firm steps. Federal arrangements and government decentralization mechanisms need to be strengthened, and the erosion of already existing provisions needs to be strongly curbed. Movements for autonomy in Kashmir and the states in the Northeast, as well as struggles by tribes in forest areas for control over their natural resources, need to be addressed quickly through democratic means, as they have ramifications for the sustainability of Indian democracy as a whole. An economy that has provided rich dividends for the growing middle and professional classes, and has turned industrial firms and the business and corporate sectors into influential stakeholders in the country's politics, needs to be steered onto a course where benefits are spread more equally. Alongside reforms, impact assessments examining the effects of growth and government policies across classes should be performed more regularly and coherently. The country's energy needs, which have grown exponentially without a commensurate increase in resources, need to be addressed in a way that conforms both to environmental conservation regulations and the requirements of local people. Growth needs to be a continuing target, but the government also needs to be mindful of social and political environments and implications; this should mean that the issues of fruitful employment generation, social security and social inclusion should play a part in the evaluation of priorities. This agenda could easily be extended, but is already rather ambitious in view of the country's disappointing economic performance since 2005. Without proactive reforms on the abovementioned fronts, India's expected rise to world power status will be called into doubt; threatened too will be its ability to absorb the rapidly rising labor force, and the future of social peace within the country.

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Quality of Democracy

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- S 2 Access to Information
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S 1 Electoral Process

S 1.1 Candidacy Procedures

How fair are procedures for registering candidates and parties?

Everyone has equal opportunity to become a candidate for election. The registration of candidates and parties may be subject to restrictions only when in accordance with law and if deemed reasonably necessary in a democratic society. This includes protecting the interests of national security or public order, public health or morals, or protecting the rights and freedoms of others.

Legal regulations provide for a fair registration procedure for all elections; candidates and parties are not discriminated against. 10
9

A few restrictions on election procedures discriminate against a small number of candidates and parties. 8
7
6

Some unreasonable restrictions on election procedures exist that discriminate against many candidates and parties. 5
4
3

Discriminating registration procedures for elections are widespread and prevent a large number of potential candidates or parties from participating. 2
1

Explanation:

In general, procedures for registering candidates and political parties for national elections are fair, and only few restrictions apply. The Constitution of India (1950) and the Representation of the People Act (RPA, 1950 and 1951) provide the legal template for the conduct of elections. The Election Commission of India, a constitutional body that enjoys considerable autonomy vis-à-vis the legislature and the executive, is vested with the authority to register and recognize political parties, and to allot them electoral symbols. All political parties have to follow certain minimal procedures, and fulfill requirements for registration under the provisions of the RPA 1951. The parties choose their candidates, but candidates have to conform to constitutional norms establishing qualifications for members of both houses of parliament (Article 84 A) and the state legislatures (Article 173 A), as well as additional conditions established by parliament in the RPA 1950 and 1951. While the constitutional norms pertain to age and citizenship restrictions, the RPA 1951 (Section 8(3)) disqualifies an aspiring candidate if he or she has been convicted of an offence. The Election Commission has additionally required that candidates disclose elements of their backgrounds (criminal records and past convictions if any) and their income at the time of nomination as a means of informing voters. Procedures discriminating against candidates are rather more informal, as candidates have to bear the lion's share of expenditures for election campaigns (plus payments to the parties' nomination committees). Candidate selection may often be related to personal wealth as well as popularity. This is the most prominent reason for the plutocratic character shown by many Indian parliaments.

S 1 Electoral Process

S 1.2 Media Access

To what extent do candidates and parties have fair access to the media and other means of communication?

Every candidate for election and every political party has equal opportunity of access to the media and other means of communication, which allows them to present their political views and to communicate with the voters. Access to the media may not be restricted or refused on grounds of race, color, gender, language, religion, political or other opinions, national or social origin, property, birth or other status.

All candidates and parties have equal opportunities of access to the media and other means of communication. All major media outlets provide a fair and balanced coverage of the range of different political positions. **10**
9

Candidates and parties have largely equal opportunities of access to the media and other means of communication. The major media outlets provide a fair and balanced coverage of different political positions. **8**
7
6

Candidates and parties often do not have equal opportunities of access to the media and other means of communication. While the major media outlets represent a partisan political bias, the media system as a whole provides fair coverage of different political positions. **5**
4
3

Candidates and parties lack equal opportunities of access to the media and other means of communications. The major media outlets are biased in favor of certain political groups or views and discriminate against others. **2**
1

Explanation:

For national elections, candidates and parties have largely equal opportunities of access to the media and other means of communication. Parties which are influential at the national level (such as the Congress and the Bharatiya Janata parties) may have greater access to print and visual media at the national level, while those influential at the regional level (such as the Samajwadi Party, the Bahujan Samaj Party, the Trinamool Congress, the Telugu Desam Party, the DMK and the AIADMK, to name a few) may have greater influence within their regional language media.

The major media outlets have political preferences, but as a result of the vital and pluralist media sector, it seems fair to say that the media overall allows for a fair and balanced coverage of different political positions. In addition, parties and their functionaries may also own media houses, and specific television channels may be seen as closely aligned to particular parties (e.g., Sun TV is associated with the DMK and Jaya TV with the AIADMK, the two major political parties in Tamil Nadu). A political party's advertisement may be carried by the media as (paid) news – in other words, an advertisement masquerading as news. Moreover, a party in power at the national or state level may have greater access to both government-owned and private media, with the power to influence its presentation before the reading and television-viewing public. There has been public debate on the unfair and unethical use of the media by political parties, and recent debates within electoral reforms have focused on regulating paid news. The Election Commission, the body primarily responsible for the conduct of elections, has taken steps under its constitutional mandate to ensure “fair and free elections. The model code of conduct, which comes into play following the announcement of the election date by the Election Commission, disallows the ruling political party from use of the public media to showcase the government's “achievements.” On February 3, 2011, the Election Commission proposed that Chapter III of Part VIII of the RPA 1951, dealing with electoral offences, be amended to make “paid news” furthering the prospects of any particular candidate an electoral offence punishable by a minimum of two years imprisonment. On August 16, 2011, the Election Commission instructed all states' chief electoral officers to ensure compliance with guidelines for dealing with candidate advertising through the TV or cable channels owned by political parties or their functionaries, or by current officeholders. According to these guidelines, six months before the end of parliamentary or state legislative terms, the Media Certification and Monitoring Committee (MCMC) at the district and state levels must begin to monitor all overt and covert political advertisements for candidates, and arrange for the issue of notices to candidates detailing “notional expenditure based on standard rate cards in their election expenses account, even if they actually do not pay any amount to the channel/newspaper.” Paid news would also cover publicity on the channel by a candidate or on his or her behalf by prominent figures, if this is deemed to impact his or her electoral prospects. Although the model code of conduct

and the regulations affecting paid news affect government-owned and private channels, unfair access by the bigger parties to news channels and the print media continues. The announcement of new programs by the government and its ministers in pre-election periods has remained a bone of contention between the government/ruling party and the Election Commission. Not surprisingly, therefore, the government has floated suggestions to make the model code of conduct a statutory provision so as to remove it from the sole executive authority of the Election Commission.¹

¹ Election Commission of India, <http://www.eci.gov.in>

Paid news: EC issues 167 notices to candidates, *The Times of India*, 19 February 2012

Ujjwal Kumar Singh, 'Between Moral Force and Supplementary Legality: A Model Code of Conduct in Indian Elections', *Election Law Journal*, June 2012

S 1 Electoral Process

S 1.3 Voting and Registration Rights

To what extent do all citizens have the opportunity to exercise their right of participation in national elections?

To participate in national elections, every adult citizen must have the right to access an effective, impartial and non-discriminatory procedure for voting and voter registration. Voting rights also apply to convicts and citizens without a permanent residence in the country. No eligible citizen shall be denied the right to vote or disqualified from registration as a voter, otherwise than in accordance with objectively verifiable criteria prescribed by law, and provided that such measures are consistent with the State's obligations under international law. Every individual who is denied the right to vote or to be registered as a voter shall be entitled to appeal to a jurisdiction competent to review such decisions and to correct errors promptly and effectively. Every voter has the right of equal and effective access to a polling station or alternative voting method, including a feasible absentee voting option.

All adult citizens can participate in national elections. All eligible voters are registered if they wish to be. There are no discriminations observable in the exercise of the right to vote. 10
9

The procedures for the registration of voters and voting are for the most part effective, impartial and nondiscriminatory, although occasional. 8
7
Citizens can appeal to courts if they feel being discriminated. 6

While the procedures for the registration of voters and voting are de jure non-discriminatory, cases of discrimination occur regularly in practice. 5
4
3

The procedures for the registration of voters or voting have systemic discriminatory effects. Groups of adult citizens are de facto excluded from national elections. 2
1

Explanation:

The right to vote is constitutionally based, incorporated in articles 325 and 326. This right has two components: the right to vote and the right to contest elections. The right to vote, as per Article 325, is a constitutionally protected right to inscription on the electoral rolls, and no discrimination on the grounds “of religion, race, caste, sex or any of them” is constitutionally permissible. Article 326 provides the parliament or state legislature with power to make provisions restricting registration of citizens as voters on the specified grounds of age, non-residence, “unsoundness of mind,” or “crime or corrupt or illegal practice.” Notionally and under the law, all eligible citizens have the right to vote and to register themselves on the electoral rolls. It is a right which belongs to citizens, resident aliens, foreigners, illegal migrants, and overseas citizens are not allowed to vote. Non-resident Indians were extended the right to vote recently. Unlike most other democracies, the task of “superintendence, direction and control of the preparation of electoral rolls,” vested in the Election Commission under Article 324 of the constitution, has in practice evolved as an affirmative responsibility. To facilitate the process of electoral roll revision, the Election Commission has developed a system of so-called booth level officers (BLOs) at the lowest level of the electoral system’s administrative machinery. A BLO is a local, lower-level or even semi-governmental officer who is familiar with the local electors and is a voter in the polling area under his or her responsibility. While revising the rolls, the BLO is expected to make frequent field visits to the villages or “tolas” of the area encompassed by the electoral roll, interact with the local people – particularly village elders and grassroots-level elected representatives – and identify voters who have died, moved, or who appear in duplicate in the rolls. These names are then removed by an electoral registration officer (ERO) under the relevant provisions of law. Following the intensive revision, a draft roll is prepared and published at every polling booth. The publication of the draft roll is done for the purpose of list verification, so that eligible voters who have been left out can apply to the ERO for inclusion of their names. Conversely, objections to the names of ineligible or nonexistent voters can be raised by filling out another form (Form 8A). After processing the claims and objections, the Election Commission prepares a supplementary electoral roll, which is published in its turn. The electoral roll is continuously updated, and registration of names can take place up to 10 days before the final date set by the Election Commission for the filing of nominations in an election. While the rolls are being prepared or revised, ERO decisions can be appealed to the deputy commissioner, district magistrate or district collector, or the additional district magistrate; further appeal against the order of the Appellate Authority may be made before the chief electoral officer. To ensure accuracy and facilitate modification, the Election Commission has also undertaken a computerization of the electoral rolls throughout India. In the middle of the 1990s, the Election Commission also introduced electronic photo identity cards for voters

(EPICs), hoping to improve accuracy and prevent electoral fraud. This process has not been free of problems and controversies. The electoral rolls of all major cities are available on the website of the Election Commission. In 2004, seeking to “improve the fidelity of the electoral rolls and to evolve methods to eradicate impersonation during the poll,” the Election Commission began incorporating photographs directly into the electoral rolls to ensure proper identification of electors at polling stations.²

² Source: The Election Commission of India, www.eci.gov.in
Anupama Roy, Identifying Citizens: Electoral Rolls and the Election Commission of India, *Election Law Journal*, June 2012

S 1 Electoral Process

S 1.4 Party Financing

To what extent is private and public party financing and electoral campaign financing transparent, effectively monitored and in case of infringement of rules subject to proportionate and dissuasive sanction?

This question refers to the obligations of the receiving entity (parties and entities connected with political parties) to keep proper books and accounts, to specify the nature and value of donations received and to publish accounts regularly.

Please note that this question also includes an assessment of how effectively funding of political parties and electoral campaigns is supervised (monitored by an independent body such as electoral or parliamentary commission, anti-corruption body, audit institution etc. with checking, investigative, sanction and regulatory powers) and infringements are sanctioned (taking into account administrative, civil and criminal liability).

The state enforces that donations to political parties are made public and provides for independent monitoring to that respect. Effective measures to prevent evasion are effectively in place and infringements subject to effective, proportionate and dissuasive sanctions. **10**
9

The state enforces that donations to political parties are made public and provides for independent monitoring. Although infringements are subject to proportionate sanctions, some, although few, loopholes and options for circumvention still exist. **8**
7
6

The state provides that donations to political parties shall be published. Party financing is subject to some degree of independent monitoring but monitoring either proves regularly ineffective or proportionate sanctions in case of infringement do not follow. **5**
4
3

The rules for party and campaign financing do not effectively enforce the obligation to make the donations public. Party and campaign financing is neither monitored independently nor, in case of infringements, subject to proportionate sanctions. **2**
1

Explanation:

The Election and Other Related Laws (Amendment) Act, 2003 provides for the following measures to regulate election finance, aiming to provide transparency to campaign funding: Individuals and corporations receive a full tax exemption for all contributions to political parties; third parties and political parties are subject to expenditure limits; party finances and contributions over INR 20,000 must be disclosed, and are listed on the Election Commission's website; and indirect public funding to candidates of recognized political parties is allowed, including in the form of the free supply of electoral rolls (which already takes place). However, the act does not establish penalties for donors who do not disclose donations, and does not allow the direct public funding of candidates or parties.

In proposals for electoral reforms submitted to the prime minister in 2004, the Election Commission, proposed that political parties be compelled to maintain records of their income and expenditures, which would be audited annually by agencies specified by the commission itself. In making the same proposal in 1998, the commission had noted that there was a strong need for transparency in political parties' electoral spending. The commission felt that amendments to the Election and Other Related Laws (Amendment) Act 2003 requiring parties to report contributions in excess of INR 20,000 were not sufficient to ensure transparent and accountable financial management. It recommended, therefore, that "political parties must be required to publish their accounts (at least abridged versions) annually for information and scrutiny of the general public and all concerned, for which purpose the maintenance of such accounts and their auditing to ensure their accuracy is a prerequisite." The Election Commission subsequently reiterated the proposal, noting additionally "that the auditing may be done by any firm of auditors approved by the Comptroller and Auditor General. The audited accounts should be available for information to the public." In a televised interview, then-Chief Election Commissioner S.Y. Qureshi stated that the problem with the current law was that it did not provide for the setting up of permanent auditing agencies to scrutinize candidates' accounts. Placing political parties under the ambit of the law would require even greater numbers of administrative personnel to monitor and audit the accounts. As a step in this direction, the chief election commissioner announced that in the February 2012 elections held in five states, each candidate would be asked to open separate bank accounts for election expenses, with income tax officers monitoring expenditures.

However, it is an open secret that Indian parties are heavily supported by donations that are not officially registered, handed over in person by well-wishers and supporters. Donations by companies are rarely disclosed to tax authorities, as the funds are often earned in the grey market or without paying required taxes in full – and more importantly, because companies

do not want to alienate any other party that possesses a chance of electoral success. While the 2003 introduction of tax-deductibility has added some limited transparency to donations from companies and individuals, the risks of transparency outweigh the tax benefits associated with donations made in the open. The parties themselves regularly violate or even completely ignore the requirement to present their annual accounts; delays are therefore not only the result of a lack of auditing capacity.

S 2 Access to Information

S 2.1 Media Freedom

To what extent are the media independent from government?

This question asks to what extent are the media subject to government influence and the influence of actors associated with the government. The question focuses both on media regulation and government intervention. The rules and practice of supervision should guarantee sufficient independence for publicly owned media. Privately owned media should be subject to licensing and regulatory regimes that ensure independence from government.

Public and private media are independent from government influence; their independence is institutionally protected and respected by the incumbent government. **10**
9

The incumbent government largely respects the independence of media, but the regulation of public and/or private media does not provide sufficient protection against potential government influence. **8**
7
6

The incumbent government seeks to ensure its political objectives indirectly by influencing the personnel policies, organizational framework or financial resources of public media, and/or the licensing regime/market access for private media. **5**
4
3

Major media outlets are frequently influenced by the incumbent government promoting its partisan political objectives. To ensure pro-government media reporting, governmental actors exert direct political pressure and violate existing rules of media regulation. **2**
1

Explanation:

A robust, free and pluralistic media sector is one of the “brightest” sides of Indian democracy. The media is by and large free of governmental control, and media organizations are not subject to significant party-political influence. The logic of the market has led to the proliferation of privately owned print and visual media. To a certain extent, the Information and Broadcasting Ministry regulates content at the governmental level, and the Press Council of India, set up by parliament in 1966 to regulate the conduct of print media and journalists, acts as a watchdog tasked both with protecting the freedom of the press and with adjudicating and handing out punishments in cases where a violation of the code of ethics occurs. However, the media is largely self-regulated, with two dominant self-regulatory organizations (SROs) in place. These are the News Broadcasters Association (NBA), with its associated Ethics Committee, and the Broadcasting Content Complaint Council (BCCC), set up by the Indian Broadcasters Federation with the task of separating news content from fiction. However, these SROs have no power to punish, and function largely as watchdogs. More recently, the Cable Television Networks (Regulation) Amendment Bill 2011, passed by parliament in January 2012, made possible the full digitization of cable television across the country; this will enable greater corporate control over what has traditionally been a fragmented market with a proliferation of cable operators. Separately, Communications and Information Technology Minister Kapil Sibal recently objected to defamatory contents on websites, particularly those which targeted prominent political leaders. With Internet service providers threatened by the closure or blocking of sites, search companies such as Yahoo, Google, Facebook and YouTube were asked to remove videos and blogs critical of certain politicians..According to intermediary guidelines issued by the ministry in early 2012, providers are responsible for removing any harmful content, a category given a wide definition. In December 2011, a leading English-language newspaper (The Times of India) reported that the government asked Google to remove around 358 items, 255 of which were critical of the government’s policies. In January 2012, a metropolitan court in Delhi issued summonses to Google and Facebook for objectionable content, and the Delhi High Court also opined that the websites were responsible for the contents they made available upon search, since they were the beneficiaries. India's Information Technology Act (2000, amended in 2008) requires intermediaries such as Internet service providers to remove content that is found objectionable within a period of 36 hours of being notified of the content.³

³ Source: *The Times Of India*. 7 December 2011. <http://timesofindia.indiatimes.com/tech/news/internet/Kapil-Sibals-web-censorship-Indian-govt-wanted-358-items-removed-says-Google/articleshow/11021470.cms>.

S 2 Access to Information

S 2.2 Media Pluralism

To what extent are the media characterized by an ownership structure that ensures a pluralism of opinions?

This question does not assume that the predominance of either private or public ownership guarantees a pluralism of opinions. Rather, the underlying assumption is that a diversified ownership structure is likely to best represent the views and positions existing in society.

Diversified ownership structures characterize both the electronic and print media market, providing a well-balanced pluralism of opinions. Effective anti-monopoly policies and impartial, open public media guarantee a pluralism of opinions. **10**
9

Diversified ownership structures prevail in the electronic and print media market. Public media compensate for deficiencies or biases in private media reporting by representing a wider range of opinions. **8**
7
6

Oligopolistic ownership structures characterize either the electronic or the print media market. Important opinions are represented but there are no or only weak institutional guarantees against the predominance of certain opinions. **5**
4
5

Oligopolistic ownership structures characterize both the electronic and the print media market. Few companies dominate the media, most programs are biased, and there is evidence that certain opinions are not published or are marginalized. **2**
1

Explanation:

In the past 20 years, since the process of liberalization started in the 1990s, the Indian media sector has developed dramatically, changing structurally from a state monopoly to more diverse forms of private and corporate ownership. While diversified ownership structures prevail in the electronic and print media markets, the recent patterns of ownership may be broadly seen as following two patterns or tendencies: a diversification of media, so that the news and radio channels have become more representative of the country's regional, linguistic, cultural, ideological and group plurality; and the ownership of major media organizations by conglomerates in both the print and electronic media sectors. Groups like the Times Group (Bennett, Coleman Co. Ltd.) and Sun TV Network enjoy monopoly power in several states. The picture therefore is one of privatization and corporatization, with the enhancement of the powers of some media groups through vertical integration. The media landscape also varies regionally, from corporate control (in Karnataka) to partisan ownership of the media (in Tamil Nadu). In addition, some of the new private channels or papers are firmly tied to the interest of politician-owners or see themselves as kingmakers in regional political spheres.

In 2008, the Telecom Regulatory Authority of India (TRAI) initiated the process of enacting a law regulating media ownership. However, this has not yet come to fruition. The issue of foreign direct investment (FDI) in the media sector has also sparked some controversy. In February 2010, in an effort to increase FDI in India, the Cabinet Committee on Economic Affairs agreed to review the policy governing foreign investment approvals.

Telecommunications and media have been key sectors for FDI, and several companies including NDTV, Verizon Communications, Sify, Cable & Wireless, Dainik Bhaskar, Unitech Wireless, Devas Multimedia, UTV Software, Dish TV and others had applied to the Foreign Investment Promotion Board for approval. In February 2011, the government proposed a simplification of FDI regulations governing Indian media companies, classifying them into two categories: news and non-news. The cap of 26% foreign ownership for news media was retained, while foreign investors were allowed to acquire up to 74% of non-news media organizations. The sector's trajectory thus appears to be one of democratic pluralism existing side by side with commercial corporatization and profit-making.⁴

⁴ Source: Telecom Regulatory Authority of India, <http://www.trai.gov.in>

Foreign Investment Promotion Board, Ministry of Finance, Government of India, 2010 Review, www.fipbindia.com/FIPB%20REVIEW%202010.pdf

Govt relaxes Press Note 1 norms, TNN Feb 12, 2010

S 2 Access to Information

S 2.3 Access to Government Information

To what extent can citizens obtain official information?

To assess the accessibility of government information, you should examine

(1) whether a freedom of information act exists or equivalent legal regulations exist,

(2) to what extent do the rules restrict access to information (e.g., exemptions, deadlines for responding to requests etc.) and justify these restrictions, and

(3) whether mechanisms for appeal and oversight exist to enforce citizens' right to access information (e.g., administrative review, court review, ombudsman, commission etc.) You may consult www.freedominfo.org for information specific to your country.

