Volume : 2 | Issue : 1 | Jan 2013 • ISSN No 2277 - 8179

Research Paper

Management

KEYWORDS :

Policies & Implemetation: The Implications Ignored and Overlooked may be Disastrous

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ABSTRACT

In every country especially like India, the policies are formulated to achieve goals enshrined in the Constitution of India. The concept of good governance is reflected from formulation of policies and its implementation to achieve the goals and fulfil social objectives. The success or failure of a policy depends upon its final outcome which is evident only after proper implementation of a policy. Experience in 2 G Spectrum case (a national asset) and Acquisition of Land by U.P. Government in the villages in Noida reflect a lot about the importance of nexus of Policies and implementation. The present article is an humble attempt to emphasize on importance of effective policy formulation and implementation in order to achieve social goals and to prevent or minimise the National losses.

Kautilya, one of the greatest exponents of Arthshastra of all times, warns the king while defining his duties for good governance;

"The root of wealth is economic activity and lack of it brings material distress. In the absence of fruitful economic activities, both current prosperity and future growth are in danger of destruction". (1.19.35, 36)

He further stresses;
"Misuse of government property and false accounting by the government servants, leads to reduction of wealth." (2.8.4)

Suggesting the punishment for erring officials he says;
"whenever the state suffers a loss the punishment levied for one responsible for it is reimbursement of the loss suffered or multiple of it, in addition to monetary fine"(3.10.11)

(Arthashastra by Kautilya, translated into English by Penguin publication.)
These excerpts from Kautilya's Arthashastra clearly define and acknowledge the importance of the process of implementation of the government policies and management of government funds. He recognised the King as the Trustee of the national wealth and not as Owner of it. This concept has equal or more relevance in our polity, even today, since we have a representative government which is elected by the people and accountable to the people of India. The powers of Judicial Review with the Courts come to the aid of the public to expose the shortcomings of policy or implementation and the functioning of the governments, as the case may be. Thus the performance of the government is always under a scanner in our set up.

The concept of good governance, especially in an open and democratic system like ours, is reflected from formulation of public policies to achieve social objectives or goals and its implementation in the best possible manner to achieve the objectives or goals behind the policy framed. Both the framing of a policy and the implementation co-relate with each other and complement each other in as much as a policy however good it may be cannot yield the desired or expected results if the implementation thereof is lacking in quality and pace both. Likewise, if a policy is bad or illegal, its implementation shall automatically fail and shall be questioned in public at one time or the other.

Many of the political and management philosophers believed that there is dichotomy between the formulation of Policy and the implementation of a policy so formulated. Their argument remains that a policy is guided by the political objectives of a government or under some or the other political compulsion both of national character or international character. The success or failure of a policy depends upon its final outcome and the final outcome is known after the implementation of a policy and not before that. Therefore a policy can never be dissociated from the implementation. In fact the implementation of a policy alone can prove on the face of it as to whether the policy framed has been successful in achieving the objectives for which it was framed or not. Therefore the contrarian view also seems to be equally sound especially in a social welfare society. In any case, it cannot be perceived or believed that the implementation of a policy remains untouched by the politics or political leaders since both the processes are so intrinsically intermixed.

Formulation of public policy is a complex and multifaceted process that involves numerous individuals and interest groups competing and collaborating to influence policymakers to act in a particular way. These individuals and groups use a variety of tactics and tools to advance their aims, including advocating their positions publicly, attempting to educate supporters and opponents, and mobilizing allies on a particular issue. But despite all the complexities, the objective of each and every policy aims is to achieve one or the other social goals. Unfortunately, the poor or improper implementation of even the noblest policies also sometimes frustrates the very purpose or objective behind it.

Case-I
2-G Scam
2-G scam is one of the most glaring examples of improper, imprudent, unscrupulous and dishonest implementation of government policy in recent times. This scam has not only resulted in huge financial losses to the national wealth but also reduced or subjected India to a great disrepute all over the world, as a corrupt nation.

2G (or 2-G) is short for second-generation wireless telephone technology. Second generation 2G cellular telecom networks were commercially launched on the GSM standard. Three primary benefits of 2G networks over their predecessors were that phone conversations were digitally encrypted; 2G systems were significantly more efficient on the spectrum allowing for far greater mobile phone penetration levels; and 2G introduced data services for mobile, starting with SMS text messages. 2G has been superseded by newer technologies such as 2.5G, 2.75G, 3G, and 4G; however, 2G networks are still used in many parts of the world. 2G technologies can be divided into TDMA-based and CDMA-based standards depending on the type of multiplexing used. 2G services are also referred as Personal Communications Service, or PCS.

