

81/250

Harsh V. Singh

GS PAPER III & IV

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MOCK TEST 2, JUNE 30**

Q1. Answer in about 300 words each.

4 x 25 = 100 marks

Q1.b What are the different approaches in understanding poverty? Bring out the relationship of poverty with inequality? Discuss the above in the light of some case studies of success and failure of poverty eradication approaches in developing countries. (25 marks)

Different approaches in understanding poverty

1. Basic goods consumption basket based approach: This looks at whether a person is actually consuming a basket of basic goods or not. This basket may include basic education, healthcare, food, shelter. If not, then she is considered to be poor. A component of the Multidimensional Poverty Index is based on it. It is seen whether the household has access to sanitation, floor, assets, education among others or not. Scorecard method recommended by Saxena Committee is based on it.
2. Income / expenditure based approach: It is seen whether the person's consumption expenditure is sufficient to buy her a pre defined basket of goods or not (although her actual consumption pattern may be different due to tastes). The World Bank's \$1 approach, India's planning commission's approach are all based on it.
3. Basic capabilities approach: This is pioneered by Prof. Amartya Sen and talks of whether a person's entitlement to goods and services allows her certain basic freedoms / capabilities or not. It differs from the basic goods consumption basket based approach in the sense that it sees what those goods actually do to the person.
4. Utilitarian approach: It sees whether the person's consumption is sufficient to take her above a threshold utility level or not.

Relationship between inequality and poverty

1. The conventional understanding is that inequality limits poverty reduction. Increasing inequality limits the economic opportunities available at the bottom which results in lesser human capital development and hence still lesser opportunities. The experience of Latin American countries with high inequality rates in the 70s and 80s is an example.
2. The massive poverty reduction in the Asian Tiger countries was a result of high economic growth accompanied by inequality reduction policies such as land reforms, universal education and human capital development.
3. The experience of Latin American countries since the Pink Revolution also bears witness to the fact that government intervention towards inequality reduction was needed to reduce mass poverty. They have made education and healthcare universal, subsidized public services and installed conditional cash transfer systems to the poor.
4. However the experience of China tells a different story. Before the economic reforms when socialist policies were followed, there was mass poverty. However, now after the reforms, the inequality has risen steeply in China and at the same time mass poverty has been virtually eliminated.
5. This suggests that more than inequality what really matters for poverty reduction is how much we can create economic opportunities at the bottom of the pyramid. If despite rising inequality, the opportunities at the bottom rise, poverty can be reduced.

9/2/13

Harsh Singh

Q1.c The complex group termed NGOs is seen as the weaker part of a triumvirate, or "third sector" to counter the other two actors, the state and the market. What are the main reasons behind the relatively weaker role of NGOs in India? (25 marks)

NGO sector in India remains considerably weak even when compared to other developing countries with similar history and culture such as Bangladesh. This can be attributed to the following reasons:

1. Role of the State

Contrary to the words in the policies, the state has never seen NGOs as partners in the development process. Government functionaries always see them as adversaries when they are subjected to social audit or when NGOs criticize human rights violations by state agencies.

Government schemes don't try to leverage the NGO base at the ground level for effective implementation. Often such measures, even when undertaken, remain the initiatives of few individual officers.

Government has created a maze of regulations to check NGO activity. As per the latest amendments to the Foreign Contribution Regulation Act, NGOs are required to renew their registration every 5 years, there is no time limit for grant of such approvals – moves which can obviously be used to harass them.

- Government keeps a strict check on NGO funding, especially foreign. FCRA Amendments restrict the funding even more. So many NGOs are forced to depend on the state for funding which keeps them weak.
- If an NGO causes annoyance to the state, the state authorities resort to filing multiple cases against them which may even sound bizarre. Thus, the NGO involved in Kundankulam nuclear protests are facing charges of 'waging a war against the State of India'!

2. Role of the NGOs themselves

- Many NGOs simply exist as a front for politicians and businessmen and are not really interested in social work. Naturally this brings bad light to the entire sector.
- Most NGOs indulge in questionable financial dealings, don't follow modern management practices and are opaque in their financial practices and never get audits done.
- Many NGOs act as a front for anti Indian and naxalite groups. This makes it easier for the state authorities to paint them all in the same brush and discredit them.

Q1.d "The citizens, who are at the receiving end, are the best judge of the quality and quantity of services administered for their benefit. But they have hardly any means to hold the administration accountable." Examine. (25 marks)

Activities of the state are for the benefit of the citizens only. They are the clients and naturally the best judge of whether the service delivery offered by the state meets their expectations or not. However in the existing model of administration, they often have been at the receiving end and without any recourse.

The model of administration followed in India was a paternalistic one. Getting the benefits of the service delivery is not a right of the citizens. It's simply an act of generosity by the state. The relationship became one where citizens are dependent upon a merciful patronizing state. And this philosophy was reflected in most of the existing schemes and laws. For instance in People with Disability Act, state will only endeavor to undertake welfare activities 'subject to availability of resources' – a clause conveniently used to mask over service delivery failures. The state often devised complicated mechanisms for instance the scorecard method in identifying poor for the

BPL categorization that their actual implementation left much to be desired.