Legal regulations guarantee free and easy access to official information, contain few, reasonable restrictions, and there are effective mechanisms of appeal and oversight enabling citizens to access information. **10**

9

Access to official information is regulated by law. Most restrictions are justified, but access is sometimes complicated by bureaucratic procedures. Existing appeal and oversight mechanisms permit citizens to enforce their right of access. **8**

7

6

Access to official information is partially regulated by law, but complicated by bureaucratic procedures and some restrictions. Existing appeal and oversight mechanisms are largely ineffective. **5**

4

3

Access to official information is not regulated by law; there are many restrictions of access, bureaucratic procedures and no or ineffective mechanisms of enforcement. **2**

1

Explanation:

The formal recognition of the right to information, which has the status of a fundamental right under Article 19(10) of the constitution, came with the passage of the Right to Information Act (RTI) 2005. The RTI Act was the outcome of a long struggle led by the Majdoor Kissan Shakti Sangathan group for transparency in the payment of workers' wages. The RTI Act lays down a framework of rules and regulations enabling citizens to access information held by any public authority or governmental institution. Authorities are bound to respond to requests for information within a space of 30 days. The act requires public authorities to publish certain kinds of information on their websites, enabling easy access by citizens. Access to information from certain government departments (including the Prime Minister's Office, the Central Bureau of Investigation (CBI), the Ministry of Defense and the judiciary), the disclosure of which is seen as prejudicial to the sovereignty and integrity of India; harmful to the security, "strategic, scientific or economic" interests of the state; disruptive of relations with foreign states; or as holding the potential to incite an offense have been taken out of the act's purview. Since its enactment, the RTI has been used widely; a culture of RTI activism has risen around it, making it perhaps the most intensely exercised right. An independent Central Information Commission (CIC) has been established to ensure efficient implementation of the act, chaired by a chief information commissioner appointed by the president in consultation with the prime minister, the leader of the opposition in the House of the People (Lok Sabha, the lower parliamentary house), and a cabinet minister deputed by the prime minister. While there is some concern in the government that the RTI has been misused, and that some information from certain sensitive offices of the government needs to remain unreleased, the murder of several RTI activists has also led to concerns that the right be safeguarded. Moreover, not all information requested by private persons through the RTI has in fact been handed over; there have been numerous instances in which requests have been completely neglected, long delays in answering questions inconvenient for the administration, and even instances in which applicants have been subject to intimidation and violence. Transparency of government business did markedly increase after passage of the RTI, however. A whistleblowers bill, officially known as the Public Interest Disclosure and Protection of Persons Making the Disclosure Bill was being considered by parliament at the time of writing, primarily focusing on the protection of public or government-office insiders who expose corruption in their departments, and risk being identified, victimized or even killed following the exposure. Overall, it seems fair to conclude that access to official information is sufficiently regulated by law, and that despite some bureaucratic complications, rules enable citizens to enforce their right of access. This does not imply, however, that all citizens are aware of these legal rights and possibilities.⁵

⁵ Source: Right to Information, Commonwealth Human Rights Initiative, <http://www.humanrightsinitiative.org/programs/ai/rti/india/states/rajasthan.htm>

S 3 Civil Rights

S 3.1 Civil Rights

To what extent does the state respect and protect civil rights and how effectively are citizens protected by courts against infringements of their rights?

Civil rights contain and limit the exercise of state power by the rule of law. Independent courts guarantee legal protection of life, freedom and property as well as protection against illegitimate arrest, exile, terror, torture or unjustifiable intervention into personal life, both on behalf of the state and on behalf of private and individual actors. Equal access to the law and equal treatment by the law are both basic civil rights and also necessities to enforce civil rights.

All state institutions respect and effectively protect civil rights. Citizens are effectively protected by courts against infringements of their rights. Infringements present an extreme exception.

10

9

The state respects and protects rights, with few infringements. Courts provide protection.

8

7

6

Despite formal protection, frequent infringements of civil rights occur and court protection often proves ineffective.

5

4

3

State institutions respect civil rights only formally, and civil rights are frequently violated. Court protection is not effective.

2

1

Explanation:

India's constitution provides strong protection for citizens' civil rights, guaranteeing equal protection under and access to the law. Fundamental rights, including the right to life and personal liberty (Article 21), are enumerated in the constitution. However, each of the fundamental rights is subject to "reasonable" restraints. The courts are empowered to decide on the constitutional validity of all laws enacted by the legislatures, with particular references to citizens' fundamental rights, which are deemed to be one of the basic and inviolable structures of the constitution.

That said, the state has often violated civil rights in specific contexts, particularly those pertaining to struggles for autonomy or liberation movements such in Kashmir and the Northeast, and in the course of struggles over natural resource extraction rights (against the state's right to declare eminent domain, for example), as in Jharkhand, Chhattisgarh and Orissa. While largely protecting the civil rights of citizens, courts have in specific cases tended to uphold certain laws on grounds of legislative competence and procedural legality. Thus, the repeal of the Prevention of Terrorism Act (POTA) in 2004 was followed by the amendment of the Unlawful Activities Prevention Act (UAPA) 1967, to incorporate specific sections of the repealed POTA. Cases of torture in custody are reported, but are also taken cognizance of by the courts. In April 2010, the cabinet ratified a bill making torture illegal, quite a few years after signing the U.N. Convention against Torture (in 1997). This may ultimately help curb torture and extrajudicial killings by security forces in Kashmir and the Northeast, where movements for autonomy persist, and in the portions of Central India that host armed Maoist movements. However, the civil rights of people today remain routinely violated in specific regions of Kashmir and the North-Eastern states, where extraordinary laws like the Armed Forces Special Powers Act and the Disturbed Areas Act have been imposed. Cases of preventive detention under the National Security Act, extrajudicial killings and disappearances also remain numerous.⁶

⁶ Source: Reports of the National Human Rights Commission, www.nhrc.nic.in
Ujjwal Kumar Singh, *The State, Democracy and Anti-terror Laws in India*, Sage, 2007

To what extent does the state concede and protect political liberties?

Political liberties constitute an independent sphere of democracy and are a prerequisite of political and civil society. They aim at the possibility of the formulation, the presentation and the equal consideration of citizens' preferences and are embodied in the codification and unlimited validity of every individual's right to speak, think, assemble, organize, worship, or petition without government (or even private) interference or restraints.

- | | |
|---|---------------------------------------|
| All state institutions concede and effectively protect political liberties. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| All state institutions for the most part concede and protect political liberties. | 8 <input type="checkbox"/> |
| There are only few infringements. | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| State institutions concede political liberties but infringements occur regularly in practice. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Political liberties are unsatisfactory codified and frequently violated. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Among the fundamental rights enumerated in the constitution are protections for citizens' rights to freedom of speech and association and to assemble peacefully without arms (Article 19). However, these rights are subject to reasonable restraints in the interest of public order, morality, the sovereignty and integrity of India, and the security of the state. In recent years, the rights of free speech, expression and association have been curtailed through invocation of Section 124A of the Indian Penal Code, pertaining to sedition. Section 124A was introduced by the colonial government in 1870 to buttress the state against "the successful rebel." It was amended in 1898, and has persisted as a part of the penal code since, punishing acts which "bring into hatred or contempt, or excite or attempt to excite disaffection" toward the state. More recently, Section 124 A IPC's use by the state to imprison prominent civil rights activists such as Binayak Sen has proven controversial. In April 2011, Binayak Sen was released on bail by the Supreme Court, overturning the order of a Chhattisgarh Sessions Court that had sentenced him to life imprisonment on charges of sedition for alleged links with Maoists. The Unlawful Activities Prevention Act 1967, amended in 2004, 2008 and 2009, is largely seen as a surrogate for the repealed POTA; its provisions enabling organizations to be banned if deemed terrorist or unlawful undermines the freedom of speech and association, and ultimately the right to dissent. A range of organizations, particularly those which represent radical movements in Kashmir and the Northeast, have been banned under the UAPA. Journalists and civil rights activists have been brought under the act's purview.⁷

⁷ Source: Reports of the National Human Rights Commission, www.nhrc.nic.in
Ujjwal Kumar Singh, *The State, Democracy and Anti-terror Laws in India*, Sage, 2007

S 3 Civil Rights

S 3.3 Non-Discrimination

How effectively does the state protect against discrimination based on gender, physical ability, ethnic origin, social status, political views or religion?

This question evaluates policies of state institutions aimed at preventing discrimination. Such an evaluation should refer to the measures taken by these institutions and their impact. The extent of observable discrimination may be used as an indicator for the efficacy of anti-discrimination policies.

Please note that this question also includes an assessment of how effectively the state protects the rights of disadvantaged persons or persons belonging to minorities by positive discrimination measures, special representation rights or autonomy rights.

- | | | |
|--|----|-------------------------------------|
| State institutions effectively protect against and actively prevent discrimination. | 10 | <input type="checkbox"/> |
| Cases of discrimination are extremely rare. | 9 | <input type="checkbox"/> |
| <hr/> | | |
| State anti-discrimination protections are moderately successful. Few cases of discrimination are observed. | 8 | <input type="checkbox"/> |
| | 7 | <input type="checkbox"/> |
| | 6 | <input type="checkbox"/> |
| <hr/> | | |
| State anti-discrimination efforts show limited success. Many cases of discrimination can be observed. | 5 | <input type="checkbox"/> |
| | 4 | <input checked="" type="checkbox"/> |
| | 3 | <input type="checkbox"/> |
| <hr/> | | |
| The state does not offer effective protection against discrimination. | 2 | <input type="checkbox"/> |
| Discrimination is widespread in the public sector and in society. | 1 | <input type="checkbox"/> |

Explanation:

Since independence, the Indian state has battled widespread social, cultural, and economic discrimination based on gender, caste, region, language and religion. Despite considerable legal and political efforts, state anti-discrimination efforts have shown limited success, and discrimination remains widespread. Articles 15, 16 and 17 of the constitution may be seen as providing the legal frameworks for the protection of citizens against discrimination on grounds of caste, religion, class, gender, race and place of birth. These articles also empower the state to make special provisions for disadvantaged populations. Article 17 of the constitution in particular provides for the removal of caste-based discrimination in the form of untouchability. The Scheduled Castes and Scheduled Tribes Prevention of Atrocities Act 1989 provides a legal framework for protecting the scheduled castes from atrocities, as well as from social discrimination including physical violence and inability to access public places. While the number of cases filed and the rate of conviction under this act have not been high, intervention by the National Commission for the Scheduled Castes has in some cases been effective. Cases of violence against dalits (scheduled castes), Christians and Muslims have been numerous. A commission of inquiry under Justice Basudev Panigrahi, established to probe the violence that killed dozens of Christians in Kandhamal in Orissa in 2008, remains ongoing. In January 2011, the Supreme Court upheld a sentence of life imprisonment for the killers of Christian missionary Graham Staines and his two sons, who were burned to death in 1999 while sleeping in their van in a village in Orissa. Following outrage over the killing of Muslims in Gujarat in 2002, the Prevention of Communal and Targeted Violence (Access to Justice and Reparation) Bill 2011, framed by the National Advisory Council (NAC), was under consideration by the government as of the time of writing. The Persons With Disabilities Act 1995, was brought with the intention of preventing discrimination against disabled individuals. In 2001, following a prolonged mobilization by civil society organizations, the number of persons with disabilities was registered as a part of the national census survey, with a view to providing firmer grounds for policy decisions and budget outlays. India is one of the few states in the world with affirmative action programs benefitting marginal groups. This policy's success has been mixed: While individuals belonging to the scheduled castes and scheduled tribes (SC and ST) have been able to fill the lower ranks of bureaucracy reserved on their behalf, their representation at the top of the government administration is still meager, a consequence of their disproportionately low share in higher education settings. While parties are obliged to nominate SC and ST candidates for state and national elections, the shifting character of ST and SC constituencies has hindered the construction of strong followings.

Legal and constitutional protection against discrimination has not meant an end to marginalization and repression. As the aftermath of the violence against scheduled castes in Khairlanji and Kandhamal has shown, prosecution of atrocities against scheduled castes,

despite the SC/ST (PoA) Act, remains desultory. The Sachar Committee Report has examined discrimination and its impact on the Muslim population in India. Ten years after the violence against Muslims in Gujarat, culpability remains to be established. Discrimination against women is widespread, a fact indicated most starkly in the adverse and still declining sex ratio, particularly within the 0- to 6-year-old age group.⁸

⁸ Source: National Human Rights Commission, Report on Prevention of Atrocities against SCs, New Delhi, 2004.

S 4 Rule of Law

S 4.1 Legal Certainty

To what extent do government and administration act on the basis of and in accordance with legal provisions to provide legal certainty?

This question assesses the extent to which executive actions are predictable (i.e., can be expected to be guided by law).

- | | |
|---|---------------------------------------|
| Government and administration act predictably, on the basis of and in accordance with legal provisions. Legal regulations are consistent and transparent, ensuring legal certainty. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Government and administration rarely make unpredictable decisions. | 8 <input type="checkbox"/> |
| Legal regulations are consistent, but leave a large scope of discretion to the government or administration. | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Government and administration sometimes make unpredictable decisions that go beyond given legal bases or do not conform to existing legal regulations. Some legal regulations are inconsistent and contradictory. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Government and administration often make unpredictable decisions that lack a legal basis or ignore existing legal regulations. Legal regulations are inconsistent, full of loopholes and contradict each other. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

The executive is bound by law and is expected to be guided by constitutional norms. Veto points exist within the institutional network, so that an executive action must be seen as deriving from specific legal principles, or a clear definition of power. Any transgression or deviation may lead to public scrutiny, and censure by the courts and the parliament. Government coalition partners serve as other veto points. The administration is similarly bound by procedural norms and by the need to explain itself in case of any digression from these norms. Public scrutiny of governmental and administrative decision-making has increased with the advent and vigorous exercise of the right to information. Despite these strong institutional and procedural norms, the government and administration is sometimes unpredictable owing to a) political environments in which the numerous small coalition partners act as veto points able at times to roll back unpopular decisions (as in the case of the Trinamool Congress opposing a gasoline price hike) or to block legislation (as when the Trinamool Congress opposed the Lokpal Bill in the Council of States); and b) the still-considerable discretionary powers accorded to the government in implementing acts and regulations, which are sometimes (as in the case of labor laws) bewilderingly complex. Moreover, on matters pertaining to the rule of law and political corruption, the government is seen as uneven and opaque in its responses.⁹

⁹ Source: Devesh Kapur and Pratap Bhanu Mehta (eds.) *Public Institutions in India: Performance and Design*, OUP, New Delhi, 2005.

S 4 Rule of Law

S 4.2 Judicial Review

To what extent do independent courts control whether government and administration act in conformity with the law?

This question examines how well the courts can review actions taken and norms adopted by the executive. To provide effective control, courts need to pursue their own reasoning free from the influence of incumbent governments, powerful groups or individuals. This requires a differentiated organization of the legal system, including legal education, jurisprudence, regulated appointment of the judiciary, rational proceedings, professionalism, channels of appeal and court administration.

Independent courts effectively review executive action and ensure that the government and administration act in conformity with the law. **10**
9

Independent courts usually manage to control whether the government and administration act in conformity with the law. **8**
7
6

Courts are independent, but often fail to ensure legal compliance. **5**
4
3

Courts are biased for or against the incumbent government and lack effective control. **2**
1

Explanation:

India has a long history of tension between the judiciary and government, starting from the first amendment of the constitution in 1951 following the judiciary's overturning of certain executive actions considered to violate the people's fundamental rights. Following the period of internal emergency (1975 – 1977), which saw the erosion of all institutions including the judiciary, the latter embarked on a course of rejuvenation through support for public interest litigation, which allows the courts to consider a matter of public interest either on its own cognizance or as the result of an appeal by a concerned citizen or group of citizens. This led to an augmentation of the civil rights regime in India, with the Supreme Court ultimately issuing directions to the executive to frame policies on the issues of bonded labor, women (sexual harassment in the workplace), detention and arrest, prisoners' rights, the environment, and health and livelihood concerns. However, particularly in the period following the onset of economic liberalization, the judiciary has shown some ambivalence with respect to protecting rights. The Supreme Court has affirmed the government's liberalization policies, as well as government decisions and policies which pertain to matters of "national security," including the ratification of anti-terror laws. Yet in recent years it has also made decisions rejecting certain policies of the political executive, specifically on issues concerning corruption and the violation of rights. In particular, in a July 2011 order in a public interest case filed against the Chhattisgarh government, the Supreme Court came down heavily on the state and the central government for deploying a special police force drawn from the tribal populations to combat the armed Maoists. The order ultimately held the state government responsible for human rights violations. Indeed, the year 2011 was marked by a series of cases in which the Supreme Court intervened either to probe or to reverse decisions made by the government. These have included cases related to the 2G spectrum allocation scandal, which involved a cabinet minister (this involved the telecommunications ministry preferentially awarding spectrum licenses to specific mobile telephone companies, leading to a loss for the national accounts), money stashed by Indians in foreign banks, and the prime minister's appointment of Indian Administrative Services officer P.J. Thomas as Central Vigilance Commissioner, who had faced corruption charges related to an earlier posting in Kerala.

India's higher courts have indeed become proactive in ensuring that government acts in conformity with the law, especially with regard to the violation of human rights, the protection of the environment, and other such issues. However, the overload of the judicial system by tens of thousands of pending cases, most dealing with citizens' complaints against governmental or administrative conduct, darkens this picture somewhat. Only the most spectacular cases can thus be dealt with, while the remaining majority remain unsettled. In addition, in contrast to the perceived probity of the higher courts, the lower echelons of the

judiciary are not perceived to be corruption-free. Overall, however, it seems fair to say that at least at the national and state levels (in most states), independent courts are able to (and actively do) help to establish the constitutionality and legality of government and administrative actions.

S 4 Rule of Law

S 4.3 Appointment of Justices

To what extent does the process of appointing (supreme or constitutional court) justices guarantee the independence of the judiciary?

This question regards supreme or constitutional courts' sufficient independence from political influence as a prerequisite of a functioning democratic system. The appointment process is a crucial factor which determines judiciary independence.

The prospect of politically "neutral" justices increases accordingly with greater majority requirements and with the necessity of cooperation between involved bodies. A cooperative appointment process requires at least two involved democratically legitimized institutions. Their representative character gives them the legitimacy for autonomous nomination or elective powers. In an exclusive appointment process, a single body has the right to appoint justices irrespective of veto points; whereas in cooperative procedures with qualified majorities independence of the court is best secured.

When answering the question take also into account whether the process is formally transparent and adequately covered by public media. If your country does not have a supreme or constitutional court, evaluate the appointment process of the appellate court that is responsible for citizens' appeals against decisions of the government.

Justices are appointed in a cooperative appointment process with special majority requirements.	10 <input type="checkbox"/>
	9 <input checked="" type="checkbox"/>
<hr/>	
Justices are exclusively appointed by different bodies with special majority requirements or in a cooperative selection process without special majority requirements.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Justices are exclusively appointed by different bodies without special majority requirements.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
All judges are appointed exclusively by a single body irrespective of other institutions.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

All judges are appointed exclusively by a single body, without reference to other institutions. This procedure has had a strongly positive impact on judicial independence. At present, Supreme Court and high courts judges are appointed by a collegium made up of judges, and headed by India's chief justice. In a 2008 report, the Law Commission of India suggested changes in the method of appointment to restore the conditions described in the country's constitution, under which the judiciary and the executive have equal power in the appointment process. In August 2011, a parliamentary standing committee presented a report on the Judicial Standards and Accountability Bill 2010, which – while emphasizing the need to address judicial appointment methods – confined itself to setting up a National Judicial Oversight Committee (NJOC), consisting of members drawn from outside the judiciary, which would inquire into complaints against judges. The bill, which was being considered by parliament at the time of writing, seeks to establish judicial standards and provide for new accountability within the judicial system, while establishing a credible, expedient and well-regulated mechanism for investigating complaints against Supreme Court or high court judges.¹⁰

¹⁰ Source: 'Proposals for Reconsideration of Judges Case', Report No. 214, Eighteenth Law Commission of India, New Delhi, 21 November 2008,

To what extent are public officeholders prevented from abusing their position for private interests?

This question addresses how the state and society prevent public servants and politicians from accepting bribes by applying mechanisms to guarantee the integrity of officeholders: auditing of state spending; regulation of party financing; citizen and media access to information; accountability of officeholders (asset declarations, conflict of interest rules, codes of conduct); transparent public procurement systems; effective prosecution of corruption.

- | | |
|--|---------------------------------------|
| Legal, political and public integrity mechanisms effectively prevent public officeholders from abusing their positions. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Most integrity mechanisms function effectively and provide disincentives for public officeholders willing to abuse their positions. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Some integrity mechanisms function, but do not effectively prevent public officeholders from abusing their positions. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Public officeholders can exploit their offices for private gain as they see fit without fear of legal consequences or adverse publicity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Politics and public administrations in India are infamous for persistently high levels of corruption, with some particular states and local bodies particularly notorious. Thus, while integrity mechanisms do exist (see below), they are far from effective in preventing public officeholders from abusing their positions. However, a free media, an active judiciary, civil society activism and the existing institutional framework provide at least some checks against unrestrained corruption. With the right to information triggering a robust activist culture in recent years, levels of public consciousness and scrutiny of corruption in high places has increased. During the period under review, a vigorous civil society movement advocating the creation of a strong and effective ombudsman mechanism rose under the leadership of a group called “Team Anna,” after leader Anna Hazare, who led the movement in Gandhian modes of protest including fasting and nonviolent gatherings. A new anti-graft law, the so-called Lokpal Bill, was introduced and passed in the House of the People (Lok Sabha) after animated debate. Opinion inside the House and outside was divided on the issue of bringing the prime minister’s office, the corporate sector and the Lokayukta or the state ombudsman within its purview. The bill failed to gain passage in the Council of States (Rajya Sabha, the parliament’s upper house). The Supreme Court has taken cognizance of a large number of cases of corruption and scandals, including one associated with the 2010 Delhi Commonwealth Games involving top officials of the organizing committee, the 2G spectrum allocation scandal, and others.

While there is no dearth of integrity mechanisms and regulations, misuse of public office is common and is only intermittently sanctioned (though more so today than in previous years). This has to do with the modest level of transparency associated with administrative transactions and the substantial regulation of the economy, which together leave room for special favors, private financing of election campaigns (by “black” money), and other abuses. It is difficult to investigate and prosecute officials without ministerial consent, and the situation has led to a more or less unregulated opening up of services for private initiative (e.g., in education and health). The culture of corruption is deeply entrenched in India, leading often to a de facto bidding process for offices and licenses. As a consequence, India is still listed in the upper sections of international rankings on corruption and administrative abuses. The repercussions of spectacular cases (the 2G scam, Bofors, etc.) that have involved individuals across the whole political class, as well as the sentencing of several acting politicians, have brought significant improvement, however.

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How successful has economic policy been in providing a reliable economic framework and in fostering international competitiveness?

This question addresses the existence of a government's general strategy to support the future-oriented development of its economy through regulatory policy. Sound economic policy is expected to adhere to the following principles: clear-cut assignment of tasks to institutions, refraining from unnecessary discretionary actions, frictionless interlinkage of different institutional spheres (labor market, enterprise policy, tax policy, budgetary policy) and the coherent set-up of different regimes (e.g. dismissal protection, co-determination rights, efficiency of anti-monopoly policies, income taxation). Countries following these principles are able to increase overall productivity, become more attractive for internationally mobile factors of production and thus raise their international competitiveness.

When answering the question, focus on the use and interplay of different regimes with regard to the aims of economic policy.

- | | |
|---|---------------------------------------|
| Economic policy fully succeeds in providing a coherent set-up of different institutional spheres and regimes, thus stabilizing the economic environment. | 10 <input type="checkbox"/> |
| It largely contributes to the objectives of fostering a country's competitive capabilities and attractiveness as an economic location. | 9 <input type="checkbox"/> |
| <hr/> | |
| Economic policy largely provides a reliable economic environment and supports the objectives of fostering a country's competitive capabilities and attractiveness as an economic location. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Economic policy somewhat contributes to providing a reliable economic environment and helps to a certain degree in fostering a country's competitive capabilities and attractiveness as an economic location. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |

Economic policy mainly acts in discretionary ways essentially destabilizing the economic environment. There is little coordination in the set-up of economic policy institutions. Economic policy generally fails in fostering a country's competitive capabilities and attractiveness as an economic location. **2**
1

Explanation:

India's recent economic policy has promoted the development of competition without governmental interference, the prevention of monopolies, fair trade practices, foreign investment and regulation of the rules of competition by regulatory authorities. Economic policies indeed provide a relatively coherent set of predictable and stable regimes governing private investment, trade and capital flows. The management of monetary policy is impeccable, combining predictability with circumspection. The creation of the Competition Commission in 2003 put in place a centralized body entrusted with the task of creating a coherent regulatory strategy.

Business transactions are nevertheless more burdensome and costly than in many competing economies. This has to do with the multitude of government offices involved in decisions (with often-overlapping mandates), the number and complexity of laws and regulations (some of rather old design), the varying digress of enforcement of these laws in different states, and the slow pace at which legal cases are settled (e.g., in bankruptcy or the enforcement of business contracts). Consequently, India falls into the lower ranks of international assessments of the ease of doing business, especially with respect to taxes and the opening and cessation of businesses. Political imperatives, in particular civil society mobilizations such as that triggered by the prospect of FDI in retail markets, have also proved to be hurdles in the country's course toward an increasingly liberal regulatory regime.