The Government of India vests with the powers and authority to give licences to the corporate operating and willing to operate in telecom field. In return the government charges licence fee from the allottee licensees. For grant of 2-G licences to such private operators the NDA government formulated a policy in its regime and fixed prices or rates for licences in the year 2001. However the licences could not be granted due to change in government and the congress led UPA came into power.

The recent 2G spectrum scam in India involved the issue of 1232 licenses in 2008 by the ruling Congress-led UPA alliance of

the 2G spectrum to 85 companies including many new telecom companies with little or no experience in the telecom sector at a price set in the year 2001. The scam involved allegations regarding, the under pricing of the 2G spectrum by the Department of Telecommunications which resulted in a heavy loss to the exchequer, and the illegal manipulation of the spectrum allocation process to favour select companies.

The issue came to light after the auction of airwaves for 3G services which amounted to Rs. 67,719 crore to the exchequer. A report submitted by the Comptroller and Auditor General based on the money collected from 3G licenses estimated that the loss to the exchequer due to under pricing of the 2G spectrum was Rs.176,379 crore. From the time allegations of misappropriation during the bidding for allocation of 2G spectrum surfaced, till Telecom Minister A Raja's ouster, high drama charged both politics in Delhi and Tamil Nadu. Since then four minister of central government, many bureaucrat, many company executives and several middle men have already been sent to jail for their involvement in the crime. Many a corporate giants, like Bharti Telecom, Reliance Communications, Tata Tele- communications etc. have been also booked for conspiracy and the prosecutions are going on. The matter has been investigated by the CBI and charge sheet has been forwarded to the court against some of the culprits.

TRAI has always been arguing that its recommendations always kept in view the need for growth of the telecom sector including in semi-urban and rural areas, the need for maintaining a level-playing field against the backdrop of the entry of new players from time to time and the need to ensure that prices of telecom services were affordable to consumers. The TRAI repeatedly held the view that telecom services and spectrum should not be treated as a source of revenue for the government. The arguments seem to be good on the face of it but the fact remains that the allottees of the spectrum re-sold their licences to others at a price which was 3 to 4 times higher than the allotment price and that too within a very short time after the allotments were finalised in their favour. It is quite strange that no clause was inserted in the terms and conditions of allotment so as to prevent such type of underhand dealings.

In any case the reports of CAG and PAC have established that while implementing the policy, the procedure was not followed, rules were changed to benefit favoured few, cut-off date for applications was advanced i[[egally, by a week Licenses issued on first-come-first-served basis, no proper auction process was followed, no bids were invited, minister Raja ignored advice of TRAI, Law Ministry, Finance Ministry even though the TRAI had recommended auctioning of spectrum at market rates. It has also been reported in news channels also that the then Finance Minister, External affairs minister, the PMO and their officers too had full knowledge of the illegalities.

Fallout of the Implementation

On 29.08.2011 the CAG has also reported and suggested to the government that the licences of five telecom companies should be cancelled. Prosecution and punishments are one aspect of the matter but what about the loss to the government exchequer and the public money. In my opinion first and foremost thing for the government was to recover the losses from the persons or corporates, involved in the scam or responsible for the same. Corporates, who have been earning hefty profits since allocation, should be asked to deposit the balance amount with the government in order to make up for the loss suffered and the properties of all erring ministers bureaucrats etc, should have been attached immediately after the report of CAG confirming their involvement in the scam or failure on their part to prevent the erosion of national wealth. Cancellation of licences may also result in miseries to the poor consumers and may lead to their exploitation.

Case-II

Acquisition of Land by U.P. Government in the villages in Noida

The 125 year old Land Acquisition Act gives powers to the government to acquire land in U.P. for public causes like roads, hospitals, educational institutions etc. As a consequence of such power the U.P. government acquired agriculture land of scores of villages in District Gautam Budh Nagar in U.P. somewhere in 2006 at a rate specified in the order. There after the social development for which the land was acquired could not be carried out and the U.P. government allotted the agriculture land so acquired to the builders and and colonisers at a rate much higher to the rate of acquisition. The acquisition and allotments to builders etc. was of thousands of hectares of land affecting thousands of farmers in several villages like Sahberi, Patwari, Rouja-Yaqub Pur, Bisrakh, Haibatpur, Ghanghola, Devla, Iteda, Milak Lacchi, Jalalpur, Vaidpura and Sadullapur .