The reasons for such a model were perhaps the power asymmetry between the government and the citizens, a culture where power was worshipped and arbitrary exercise of power remained unchecked and the gross inequality, illiteracy and poverty prevailing in the society.

Thus if there is a service delivery failure, the citizen has no recourse. Even when there are mechanisms on paper, they are long and expensive.

However, in the past decade or so, things are changing. This paternalistic philosophy is giving way to the rights based approach. MGNREGA makes it a justiciable right of the citizen to ask for employment and the state can't escape from it. Grievance redressal too is becoming a time bound right with the proposed Grievance Redressal Bill. Citizens can now enforce transparency on the administration by their Right to Information. They have an enforceable Right to Education now. Even the anti - corruption mechanism which had been hampered so far due to the complex regulations and jurisprudences stemming from the Article 311 of the constitution, is being strengthened now with the proposed Lokpal Bill. And the e-Delivery of services bill and making citizen charters mandatory and enforceable will also go a long way in empowering the citizen.

Q1.e One in every three malnourished children in the world lives in India. Bring out the causes and consequences of Child Malnutrition in India and also suggest a strategy to tackle the same. (25 marks)

Some of the important causes of child malnutrition are as follows:

- Poverty.
- Even otherwise, children are weak and dependent upon their parents to feed them. So even when there is sufficient food, they might suffer out of neglect.
- Lack of family planning means too many children in a household to pay proper attention to the nutritional needs of each child.
- Lack of awareness about a balanced nutritious diet among the parents (especially mother).
- Poor sanitation breeds diseases which hamper nutritional outcomes. It may lead to certain bacteria in the intestine which prevent absorption of nutrients in the body. Certain diseases may also lead to severe malnutrition.
- Social customs especially the discrimination against the girl child.
- Lack of micro nutrients such as iron and iodine.
- Poor status of public health delivery mechanisms.
- Top down approach of the various nutritional schemes without focusing much on community involvement leads to their failure at the ground level. The monitoring mechanisms for such schemes are not strong. Nutritional outcomes are not measured on an ongoing basis for their evaluation.
- Arvind Pangariya has also questioned the WHO methodology of estimating malnutrition in India. He argues that WHO uses a common global set of standards and doesn't account for genetic differences among populations. Indians are genetically lighter and shorter than their European counterparts (who are taken as the standard).

Some important consequences of child malnutrition are:

- Economic loss. Malnourished children are less likely to achieve their capacity and will become weak workers. They will acquire lesser skills.
- Loss of human capital. Malnourished children are more likely to have poorer learning outcomes. Poorer learning would mean less human capital development.
- They will have fewer and poorer opportunities in their lives and thus it would lead to more poverty and perpetuation of other social problems which we currently face.

Strategy to tackle malnutrition involves following steps:

- Changing the nutrition and sanitation/water supply schemes to make them community

involvement centric instead of top down. Empower PRIs, citizen groups, prescribe clear set of evaluation criteria, enforce social audit, have transparent and efficient monitoring mechanisms in schemes such as ICDS, Mid Day Meal.

- Schemes which address poverty in general such as MGNREGS, NRLM should be strengthened further.
- PDS should be strengthened, streamlined and universalized. National Food Security Bill is a very welcome step. It should be extended to cover other food items as well apart from just cereals.
- Fortified foods containing micro nutrients should be encouraged like iron based rice, iodized salt.
- Nutrition should become a fundamental right of the citizen. Universal healthcare and better delivery of public health services should be implemented.
- Focus should be on educating mothers about balanced nutritious diet. Social campaign to end gender discrimination should be launched.
- An officer's performance should be linked to the nutritional outcomes in his jurisdiction.

Q2. Answer in about 250 words each.

3 x 20 = 60 marks

Q2.a The concept of good governance is often equated with administrative reforms. However it covers much more substance. Examine the concept of good governance holistically in the Indian context. Also analyze the major impediments to good governance in our country. (20 marks)

Good governance goes much beyond administrative reforms. It fundamentally means ensuring qualities of service delivery which meet the expectations of the citizens. It means upholding the rule of law. It means not just administrative reforms but a change in the very core of the governance philosophy i.e. treating the citizen as an empowered partner.

Demanding transparency should be her right as is the philosophy behind the RTI. The services she gets should not be an act of generosity by the state, but her rights. The Citizen Charters and Public Grievances Redressal Bill, 2013 is a step in the right direction. Hitherto corruption prone services like PDS, income tax, passport, driving licenses, BPL identification, will all be covered by it. E-governance initiatives also help in good governance.

Similarly punitive measures to check corruption and encourage ethical behavior in public life should be put into place. Recent measures to give more autonomy to the CBI and creation of a strong Lokpal are such steps.