S 6.1 Labor Market Policy

How effectively does labor market policy in your country address unemployment?

This question addresses a government's strategies to reconcile the following objectives: unemployment reduction and job security, and balancing supply and demand on the labor market by providing sufficient mobility of the labor force according to the needs of potential employers. To assess labor market policy comprehensively, special emphasis should be placed on the positive or detrimental effects resulting from labor market regulation (e.g., dismissal protection, minimum wages, collective agreements) and from the modus operandi of unemployment insurance.

- Successful strategies ensure unemployment is not a serious threat. **10**
9
-
- Labor market policies have been more or less successful. **8**
7
6
-
- Strategies against unemployment have shown little or no significant success. **5**
4
3
-
- Labor market policies have been unsuccessful and unemployment has risen. **2**
1

Explanation:

According to the National Sample Survey Organization (NSSO), using 2009 – 2010 data, the unemployment rate was at that time 94 persons out of 1000 persons in the labor force, or 9.4%. In the rural sector, the unemployment rate is estimated at 10.1%, compared to 7.3% in urban areas. Women showed an unemployment rate of 14.6%, compared to 8.0% for males. The unemployment rate for youth continues to be high.

India's labor market is overly complex, with around 50 different governing laws that often protect jobs in the formal economy. Some of these laws date back to colonial times. Severance payments are among the highest in the developing world. Some states such as Gujarat have resorted to flexible handling of labor through the widespread and growing use of contract labor, the outsourcing of work to the informal sector or by simple neglect of the applicable regulations. There is no system of unemployment insurance in place apart from the National Rural Employment Guarantee Scheme, introduced in 2005. This relatively moderate scheme has helped to stabilize employment and put upward pressure on agricultural wages.

The government set up a National Commission for Enterprises in the Unorganized Sector under the chairmanship of Arjun Sengupta on September 20, 2004, tasked with "review(ing) the status of (the) unorganized/informal sector in India including the nature of enterprises, their size, spread and scope, and magnitude of employment." The commission, which completed its term in April 2009, submitted a Report on Social Security for Unorganized Workers in May 2006. The report recommended legislation providing social security for unorganized workers, a proposal enacted by the government in 2008. The findings of the commission also noted that the need to improve the quantity and quality of employment in the unorganized sector would require a new approach to economic planning in India, in order to attain the objective of "maximizing employment" and ensuring inclusive growth.

Pravin Jha and S. Golder (2008) suggest that the complex array of existing laws need to be rationalized and simplified, and the infrastructure for the enforcement and implementation of labor laws improved at all levels. They emphasize the importance of enhancing the social infrastructure for workers and their families, in particular health and education, as well as of labor market policies that emphasize investment in human capital and ensure the provision of social security. This should include a guaranteed employment/unemployment insurance program, which should be a key priority for labor market reforms in order to increase the efficiency of public anti-unemployment strategies, which have shown little success in the past.

In preparing the Eleventh Five Year Plan (2007 – 2012), the planning commission set up a labor working group tasked with examining labor law reforms, under the chairmanship of the secretary of the Ministry of Labor and Employment. The commission highlighted the proliferation of labor laws at the central and state levels, and made suggestions for amending various labor laws (including the 1948 Minimum Wages Act, the 1947 Industrial Disputes Act, the 1948 Employees' State Insurance Act and the 1952 Employees' Provident Fund and Miscellaneous Provisions Act), changing the role of labor commissioners and simplifying labor regulations.¹¹

¹¹ Source: Pravin Jha and S Golder (2008) ['Labour Market Regulation and Economic Performance: A Critical Review of Arguments and Some Plausible Lessons for India', Economic and Labour Market Paper 1, International Labour Organisation (ILO), Geneva.

How successful has enterprise policy been in fostering innovation, entrepreneurship and economic competitiveness, and in stimulating private investment?

Private investment includes not only the acquisition of capital stock, but also entrepreneurial transactions aimed at investment, such as developing human capital, the restructuring of companies, establishing new companies, etc.

Enterprise policy has been successful in achieving the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. **10**
9

Enterprise policy has largely achieved these four objectives. **8**
7
6

Enterprise policy has partly achieved these four objectives. **5**
4
3

Enterprise policy has not achieved the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. **2**
1

Explanation:

Enterprise policy has been only partially successful in fostering innovation, entrepreneurship and economic competitiveness, and in stimulating private investment. Policies and the various associated programs are formulated and overseen by the Ministry of Micro, Small and Medium Enterprises. The ministry is assisted by two public sector enterprises: the Micro, Small and Medium Enterprises Development Commissioner (MSME-DO), and the National Small Industries Corporation Ltd. (NSIC). According to a 2011-2012 ministry policy note, the sector's main advantage is aggregate employment potential that is much higher than that of large enterprises, at low capital cost. In order to give special developmental impetus, a total of 13 industries have been identified as so-called thrust sectors: the electrical and electronic industry, leather and leather goods, auto parts and components, drugs and pharmaceuticals, solar energy equipment, export-focused gold and diamond jeweler, pollution control equipment, sports goods and accessories, cost-effective building material, readymade garments, food processing, plastic, and rubber.

The 2006 Micro, Small and Medium Enterprises Development (MSMED) Act was designed to facilitate the development of these enterprises and enhance their competitiveness, providing the first-ever legal framework for recognition of the concept of "enterprises" that comprised both manufacturing and service entities. Specific incentive programs have been proposed, including exclusive subsidy schemes for micro-manufacturing enterprises, capital subsidies, tariff subsidies, VAT subsidies, programs for skill development, marketing support, rehabilitation of sick enterprises, single-window clearance programs, and more.

The 2010 report of a government task force set up under the principal secretary examined the functioning of MSMEs, with a particular focus on credit, marketing, labor, exit policy, infrastructure, technology, skill development and taxation. A separate working group was set up for the Northeastern states.

The 2011 – 2012 budget gave the following investment-environment incentives to the micro, small and medium-sized enterprise sector:

- INR 50 billion for the Small Industries Development Bank of India (SIDBI), for refinancing incremental lending by banks to these enterprises.
- INR 30 billion for the National Bank for Agriculture and Rural Development (NABARD), to provide support to cooperative handloom weaver societies which have become financially unviable due to the non-repayment of debt by handloom weavers facing economic stress.
- Public sector banks are ordered to achieve a target of 15% of outstanding loans to minority communities, under priority lending principles, as soon as possible.

Expenditure for research and development in India is still minimal in international comparison (but is rapidly growing), and is focused overwhelmingly on defense, nuclear and space research. The opening up of the Indian economy after 1991 and the deregulation of nearly all industrial sectors has been presented as furthering innovation. There was a push in productivity and innovation, especially in those sectors and companies operating near the technological frontier. With R&D expenditures by Indian companies increasing massively, some such as Infosys have become technological leaders in their subsector. Many transnational corporations today outsource portions of their research efforts to India, due to the comparatively lower salary costs and high expertise of Indian professionals. Public research support would therefore be better directed at improving the quality of tertiary education and at supporting small and medium companies in their still very moderate research and adaptation efforts.

To what extent does taxation policy realize goals of equity, competitiveness and the generation of sufficient public revenues?

The objectives of justice and allocative efficiency suggest that taxation policies do not discriminate between different groups of economic actors with similar tax-paying abilities, such as corporate and personal income taxpayers (horizontal equity). Tax systems should also impose higher taxes on persons or companies with a greater ability to pay taxes (vertical equity). Tax rates and modalities should improve or at least not weaken a country's competitive position. However, tax revenues should be sufficient to ensure the long-term financing of public services and infrastructure. "Sufficiency" does not assume any specific ideal level of public expenditure, but refers only to the relationship between public revenues and expenditures.

- | | |
|---|---------------------------------------|
| Taxation policies are equitable, competitive and generate sufficient public revenues. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to achieve one of the three principles. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to achieve two of the three principles. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Taxation policies fail to realize the following three principles: equity, competitiveness and the generation of sufficient public revenues. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

India's tax system is complex and graded. A small share of individuals (that is, the salaried class) pays income taxes, whereas the bulk of tax receipts are derived from sales and value-added taxes. Tax compliance is still rather poor (although this is improving, thanks to improvements in inspection and simplifications in the filing process) and tax administration is not altogether free of corruption. Policy-makers have sought to make tax administration more competition-friendly through introducing value-added tax in all Indian states and territories – albeit with slightly different rates according to the state and the product category – and with the planned introduction of the general sales tax. Corporate and income taxes allow a multitude of abatements and exemptions, offering opportunities for corruption. There are large variety of other taxes (service taxes, stamp duties, etc.) ensuring that the overall system lacks transparency. While the system has no effect in reducing income inequality between individuals, the practices of sharing taxes and providing compensatory credits and grants to low-income states has a pronounced egalitarian effect on regional tax equity.

While Indian tax policy is undeniably complex, it ensures both horizontal and vertical equity for those individuals who do pay income tax, differentiating among them on the basis of their annual earnings, keeping a general baseline for exemptions, and creating various levels of exemptions for different categories including women, senior citizens, and very senior citizens (above 80 years of age). Corporate entities too are categorized in various ways, in part based on national origin. If a company is domiciled in India, the tax rate is a flat 30%. For a foreign company, however, the tax rate depends on a number of factors.

In the latest budget (2011 – 2012), the focus of tax policy seems to have been on compliance. The process of filing returns was made simpler, especially for those individuals who constitute the largest proportion of those filing returns, primarily through the creating of electronic filing systems. The budget also sought to address and curb tax litigation, which consumes resources and delays or blocks the generation of revenue for the government. This focus seemed to be on high-revenue cases.

The 2011 – 2012 tax policy was also geared toward the creation of infrastructure growth through the introduction of tax-free bonds worth INR 300 billion. The budget also provided that non-residents' interest income derived from infrastructure debt funds would be taxed at 5% (plus applicable surcharges and education taxes), as compared to the current tax rate of 20%, so as to attract foreign investments. Among other tax reforms, the Direct Taxes Code (DTC) was finalized for enactment during 2011 – 2012, with the proposed DTC taking effect April 1, 2012; areas of divergence with states on a proposed goods and services Tax (GST)

were narrowed; progress was made in establishing an IT infrastructure called the GST Network (GSTN) to support the introduction of GST; electronic filing and payment of taxes were implemented; a complaint-management system (Sevottam) was adopted; a Web-based facility enabling taxpayers to track refunds and credits for prepaid taxes was created; and processing capacity was augmented.¹²

¹² Source: Union Budget 2011–2012, Union Budget and Economic Survey, <http://indiabudget.nic.in>

To what extent does budgetary policy realize the goal of fiscal sustainability?

This question focuses on the aggregate of public budgets and does not assess whether budgets reflect government priorities or induce departments to manage efficiently. Sustainable budgeting should enable a government to pay its financial obligations (solvency), sustain economic growth, meet future obligations with existing tax burdens (stable taxes) and pay current obligations without shifting the cost to future generations (inter-generational fairness).

Budgetary policy is fiscally sustainable. 10

9

Budgetary policy achieves most standards of fiscal sustainability. 8

7

6

Budgetary policy achieves some standards of fiscal sustainability. 5

4

3

Budgetary policy is fiscally unsustainable. 2

1

Explanation:

India's budgetary policy is unevenly sustainable. Fiscal deficits have ranged between 3.1% and 3.6% through the 2000s. India's economy grew rapidly through the 1990s, despite fiscal deficits and the accumulation of debt. In recent years, India has shown among the highest (consolidated) fiscal deficits in the world (2011 – 2012: 7.5% of GDP). Attempts to rein in these deficits with legislated fiscal-responsibility measures were made, and some progress was made; however, deficits again began rising to unsustainable levels (around 10.2% of GDP) during the global financial crisis. Dynamic economic growth has helped reduce public debt in relative terms, however; in addition, official debt is predominantly of a long-term nature, while short-term debt is sufficiently covered by foreign exchange reserves. Budget deficits are in India's case not attributable to overambitious spending for defense or social purposes; rather, they have been driven by weaknesses in the tax system, massive expenditures for producer and consumer subsidies, and capital service for public debt. Revenue deficits are one important measure of sustainability, but long-term growth policy must account for additional factors including public consumption, investment, taxation, institutional reforms, intergovernmental transfers, and so on.¹³

¹³ Source: Union Budget 2011–2012, Union Budget and Economic Survey, <http://indiabudget.nic.in>

How effective and efficient are health care policies in your country?

Public health care policies should aim at providing high-quality health care for the largest possible share of the population and at the lowest possible costs.

Of the three criteria – quality, inclusiveness and cost efficiency – efficiency should be given less weight if the first two criteria can be considered fulfilled.

Health care policies provide high-quality health care for a majority of the population and services are efficiently organized. **10**

9

Health care policies provide high-quality health care for a majority of the population, but services are inefficiently organized. **8**

7

6

Health care policies provide poor-quality health care for a majority of the population and services are inefficiently organized. **5**

4

3

Health care policies provide poor-quality health care for a majority of the population. Health care services are underfinanced, overloaded, unreliable and inefficiently organized. **2**

1

Explanation:

India's public health care system is characterized by far too little public expenditure (only around 1.1% of GDP, less than what comparable countries spend). It provides poor-quality health care for a majority of the population, and services are inefficiently organized. Public facilities suffer from shortage of doctors, nurses, midwives and other staff, as well as shortages of drugs, operating facilities and means for maintenance. Higher-end public facilities (medical colleges) are severely overcrowded, while lower-end services (block and district hospitals) are underused because of (perceived) poor quality. Inpatient care suffers from absenteeism, as doctors often prefer to serve private-practice patients after or even during their office hours. Underinvestment, poor training and even poorer diagnostic and therapeutic capacities are also serious problems. It is thus little wonder that even poor patients try to avoid public hospitals. Inpatient care is even worse from a social point of view, as treatment requires out-of-pocket payments, encouraging poor patients to seek the advice of quacks.

The health care sector falls well below international and World Health Organization (WHO) standards, even when compared to developing countries. According to WHO, India had just 0.5 physicians (compared to a world average of 1.5), and 1.27 doctors per 1,000 people in 2006. The same year, the country had 0.9 nurses per thousand persons, compared to a world average of 1.2. These ratios are projected to remain below the world averages even in 2016. More broadly, facilities are unevenly distributed between rural and urban areas and shortages of specialized personnel are common. The ratio of beds per thousand persons, as per the 2006 report, is a mere 1.03 (well below WHO norms) compared to an average ratio of 4.3 for developing countries such as China, Korea, and Thailand; in the best of circumstances, this ratio was projected to reach 1.85 per thousand persons by 2012. While the budgetary allocation for health care in the 2011 – 2012 fiscal year increased by 20% year-over-year (as per the finance minister's budget speech in 2011), amounting to INR 260.7 billion, it remains a small percentage of the GDP. The National Health Insurance Program (Rashtriya Swasthya Beema Yojna), seen by the government as an effective instrument for providing health care coverage to marginal workers, has been extended to beneficiaries of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), and to unorganized workers in hazardous industries such as mining, lead, pencil production, bromide, mica and asbestos. The National Rural Health Mission (NRHM) was launched by the government in 2005 to augment primary health care in rural areas of 18 states, including the eight empowered action group states (Bihar, Rajasthan, Madhya Pradesh, Chhattisgarh, Uttar Pradesh, etc.). The government's 2010 – 2011 Economic Survey suggests that from 2010 on, the NHRM has been a significant contributor in the increased employment of health-care workers and specialists. However, the NHRM has been

at the center of a political storm in the past year, with reports of corruption coming from states such as Uttar Pradesh.

The mushrooming private health care sector is of mixed quality. Some super-specialty hospitals can compete with the best in the world and even attract medical “tourists,” but these and other private institutions charge high fees and are only poorly supervised by public bodies. The poverty risk associated with falling ill has now declined thanks to the introduction of a new health insurance program covering hospital treatment. The quality of low-end public facilities has increased due to the broad-based National Rural Health Mission (see above), but outpatient treatment still remains unreformed. India’s epidemiological transition (from communicable to chronic diseases) does not bode well for the financial sustainability of the overall system.¹⁴

¹⁴ Source: World Health Organization, Survey of India’s Health Care Sector, http://whoindia.org/LinkFiles/Trade_Agreement_FDI-1.pdf accessed 23 January 2012.

To what extent does social policy in your country prevent exclusion and decoupling from society?

Reducing the various risks of social exclusion is a core task of social policy. The prevention of poverty and the provision of enabling conditions for equal opportunity in society are essential elements of such a policy. In addition to poverty, please take also into account additional dimensions of exclusion like the experience of marginalization and the desire to be appreciated when evaluating socioeconomic disparities.

- | | |
|--|--|
| Policies very effectively enable societal inclusion and ensure equal opportunities. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| For the most part, policies enable societal inclusion effectively and ensure equal opportunities. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| For the most part, policies fail to prevent societal exclusion effectively and ensure equal opportunities. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Policies exacerbate unequal opportunities and exclusion from society. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Social policies in India for the most part fail to prevent societal exclusion effectively, and do not ensure equal opportunities. There is a high level of social and economic inequality, although government policies aim at differential inclusion and minimal rights for disadvantaged populations. The country's policies of inclusion may be seen in the form of clusters of target populations. Although securing education and employment rights for women seems to have been high on the government's agenda, the 2011 census data revealed a further decline in the sex ratio, indicating ongoing government failure to curb sex-selective abortions. Rape and "honor killings" persist. Indeed, rape has been on the rise, reported especially among women working in and commuting to and from call centers at night. Policy-makers have sought to modify rape laws, with Criminal Law Amendment Bill 2010 seeking to replace the term "rape" by that of "sexual assault," while broadening its definition and scope. However, penetration remains a required element of rape, and marital rape is exempted from the proposed amendment despite lobbying by women's groups. Though 15 years have passed since the Supreme Court issued guidelines for the protection of women against sexual harassment in the workplace (the ruling came in the Vishakha case, which pertained to the rape of a woman volunteer (anganwadi worker) in a village in Rajasthan), a bill on the issue was introduced only in 2010, and referred in April 2011 to a standing committee. As of the time of writing, it was still not a law. In May 2011, India ratified the U.N. Convention Against Transnational Organized Crime and its two protocols, including elements meant to prevent, suppress and punish trafficking in persons, especially women and children. Nevertheless, poverty, displacement and migration for work in urban areas continue.

The state has begun experimenting with new schemes for the protection of workers in the informal sector (including the new health insurance program) and has introduced the MNREGS on a countrywide basis. This program created an income floor for unemployed rural people unemployed, although no state reached the guaranteed 100 days of work per family, and rumors of corruption within the program persist. The MNREGS has helped halt the rural to urban migration flows. However, the program has been mired in a dispute over wage levels, with the Supreme Court on January 23, 2012, affirming a Karnataka High Court judgment insisting that MNREGS wages cannot be below a state's minimum wage. The central government had appealed the Karnataka High Court judgment.

With an eye to limited social-insurance coverage, the Indian state has long provided subsidized goods and services as a counterpart to social protection available in developed countries. This has included subsidized food through the public distribution systems (and the allied fair price shops), free education and health care in public facilities, and subsidized

energy. However, the poor quality of free public services encourages even poor people to opt out; moreover, massive leakages (most prominently in the PDS) spread the benefits to individuals who do not need public support.

To what extent do family support policies in your country enable women to combine parenting with participation in the labor market?

Traditional family patterns confine mothers to opt out of gainful employment and focus on household and child care work, a division of roles that has lost acceptance among an increasing number of women. This question is based on the assumption that an optimal system of family support should enable women to decide freely whether and when they want to remain full-time mothers or take up full- or part time employment.

- | | |
|--|---------------------------------------|
| Family support policies effectively enable women to combine parenting with employment. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Family support policies provide some support for women who want to combine parenting and employment. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Family support policies provide only few opportunities for women who want to combine parenting and employment. | 5 <input type="checkbox"/> |
| | 4 <input checked="" type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Family support policies force most women to opt for either parenting or employment. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Although women now comprise a large percentage of the workforce, family support policies that might enhance female participation rates in the workforce are limited. Family support policies for workers in the informal and agricultural sector are conspicuous by their absence (see above), with the exception of measures for pre- and postnatal care and the midday program for children attending school. The labor force participation rate for Indian women is consequently quite low even compared to that of developing countries in the same income bracket. Moreover, the participation rate declines with family income and – to some extent – with the educational achievement of women, indicating a gross misuse or waste of human talent. Current policies primarily tend to make women responsible for their own children's care. Those benefits that are provided by the government cater to women in the organized sector and in government jobs. The recommendations of the Sixth Pay Commission (2008), which revised pay scales for government employees, recommended increasing the period of maternity leave provided to women to two years; however, this retains the framework of women serving as primary child care providers.

To what extent does pension policy in your country realize goals of poverty prevention, inter-generational equity and fiscal sustainability?

An optimal pension system should prevent poverty among the elderly due to retirement and should be based on distributional principles that do not erode the system's fiscal stability. It should ensure equity among pensioners, the active labor force and the adolescent generation. These objectives may be achieved by different pension systems: exclusively public pension systems, a mixture of public and private pension schemes, or publicly subsidized private pension plans. Accumulating public and private implicit pension debt is undesirable.

- | | |
|--|---------------------------------------|
| The pension policy is fiscally sustainable, guarantees inter-generational equity and effectively prevents poverty caused by old age. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The pension policy fails to realize one of these three principles. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The pension policy fails to realize two of these three principles. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input checked="" type="checkbox"/> |
| <hr/> | |
| The pension policy is fiscally unsustainable, does not effectively prevent old-age poverty and fails to achieve inter-generational equity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

India has a variety of pension programs, with government-run schemes for government employees encouraging investment in pension funds. The “old pension scheme” for all government employees, under which monthly pensions were calculated on the basis of the employee’s last salary level before retirement, does not apply to government employees who joined service after 2004. The New Pension Scheme (NPS) which became effective from January 1, 2004, is based on a defined-contribution system, moving away from the defined-benefit system of the old scheme. The new scheme has allowed the government to shed pension liabilities, and is instead dependent on investment and market calculations. In the absence of a social security system, the shift from a guaranteed benefit is largely seen as increasing old age insecurities. A National Pension Scheme was launched by the Pension Fund Regulatory and Development Authority (PFRDA) in May 2009, applying to all citizens irrespective of their employment status; under this program, money invested in the pension fund during working life can later be claimed partly as a lump sum and partly as an annual pension. The government has also allowed foreign insurance companies and pension funds to collaborate with Indian companies. Investment in pension funds invariably involves huge sums if a reasonable return after retirement is to be expected. Senior citizens who have bank savings and lack public pension coverage suffer poverty owing to the depreciation in the value of their money and low bank interest rates.

The government’s National Social Assistance Program, which came into effect on August 15, 1995, includes among its various elements the National Old Age Pension Scheme (NOAPS). The NOAPS covers old persons who are considered destitute, and the disbursement is through the Gram Panchayats. While widely seen as the most successful of the government pension schemes for the poor elderly, with particular impact on women and those belonging to underdeveloped rural areas, the amount of the pension is abysmally low at INR 450. India’s formal pension system only covers around 11% of the workforce, with this primarily being government employees or workers in firms with more than 20 employees. The latter are insured under a defined contribution scheme (Employees’ Provident Fund Organization, EPFO), and receive pensions of sufficient value to lead a decent life. Firms not covered by EPFO may run their own fund. Social assistance is available for the needy elderly above 65 years who do not have any regular means of subsistence under a fund administered by the center and the states. Public pension systems have been strained by a combination of adverse demographics, insufficient returns and generous benefits, with funds ultimately proving inadequate to liabilities. The government’s shift to a defined contribution plan in 2004 may thus have achieved sustainability, but the system as a whole is by no means capable of contributing to poverty prevention or equity.

How effectively do policies in your country support the integration of migrants into society?