After allotments the builders and realty companies started raising sky scrapers on the agriculture land and the acquired land converted into a concrete jungle instead of a fertile Agri-land. The construction companies also invited investors and the end users to purchase the residential and commercial accommodations luring them through advertisements of cheaper prices and availability in NCR area. As a result of the massive campaign thousands of such persons invested their hard earned money in the projects during last 3-4 years.

The implementation of the policy thus failed and it resulted into a considerable amount of unrest amongst the farmers mainly on three counts;-

a. That the land acquired was not used for public good rather it was used for commercial gains by the Government.
b. There was a considerable gap between the price at which the land was acquired and the on which the same was allotted to the realtors.
c. The procedure prescribed under law was not followed and no notices were issued to the agriculturist before acquisition of the land.

As a result of this unrest amongst the agriculturists several petitions were filed before the Supreme Court and the Allahabad High Court leading to challenge the order/s of acquisition and ultimately Supreme Court's July 6, 2011 judgment that quashed acquisition in Sahberi village. The High Court at Allahabad later on quashed the acquisition in respect of some other villages and it was also ordered that the land acquired be returned back to the owner farmers. Even though some relief has been given by the high Court later on the basis of some understanding between builders, farmers/land owners and the investors but this too has resulted in escalation of cost at all levels leaving scars as it is and the dispute is also not finally disposed off by the courts as yet.

Fallout of the Implementation

The improper and un-scrupulous implementation of a government policy resulted very serious implications as the fate of thousands of residential units in the Noida Extension-Greater Noida area turned uncertain. The order passed by the Supreme Court totally dashed the hopes of getting a house in NCR for thousands of the innocent investors and buyers. Secondly, the projects of the builders also became illegal and demolition is being carried out by the authorities resulting in the huge losses to them too both in terms of finances as well as their goodwill. The cause of farmers also remained un-served due to the fact that their agricultural land became totally useless because of enormous concrete and cement structures already raised on the land. Secondly, the farmers shall also be required to refund the compensation, if already received by them.

Inferences

*It cannot be disputed and denied that it is the prerogative of the Government to frame, revise and change the policy, it is also the responsibility of the Government to do so in a transparent manner and then follow the stated policy both in letter and spirit.*The case studies mentioned above are clearly the eye opening examples of importance of policy making and implementation both. If a policy is wrong its implementation would automatically, and if the policy is correct its poor or ill-directed implementation shall frustrate the objective behind the policy and shall result into a great damage not only to the government but to all those also

for whose benefit the policy was aimed at. The first case relates to the study of a good policy and poor implementation while the second case study exemplifies the case of poor policy or policy against the acquisition laws and its implementation.

Suggestions

As a humble student of management studies, and the one who is living in a poor but free, democratic country I am deeply pained over the developments which took place recently. A social welfare state cannot achieve the goals of Social Welfare unless and until transparency in the policy framing and its implementation are not, carefully, taken care of. I therefore make some suggestions in the light of the above mentioned cases as follows:-

a. That we must understand that a nation survives and thrives only due to proper policies framed and implementation thereof.
b. That while formulating the policies, only and only, the national goals of Social Welfare state be kept in consideration,
c. That there must be a nexus between the policy and the objective sought to be achieved.
d. That policies should be framed in accordance with the provisions of the Constitution of India and the existing laws of the land, directly or indirectly, applicable to the policy framed as any policy hitting any legal provision or against any existing laws can certainly be reviewed by the Courts resulting in all-round hardships.
e. That while implementing the policy utmost transparency should be observed.
f. That implementation of policy must ensure that the policy and the objective sought to be achieved, are fulfilled.
g. That the framers of policy and those who are clothed with responsibility to implement must make sure that the nation or the masses do not suffer any losses both in terms of finances and property.
h. That strong action must be taken against those who are responsible for framing of policies against the existing laws and also against the implementers if the policy is not implemented in letters and spirit.
i. That loss to the national wealth should be recovered from the wrong doer or the person who knowingly failed to prevent such losses.

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