This question covers integration-related policies comprising a wide array of cultural, education and social policies insofar as they affect the status of migrants or migrant communities in society. The objective of integration precludes forced assimilation but favors integration by acquisition of nationality.

Cultural, education and social policies effectively support the integration of migrants into society. **10**
9

Cultural, education and social policies seek to integrate migrants into society, but have failed to do so effectively. **8**
7
6

Cultural, education and social policies do not focus on integrating migrants into society. **5**
4
3

Cultural, education and social policies segregate migrant communities from the majority society. **2**
1

Explanation:

The protection and preservation of cultural diversity, whether religious or linguistic, is enshrined in India's constitution. Cultural and educational rights are guaranteed under articles 24 to 29, and religious and linguistic groups are permitted to preserve their distinctive culture and to establish educational institutions giving preference to "minority" communities in admission and recruitment. However, the country's nationality laws (the Citizenship Act of India 1955, as amended in 1986, 1992, 2003 and 2005) have gradually shifted toward making the acquisition of citizenship more difficult by drawing a correspondence between citizenship and descent, thus constraining citizenship by birth. Thus, while in the Citizenship Act of 1955 anyone born in India could become an Indian citizen, the amendment in 1986 required at least one parent to be an Indian citizen. The 2003 amendment further constrained citizenship by birth by requiring both parents to be an Indian citizen, with neither being an illegal migrant. Acquisition of citizenship by naturalization was also made more difficult. A variant of dual citizenship exists in the Indian citizenship law, following the Citizenship Amendment Act of 2003 and 2005; following this construction, "persons of Indian origins" (PIOs) who have acquired citizenship of a foreign country are deemed "overseas citizens of India" (OCI) with certain economic rights to invest, buy property and hold employment, as well as the right to travel to India without visa requirements.¹⁵

¹⁵ Source: The Citizenship Act of India 1955 (as amended in 2005)

Rajiv Bhargava, *Politics and Ethics of the Indian Constitution*, OUP, New Delhi, 2008.

Anupama Roy, *Mapping Citizenship in India*, OUP, New Delhi, 2010.

How effectively does external security and defense policy in your country protect citizens against security risks and safeguard the national interest?

This question rests on the assumption that the aims of protecting citizens against security risks and safeguarding the national interest can be achieved by many different ways and combinations of security and defense policies. In addition a combination of various domestic and external policies can achieve an effective protection against new security risks arising from threats like terrorism. On the one hand the effectiveness of these policies depend on the relation between the aims and strategies of the defence policy and the way the military forces are financed, fitted with high-tech and state-of-the-art equipment and supported by a national consensus on the desired defense policy. On the other hand the membership in collective security alliances/organizations/treaties, the internal integration of domestic intelligence communities and their cooperation with regional/international counterparts, the promotion of neighbourhood stability, conflict prevention and assistance/risk containment for failed states are necessary pre-conditions to a successful security policy. Whereas military expenditures alone say little about the effectiveness of external security policy, they have to be taken into account in order to assess the cost/benefit-ratio of these policies.

- | | |
|---|---------------------------------------|
| External security policy protects citizens against security risks and safeguards the national interest very effectively. | 10 <input type="checkbox"/> |
| | 9 <input checked="" type="checkbox"/> |
| <hr/> | |
| External security policy protects citizens against security risks and safeguard the national interest more or less effectively. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| External security policy does not effectively protect citizens against security risks and safeguard the national interest. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| External security policy exacerbates the security risks and does not safeguard the national interest. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

There is a broad consensus – both political and among the people – as to the appropriate role of the military in matters of security and defense. India has fought wars in the past with both China and Pakistan, and Kashmir and the Northeast continue to be points of tension in India's relationship with its neighbors, dominating external and internal security concerns in the region. Ironically, it is the involvement of the armed forces in securing these regions that has made an otherwise nonpolitical institution into an issue of political debate, particularly in instances of human rights violations in the areas where the army is stationed. In June 2011, for example, the killing of 11 Kashmiris in the course of protests brought the army into the center of a political storm. In October 2011, Omar Abdullah, chief minister of the state of Kashmir, generated debate by suggesting that laws such as the Armed Forces Special Powers Act (AFSPA, 1958) serve to aggravate tensions, and could be removed from specific areas in the state that have been relatively peaceful. AFSPA, which is applied in Jammu and Kashmir and large parts of the Northeast, gives wide-ranging powers to the armed forces, and has led to human-rights tensions and abuses in the region. More recently, proposals for the deployment of the air force and the army in states experiencing Maoist violence (including Chhattisgarh) have elicited ambivalent responses. In April 2010, the head of the air force expressed his opposition to deployment of the armed forces in general and in particular of the air force's proposed role. Talking to reporters, Air Chief Marshall P.V. Naik said: "We have the capability to conduct strikes with utmost precision. However, it must be understood that if a 250 kg bomb is dropped at a spot, its impact will be in a radius of at least 800 meters, and that may affect many people who may not themselves be insurgents." By contrast, the use of the armed forces to fight the insurgency in Kashmir, in particular the deployment of a battalion of the Rashtriya Rifles, a temporary unit established in 1999 under the temporary mandate of the army, was less contentious, at least among the armed forces and within the political executive. The stage for the deployment of the Rashtriya Rifles was set in 2009, when Defense Minister A.K. Antony approved creation of a new army headquarters in Raipur, the capital of Chhattisgarh. However, it was not until July 2011 that top army analysts gave a first detailed assessment agreeing that at least six army divisions would be needed to cover militant-affected areas in West Bengal, Bihar, Jharkhand, Orissa, parts of Andhra Pradesh, Chhattisgarh, Madhya Pradesh and Maharashtra.

The maintenance of a strong, modern and neutral army has been a mainstay of Indian democracy. The involvement of the army in situations of internal conflict could compromise this neutrality, however. National interest concerns focus on India's relationships with its immediate neighbors, in particular the possibility of a Chinese incursion into Indian territory. The 2011 – 2012 defense budget increase of about 11.6% was directed at countering

China's rapidly increasing military capabilities; this included in particular a number of defense-related acquisitions including a \$10.5 million fighter jet contract. India is also seen as increasing its air and submarine surveillance capability more generally, with the aim of establishing its power in the Indian Ocean region. As a result, India has now surpassed China as the world's largest importer of weapons system, with a modernization program which according to the Ministry of Defense will last through 2015.

How effectively does internal security policy in your country protect citizens against security risks?

This question rests on the assumption that the aims of protecting citizens against security risks like crime, terrorism and similar threats that are more and more internationally organized can be achieved by many different ways and combinations of internal security policies. For example, an effective policy includes objectives such as the internal integration of domestic intelligence and police communities and their regional cross-border cooperation with regional/international intelligence and police communities, the domestic strategy of intelligence and police communities and so on. Whereas expenditures on public order and safety alone say little about the effectiveness of internal security policy, they have to be taken into account in order to assess the cost/benefit-ratio of this policy.

- | | |
|---|---------------------------------------|
| Internal security policy protects citizens against security risks very effectively. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Internal security policy protects citizens against security risks more or less effectively. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| Internal security policy does not effectively protect citizens against security risks. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Internal security policy exacerbates the security risks. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

If the goal of criminal law is deemed to be social defense, relying on an efficient and modern police force, effective investigation and system of adjudication, it is unevenly realized in India. While the penal system's form has largely been inherited from its colonial forerunner, the police force does not have the mechanisms or expertise for effective investigation that one associates with a modern force. As a result, it often engages in shoddy investigation practices, or even extralegal measures such as torture. Allegation of external influence, whether in the form of financial and political influence, also abound, as recently seen in the Bhanwari Devi murder case in Rajasthan and the Arushi murder case in Uttar Pradesh. According to *Crime in India – 2010*, a publication of the National Crimes Record Bureau (NCRB) released in October 2011, overall crime increased by about 5% in 2010 as compared to 2009. According to the publication, a total of 22,24,831 crimes were reported under the Indian penal code in 2010, compared 21,21,345 cases the previous year. Murder cases during the year (33,335) went up by 3% compared to 2009's 32,369 cases. Other areas also showed increases: attempted murders increased by 1.3 percent, rape cases increased by 3.6 percent, kidnapping and abduction cases increased by 13.5 percent, robbery rose by 4.4 percent, and dowry deaths went up marginally by 0.1 percent. Police reform concerns have focused on humane policing. For example, the draft outline of the new police act (originally created by the government in September 2005, circulated for comments in mid-2006, and posted on the Ministry of Human Affairs website) places the protection of life, liberty, property and human rights at the top of its list of police roles, functions and responsibilities. Preservation of public order and the protection of internal security, followed by the prevention and control of terrorist activity, breaches of communal harmony, extremist violence, militant activities and other situations affecting internal security are second and third on the list. "Police accountability" figures as a separate chapter, with a Police Accountability Commission headed by a retired high court judge tasked with looking into complaints of "serious misconduct" against police officers. A 2006 survey shows that while a large percentage of people (42%) feel that they may not receive fair treatment from the police if they were to go to a police station, nearly as many people (36%) – predominantly the poor, cutting across caste and communities – actually fear discrimination at the hands of the police (the findings were a part of the Hindu-CNN-IBN State of the Nation Survey, conducted by the Center for the Study of Developing Societies in August 2006).

According to the Ministry of Home Affairs' 2010 – 2011 annual report on matters concerning internal security, the ministry has sought to address challenges posed by global terrorism by strengthening the security apparatus, establishing regional National Security Guards hubs, and creating a National Intelligence Grid attached to the office of the Ministry of Home

Affairs, which serves as a nodal point for receiving electronic and surveillance data from a range of sources. The same report notes the government's decision to set up counterinsurgency and anti-terrorism (CIAT) schools in the states of Assam, Bihar, Jharkhand, Chhattisgarh and Orissa, West Bengal, Tripura and Manipur, under a centrally sponsored program with an outlay of around INR 750 million.¹⁶

¹⁶ Source: 'Crime in India – 2010', National Crimes Record Bureau (NCRB), October 2011.

How effectively does environmental policy in your country protect and preserve the sustainability of natural resources and quality of the environment?

This question covers a government's activities aimed at safeguarding the environment and thereby securing the prerequisites for sustainable economic development.

- | | |
|---|--|
| Environmental policy effectively protects, preserves and enhances the sustainability of natural resources and quality of the environment. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy largely protects and preserves the sustainability of natural resources and quality of the environment. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy insufficiently protects and preserves the sustainability of natural resources and quality of the environment. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Environmental policy has largely failed to protect and preserve the sustainability of natural resources and quality of the environment. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Environment policy in India is insufficient to protect and preserve the sustainability of natural resources and the quality of the environment. The economic costs of environmental degradation are accordingly considerable (according to World Bank estimates, between 6% and 8% percent), due mainly to unsafe water, air pollution and soil degradation. The poor are the main victims of this degradation. There is no dearth of specific laws and institutions (e.g., central and state pollution boards), nor any lack of environmental or judicial activism aimed at keeping the environment safe. Rather, adequate funds for environmental programs, sufficient inspection and monitoring of progress are not available. The country's environment protection framework takes the form of an instruction to the state as a directive principle under Article 48A and as fundamental duty of the people under Article 51A (g) of the constitution. Environmental protection is thus enshrined in the constitution itself. The national environmental policy is meant ostensibly to conform to both the needs for sustainable growth and conservation of environment. The preservation of biodiversity has been identified as a critical feature of such a policy; and concerns over the deterioration of biodiversity in the Sundabans, one of the world's most biodiverse habitats, has been seen as a consequence of climate change exacerbated by governmental apathy and the lack of development. On December 5, 2001, in a panel on climate change in Dakar, the then-minister for environment and forest laid out the governing principles of equity and historical responsibility in all negotiations on climate change, arguing that the right of a country to grow should be preserved. Within the country, the 2006 Scheduled Tribes and Other Forest Dwellers (Recognition of Forest Rights) Act is seen as providing habitation and livelihood rights to forest dwellers as an incentive to the sustainable use of forest resources. On the other hand, degradation of natural resources through indiscriminate mining and land acquisition in mineral-rich regions (e.g., land acquisition for the POSCO Steel project in Govindpur, Orissa) inhabited by indigenous minority groups has led to protests, drawing attention to questions of development and environmental sustainability. The protests of the POSCO project were set in motion following ministry environmental clearance in June 2011 that gave procedural clearance for acquisition of land. Similar protests by people affected by the nuclear power project in Jaitapur have since January 2001 spotlighted the concern with environmental hazards posed by nuclear power plants. The nuclear power project in Jaitapur, which is being conducted with French collaboration, is envisaged as the largest "nuclear park" in the world.¹⁷

¹⁷ Source: Centre for Science and Environment, www.cseindia.org

To what extent does research and innovation policy in your country support technological innovations that foster the creation and introduction of new products?

This question comprises subsidies and incentives for research institutions conducting basic and applied research, as well as subsidies and incentives for establishing start-up companies that transfer scientific output into products and enhanced productivity. Bureaucratic impediments to research and innovation should also be taken into account.

- | | |
|---|---------------------------------------|
| Research and innovation policy effectively supports innovations that foster the creation of new products and enhance productivity. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Research and innovation policy largely supports innovations that foster the creation of new products and enhance productivity. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Research and innovation policy partly supports innovations that foster the creation of new products and enhance productivity. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Research and innovation policy has largely failed to support innovations that foster the creation of new products and enhance productivity. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Research and innovation policy in India supports economic and entrepreneurial innovation and enhances productivity, but remains deficient in several regards. The Eleventh Five Year Plan accorded a high priority to investments in science and technology. Major aims included strengthening the country's science and technology infrastructure, establishing globally competitive research facilities, implementing national flagship programs, and developing new public-private partnership models for research in universities. India spends only 0.8% of GDP on research and development, far less than is the case in most developed countries or in China. In addition, about 60% of funds are earmarked for nuclear and space research, with the aim of making India self-reliant in all aspects of the nuclear cycle (including the creation of fast breeders enabling use of the country's vast thorium reserves in the country) and in operational space services. Secondary priorities include the development of biotech products and services grounded in the country's biological resources and earth sciences (meteorology, harnessing ocean resources, etc.). This leaves little left over for scientific and industrial research that would improve Indian industry's globally competitiveness, or encourage the entry of talent into the science and technology fields. A related problem is that R&D in the private sector is still meager (around 25% of total R&D expenditures in India), and only loosely connected to public science and technology institutions. The Office of the Principal Scientific Advisor to the government is responsible for providing advice, creating policies and strategies pertaining to the generation of innovations, and fostering strategic partnerships between the social and economic sectors and between government departments, institutions and industry. Policy-makers have sought to develop and encourage scientific research through the establishment of the Indian Institute for Science Education and Research, a body comparable to the Indian Institutes of Technology (IITs).

To what extent does education policy in your country deliver high-quality, efficient and equitable education and training?

This question assesses the extent to which a government's education policy facilitates high-quality learning that contributes to personal development, sustainable economic growth and social cohesion. Your response should focus on the following, irrespective of the education system's organization: the contribution of education policy towards providing a skilled labor force, the graduate output of upper secondary and tertiary education, and (equitable) access to education. While the latter pertains to issues of fairness and distributive justice, it also has implications for a country's international competitiveness as unequal education implies a waste of human potential.

- | | |
|---|---------------------------------------|
| Education policy effectively delivers efficient and equitable education and training. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Education policy largely delivers high-quality, efficient and equitable education and training. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Education policy partly delivers high-quality, efficient and equitable education and training. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Education policy largely fails to deliver high-quality, efficient and equitable education and training. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

The goal of providing free, equitable and high-quality education in India is unevenly and in general inadequately achieved. While a new right to education (RTE) became effective in April 2010, the practical consequences of the new right (incorporated in the right to life, a part of Article 21 of the constitution) remain imperfectly sketched out. The professed aim of the Ministry of Human Development is to provide universal, inclusive and accessible education to all; this prompted the establishment of specific programs such as Education for All (Sarva Shiksha Abhiyan), a shift to gender-neutral universal primary education, and an attempt to improve accessibility for marginalized populations, including disabled persons. The Ministry also launched the Rashtriya Madhyamik Shiksha Abhiyan program in the secondary education sector, with the aim of achieving 75% enrollment within five years of the program's launch, and of improving the quality of secondary education more generally. Programs catering to specific groups have also been launched, including the National Program for Education of Girls at Elementary Level (NPEGEL), which is to be implemented in educationally underdeveloped regions, and the Kasturba Gandhi Balika Vidyalay program for girls from the scheduled castes and tribes, "other backward classes" and Muslim communities.

Specific proposals for the improvement of higher education in recent years have included the introduction of a bill creating a national accreditation regulatory authority for higher educational institutions, introduced in parliament in May 2010; a proposal to establish a National Commission or Council for Higher Education and Research tasked with prescribing academic quality standards; and most recently the introduction of the Foreign Educational (Regulation of Entry and Operations) Bill 2010, governing the regulation of foreign educational institutions within India. Additionally, new institutions for higher education and research, including new IITs and IIMs, have been proposed and set up in some cases. Reserved admission places for members of scheduled castes and tribes and "other backward classes" within institutions of higher education have been implemented. However, the focus on inclusion has not been commensurate with a substantial improvement in education quality, nor has there been any significant decrease in dropout rates. Though government spending on public education has increased, there has been a progressive privatisation and commercialisation of education at all levels. Preference for private schools, due to their reputation for a higher-quality education, and for expensive private professional colleges due to the inability of government colleges to support demand, has led to parallel systems in education. Similarly, the exodus to private education, as suggested by a study by Devesh Kapur and Pratap Bhanu Mehta, has also led to institutions abroad.¹⁸ The "overseas purchase of higher education" has been on the increase, especially after liberalization, which

¹⁸ Indian Higher Education Reform, CID working paper no. 108, Harvard University, September 2004

means that a large amount is spent by Indians for “purchasing” education abroad. More important than increased financial input, therefore, should be a focus on improving quality. Success in developing cognitive skills in Indian schools has been rather limited. In surveys, students lag an average of two years behind the required skills for a given level, due to the irregular presence of pupils and teachers, the moderate level of training supplied to teachers, a lack of modern teaching methods, insufficient spending on teaching materials, and so on. In essence, the whole education system presents a failure of governance, which is only slowly being corrected by decentralization, parent participation and the creation of transparency.¹⁹

¹⁹ Devesh Kapur and Pratap Bhanu Mehta, Indian Higher Education Reform, CID working paper no.108, Harvard University, September 2004.

Management Index

Executive Capacity

Steering Capability

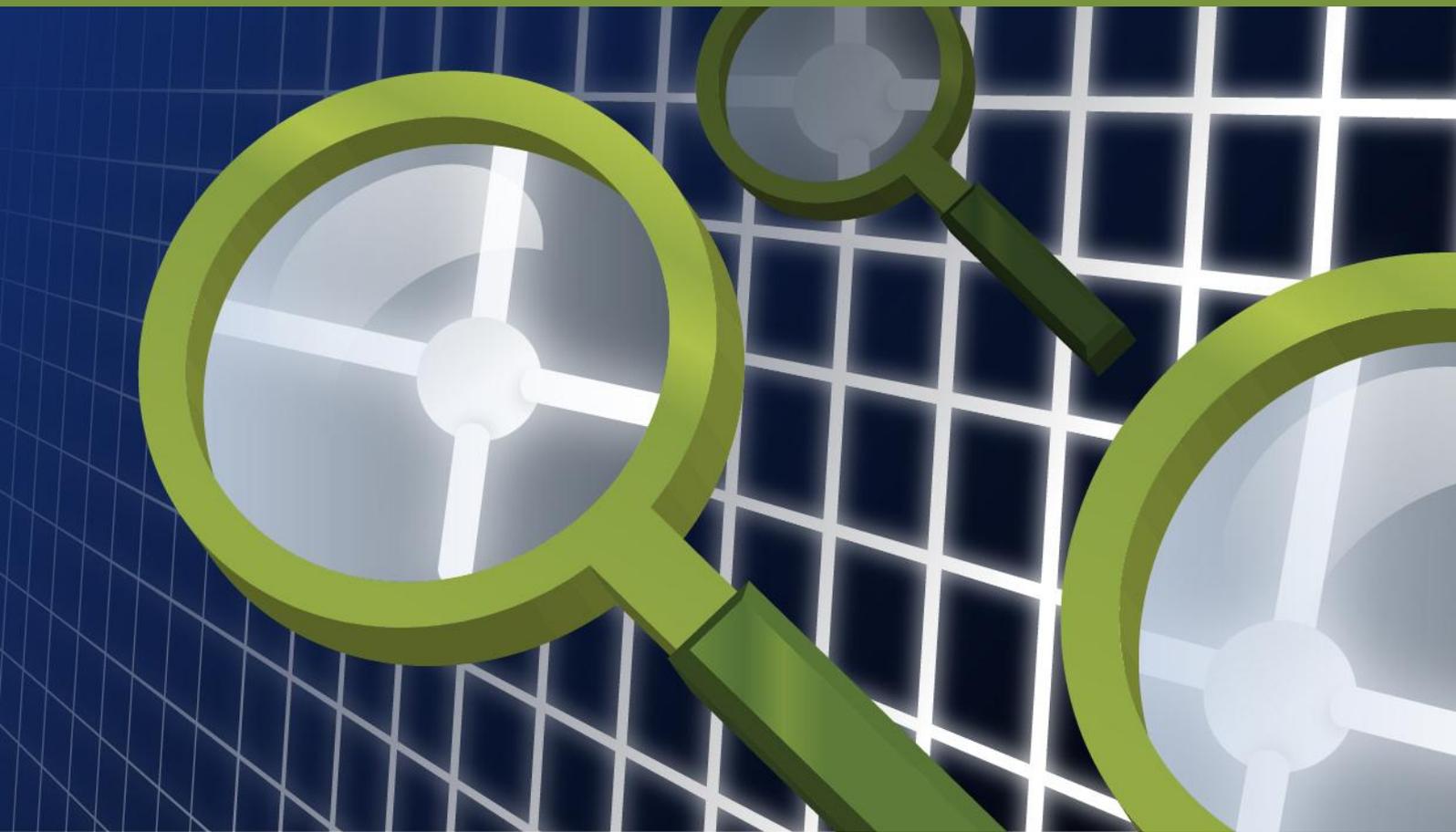
- M 1 Strategic Capacity
- M 2 Inter-ministerial Coordination
- M 3 Evidence-based Instruments
- M 4 Societal Consultation
- M 5 Policy Communication

Institutional Learning

- M 7 Adaptability
- M 8 Organizational Reform Capacity

Policy Implementation

- M 6 Effective Implementation



How much influence does strategic planning have on government decision-making?

Organizational forms of strategic planning include planning units at the center of government and personal advisory cabinets for ministers or the president/prime minister or extra-governmental bodies.

An indicator of influence may be the frequency of meetings between strategic planning staff and the head of government. Please substantiate your assessment with empirical evidence.

Dominant influence.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Considerable influence.	8 <input checked="" type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Modest influence.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
No influence.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

India's prime minister is the head of the government. The prime minister's cabinet (of which he or she is a member) assists with strategic planning and running the government. While prime ministers have in the past been known to bypass the cabinet, relying on persons outside the government for strategic advice, recent years have seen individual ministers, if not the entire cabinet, exercise dominant influence over strategic planning. While empirical evidence of the number of cabinet meetings is not available, newspaper reports suggest constant interaction, especially during periods of crisis. Indeed, in August 2011, in the midst of the crisis over the Lokpal Bill, it was the prime minister and the Finance Minister Pranab Mukherjee who ultimately defused the crisis by agreeing to tone down the government's aggressive stance toward civil society organizations on the issue. Similarly, in September 2011, the prime minister repeatedly met with Mukherjee to resolve the crisis over the 2G scandal. Home Minister P. Chidambaram, another member of this strategic planning group, also met with the prime minister frequently in both instances.

How influential are non-governmental academic experts for government decision-making?

An indicator of influence may be the frequency of meetings between government and external academic experts. Please substantiate your assessment with empirical evidence.

Dominant influence.	10	<input type="checkbox"/>
	9	<input type="checkbox"/>
<hr/>		
Considerable influence.	8	<input checked="" type="checkbox"/>
	7	<input type="checkbox"/>
	6	<input type="checkbox"/>
<hr/>		
Modest influence.	5	<input type="checkbox"/>
	4	<input type="checkbox"/>
	3	<input type="checkbox"/>
<hr/>		
No influence.	2	<input type="checkbox"/>
	1	<input type="checkbox"/>

Explanation:

In recent years the interaction between government and external academic experts has been considerable, and has to an extent been institutionalized in the form of the National Advisory Council (NAC). The recent protests and mobilizations across the country on the anti-graft (Lokpal) bill offer an extreme example in which consultation and to some extent compliance was thrust onto the government, which framed and introduced the citizen's ombudsman (Jan Lokpal) parliamentary bill in December 2011. The NAC has emerged as a cross-section of civil society, which has served under chairperson Sonia Gandhi as a body feeding social security legislation and policy into the government's agenda. Thus, in the 18 meetings held by the NAC before the time of writing, it had prepared for public debate and for the government's consideration a range of laws, including a modification of social security legislation providing a more comprehensive coverage for unorganized laborers; a government policy toward minorities following the Sachar Committee Report; a policy on urban homelessness; a reform of the Scheduled Castes Sub-plan, a national policy on street vendors; a policy toward groups labeled "criminal tribes" under an 1871 act; a policy on national resource management; the National Food Security Bill; the National Development, Land Acquisition, Resettlement and Rehabilitation Bill; and the Prevention of Communal and Targeted Violence (Access to Justice and Reparations) Bill. Statutory bodies such as the National Commission for Women (NCW) are often consulted in order to gauge expert and public opinion on specific laws. In June 2010, for example, the NCW was asked its position on the appropriate legal age of consent for women, in the course of drafting the Criminal Law Amendment Bill 2010.

In the past two decades, a plethora of expert committees and working groups have been set up to discuss nearly every aspect of economic, trade, monetary, fiscal, social, science and energy/environmental policies. These committees' reports have been disseminated and have been taken seriously by the government, although many of their recommendations could not be implemented. Academic and civil-society representatives have gained influence on these committees over time, although government representatives have remained dominant in most of these endeavors. It must also be noted that academic members have typically been picked primarily from government-sponsored institutes, and that civil society representatives tend to be entrepreneurs or members of business associations, and less often members of NGOs, although the NAC appears to be an exception in this regard.²⁰

²⁰ Source: National Advisory Council, www.nac.nic.in

Does the government office / prime minister's office (GO / PMO) have the expertise to evaluate ministerial draft bills substantively?

This question examines whether the government office (referred to in some countries as the prime minister's office, chancellery, etc.) has capacities to evaluate the policy content of line ministry proposals. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

The GO / PMO has comprehensive sectoral policy expertise and provides regular, independent evaluations of draft bills for the cabinet / prime minister. These assessments are guided exclusively by the government's strategic and budgetary priorities.

10 9

The GO / PMO has sectoral policy expertise and evaluates important draft bills.

8 7 6

The GO / PMO can rely on some sectoral policy expertise, but does not evaluate draft bills.

5 4 3

The GO / PMO does not have any sectoral policy expertise. Its role is limited to collecting, registering and circulating documents submitted for cabinet meetings.

2 1

Explanation:

The Prime Minister's Office (PMO) is a body of bureaucrats tasked with providing assistance to the prime minister. The PMO has detailed and comprehensive policy expertise, as the prime minister is head of the Planning Commission, and the PMO is staffed by senior bureaucrats and is supported by quite a few high-level advisory bodies (see below).

The PMO is expected to be directly responsible for matters falling directly under the charge of the prime minister. Other matters under the charge of a cabinet minister can also be handled by the prime minister if they are of crucial importance. Since the prime minister is also chairman of the Planning Commission, files from the commission are sent to his office for his comments and approval. A wide variety of matters require the prime minister's personal approval, thus bringing the PMO in the picture: these matters include defense-related and civilian decorations; appointments of Indian heads of overseas missions and approvals of heads of foreign missions in India; and appointments to central-government and state administrative tribunals, the Union Public Service Commission, statutory and constitutional committees, and other civil service bodies, among other issues.

The prime minister may also be approached by concerned persons irrespective of whether a separate ministry is responsible for the matter. In November 2011, for example, top Indian Airlines officials and CEOs of other major airlines met the prime minister and PMO officials to apprise them of the "bad industrial climate" that was grounding the airline industry. The minister in charge of the Civil Aviation Ministry waited for instructions from the PMO before acting. In January 2012, the PMO asked the Environmental Ministry to explain the differences in opinion between the ministry and the PMO's Expert Appraisal Committee on the Lavasa Corporation's Hill City Project near the city of Pune in Maharashtra.

Apart from executive decisions and policy making, the PMO often initiates laws. In September 2011, for example, when the Finance Ministry was facing charges of interfering in the work of the securities market regulator SEBI (Securities and Exchange Board of India), the CAG (Comptroller and Auditor General) and the Pension Fund Regulatory and Development Authority, the PMO started work on drafting a new law to monitor and regulate the economic regulators to make them more accountable.

A recent newspaper report, noted that PMO Principal Secretary Pulok Chatterjee, who rejoined the PMO in September 2011 after serving as World Bank executive director, scripted a "power shift" within the PMO away from the "policy paralysis" that seemed to have gripped it earlier. Bringing "focus" and "immediacy" to his office, and drawing on his long

association with UPA Chairperson Sonia Gandhi, Chatterjee has created a list of 17 areas of focus, including the Lokpal Bill, the Land Acquisition Bill and the National Advisory Council's recommendation on infrastructure growth, each with a definite timeline for action.²¹

²¹ Pulok 'Powershift' Chatterjee pushes fast forward in PM Office," Indian Express, 29 January 2012

Can the government office / prime minister's office return items envisaged for the cabinet meeting on the basis of policy considerations?

Please assess whether the GO/PMO is de facto, not only legally, able to return materials on the basis of policy considerations. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- | | |
|--|---------------------------------------|
| The GO/PMO can return all/most items on policy grounds. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO can return some items on policy grounds. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO can return items on technical, formal grounds only. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The GO/PMO has no authority to return items. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

The relationship between the PMO and the cabinet has always been contested, and has depended substantially on the personality of the prime minister and the PMO staff. In March 2001, for example, Communist Party of India (Marxist) leader Somnath Chatterjee alleged that the PMO had become an extra-constitutional authority, marginalizing the cabinet and controlling the domestic and foreign policy agenda. Under the BJP-led National Democratic Alliance government, there was friction between Minister of External Affairs Jaswant Singh and Brajesh Mishra in the PMO, the latter being a highly experienced bureaucrat, over Mishra's interference with the ministry's work. The shift in the basis of power from the cabinet to the PMO is grounded in both political and personality factors. More recently, with the implication of the cabinet's two most dominant personalities – Home Minister P. Chidambaram and Finance Minister Pranab Mukherjee – in the 2G crisis, as well as the appointment of Pulok Chatterjee as PMO principal secretary, the PMO is seen as having become the decisive force in pushing the government's agenda. The assertion of the PMO is especially significant since Manmohan Singh is himself seen as a “weak” prime minister.

To what extent do line ministries have to involve the government office/prime minister's office in the preparation of policy proposals?

Please assess whether line ministries involve the GO/PMO de facto, not only legally, in the preparation of policy proposals. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

There are interrelated capacities for coordination in the GO/PMO and line ministries. 10
9

The GO/PMO is regularly briefed on new developments affecting the preparation of policy proposals. 8
7
6

Consultation is rather formal and focuses on technical and drafting issues. 5
4
3

Consultation occurs only after proposals are fully drafted as laws. 2
1

Explanation:

The PMO is regularly briefed. Moreover, for the past 10 years and more, the compulsions of coalition government have meant that the cabinet reflects diverse political parties and plural positions on policy issues; this has meant that conflicts between views are inevitable, and the PMO has become an important mediator and interlocutor. The political debate over increasing oil prices, which have been revised or increased 12 times in the space of two years, offers a good example. In June 2010, based on the recommendations of the Kirit Parikh Committee, the government announced a deregulation of oil and diesel prices, which would from that time forth be determined by the market and government subsidies. The move was seen as an attempt to cut losses at the state-owned oil companies. From June 2010 to November 2011, oil companies raised gasoline prices six times, prompting strong criticism from political parties in the opposition as well as among the government's coalition partners. The most vocal among the latter group was Trinamool Congress leader Mamata Bannerjee. The criticism ultimately prompted the government to reduce gasoline prices by 3.2 percent.

How effectively do ministerial or cabinet committees prepare cabinet meetings?

This question studies whether cabinet committees (composed exclusively of cabinet members) or ministerial committees (composed of several ministers and individual non-cabinet members) effectively filter out or settle issues so that the cabinet can focus on strategic policy debates.

Please assess whether ministerial or cabinet committees are de facto, not only legally, able to prepare cabinet meetings. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

- | | |
|--|---------------------------------------|
| The large majority of issues are reviewed and scheduled first by/for the committees. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Most of the issues are prepared by committees. Or: Issues of political or strategic importance are reviewed and scheduled by/for the committees. | 8 <input checked="" type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| There is hardly any preparation of cabinet meetings by committees. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| There is no preparation of cabinet meetings by committees. Or: There is no ministerial or cabinet committee. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Cabinet committees constitute an important mechanism for administering and coordinating the affairs of the government, coordinating ministry activity, and ensuring smooth implementation of government policies. As of August 30, 2011, there were 10 Cabinet Committees: the Appointments Committee of the Cabinet, the Cabinet Committee on Accommodation, the Cabinet Committee on Economic Affairs, the Cabinet Committee on Parliamentary Affairs, the Cabinet Committee on Political Affairs, the Cabinet Committee on Prices, the Cabinet Committee on Security, the Cabinet Committee on World Trade Organization Matters, the Cabinet Committee on Infrastructure, and the Cabinet Committee on issues related to the Unique Identification Authority of India. The Cabinet Committee on Parliamentary Affairs, for example, comprises several cabinet-rank ministers including the minister for parliamentary affairs, and is headed by Finance Minister Pranab Mukherjee. The enumerated tasks of the parliamentary affairs committee are to supervise the progress of government business in parliament and to give necessary directions to secure the smooth conduct of business, and to scrutinize and consider the attitude of the government on nonofficial bills and resolutions to be presented to parliament. If a ministry or department recommends opposition to a nonofficial bill or resolution, the minister of parliamentary affairs may persuade or request the member to withdraw it, or advise the author that the measure will face opposition in parliament. Decisions so taken by the minister may be placed before the Cabinet Committee on Parliamentary Affairs, or if no meeting of the committee is envisaged within a reasonable period of time, decisions may be circulated to committee members for ratification. Specific committees may resolve disputes between ministries in order to facilitate the implementation of government policies. The Cabinet Committee on the Unique Identification Authority of India (UIDAI) for example, which has among its members the prime minister, the finance minister and the minister of home affairs, along with Planning Commission Deputy Chairperson Montek Singh and UIDAI Chairman Nandan Nilekani, has the task of coordinating all issues pertaining to the Unique Identification Authority of India, which administers a flagship program of the UPA government. The committee coordinates the organization, plans, policies, programs, schemes, funding and methodology to be adopted for achieving the authority's objectives. On January 27, 2012, the committee resolved a long standing stalemate between the Home Ministry and Planning Commission over the unique identification project and extended the mandate of the UIDAI, which is subordinate to the Planning Commission. The committee asked the home ministry (which is collecting biometric data for the preparation of the national population register) and UIDAI to collect biometric data without any duplication.

An important development in this context has been the gradual entrenchment of the group of ministers (GoM) function to oversee and decide on crucial government policy coordination

and legislative initiation functions. A GoM, as the name suggests, is a group of ministers tasked with looking after a specific policy concern. There may be several GoMs working on different issues simultaneously. As of December 15, 2011, there were 30 GoMs examining issues as diverse as fertilizer policy, trade in goods under the Comprehensive Economic Cooperation Agreement (CECA) between India and the ASEAN, the 2000 Coal Mines (Nationalization) Amendment Bill, the 2006 National Pharmaceuticals Policy, the Bhopal gas leak disaster, “paid news” (self-promoting advertisements by political parties that are made to appear as news), environmental and developmental issues relating to coal mining and other developmental projects, of the possibility of providing relief for the effects of serious cold waves or frosts, and the media. In July 2011, the GoM headed by Finance Minister Pranab Mukherjee, which included the ministers of mines, steel, law, commerce and tribal affairs and the deputy chairman of the Planning Commission, agreed to a draft a bill proposing that coal mining companies share 26% of their net profits with people affected by mining, while companies mining other minerals share royalties.²²

²² Source: www.Loksabha.nic.in; www.rajyasabha.nic.in

How effectively do senior ministry officials prepare cabinet meetings?

This question examines whether senior ministry officials (leading civil servants or political appointees including junior ministers below the cabinet level) effectively filter out or settle issues so that the cabinet can focus on strategic policy debates.

Please assess whether senior ministry officials are de facto, not only legally, able to prepare cabinet meetings. In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

Most issues arrive in time to be reviewed and scheduled first by/for the senior ministry officials (i.e., more than 70 percent of cabinet agenda items are prepared). **10**
9

Many of the issues are prepared by senior ministry officials (i.e., 50-70 percent of cabinet agenda items are prepared). **8**
7
6

There is some preparation of cabinet meetings by senior ministry officials (i.e., less than 50 percent of cabinet agenda items are prepared). **5**
4
3

There is no or hardly any preparation of cabinet meetings by senior ministry officials. **2**
1

Explanation:

The cabinet secretary, who is primarily concerned with the task of formal coordination of decision-making within and among committees, ensures that issues have been fully discussed before reaching the full cabinet. Administrative decisions may be made within particular committees, and the consensus or differences in opinion noted and conveyed to the cabinet. The administrative decisions are noted/recorded, and are a legal and de facto part of the cabinet's business.

How effectively do line ministry civil servants coordinate policy proposals?

This question refers to administrative coordination and examines to what extent civil servants of individual ministries effectively coordinate the drafting of policy proposals with other ministries so that political coordination bodies and the cabinet can focus on strategic policy debates.

In case this question does not fully apply to the structure of relevant institutions in your country, please answer this question according to possible functional equivalents.

Most policy proposals are effectively coordinated by civil servants.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Many policy proposals are coordinated by civil servants.	8 <input type="checkbox"/>
	7 <input checked="" type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
There is some coordination of policy proposals by civil servants.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
There is no or hardly any coordination of policy proposals by civil servants.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

Civil servants constituting the line ministries elaborate the intricacies of policy proposals for the specific purpose of policy formulation and implementation by the ministry. Nearly all line ministries have specific task forces to prepare policy proposals.

How effectively do informal coordination mechanisms work?

This question examines whether there are informal coordination mechanisms (examples: coalition committees, informal meetings within government or with party groups, informal meetings across levels of government) which effectively filter out or settle issues so that the cabinet can focus on strategic policy debates?

Most policy proposals are effectively coordinated by informal mechanisms. 10

9

Many policy proposals are coordinated by informal mechanisms. 8

7

6

There is some coordination of policy proposals by informal mechanisms. 5

4

3

There is no or hardly any coordination of policy proposals by informal mechanisms. 2

1

Explanation:

A variety of different forms of coordination exist, depending on whether the parties include individual states, the state governments and the center, political parties and the government, or coalition partners. The goal is to reach consensus on issues before (or in the process of) decision-making. While these mechanisms are not integrated directly into the decision-making structure itself, they are mostly public, reported and recorded. They do not replicate the governmental functions of decision-making, but rather provide ways by which the latter may be facilitated. In some cases, as with the group of ministers (GoM) practice that developed as an informal mechanism of coordination, ad-hoc practices may become institutionalized by putting in place specific rules and terms of reference governing their operation. Interstate councils constitute the formal mechanisms of coordination within this effective and functioning federal system, but effective complementary mechanisms also enable the informal coordination of policies. The annual meeting of chief ministers is one such forum where issues of concern to states, interstate relationships, and relations between states and the central government are all topics of discussion. In their April 2012 meeting, for example, the chief ministers collectively sought to focus attention on internal security matters, expressing displeasure with and opposition to the central government's plans to set up a National Counter Terrorism Center, which they asserted was a violation of the principles of federalism. Parties meet annually to develop their specific agendas and the means by which they can coordinate with the government and the party in power. Within coalition governments held together by agreement on common minimum programs (CMPs), coordination among parties has assumed crucial importance, as a joint policy program buttresses government decision-making. In January 2011, the constituents of UPA-II demanded better coordination among the allies and sought the formation of a coordination committee. This demand followed criticism of rising prices directed against the Ministry for Food and Agriculture, which in turn sought to present price rises as the result of collective decisions involving the PM and the finance minister.

Does the government regularly assess the potential socioeconomic impact of the draft laws it prepares (regulatory impact assessments, RIA)?

If RIA activities are not centrally registered, please try to obtain exemplary information that is representative of the situation in your country. **Please Note: If RIA are not applied or do not exist, please give your country a score of "1" for this question AND for M3.2 and M3.3.

In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

- | | |
|--|---------------------------------------|
| RIA are applied systematically to new or existing regulations, but are limited to those matching defined criteria. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| RIA are not applied systematically to study the impact of regulations. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| RIA are applied randomly. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| RIA are not applied or do not exist. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Regulatory impact assessments are frequently performed in India, at least according to public statements. However, there is no legal requirement to do so. The practice is used mainly for ex ante appraisal rather than for ex post evaluation purposes, and mostly covers economic regulation (industrial licensing, tax rates, foreign exchange controls). Weak spots are still regulatory coherence, and regulators' financial and administrative autonomy and accountability. Before 2003, when the Competition Commission was established, there was no centralized body entrusted with the task of developing a coherent regulatory strategy, and systematic regulatory impact assessment did not take place. Independent regulatory bodies such as the Security and Exchange Board of India (SEBI) had their own mechanisms for conducting RIA, as did government ministries such as the Environment Ministry. A Planning Commission paper prepared in August 2006 stressed the importance of a uniform regulatory framework (multisectoral regulators) for a) communications; b) electricity, fuels and gas, and (c) transportation. This would eliminate the proliferation of regulatory commissions, it argued, while helping to build capacity and expertise, promoting a consistency of approach and saving on costs.

The Competition Act itself was enacted in January 2003 and a Competition Commission was statutorily established in October 2003. However, this initially operated with just one member on board, assisted by a frugal staff. The Competition Act was amended in 2007, and the Commission was reconstituted in March 2009 with the joining of a chairperson and two members. In the years that followed, four more members joined the Commission to bring its membership in consonance with that provided for under the Act, that is, a chairperson and six members. Nor did the commission start enforcement work immediately, because of litigation in the Supreme Court and the need for amendments in the act. The act formally incorporates all government elements designed to promote competition or restrict cartels and monopolies, and enjoins the commission to study best practices, prepare draft regulations and guidelines, and engage in competition advocacy and capacity building. Assisted by the World Bank, the Foreign Investment Advisory Service (FIAS) and the U.K. Department for International Development (DFID), it has sought to enhance its own understanding of market structures. Autonomous bodies such as the SEBI have evolved their own mechanisms for amending their own structures and regulating themselves, in order to introduce corporate governance norms, engage in fair play, and learn the ways in which new regulations play out in the market.

M 3 Evidence-based Instruments

Category: Steering Capability

M 3.2 Needs Analysis

To what extent do RIA analyze the purpose of and need for a regulation?

This question seeks to assess the analytical depth of RIA. Please try to obtain exemplary information that is representative of the situation in your country. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

RIA define the purpose of and need for a regulation in a clear, concise and specific manner.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
RIA mention the purpose of and need for a regulation, but the specification is not sufficiently clear, concise and/or well-defined.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
RIA mention the purpose of and the need for a regulation, but do not specify.	5 <input checked="" type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
RIA do not analyze the purpose of and the need for a regulation.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

The Security and Exchange Board of India (SEBI) is one body that has clearly established mechanisms and goals for consulting stakeholders in the process of impact assessment. In October 2011, SEBI began reviewing the potential stock-market impact of a proposed elimination of the securities transaction tax, which was introduced by the finance minister in 2004 – 2005 as part of an attempted rationalization of the capital-market tax structure. The Competition Commission has yet to evolve a coherent regulatory framework.

M 3 Evidence-based Instruments

Category: Steering Capability

M 3.3 Alternative Options

To what extent do RIA analyze alternative options?

This question seeks to assess the scope of RIA.

Please try to obtain exemplary information that is representative of the situation in your country. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

- | | |
|---|---------------------------------------|
| RIA analyze alternative options (including “do nothing”) and quantify the costs and benefits of the different alternatives. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| RIA highlight alternative options and consider the pros and cons of each option. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| RIA consider some alternative options. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| RIA do not analyze alternative options. | 2 <input checked="" type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Examination of alternative options is not yet systematically applied.

M 4 Social Consultation

Category: Steering Capability

M 4.1 Negotiating Public Support

To what extent does the government consult with trade unions, employers' associations, leading business associations, religious communities, and social and environmental interest groups to support its policy?

This question assesses how successfully the government consults with economic and social actors in preparing its policy. Successful consultation is conceived here as an exchange of views and information that increases the quality of government policies and induces economic and social actors to support them.

The government successfully motivates economic and social actors to support its policy. 10
9

The government facilitates the acceptance of its policy among economic and social actors. 8
7
6

The government consults with economic and social actors. 5
4
3

The government hardly consults with any economic and social actors. 2
1

Explanation:

The government consults with stakeholders to elicit their opinion on major policy matters, but not necessarily to motivate or facilitate their support for its policies. Before the presentation of each budget, for example, the finance minister consults with groups and organizations including agriculturalists, business associations, trade union leaders, and economists. All draft bills are posted on ministry websites, with specified deadlines for comment. Though worker's unions have come to lack significant policy influence, business and industry associations have engaged in increasingly closer interaction with the government since the opening of Indian markets. This has contributed to the growing strength of industry associations, the emergence of new entrepreneurs and firms, and the entry of many businessmen into politics. The state seeks input from entrepreneurs and their associations in formulating and implementing virtually all economic, trade and fiscal policies. Business delegations frequently travel with the finance minister and the PM on international trips, a rare or nonexistent practice 20 years ago. Industry association and environmental institution representatives are now part of Indian delegations during WTO and climate negotiations. These representatives and their organizations (the Federation of Indian Chambers of Commerce and Industry, for example) often recommend detailed programs and initiatives in association with every fiscal year or five year plan.

M 5

Policy Communication

Category: Steering Capability

M 5.1

Coherent Communication

To what extent does the government implement a coherent communication policy?

The government effectively coordinates the communication of ministries; ministries closely align their communication with government strategy.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
The government seeks to coordinate the communication of ministries through consultation procedures. Contradictory statements are rare, but do occur.	8 <input type="checkbox"/>
	7 <input checked="" type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
The ministries are responsible for informing the public within their own particular areas of competence; their statements occasionally contradict each other.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Strategic communication planning does not exist; individual ministry statements regularly contradict each other.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

Official government spokespersons communicate with the press and address news conferences on specific time-sensitive issues. Ministries may designate their own official spokespersons, and the government may make specific ministers responsible for providing the press with details about individual cabinet decisions. These decisions may also be made available to the press through the government's Press Information Bureau. Contradictions between ministry policy communications do occur, however, at times due to separate communications, and at others because a particular event or policy statement may have been mismanaged (for example, the government's contradictory responses to Gandhian leader Anna Hazare's hunger strike for the introduction of an anti-graft bill). In December 2011, for example, the UPA government was internally divided on the prospects of appealing the Karnataka High Court's order stating that wages under the Mahatma Gandhi National Rural Employment Guarantee Act had to follow national minimum wage rules. While PM Manmohan Singh and the Finance Ministry were of the view that the government could not be ordered to pay minimum wages, since Section 6 of the NREGA empowered the central government to fix wages without reference to the Minimum Wages Act, Union Rural Development Minister Jairam Ramesh strongly favored compliance with the high court order. This minister's position was supported by the Sonia Gandhi-led NAC.

In May 2011, the government set up a group of ministers to focus on media strategy, following fractured government communication on the movement for the Jan Lokpal anti-graft bill led by Anna Hazare. In December 2011, the government set up a spokespersons panel consisting of 11 ministers authorized to represent the government's position on television panel discussions, and to represent the government particularly in the rapidly expanding regional media. While the GoM will remain in charge of media strategy, the panel is expected to strengthen the government's media outreach and effectively communicate its policy positions and points of view.

To what extent can the government achieve its own policy objectives?

This question seeks to evaluate a government's implementation performance against the performance benchmarks set by the government for its own work. The assessment should therefore focus on the major policy priorities identified by a government and examine whether declared objectives could be realized.

The government can largely implement its own policy objectives. **10**

9

The government is partly successful in implementing its policy objectives **8**

or can implement some of its policy objectives. **7**

6

The government partly fails to implement its objectives or fails to implement **5**

several policy objectives. **4**

3

The government largely fails to implement its policy objectives. **2**

1

Explanation:

Policy objectives of the government, in this case of the Congress-Party-led United Progressive Alliance (UPA) coalition which formed the government in 2004 and again in 2009, must be garnered from a variety of sources rather than a single document. One major source is the Common Minimum Program (CMP), a statement of consensus among the diverse political parties that constitute the government and the document most commonly referred to in public and political debates. Not surprisingly, while presenting an interim budget (February 16, 2009) after the UPA formed the government in 2009, Finance Minister Pranab Mukherjee drew largely from the 2004 CMP to state the government's economic policy. The minister asserted that the CMP was built around the "aam aadmi" (the common man), and enumerated seven clear-cut economic objectives: 1) maintaining a growth rate of 7% to 8% per year for a sustained period; 2) providing universal access to high-quality basic education and health care; 3) generating gainful employment and promoting investment; 4) assuring at least one hundred days of employment at the minimum wage to the breadwinner in each family; 5) focusing on agriculture, rural development and infrastructure; 6) accelerating fiscal consolidation and reform; and 7) ensuring a higher level of more efficient fiscal devolution. Other important aspects of the CMP concerned generation of employment through the National Rural Employment Guarantee Act; the establishment of a commission to look at the problems of enterprises in the unorganized and informal sectors; investment in agriculture; an increase in public spending on education to at least 6% of GDP, with half of this to be spent on primary and secondary education; an increase on public health spending to between 2% and 3% of GDP; and creating a quota for women of one-third of the seats in the national and state legislatures, among other issues. In the subsequent years, the government enacted the MNREGA, inserted a right to education as a fundamental constitutional right in 2009, and proved unable to push the women's quota bill through the parliament due to a lack of political consensus. The MNREGA continues to be beset by criticism, such as allegations that it does not reach its target population and that funds are routinely siphoned away, and persistent controversy over the payment of minimum wages. The unemployment rate in India was reported at 9.4% for the 2009 – 2010 fiscal year, but has risen to 10 percent, with the highest rate of 10.4% seen among youth (15- to 24-year-old age group). The government's 2010 – 2011 economic outlook claimed that India achieved an 8.5% growth rate during the period, with agriculture doing well, and industrial growth declining to 6.6 percent.

The government may, therefore, be assessed as having been able to implement its objectives only in part, though in some areas better so than before. The most glaring problem areas remain the massive but slowly declining central government and state budget deficits,

attributable in part to the impact of the financial crisis; the high school dropout level; and the stagnating quality of education. Malnutrition among children has remained unacceptably high, expenditures for health care have increased little and have trailed far behind targets, power shortages continue, the addition of new power-generation capacity is far behind schedule, and goals for the construction of new highways and for developing full domestic capacities for railway construction have not been met. The government was further unable to push through structural reforms that have long held a place on its agenda (elimination of subsidies, privatization, liberalization of FDI in retail trade, etc.).

Bright spots in terms of implementation have included massive increases in school enrollment at every level, the near-elimination of the gender gap in education, the growing provision of technical and vocational training (though starting from a very low base), the new initiative providing health insurance for the poor, the countrywide implementation of the MNREGA (though this has guaranteed significantly less than the promised 100 days of employment; see above), and overall, a far better realization of planned expenditures than ever before.

To what extent does the organization of government ensure that ministers do not seek to realize their self-interest but face incentives to implement the government's program?

Organizational devices providing incentives for ministers include prime ministerial powers over personnel, policies or structures, coalition committees, party summits, comprehensive government programs/coalition agreements and cabinet meetings. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

- | | |
|---|---------------------------------------|
| The organization of government successfully provides strong incentives for ministers to implement the government's program. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The organization of government provides weak incentives for ministers to implement the government's program. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The organization of government partly prevents ministers from realizing departmental self-interests. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The organization of government fails to prevent ministers from realizing departmental self-interests. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

A variety of organizational structures designed to ensure ministerial compliance exist, including the cabinet committees set up for specific purposes, cabinet meetings, party summits and coalition meetings, and agreements on common minimum programs.

Ten cabinet committees were in place as of January 2012. These included the Appointments Committee of the Cabinet, the Cabinet Committee on Accommodation, the Cabinet Committee on Economic Affairs, the Cabinet Committee on Parliamentary Affairs, the Cabinet Committee on Political Affairs, the Cabinet Committee on Prices, the Cabinet Committee on Security, the Cabinet Committee on World Trade Organization Matters, the Cabinet Committee on Unique Identification Authority of India, and the Cabinet Committee on Infrastructure. These committees discuss and coordinate specific matters pertaining to the government's policy in their domain.

The cabinet as a body meets every Thursday, but may meet more frequently for extraordinary meetings on specific issues if required. Cabinet meeting agendas are not made public, and details of discussions are not released to the public. However, the government may choose to selectively publicize information about decisions made in the meetings through a designated minister or through its own Press Information Bureau. While the cabinet papers are treated as secret documents, with the enactment of the Right to Information Act (RTI), the situation has changed somewhat. Under section 8(1)(i) of the RTI, these documents are treated as secret before the meeting has actually taken place. Afterward, however, the decisions and the material basis for the decisions are no longer deemed secret, and in theory must be made public. In actual practice, however, the information is only selectively disseminated. Press reports point out that cabinet meetings are often spaces where differences are expressed and discussed, and where consensus is built. In December 2011, for example, the railway minister, the lone Trinamool Congress (a UPA coalition partner) member in the ministry, chose to stay away from the Thursday cabinet meeting. This was largely seen as an expression of his party's opposition to the government's decision to allow FDI in the retail sector. In the previous cabinet meetings, the minister had reportedly opposed the FDI decision. In another cabinet meeting in December 2011, two days before the Lokpal Bill was introduced in parliament, the Trinamool Congress objected to certain provisions of the draft (particularly the inclusion of the Lokayukta chapters), demanding that the bill be sent back to the standing committee.

Coalition governments' common minimum programs (CMP) are often the guiding framework for government policy-making, and for ensuring smooth functioning within coalitions.

However, while the UPA had a CMP in 2004, the Congress Party was less forthcoming in releasing a CMP in 2009, and has instead relied on reference to individual coalition partners' manifestoes.

Constitutionally and de facto, the prime minister has a very strong position, having the right to demand the dissolution of parliament. Threatened with the consequence of new elections, ministers can be expected to fall into line. The prime minister also oversees several ministerial portfolios, and has the right to issue guidelines to cabinet ministers. The prime minister's position has further been enhanced by the extension of the Prime Minister's Office. However, the position has also been weakened by the creation of oversized coalition governments with more than a dozen partners, encouraging the growth of the central government to more than 70 ministers, a multitude of task forces, committees and groups of ministers, all tasked with settling conflict and constructing compromises. In addition, the party organizational structure is often able to exercise substantial influence over the government, its agenda and strategies. In the contemporary context, party President Sonia Gandhi exercises significant control, and while herself not part of the government, heads the NAC, which initiates specific social policy agendas for the government and oversees their implementation.

How effectively does the government office / prime minister's office monitor line ministry activities?

This question assumes that effective delegation from the core executive to ministries is reflected in the monitoring of line ministry activities by the administration of the core executive. While such monitoring is not sufficient to prevent line ministries from prioritizing sectoral over government interests, the presence or absence of monitoring is taken here as a proxy of effective delegation policies. In case this question does not fully apply to your country, please answer this question according to possible functional equivalents and substantiate your answer.

The GO / PMO effectively monitors the activities of line ministries. 10

9

The GO / PMO monitors the activities of most line ministries. 8

7

6

The GO / PMO shadows the activities of some line ministries. 5

4

3

The GO / PMO does not monitor the activities of line ministries. 2

1

Explanation:

Individual ministries and departments are subject to the overall government program and its implementation strategy. The Ministry of Rural Development, for example, holds the promotion of the MNREGA as a high priority on its agenda, while the Ministry of Human Resource Development promotes issues identified as areas of focus within the government's policy statement. The prioritization of unique identity cards in the Congress Party 2009 manifesto, along with the government policy statement further supporting this program for reasons of security and efficient disbursement of welfare benefits, has meant that the UID Authority of India – a body subordinate to the Planning Commission, and headed by Nandan Nilekani – holds priority or at least parity with respect to the Home Ministry's preparation of the National Population Register. The allocation of funds for ministry and department projects is determined by the government, and can constrain or facilitate specific ministerial projects. The NREGA and the UIDAI have been well-funded by the present government. The annual ministry reports, the annual audits of their accounts, and the compulsion to conform to the national government agenda often dictate the terms under which a particular ministry may function.

Moreover, the Prime Minister's Office (PMO) has developed into a very strong agency, commanding around 500 senior bureaucrats, with two holding the rank of minister of state. The PMO is divided into several departments, monitoring practically every line ministry. The PMO also is supported by a number of advisory committees under the leadership of the prime minister (Economic Advisory Council, Committee of Manufacturing, etc.), each composed of distinguished experts, businesspeople and politicians. As the prime minister is also the head of the Planning Commission, the PMO typically has no difficulty monitoring line ministries' activities regularly and in depth.

M 6.2c Monitoring Agencies

How effectively do ministries monitor the activities of executive agencies?

An effective implementation may be constrained by bureaucratic drift. To ensure that agencies act in accordance with government policies, this question assumes that ministries and their leading officials should monitor the activities of semi-autonomous executive agencies in their task area.

In federal states with few executive agencies at the central level of government, the assessment should also consider regional-level decentralized agencies acting on behalf of the federal government.

- | | |
|--|---------------------------------------|
| The ministries effectively monitor the activities of all executive agencies. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The ministries monitor the activities of most of the executive agencies. | 8 <input type="checkbox"/> |
| | 7 <input checked="" type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The ministries monitor the activities of some executive agencies. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The ministries do not monitor the activities of executive agencies. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Departmental bureaucracy is extremely powerful, with the expertise and organizational capacity to exercise influence over the framing of policy, modes of implementation, and the preparation of guidelines for effective coordination and coherence between the national and ministerial policies. While the departmental bureaucracy is expected to follow the political agenda, it also tends to become procedurally rigid, as well as host to a proliferation of corrupt practices. The constraint over the bureaucracy lies in the accountability that each minister has to parliament for the actions and decisions in his or her ministry and department. The principle of ministerial responsibility therefore also makes the bureaucracy indirectly answerable to the parliament through the minister. Select parliamentary committees can moreover conduct probes into the activities of a particular ministerial department, interviewing bureaucrats about their actions or decisions. The Public Accounts Committee, for example, asked various high-ranking bureaucrats to appear before it in the course of its investigation into the 2G spectrum scandal.

However, the ministries' administrative monitoring sometimes goes too far, especially with regard to the political interference in the functioning of the police and the rapid turnover of bureaucrats after and even in between every election (to reward party members or activists or simply to teach the losing parties a lesson). Some of the problems have to do with the intellectual and social divide between politicians and senior public servants, the latter of whom are normally of a higher intellectual caliber and are therefore handled with mistrust and resentment.

To what extent does the central government ensure that tasks delegated to subnational self-governments are adequately funded?

A high or low degree of decentralization as such does not constitute a meaningful indicator of executive capacity. Rather, this question focuses on the delegation problem associated with decentralization.

If the central government delegates a public task to lower levels of government (as a rule: regional self-government and in unitary states without regional self-government, local self-government), the central government needs to ensure that such tasks are adequately funded. The absence of corresponding funding sources (“unfunded mandates”) indicates a lack of responsibility and strategic design. Funding may be provided through grants (shares of centrally collected taxes) from the central budget or by endowing subnational self-governments with their own revenues.

Please note that subnational self-government refers to directly elected subnational administrative authorities with considerable discretion. The broad concept of “delegation” applied here is taken from principal-agent theory and includes independent powers of subnational self-government enshrined in the constitution. Thus, no difference is made between independent powers and those central government powers that have been delegated by laws or executive regulations to subnational self-government.

The central government enables subnational self-governments to fulfill all their delegated tasks by funding these tasks sufficiently and/or by providing adequate revenue-raising powers. 10
9

The central government enables subnational governments to fulfill most of their delegated tasks by funding these tasks sufficiently and/or by providing adequate revenue-raising powers. 8
7
6

The central government sometimes and deliberately shifts unfunded mandates to subnational governments. 5
4
3

The central government often and deliberately shifts unfunded mandates to subnational self-governments. 2
1

Explanation:

The states have broad responsibilities in the provision of health care, education, social welfare, infrastructure and agricultural assistance. They finance around 57% of public expenditures, a higher share than subnational governments in any other developing country aside from China. There is however a considerable gap (around 40%) in their ability to finance these tasks through their own independently derived resources. This is filled by transfers from the Finance Commission (via grants and a program of interstate tax sharing) and grants/credits from the Planning Commission (as generic gap-filling and/or for the execution of a wide variety of specific central-government programs). This is a rather complex, opaque system, which in some sense diminishes incentives for state governments to raise their own tax income. Although a new Finance Commission formula now rewards state governments' own efforts more than previously, the whole transfer system still predominantly follows a gap-filling approach that has increasingly been criticized by the wealthier states. Credit demand by states is tightly regulated by the center; nevertheless, some states' debts have reached unsustainable levels, to the point where they have been forced to adhere to a financial responsibility act that demands a gradual decline in state budget deficits. Poor states are hardly able to finance their operational expenditures (absorbed mostly by salaries for public employees and deficit-running public sector enterprises), leaving little or nothing left over for necessary investments.

Two forms of subnational governments may be considered here. First is the Panchayati Raj institution, which came into existence through a constitutional amendment (73rd Amendment Act) in 1992, and established elected local governments at the village level intended to develop local participation in governance. The panchayats are centrally funded, which is to say the central government is responsible for providing resources to meet development requirements in rural areas. More recently, (since 2007), the Ministry of Panchayati Raj has operated a so-called Backward Regions Grant Fund (BRGF), under which the government provides financial resources for development schemes in "backward" districts whose needs are not being met through existing inflows. The BRGF program is implemented through the Panchayati Raj Institutions and the municipalities. However, the Standing Committee on Rural Development has suggested that the funds thus provided are not sufficient to needs. In August 2011, the committee asked both the Finance Ministry and the Planning Commission to consider the funds requirements of the Panchayati Raj Ministry, which, it said, was the most important people-oriented ministry. The committee said its examination of Eleventh Five Year Plan projections and allocations had revealed that the Panchayati Raj Ministry was not getting "much needed funds" during the entire plan period.

A second example of subnational local government is offered by the autonomous district councils (ADCs) created under the sixth schedule of the Indian constitution for the administration of scheduled areas in the states of Assam, Mizoram, Tripura and Meghalaya, and for the promotion the welfare of the scheduled tribes. The ADCs are funded by the central government, with funds drawn from the consolidated national budget. In June 2011, the ADCs in Meghalaya opposed the suggestion by a central government interministerial team that grassroots elections be tied to ADC fund disbursement. The MNREGA too is a centrally funded scheme administered at the state level.

M 6.3b Constitutional Discretion

To what extent does central government ensure that substantial self-governments may use their constitutional scope of discretion?

As a high or low degree of decentralization as such does not constitute a meaningful indicator of executive capacity, this question takes the constitutional scope of regional self-government or, in unitary states without regional self-government, local self-government autonomy, as a point of reference.

Central government institutions are assumed to enable subnational self-governments to use this autonomy fully. Subnational autonomy may be curtailed by legal, administrative, fiscal or political measures of the central level. Such de facto centralizing policies may be deliberate or unintentional, unconstitutional or in accordance with the constitution.

The central government enables subnational self-governments to use their constitutional scope of discretion fully.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Central government policies inadvertently limit the subnational self-governments' scope of discretion.	8 <input type="checkbox"/>
	7 <input type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
The central government formally respects the constitutional autonomy of subnational self-governments, but de facto narrows their scope of discretion.	5 <input checked="" type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
The central government deliberately precludes subnational self-governments from making use of their constitutionally provided autonomy.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

Indian federalism is described both as quasi-federal and asymmetrically federal. Asymmetrical federalism refers to the special status of certain states (in particular Jammu and Kashmir, the states in the North-East, and the scheduled areas states) within the country's constitutional framework, which gives them either cultural or administrative autonomy; the quasi-federal nature of the country's political system pertains to the distribution of power between the central government and the federating units, which is skewed in favor of the center. While the constitutional distribution of powers between the central and state governments has enabled both to carve out separate domains of authority and functional autonomy, the central government enjoys considerable leverage based on constitutional powers (e.g., Article 356, which allows the central government to suspend a state government and replace it with central or presidential rule if a breakdown of constitutional government in the state has been deemed to occur), the significant financial control it wields, and the strong political control it has been able to exert on state governments through the domination of centralized national parties. While Article 356 is used less often today as compared to the past, when it was often utilized to serve the political ends of the party in power in the center, this has much to do with broader shifts in India's party system – regional parties in the states are becoming more assertive in their own political domain, and have the power to obstruct any such move through their presence in central coalition governments. However, state autonomy is also restricted by the insufficiency of their own tax resources, making them dependent on central transfers (see above); by the encroachment of central legislation on states' powers (via the concurrent list); and by the proliferation of central programs that mandate execution by the states. On the other hand, autonomy did increase after a series of economic reforms that abolished central guidance of private investments, thus making states at least partially masters of their own destiny. The significance of state governments in promoting particular governance and development agendas has been particularly evident in several states: Andhra Pradesh under Chief Minister Chandra Babu Naidu, Bihar under Chief Minister Nitish Kumar and Gujarat under Chief Minister Narendra Modi. The Panchayati Raj institutions and the autonomous district and hill councils described under the various constitutional schedules also have a degree of structural and functional autonomy. However, the autonomy of Panchayati Raj institutions is even more circumscribed, as they have only trivial means (marginal taxes, stamp duties) at their disposal to finance the tasks given to them, and cannot make wholly independent personnel recruitment and sanctioning decisions. Thus, the amount of autonomy accorded to states differs markedly across India

To what extent does central government ensure that subnational self-governments meet national standards of public services?

This question seeks to assess how central government ensures that the decentralized provision of public services complies with standards (rules, performance figures, etc.) agreed upon and set on the national level.

- | | |
|--|---------------------------------------|
| Central government effectively ensures that subnational self-governments meet national standards of public services. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Central government ensures largely that subnational self-governments meet national standards of public services. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Central government ensures that subnational self-governments meet national minimum standards of public services. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Central government does not ensure that subnational self-governments meet national standards of public services. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

While state governments may have considerable notional autonomy in terms of developing infrastructure, they depend on the center for funds to keep their programs afloat. The central government controls the quantity and quality of public services by running more than two dozen central programs, with funds dependent on the acquisition of matching funds by the states and on performance. For nearly every other task, there are nationwide guidelines, frameworks, or other such standards-setting force. Monitoring of effective implementation is an important weak point, however. State governments are also monitored with regard to the development of fiscal deficits, credit demand, and other issues of economic stability.

Subnational governments at the local levels (Panchayati Raj institutions and autonomous district councils) are totally dependent on the provision of funds from the center. Conformity with the center and the national agenda is therefore mediated through the purse-strings. Political alignments between the central and state governments also play a role. Congress Party governments in the center and in a state tend to show considerable correspondence in their policies, with fewer complaints of fund scarcity. The BSP government in Uttar Pradesh is more likely to be at variance with the central government. The December 2011 decision of the Kumari Mayavati-led BSP government in Uttar Pradesh to divide the state into four was opposed by the central government, which demanded clarifications from the state government. Mayavati, on the other hand, accused the central government of unconstitutional delay.

In December – January 2012, the appointment of the anti-corruption ombudsman (Lokayukta) in Gujarat by the governor of the state became a political battle, with the chief minister demanding in a letter to the prime minister that the governor (who is appointed by the central government) be recalled. BJP leaders in the center reiterated the demand. The appointment became a major contested point between the state government and the center, and between the BJP and the Congress Party in the center. The High Court of Gujarat upheld the appointment in January 2012.

To what extent does the government respond to international and supranational developments by adapting domestic government structures?

Government structures include the organization of ministries, the cooperation among ministries and in cabinet, the center of government and relations with subnational levels of government. This question asks whether these structures have been adapted to address inter / supranational developments and their effects for policy formulation and policy implementation.

Please note that structural reforms are also studied in view of their role in institutional learning (question M 8.2).

- | | |
|--|---------------------------------------|
| The government has appropriately and effectively adapted domestic government structures to international and supranational developments. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The government has largely adapted domestic government structures to international and supranational developments. | 8 <input checked="" type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The government has partly adapted domestic government structures to international and supranational developments. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The government has not adapted domestic government structures. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

In 1991, India launched a structural adjustment program aimed at addressing its balance-of-payments crisis. Two tendencies may be seen as having emerged in this period – firstly, a fundamental reorientation of the national economy to integrate it with the global economy, leading to its opening and a new reliance on market forces; and secondly, a readjustment of political decision-making and policy-making to accommodate the liberalization entailed by the economic shift.

While the components of the government's staggered mechanisms of economic reform are well known, the commitment to structural adjustment inevitably opened up the economy to foreign direct investment over time. The trend was to gradually eliminate internal/domestic barriers to reforms, and to dismantle state monopolies. For the most part, this involved deregulation rather than privatization, and in the financial sector it entailed the elimination of the complex system of interest rate controls in such a way as to foster a competitive investment environment. This was witnessed most significantly in two sectors – banking and insurance.

In the context of political decision-making, these trends amounted to a reduction of parliamentary oversight over the government as part of the process of removing institutional constraints, and within the government led to a greater dependence on experts, particularly in the domain of treaty making. Ironically, institutional change to facilitate the reforms has required the passage of a large body of laws, a fact that held the promise of strengthening the parliament's role. However, because they involve major ministry policy issues, most bills involving economic reforms are taken up by the standing committees before coming up for full parliamentary approval; though opposition has emerged, the parliament has eventually let them pass. In 1994, for example, opposition parties twice defeated the Congress-led government's proposal to open up India's insurance sector; however, a bill on the issue was passed in 2000, with a BJP-led government in power. A 1999 patents bill amending India's Patents Act to conform to its Trade-Related Aspects of Intellectual Property Rights (TRIPS) World Trade Organization (WTO) commitments was finally passed in May 2002, after the insertion of amendments demanded by major opposition parties allowing a government to grant compulsory licenses for patented drugs in the event of health emergencies.

As India has joined multilateral institutions, signing international treaties and entering into bilateral arrangements, and the corresponding international obligations, have assumed critical importance. This enhanced commitment to international obligations has further strained the parliament's oversight powers, despite the fact that the Indian constitution

expressly places treaty-making powers within the jurisdiction of parliament. During the last two decades, the question of treaty ratification has been debated just once in the Parliament, during a Council of States (Rajya Sabha) debate in response to a private member's bill on the issue of WTO agreements. The house was ultimately of the opinion that ratification was unnecessary. The WTO treaties signed in 1994 saw relatively little prior discussion in Parliament as a whole.

Many of the international treaties India has signed during the last decade have had profound ramifications even beyond the realm of economic policy. For example, the Indian constitution makes agriculture a state responsibility. The signing of the agriculture-related provisions of the WTO not only has had an impact on Indian economic policy, but also transformed the nature of Indian federalism. In effect, crucial parts of agricultural policy, a matter left to the states by the Constitution, are now being determined by international agreements that have not been discussed, let alone authorized, by state legislatures. Significantly, the favorable farm deal claimed by the government at the WTO framework negotiations in Geneva was met with skepticism by the National Farmers Coalition (NFC), which represents 75% of India's farmers. While Minister for Goods and Agriculture Kamal Nath claimed that Indian farmers have been completely protected, as no significant product that would adversely affect the country's agriculture sector had been allowed access, the NFC argued that in practice India, like other member countries, would be compelled to make substantial improvements in market access for all products. In states such as Andhra Pradesh, which took a lead in economic restructuring with direct support from the World Bank, many farmers have committed suicide as a result of their inability to repay rising debts and costs of farming inputs including electricity. As with other developing countries that have pursued structural adjustment programs, India has been steadily dismantling state support for food procurement, withdrawing support to farmers and relaxing land holding ceilings to enable corporations to move into agriculture.

The Telecom Regulatory Authority of India (TRAI), set up in 1997, manifested the dual trends whereby the rapid growth of the Indian Telecom sector since the 1990s brought in multiple market participants including foreign investors. In 1994, the government framed a National Telecom Policy that helped spur both foreign and domestic investments, but also highlighted the need for an independent regulatory authority that could frame the rules of competition, help the growth of the telecommunication sector, provide transparency in policy, maintain control over tariffs, and otherwise ensure sector stability.

The pension and power sectors have also been restructured. Attempts to restructure the retail market to encourage FDI have been resisted by civil society groups, however.

Source: Devesh Kapur and Pratap Mehta, The Indian Parliament as an Institution of Accountability, Democracy, Governance and Human Rights Programme Paper Number 23, United Nations Research Institute for Social Development, January 2006.

To what extent does the government participate in the international coordination of joint reform initiatives?

This question evaluates whether the government actively collaborates in reform initiatives promoted by international fora or organizations. The underlying assumption is that – given the transnational integration of modern states – executive capacity increasingly depends on whether a government is able to actively participate in international institutions and in shaping international policies.

Joint reform initiatives concern challenges or problems that cannot be mastered unilaterally by an individual country and that aim to facilitate international cooperation in fields such as international security, economic development, social progress, human rights issues or environmental protection.

- | | |
|--|---------------------------------------|
| The government actively participates in the international coordination of joint reform initiatives as often as possible. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| The government often participates in the international coordination of joint reform initiatives. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input checked="" type="checkbox"/> |
| <hr/> | |
| The government selectively and sporadically participates in the international coordination of joint reform initiatives. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The government does not participate in the international coordination of joint reform initiatives. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

India has for most part actively collaborated in joint reform activities. As far as international security issues are concerned, following the 9/11 attacks in the United States and the attack on the Indian parliament in the same year, the Prevention of Terrorism Act (POTA) was enacted under Security Council Resolution 1373. POTA was repealed in 2004, but its provisions pertaining to the definition of terrorism, punishment for perpetrators, and the banning of terrorist organizations were inserted through an amendment into the Unlawful Activities Prevention Act 2004, which was amended yet again in 2008 to bring it in line with international anti-terror legal regimes. The new amendment empowers the central government to “freeze, seize or attach funds and other financial assets or economic resources held by, on behalf of or at the direction of individuals or entities listed in the schedule to the government order giving effect to his provision, or any other person engaged in or suspected to be engaged in terrorism and prohibit any individual or entity from making any funds, financial assets or economic resources or related services available for the benefit of individuals or entities listed in the schedule.” The National Investigation Agency was established in 2008, primarily to investigate acts of terrorism.

While India is a signatory to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, it did not implement convention’s provisions through its domestic laws for many years. However, in April 2010, the Prevention of Torture Act 2010 was approved, bringing Indian laws into concert with the U.N. convention at last.

The Climate Change Division of the Ministry of Environment and Forest is India's nodal agency for climate change cooperation and global negotiations. It is also the nodal unit for coordinating the National Action Plan on Climate Change. In December 2011, India became a signatory to the Durban Platform of the United Nations, where along with the United States and China, the two countries which along with India account for almost half the world's CO2 emissions, agreed to cut emissions as part of a legal treaty.

While it may be true that India has collaborated on issues of global security (prevention of international terrorism and nuclear proliferation, for example), matters of some self-interest, in terms of collaboration on international climate and trade policies the government has often been perceived as a deal-breaker, expecting maximum concessions from other countries (with regard to emission reductions, transfer of technologies or market opening) without following the same logic itself. India is still hiding a bit behind other poor countries, trying to pose as a leader of the G-77, although this posture is today finding fewer supporters even among other developing countries. However, a more flexible attitude has been appearing during recent climate negotiation rounds, and there is at least some internal discussion about giving up the traditional obstructionist attitude in trade negotiations.

To what extent do actors within the government monitor whether institutional arrangements of governing are appropriate?

Institutional arrangements include the rules of procedure and the work formats defined there, in particular the cabinet, the office of the head of government, the center of government, the portfolios of ministries, the advisory staffs of ministers and the head of government as well as the management of relations with parliament, governing parties, ministerial administration and public communication.

- The institutional arrangements of governing are monitored regularly and effectively. 10
9

- The institutional arrangements of governing are monitored regularly. 8
7
6

- The institutional arrangements of governing are selectively and sporadically monitored. 5
4
3

- There is no monitoring. 2
1

Explanation:

Periodic examinations of institutional arrangements have included judicial reforms, police reforms, amendment of the criminal law, administrative reforms, reforms in federal organization (center–state relations) and electoral reforms. Commissions and committees are periodically set up to study and make recommendations on matters concerning institutional arrangements and the constitutional-legal frameworks of democratic governance. A recent report (April 2010) by the Commission on Center-State Relations, headed by retired Supreme Court judge Justice Punchi and comprising members from diverse fields of expertise, made a range of recommendations pertaining to India’s federal organization. The report consists of seven volumes: the first is a historical account of the evolution of center-state relations in India; the second details constitutional provisions; the third deals with economic and financial relations, with recommendations for upgrading the planning model to remove regional imbalances; the fourth gives recommendations regarding the 73rd and 74th amendments and the Sixth Schedule; the fifth deals with internal security, covering issues such as terror, militancy, insurgency and communal violence; the sixth examines environmental issues and resource-sharing, particularly of rivers and mineral; and the seventh addresses social development and good governance.

The Second Administrative Reforms Commission, established by the Ministry of Personnel, Public Grievances, and Pensions and headed by former Law Minister Veerappa Moily, produced fifteen reports from 2005 onward, covering a range of issues requiring reforms to institutional arrangements or good governance. These included reports on the right to information, human capital development, crisis management, ethics in governance, public order, capacity building for conflict resolution, combating terrorism, building social capital, personnel administration, the promotion of e-governance, citizen-centric administration, governmental organizational structure, strengthening financial management systems, and state and district administration.

To what extent does the government improve its strategic capacity by changing the institutional arrangements of governing?

For a list of institutional arrangements, see question M 8.1. Strategic capacity is the capacity to take and implement political decisions which take into account the externalities and interdependencies of policies, are based on scientific knowledge, promote common goods and represent a long-term orientation.

The government improves considerably its strategic capacity by changing its institutional arrangements. **10**
9

The government improves its strategic capacity by changing its institutional arrangements. **8**
7
6

The government does not improve its strategic capacity by changing its institutional arrangements. **5**
4
3

The government loses strategic capacity by changing its institutional arrangements. **2**
1

Explanation:

India's government regularly supervises and monitor its institutional arrangements, and has also – though less often – modified the institutional framework governing sectoral policies, in recent times often with the intent to make institutions and arrangements more people-friendly (by decentralization, or by enhancing stakeholder participation including the private sector and civil society). These endeavors have been boosted by constitutional amendments devolving power to local governments, the empowerment of the states in the era of coalition governments at the center, by judicial, and by the growing strength of civil society. We must, however bear in mind that the way from monitoring to change is sometimes rather long in India, if we consider for example the fate of tax reforms, of the finance sector, of higher education, and so on.

Earlier sections of this report have mentioned the MNREGA, capacity building and empowerment projects, decentralization and participation at the local level. Two other prominent projects are worth noting: First is the Jawaharlal Nehru National Urban Renewal Mission, launched in December 2005 by the Prime Minister Manmohan Singh as part of an urban governance and management program.

is yet another program designed to strengthen
implement a number of projects at the center,
state and integrated service levels; and create a - -

The National e.Governance Plan (NeGP) was initiated in 2006, and aims to make all government services accessible to citizens through what are called Common Service Centers (CSCs). According to the Department of Information Technology's India Development Gateway (InDG), the CSCs target specific needs in the domain of rural and social development, and function as national portals providing single-window access to information and services. As of April 2011, about 94,786 CSCs were operational, with a variety of brand names delivering services.

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Executive Accountability

Citizens

M 9 Citizens' Participatory Competence

Legislature

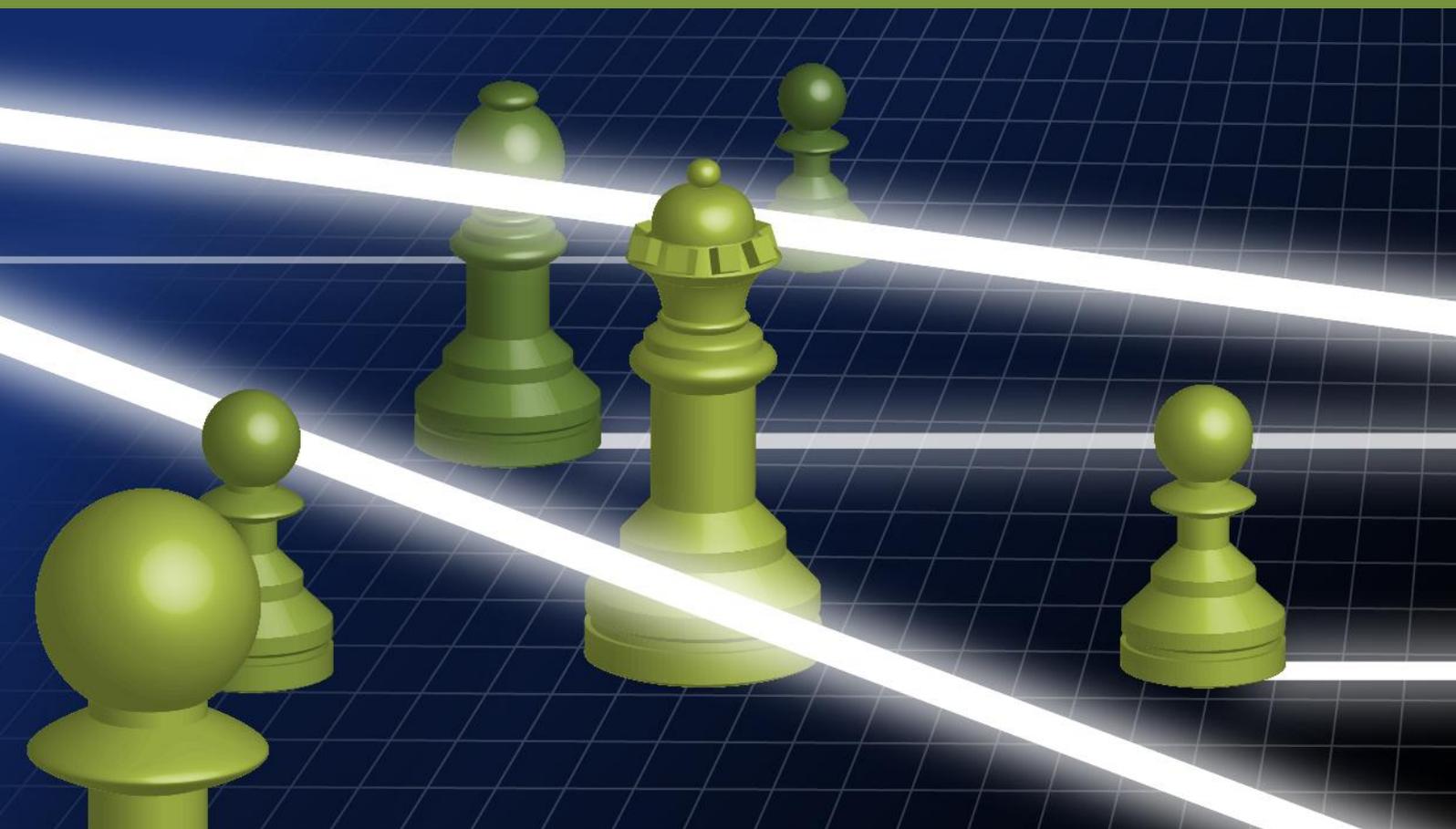
M 10 Structures and Resources of Parliamentary Actors

M 11 Parliamentary Accountability and Oversight

Intermediary Organizations

M 12 Media

M 13 Parties and Interest Associations



To what extent are citizens informed of government policy-making?

This question assesses the extent to which citizens have information and knowledge enabling them to evaluate government policy-making adequately. The question focuses on policies, not the personnel or political composition of government or the power struggles that often dominate government. A high level of information about policies presupposes that citizens understand the motives, objectives, effects and implications of policies.

Please rely on local opinion survey data to substantiate your evaluation.

- | | |
|---|---------------------------------------|
| Most citizens are well-informed of a broad range of government policies. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Many citizens are well-informed of individual government policies. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Few citizens are well-informed of government policies; most citizens have only a rudimentary knowledge of policies. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Most citizens are not aware of government policies. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

There is little evidence to suggest that citizens are well informed of government policies. The State of the Nation Survey 2011, conducted by Lokniti (a program of the Center for the Study of Developing Society) suggests a relatively high level of awareness among citizens on key issues. It does not, however, indicate that a large proportion of citizens are aware of actual government policies. The issues that animated citizens in the 2011 survey were the Lokpal Bill, corruption in high places and the UPA government's insincerity in curbing corruption, price increases, dissatisfaction tied to the economic slowdown, considerable opposition to allowing foreign companies to do business freely in India, and dissatisfaction with the government's handling of terrorism.

Data provided by the Election Commission of India shows that the national voter turnout average for the last two elections has hovered around 58 percent, and that though women have voted in increasing numbers in recent elections, the male and female voter turnout rates respectively remain around 61 percent and 53 percent.

The National Election Survey (NES) 2009, covering the general elections which brought the UPA II government into power, suggests a substantial level of voter awareness of the flagship UPA program targeting the "common man" (aam aadmi). The Economic and Political Weekly special issue of September 26, 2009, which wrote about the NES survey, noted that more people had heard of at least three of the aam aadmi program – the NREGS, the farm loan waiver and the midday meal program – than is usually the case with government plans. While the programs themselves were poorly targeted and the poorest of the poor and agricultural laborers benefited less than did other elements of the rural population – the programs elicited a general good will for the government.

While the level of public awareness of government programs is in general very low in India, it is probably no lower than in comparable countries. One measure of the lack of awareness is that a high proportion of people entitled to receive public subsidies or other benefits do not even apply for them. However, citizens are able to judge overall governance quality (or the lack of it) in individual states and at the national level, as nonperforming governments are frequently voted out of office.

M 10 Structures and Resources of Legislative Actors

Category: Legislature

M 10.1 Number of Committees

How many parliamentary committees are there?

The underlying assumption is that a parliament with a sufficient number of committees is better able to discuss bills, whereas too many committees may lead to fragmentation. Based on comparative studies, 12 – 18 committees are considered optimal. Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Total parliamentary committees:

No information available

Parliamentary committees are of two kinds: ad hoc and standing committees. A list of standing committees follows, with the number of members of each in brackets:

- 1) Committee on Subordinate Legislation (15)
- 2) Committee on Government Assurances (15)
- 3) Committee on Estimates (30)
- 4) Committee on Public Accounts (22)
- 5) Committee on Public Undertakings (22)
- 6) Business Advisory Committee (Lok Sabha) (15)
- 7) Committee on Private Members' Bills and Resolutions (Lok Sabha) (15)
- 8) Rules Committee (Lok Sabha) (15)
- 9) Committee of Privileges (Lok Sabha) (15)
- 10) Committee on Papers Laid on the Table (Lok Sabha) (15)
- 11) Committee on Petitions (Lok Sabha) (15)
- 12) Committee on Absence of Members from the Sittings of the House (Lok Sabha) (15)
- 13) Joint Committee on Offices of Profit (15)
- 14) Committee on the Welfare of Scheduled Castes and Scheduled Tribes (30)
- 15) Committee on Empowerment of Women (30)
- 16) Joint Committee on Salaries and Allowances of Members of Parliament
- 17) Library Committee
- 18) General Purposes Committee
- 19) House Committee

There are in addition 24 departmentally related standing committees (DRSCs).

How many members does a parliamentary (sub-)committee have on average?

It is assumed that parliamentary committees can best respond to their task of control if they have neither too many nor too few members. Based on comparative studies, 13-25 committee members are considered optimal.

Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Average number of committee members:

No information available

Where subcommittees exist, average number of subcommittee members:

No information available

Committees range between 15 and 30 members. Standing committees may have subcommittees and working groups, with varying numbers of members.

M 10 Structures and Resources of Legislative Actors

Category: Legislature

M 10.3 Pro-Government Committee Chairs

How many committee chairpersons nominated by the governing party (or parties) are appointed?

This question addresses the influence of governing parties in parliament. Please consider only regular parliamentary committees, not committees established ad hoc to investigate specific questions.

Total nominated / appointed committee chairpersons:

No information available

House of the People (Lok Sabha) committee members are nominated by the Lok Sabha speaker from among the body's members. Council of States (Rajya Sabha) committee members are nominated by that body's chairman from among its members. Ministers are not eligible for nomination to these Committees.

The constitution of the Public Accounts Committee shows the following distribution of membership: The committee consists of 22 members, 15 of whom are elected by the Lok Sabha each year on the principle of proportional representation by means of a single transferable vote, with the remaining seven drawn from the Rajya Sabha in the same manner. The chairperson is appointed by the Lok Sabha speaker from among the Lok Sabha members. In 1967, the speaker for the first time appointed a member of the opposition party as chair, a practice that has continued since. Ministers are not eligible to be committee members, and members lose their seat upon taking a ministerial post.

The Public Accounts Committees is headed by a leader of the opposition party (as of the time of writing, BJP party member Murli Manohar Joshi), the Estimates Committee by India National Congress (INC) member Francisco Sardinha, Public Undertakings by Jagdambika Pal (INC), the Business Advisory Committee by the Lok Sabha speaker, the Private Members Bills and Resolution Committee by the deputy speaker, and the Rules Committee by the speaker.

Party breakdown of the 24 DRSC chairpersons is as follows: Indian National Congress (9), BJP (6), CPI(M) (2), Samajwadi Party (2) DMK (2) Trinamool Congress (1), Bahujan Samaj Party (1) Janata Dal United (1).

Party breakdown of the 19 standing committee chairpersons is as follows: INC (9), BJP (4), BSP (2) SP (1), Shiv Sena (1), TMC (1), CPI(M) (1)

How large, on average, is the deputy's expert support staff?

This question seeks to measure the capacities of parliamentary deputies.

Expert support staff size:

*No information
available*

The exact number of expert legislative staff members is not available. While ministers have dedicated staffs of bureaucrats and other auxiliary assistants, ordinary members of parliament do not; however, they do receive an allowance enabling them to hire stenographical services. Members of parliament (MPs) and members of state legislative assemblies (MLAs) have virtually no office staff, apart from a secretary and in the case of the heads of committees, some minimal additional staff. Normal MPs and MLAs are therefore often poorly aware of government programs and their impact. This rather unfortunate state of affairs is mitigated by the fact that most deputies have access to a rather vast entourage of activists, friends and supporters drawn from their own party and civil society.

For research on specific issues, members of parliament are dependent on the Parliament Library and Reference, Research, Documentation and Information Service (known as LARRDIS), which maintains an up-to-date and well-equipped library backed by prompt and efficient research, reference and information services. The LARRDIS provides research and reference material on legislative measures, as well as on other matters in India and abroad which may come up for discussion or debate in the two houses.

How many expert support staff members work for the legislature (including legislature's library)?

This question seeks to measure the capacities of the parliament.

Total parliamentary expert support staff:

No information available

The exact number of parliamentary support staff is not available. The parliamentary library has a large number of persons employed to assist MPs with research and reference. The MPs who are ministers have their own staff. The House of the People has a variety of support officers for tasks such as interpretation, editorial and translation activities, secretarial and stenography work, security, and transcription. Corresponding services exist in the Rajya Sabha

Are parliamentary committees able to ask for government documents?

Please assess whether parliamentary committees are de facto, not only legally, able to obtain the documents they desire from government. Specify if you consider the rights of committees limited. This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

Parliamentary committees may ask for most or all government documents; they are normally delivered in full and within an appropriate time frame. **10**
9

The rights of parliamentary committees to ask for government documents are slightly limited; some important documents are not delivered or are delivered incomplete or arrive too late to enable the committee to react appropriately. **8**
7
6

The rights of parliamentary committees to ask for government documents are considerably limited; most important documents are not delivered or delivered incomplete or arrive too late to enable the committee to react appropriately. **5**
4
3

Parliamentary committees may not ask for government documents. **2**
1

Explanation:

Parliamentary committees can request government documents, and these are normally made available to them. The various types of committees have different functions. The Public Accounts Committee (PAC), for example, is a standing committee, constituted by the parliament each year to examine the government's accounts, including the appropriation of sums granted by the parliament for government expenditure, the government's annual financial accounts, and so on. The specific responsibilities of the committee make it imperative to have access to those government documents that enable it to prepare its report. A range of documents are therefore deemed to be in the control of the committee and are kept by the committee secretariat. These include: audit reports and appropriation accounts presented to the house; epitomes published by the Office of the Comptroller and Auditor General; printed committee reports; files and documents relating to reports or committee session including proceedings, minutes, etc.; printed copies of financial committees reports, and so on.

Joint parliamentary committees (JPC), on the other hand, are constituted to inquire into a specific subject, through a motion adopted by either of the two houses of parliament, and consist of members from both houses. Five JPCs have been constituted in India to date, the first in 1987 to inquire into the "Bofors scandal," and the fifth and most recent to inquire into the 2G spectrum scandal. A JPC can obtain evidence from experts and stakeholders, and issue summons. Failure to comply constitutes contempt of the house. Similarly these committees can take oral and written evidence, and importantly, call for documents which relate to the matter under inquiry. While the government can refuse to produce a document called for on grounds of national interest, the ensuing dispute is resolved by the speaker of the parliament. However, it is also assumed that the government will provide JPCs with all documents needed to facilitate its investigation. The fifth JPC was constituted in September 2011 to inquire into the 2G spectrum scandal. The JPC expressed its anger with the government following media revelations of the Finance Ministry's note on P. Chidambaram's actions during the allocation of 2G spectrum. The JPC admonished the government for not sharing this note with it, and subsequently wrote to all ministries, including the PMO, asking them to guarantee that all documents pertaining to the matter under inquiry had been submitted to the JPC.

Are parliamentary committees able to summon ministers for hearings?

Please assess whether parliamentary committees are de facto, not only legally, able to summon ministers to committee meetings and to confront them with their questions. Please specify if you consider the rights of committees limited. This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

Parliamentary committees may summon ministers. Ministers regularly follow invitations and are obliged to answer questions. **10**
9

The rights of parliamentary committees to summon ministers are slightly limited; ministers occasionally refuse to follow invitations or to answer questions. **8**
7
6

The rights of parliamentary committees to summon ministers are considerably limited; ministers frequently refuse to follow invitations or to answer questions. **5**
4
3

Parliamentary committees may not summon ministers. **2**
1

Explanation:

Parliamentary rules do not set out specific procedures for joint parliamentary committees. However, general committee rules apply to all committees, though some committees receive specific directions. In the case of the Joint Committee of Stock Market Scam and Matters Relating Thereto, the chairman made a specific request to the Lok Sabha speaker on May 20, 2002 for permission to call for written information on certain points from the minister of finance and minister of external affairs. The speaker granted the necessary permission on June 1, 2002. Consequently, Minister of Finance Shri Jaswant Singh, Minister of External Affairs Shri Yashwant Sinha and former finance and external affairs ministers Shri P. Chidambaram and Dr. Manmohan Singh testified before the committee.

More recently, in early 2011, in the course of its inquiry into the 2G scandal, the Public Accounts Committee (PAC) summoned a number of top bureaucrats to its hearings, including Cabinet Secretary K. M. Chandrasekhar, Principal Secretary to the Prime Minister T. K. A. Nair, Central Bureau of Investigation (CBI) chief A. P. Singh, Attorney General Goolam Vahanvati, Law Secretary D. R. Meena, Comptroller and Auditor General Vinod Rai and others. While the prime minister also offered to appear before the committee, reportedly on the insistence of INC members, the non-Congress members and PAC chairperson Murli Manohar Joshi said the PAC in fact lacked the power to summon any minister. Though this was not strictly relevant, since the prime ministers had himself offered to come for what the Congress members called "consultations," non-UPA members are believed to have cited rules and procedures to argue that the prime minister could not appear before the committee.

Are parliamentary committees able to summon experts for committee meetings?

Please assess whether parliamentary committees are de facto, not only legally, able to invite experts to committee meetings. Please specify if you consider the rights of committees limited. This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

- | | |
|--|---------------------------------------|
| Parliamentary committees may summon experts. | 10 <input type="checkbox"/> |
| | 9 <input checked="" type="checkbox"/> |
| <hr/> | |
| The rights of parliamentary committees to summon experts are slightly limited. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The rights of parliamentary committees to summon experts are considerably limited. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Parliamentary committees may not summon experts. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Committees can summon nonofficial experts as witnesses. Indeed, parliamentary committees are expected to increase the efficiency and expertise of the parliament, and are also expected therefore to help develop expertise in subjects through consultations with independent experts. This applies in particular to department-related standing committees (DRSCs), which are primarily responsible for buttressing expert knowledge in the area of the department concerned. Since their inception in 1993, the DRSCs have provided provide a forum in which parliamentarians from across various political parties have been able to examine matters of crucial public importance. Thus, any bill or matter which is referred to such a committee may be examined in detail, and recommendations made to the government based on the views of experts in the field, civil society organizations and research centers, all of which may give written depositions to the committee or appear in person when summoned or invited. The committee may also take study tours to interact with people at the grassroots level. While committee powers are thus not limited by an inability to call experts, they may be constrained by a lack of time, or the possibility of conflict between legislators and the government in the area in which expertise is being sought.

To what extent do the task areas of parliamentary committees and ministries coincide?

If the task areas of parliamentary committees match the task areas of ministries, each parliamentary committee may focus on monitoring the activities of its corresponding ministry, thereby increasing the control capacity of the legislature. There are two possible ill-fitting constellations between committee and ministerial portfolios. If there are fewer committees than ministries, the committees may be overburdened with monitoring ministerial activities. If there are more committees than ministries, control responsibilities are split and the parliament may act non-cohesively.

This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

- | | |
|--|--|
| The task areas of parliamentary committees and ministries fully coincide. | 10 <input type="checkbox"/> |
| Parliamentary committees monitor ministries effectively. | 9 <input checked="" type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees do not fully correspond to the task areas of ministries. Parliamentary committees are largely capable of monitoring ministries. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees do not correspond to the task areas of ministries. Parliamentary committees fail to monitor ministries effectively. | 5 <input type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| The task areas of parliamentary committees differ widely from the task areas of ministries. Parliamentary committees frequently fail to monitor ministries effectively. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Departmentally related standing committees (DRSCs) were introduced in 1993 to ensure oversight over each ministry. Each DRSC has 31 members, with 21 from the House of the People (Lok Sabha) and 10 from the Council of States (Rajya Sabha). Minister cannot serve on DRSCs, and committee seats are allocated in proportion to the strength of parties in the House. Chairpersons are appointed by the speaker or chairman. Committees such as Home Affairs, Finance and External Affairs are chaired by a member of the opposition party. At present there are 24 DRSCs. The following 16 committees serve under the Lok Sabha: Agriculture; Chemical and Fertilizers; Coal and Steel; Defense; Energy; External Affairs; Finance; Food, Consumer Affairs and Public Distribution; Information Technology; Labor; Railways; Rural Development; Social Justice and Empowerment; Urban Development; and Water Resources. The Rajya Sabha oversees the remaining eight, including Commerce; Health and Family Welfare; Home Affairs; Human Resource Development; Personnel, Public Grievances, Law and Justice; Industry; Science and Technology; and Transport, Tourism and Culture.

To what extent is the audit office accountable to the parliament?

This question assesses the extent to which the parliament can rely on its own auditing capacities.

The audit office is accountable to the parliament exclusively. **10**
9

The audit office is accountable primarily to the parliament. **8**
7
6

The audit office is not accountable to the parliament, but has to report regularly to the parliament. **5**
4
3

The audit office is governed by the executive. **2**
1

Explanation:

Chapter V of India's constitution details the structure and function of India's Comptroller and Auditor General (CAG) institution. The nonstatutory character of the CAG means that it does not owe its existence to an act of parliament, and its constitutional mandate gives it considerable power. The comptroller and auditor general of India is appointed by the president of India and can be removed from office only through a process of impeachment comparable to a judge of the Supreme Court. CAG reports relating to the accounts of the central government are submitted to the president, and subsequently laid before each house of Parliament.

According to the CAG website, the following organizations are subject to CAG audit:

- All national and state government departments and offices, including the railways, posts and telecommunications services;
- About 1500 public commercial enterprises controlled by the national and state governments;
- Around 400 noncommercial autonomous bodies and authorities owned or controlled by national or state governments;
- Over 4400 authorities and bodies substantially financed from Union or State revenues.

While auditing the accounts of these organizations, the CAG examines them for regularity (compliance) and performance. Auditors seek to determine whether government programs have achieved the desired objectives at the lowest cost and yielded the intended purpose or benefits. Audit reports and annual accounts are automatically referred to specialized committees such as the Public Accounts Committee (PAC) and the Committee on Public Undertakings (COPU).

Recently, a CAG report created a political storm by highlighting instances of grave lapses of both regularity and performance. The 2G spectrum scandal that engulfed parliament in 2011 involved government officials undercharging mobile telephony companies for frequency allocation licenses, leading to an estimated loss of INR 1.77 trillion, according to CAG calculations. Minister of Communication and Information Technology A. Raja and M.K. Kanimozhi, a member of parliament and daughter of DMK leader K Karunanidhi were each implicated, and are being tried in court. P. Chidambaram, the finance minister when the allocations were made in 2008, has also been alleged to have been involved. In September 2011, new reports submitted by the CAG criticized the government's handling of several contracts, including some pertaining to Air India's acquisition of large number of aircrafts, and others dealing with oil exploration contracts (including Reliance Industries' Krishna-Godavari Basin project).

Does the parliament have an ombuds office?

This question asks whether parliaments have institutions that listen to the concerns of citizens, publicly advocate the issues raised by citizens and initiate governmental action to address them.

The term “ombuds office” is used here as a label representing these functions and may be institutionalized in different organizational formats. Please also consider possible functional equivalents and substantiate your answer.

- The parliament has an effective ombuds office. 10
9

- The parliament has an ombuds office, but its advocacy role is slightly limited. 8
7
6

- The parliament has an ombuds office, but its advocacy role is considerably limited. 5
4
3

- The parliament does not have an ombuds office. 2
1

Explanation:

India has a vigilance commission in the form of the Central Vigilance Commission, which has limited investigative resources and powers and depends on vigilance officers in specific departments to carry out investigations. An ombudsman mechanism in the form of a two tiered body – the Lokayukta at the state level, and the Lokpal at the central level – was proposed by an Administrative Reforms Commission established in 1966. The Lokpal and Lokayukta Bills were introduced in 1968, and again in 2005, but have not yet been enacted. At the state level, however, the institution of the Lokayukta has evolved over the years, with Orissa being the first state to enact a law on the issue (1970) and Maharashtra being first state to establish the institution in 1972. Other states followed suit. Justice Santosh Hegde, who was the Lokayukta in Karnataka, produced a strong report in July 2011, highlighting the illegal mining of iron ore in the state’s Bellary district by a politically influential family (commonly referred to as the Reddy brothers). In 2011, prompted by a series of corruption scandals, a vibrant anti-corruption movement led by social activist Anna Hazare demanded the creation of a Lokpal that would have jurisdiction over all state institutions, including the prime minister. A bill seeking to amend the constitution and create such an ombudsman was subsequently introduced in the parliament. The bill was passed in the House of the People in December 2011, but was defeated in the Council of States. As of the time of writing, it was still awaiting reintroduction.

To what extent do the TV and radio stations in your country provide substantive indepth information on decisions taken by the government?

This question seeks to assess the extent to which the media provide contextualized information, analysis and background information that enables the broader public to evaluate the government's decisions. For reasons of comparability and simplicity, the question focuses on:

(1) your country's main TV and radio stations (excluding all other electronic and print media as well as pure news channels) and

(2) decisions taken by the government (and not political issues or the political process in general). A lack of in-depth information is not tantamount to a complete lack of information but to the dominance of "infotainment programs" framing government decisions as personalized power politics and diverting attention from the substance of decisions to entertaining events and stories.

The main TV and radio stations every day produce high-quality information programs analyzing government decisions. 10
9

The main TV and radio stations produce a mix of infotainment and quality information programs. Programs with in-depth information on government decisions comprise between five and seven hours a week. 8
7
6

The main TV and radio stations produce many superficial infotainment programs. In-depth information on government decisions is limited to programs lasting between three and five hours a week. 5
4
3

The main TV and radio stations are dominated by superficial infotainment programs. In-depth information on government decisions is limited to programs lasting between one and three hours a week. 2
1

Explanation:

Indian television channels and radio stations seem to have a clearly demarcated domain of specialization, which is to say that most television and radio channels are either entirely news channels or entirely entertainment. Consequently, infotainment programming is rare. News channels, moreover, prefer to sustain the distinction. TV channels in India, especially private ones, provide mostly entertainment and seldom offer any in-depth analysis of government actions and programs. However, some private channels and the Doordarshan, the government-owned channel, do indeed offer programming discussing state and national policies in detail. While some popular private channels like NDTV, IBN7 and Times Now, are almost entirely devoted to news and discussions of state policy, the latter often tend to focus on personalities or scandals.

A September 2011 decision by the News Broadcasters Association (NBA) to publish monthly rather than weekly audience ratings was welcomed by most English and Hindi news channels. The goal was to prevent the dumbing-down of news channels for the benefit of advertisers. The NBA statement declared that: “News channels, being distinct from other genres, have a responsibility to inform and empower its viewers with quality programming...rather than providing content merely for garnering viewership.” Insisting that news programming cannot always be linked to popularity or audience measurement, the NBA said that standards could “only improve with time spent on strategic planning and research rather than knee-jerk reactions taken on a weekly basis.”

To what extent do the electoral programs of major parties in your country propose plausible and coherent policies?

This question seeks to assess the quality of parties' policy proposals by analyzing the electoral programs of parties. It is assumed that programs document a party's capacity to formulate policies and to engage in a programmatic competition with rival parties.

Two criteria of quality are given: a proposal is plausible if its underlying problem diagnosis, the suggested policy instruments/measures, policy objectives and expected policy impacts are reasonably linked with each other; a proposal is coherent if it does not contradict other proposed policies.

Your evaluation will imply an assessment about whether proposed policies are likely to work, although the question is more focused on the plausibility of policy proposals. Please avoid an assessment of objectives pursued by individual parties, their appropriateness, desirability etc. "Major" parties are conceived here as parties supported by more than ten percent of the voters in the last national elections.

- | | |
|--|---------------------------------------|
| Most electoral programs propose plausible and coherent policies. | 10 <input type="checkbox"/> |
| | 9 <input type="checkbox"/> |
| <hr/> | |
| Many electoral programs propose plausible and coherent policies. | 8 <input type="checkbox"/> |
| | 7 <input type="checkbox"/> |
| | 6 <input type="checkbox"/> |
| <hr/> | |
| Few electoral programs propose plausible and coherent policies. | 5 <input checked="" type="checkbox"/> |
| | 4 <input type="checkbox"/> |
| | 3 <input type="checkbox"/> |
| <hr/> | |
| Most electoral programs do not propose plausible or coherent policies. | 2 <input type="checkbox"/> |
| | 1 <input type="checkbox"/> |

Explanation:

Indian parties are not programmatic. True they have programs and more precise election manifestos, but these publications promise – as in most other countries – nearly everything to everybody, without indicating the sequence in which policies would be implemented, detailing how they would be financed, or explaining how contradictions between individual policies and interventions would be solved. Issues of long-term sustainability (climate change, fiscal prudence, social cohesion and so on) are only sparingly addressed. Regional parties do not have programs, but instead follow the often changing whims of their leaders and simply distribute patronage to their clientele. Starting in the late 1980s, the era of coalition politics has made party programs additionally receptive to the arithmetic of power-sharing. Thus, even parties ideologically strongly opposed to one another (e.g., the Hindu-National BJP and the BSP) were able to become partners in government, and parties used to engaging in radical rhetoric had to soften their profile considerably once at the head of the government. In sum, one should not expect party programs to guide policies to a significant extent.

In the last general elections (2009), only two parties – the Indian National Congress (29.67%) and the Bharatiya Janata Party (19.29%) – got more than 10% of the votes cast. An examination of the election manifesto of the two parties suggests coherence that emerges partly because each party attempts to present itself as different from the other(s), and identifies programs which spell out this difference.

The INC's manifesto, therefore, emphasizes a continuity with its past (claimed to be successful) policies, proposing to enhance and improve on existing programs and implement new ones, all with the view to benefiting the “common man” or “aam aadmi” (a party slogan is “Each step of progress for the common man strengthens India” (Aam Admi Ke Badhte Kadam Har Kadam Par Bharat Buland)). The focus on unity, secularism and economic growth is significant in establishing a political identity distinct from the BJP. A breakdown of the various components of the program would show the following themes: protecting the security of all citizens, particularly against terrorism, with the unique identity card and the publication of the national population register an important ingredient of this; maintaining a high level of defense preparedness, while ensuring the welfare of the defense forces and their families; strengthening NREGA; creating a National Food Security Act on the lines of NREGA; strengthening social security; ensuring high-quality and affordable education; ensuring the well-being of foreigners; empowering society's weaker sectors; ensuring that at least half the country's rural women population become enrolled as members of self-help groups linked with banks, enabling women to get loans from banks at moderate interest rates, reserving one-third of all central government jobs for women, and focusing more

generally on issues affecting women, children and especially young girls; financially strengthening the elected Panchayati Raj institution; focusing on the needs of small and medium-sized enterprises; maintaining high economic growth rates with fiscal prudence and low inflation; implementing the goods and services tax beginning on April 1, 2010; implementing judicial reforms to cut delays in courts; being sensitive to regional aspirations; addressing national energy security with a very significant increase in the share of power provided by nuclear energy.

The highlights of BJP manifesto included: programs for the poor (putting the poor first) by making grain available at low prices and providing farm loans at low rates of interest (the INC had previously cut farmer's loans, and had also promised affordable interest rates), offering farm insurance, creating additional farmland, and creating a workers' bank for social security in the unorganized sector; generating jobs by strengthening the sadak yojanas started during Atal Behari Vajpayee's regime, encouraging private industry and the service sector, strengthening monitoring by regulatory bodies so as to protect the public from stock market fraud; constructing 1 million units of housing for the poor every year; kick-starting the real estate sector by reducing interest on housing loans, making urban housing more affordable; identifying and retrieving the estimated INR 25 to 75 trillion in Indian money stashed away in foreign banks; waging war against internal and external enemies; creating welfare programs for the armed forces; saving and generating energy, using both conventional and renewable sources (no reference is made to nuclear energy); empowering women; creating youth programs; creating universal health care, and making the right to clean water a fundamental right; creating environmental programs; defending Indian civilization by committing to the construction of a grand Ram Mandir at Ayodhya, revering the Ram Setu, evolving a new route for Sethu Samudram bypassing Ram Setu, cleaning the revered Ganga and other major river by involving local communities, protecting cows protection, and repealing Article 370 in order to promote national integration and unity.

While there seems to be thematic coherence in terms of the categories which each party adopts, the plausibility in each case is less evident. In the case of the INC, which has won office in each of the last two general elections, it is perhaps easier to assess how many of its promises have actually been achieved. With inflation and corruption unchecked, desultory police and judicial reforms passed, and Telengana and other regional aspirations remaining inadequately addressed, the party's competence may be seen as flawed, and its targets implausible.

M 13 Parties and Interest Associations

Category: Intermediary Organizations

M 13.2 Association Competence (Business)

To what extent do economic interest associations propose reasonable policies?

“Reasonable” policy proposals identify the causes of problems, rely on scholarly knowledge, are technically feasible, take into account long-term interests and anticipate policy effects. These criteria are more demanding than the criteria used to evaluate party programs as interest associations can be expected to represent a specialist, substantive policy know-how.

The assessment should focus on the following interest associations: employers’ associations, leading business associations, trade unions.

Most interest associations propose reasonable policies.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Many interest associations propose reasonable policies.	8 <input type="checkbox"/>
	7 <input checked="" type="checkbox"/>
	6 <input type="checkbox"/>
<hr/>	
Few interest associations propose reasonable policies.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Most interest associations do not propose reasonable policies.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

India's chambers of industry and business associations engage in the policy world along two axes. One is focused on compliance with programs pertaining to social justice, affirmative action, empowerment of women, rural health, environment and climate change, and other such issues. The Confederation of Indian Industry (CII) claims to develop codes of conduct providing guidelines for company policies on these issues. The second type of activity is making suggestions and providing contacts between industry, experts, and the government in the course of policy development. In recent years, as leading industrialists have entered parliament (Naveen Jindal, Rahul Bajaj, Vijay Malya), the criticism of the state encouraging crony capitalism has gained ground. However, business organizations and bodies representing industrial interests have become actively interested and involved in evolving a climate that encourages and sustains competition through the use of best practices.

As a recent example, on January 11, 2012, in a meeting with the secretary of mines on the Mines and Minerals Development and Regulation (MMDR) Bill, the FICCI Mining Company presented the minister with a report prepared by the Boston Consulting Group. Entitled "Beyond License to Operate: Indian Mining Solving the Sustainability Conundrum," the report was on sustainable mining practices, and was presented by BCG's global head of metals and minerals, and FICCI Mining Committee Chairman Tuhin Mukherjee. Previously, in September 2011, FICCI's secretary general had criticized the bill on the grounds that the proposed contribution to the District Mineral Development Fund of 26% of profits for coal and the creation of a 100% royalty for other minerals would make mining unattractive for investors, including foreign investors. Indian mining, he argued, was already one of the highly taxed sectors in the world, and this new act would further increase effective tax rates on coal to 61% and on iron ore to 55 percent. In this case, the FICCI was evidently promoting the private interests of the mining sector.

Trade unions similarly provide policy input aimed at preserving the interests of the working class vis-à-vis employers and big industry. Not surprisingly, in their pre-budget meeting with the finance minister on January 13, 2012, the trade unions urged the government to ban futures trading in commodities to check price increases (particularly for essential commodities), strengthen the Public Distribution System (PDS), make stimulus packages to industry subject to employment plans, bar big and multinational companies from entering retail trade and banking operations, raise the income tax exemption limit for the salaried class to INR 300,000, and exempt fringe benefits such as housing, medical and educational facilities from tax.

Industry associations make detailed proposals on virtually all aspects of national and international trade, and on industrial, monetary, fiscal, energy and environmental policy. These are available on websites, and are therefore transparent. As far as their reasonable character is concerned, one cannot expect that these proposals are bereft of self-interest. However, they are on the whole guided by a form of long-term interest in the prosperity and stability of the overall economic system, to sustain their gains. The government often heeds these groups' advice, unless it contradicts long-cherished strategic government preferences and/or risks provoking a political backlash (e.g., opening sectors to foreign investment, liberalizing agricultural trade, passing energy price hikes to consumers, etc.). In these questions, the power of unions and farmer lobbies comes into play (see above).

To what extent do non-economic interest associations propose reasonable policies?

“Reasonable” policy proposals identify the causes of problems, rely on scholarly knowledge, are technically feasible, take into account long-term interests and anticipate policy effects. These criteria are more demanding than the criteria used to evaluate party programs as interest associations can be expected to represent a specialist, substantive policy know-how.

The assessment should focus on the following interest associations: social interest groups, environmental groups and religious communities.

Most interest associations propose reasonable policies.	10 <input type="checkbox"/>
	9 <input type="checkbox"/>
<hr/>	
Many interest associations propose reasonable policies.	8 <input checked="" type="checkbox"/>
	7 <input type="checkbox"/>
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<hr/>	
Few interest associations propose reasonable policies.	5 <input type="checkbox"/>
	4 <input type="checkbox"/>
	3 <input type="checkbox"/>
<hr/>	
Most interest associations do not propose reasonable policies.	2 <input type="checkbox"/>
	1 <input type="checkbox"/>

Explanation:

Noneconomic interest groups, depending on their specific area of expertise, have been known to provide reasonable input into government policy, backed by technical expertise and knowledge of long-term implications. The Center for Science and Environment (CSE) is one such organization that offers input based on rigorous research, and has worked positively with the government on issues of biodiversity, climate change, and equitable development. More recently, the CSE collaborated with the Ministry of Environment and Forests and the Central Pollution Control Board on a capacity-building and training program.

Civil society groups have been instrumental in the creation, implementation and modification of core UPA policies and programs, including the MNREGA, the right to information, the right to education, and the right to food (which remains a bill). The social audit of the MNREGA conducted from 2008 – to 2009 onward by the Centre for Equity Studies, the National Institute of Rural Development and the Mazdoor Kisan Shakti Sangathan, among other organizations, has identified and brought to the notice of the government irregularities in the implementation of the program, and suggested measures for their correction. The right to food bill similarly drew responses (in January 2011) from civil society groups, which asked that the bill be amended to focus on reducing hunger and poverty, and to give a role to the Panchayati Raj institutions in achieving the bill's ends.

The power of noneconomic interest associations to make reasonable policy proposals is compromised not by their (enormous) number, but by their varying strength and independence. Civil society in India is still somewhat shallow, despite the multitude of associations. Only a small share of Indian citizens (less than 15%) are part of any association; moreover, many of these are associated with political parties or individual politicians, are religious or caste communities, or simply depend on foreign donations. Thus, their influence should not be overemphasized. In high-profile cases (see above), they have been able to make their views heard, however, and have had considerable influence on the drafting of laws and regulations. Examples include their influence on the drafting of the new anti-corruption legislation, or on the disclosure of the personal wealth or criminal records of candidates for national and state elections.

Address | Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0
Fax +49 5241 81-681999

Dr. Daniel Schraad-Tischler
Program Shaping Sustainable Economies
Phone +49 5241 81-81240
daniel.schraad-tischler@bertelsmann-stiftung.de

Najim Azahaf
Program Shaping Sustainable Economies
Phone +49 5241 81-81411
najim.azahaf@bertelsmann-stiftung.de

www.bertelsmann-stiftung.de

www.sgi-network.org