Some of the impediments to good governance are as follows:

- A culture where power is worshipped which promotes tendency to concentrate power in one's office and its subsequent abuse. Any attempt to bring transparency and accountability is frowned upon.
- Traditional power asymmetry prevalent in the society between government and the people. This leaves a vast majority of people at the mercy of the patronizing state authorities who feel they are not answerable to them.
- Many people are unaware of their rights or are too weak to demand them. Politics in many places is along the caste and communal lines instead of being on issues such as demanding accountability from the politicians. So good governance never becomes a politically sensitive issue.

Q2.b Overhauling Public Distribution System (PDS) is a prudent choice over Food Coupons and Cash Transfers considering the financial implications in National Food

Security Bill. Analyze. (20 marks)

National Food Security Bill (NFSB) has direct cost implications of Rs. 125,000 crores per annum in terms of subsidized food. Experts believe it will entail additional costs in upgrading the infrastructure of the PDS.

Currently the leakages in the PDS are well known. So alternatives, such as direct cash transfers and food coupons have been proposed. Direct cash transfers scheme has the potential to eliminate the middlemen and reduce corruption substantially. However, its limitations are as follows:

- Currently less than 40% of households have access to banks. In the target population of the NFSB, the coverage would be even lower. So it is simply not practical to resort to it. Nonetheless efforts must be made to increase bank penetration and once over 90% of households get bank access (probably by next decade), cash transfers may be resorted to.
- Banks branches are located very sparsely. There are less than 1 lakh branches. Coverage of the fair price shops is far wider with over 5 lakh such shops in the country. Financial illiteracy of poor villagers can be exploited by the bank officials.
- Direct transfers can lead to misuse of money, inflation, neglect of women and children.
- Subsidy transferred will get eroded in real terms in face of inflation.
- Direct transfers can lead to dismantling of the fair price shops and in their absence local traders may charge exorbitant amounts.

Similarly food coupons, though promising, have shown following limitations in states such as Bihar and Gujarat.

- Many food coupons never reach the intended beneficiaries. The sarpanches or other local authorities keep them with themselves. There are no effective mechanisms to ensure the coupons reach beneficiaries directly.
- Efforts to mail them via the postal system are too costly and render the scheme unviable.
- Such hoarding is specially used against the marginalized groups such as SCs and STs.

In the light of above weaknesses of the above alternatives and the massive financial implications of the Bill, it is wise thus to overhaul the existing PDS itself.

Q2.d There is a need for NGOs to practice what they preach transparency, accountability and good governance. Comment. (20 marks)

Most NGOs today either demand or work in the direction to bring about transparency, accountability and good practices in the governance. However, they themselves need to put their house in the order first.

- Many of them indulge in questionable financial transactions.
- The sources of funding are not made public by many. Such funding may even include that by anti-national sources.
- Modern financial management practices and good account keeping are not followed by most.
- Expenditure invoices are heavily inflated. Many NGOs simply exist to convert black money into white.
- The pay and remuneration of their owners is not made public and various personal expenditures are charged on the NGO account.
- Many NGOs act as a front for politicians and businesses while not focusing on their main

beneficiaries lack awareness to demand accountability
- lack of professional attitude.

task.

- Many NGOs act as a front for anti national forces like terrorists and naxalites.
- They themselves are not subject to any audit by the ordinary citizens.
- They resist attempts by the government to bring them under RTI or increase transparency and accountability.

All such activities undermine public faith in the entire NGO sector itself and thus it weakens it.

Q3. Answer in about 200 words each.

4 x 15 = 60 marks

Q3.a The economic and social aspects of a plan of development are closely interconnected. In the light of this statement, consider and examine some important welfare programs, namely, those relating to social welfare, prohibition and rehabilitation of displaced persons. (15 marks)

In the Indian context, economic and social injustice cannot be separated from each other and in fact the former stems from the latter to a large extent. So any planning for social welfare has to address both aspects. Some of the key examples are as below:

- MGNREGS: This path breaking scheme seeks to empower the landless and the poor in rural areas. In India, land ownership was a privilege of the caste groups. No wonder, the SCs and STs together constitute over 51% of the beneficiaries when their proportion in population is around 22.5% only. Similarly women too constitute over 50% of the beneficiaries.
- Panchayats (Extension to Scheduled Areas) Act / Scheduled Tribes (Recognition of Forest Rights) Act / Tribal Sub Plan / Integrated Development Plan: They all seek to empower the tribals. PESA and Forests Rights Act recognize the traditional rights of the tribals over forest land and minor forest produce. IDP is targeted at left wing extremism hit districts which have disproportionately large share of tribal population.
- Various scholarships and plans for minorities: The idea is to improve educational status of minorities so that they can have more opportunities to grow and economic empowerment may follow social empowerment. Area development plans are focused on minority concentrated areas.
- National Rehabilitation Policy and Land Acquisition and Rehabilitation Bill: Both aim at taking care of rehabilitation of the displaced people, a large number of who are the tribals. Additional compensation is payable to the SCs and STs. Rural families are entitled to higher compensation.

Similarly there are various plans for gender empowerment which seek to improve the economic status of women as well as their social standing.

Q3.b E-governance is not about technology but about governance. Comment. (15 marks)

The central idea of e-governance despite the 'e' in it is better governance. The electronic technology is merely a tool in providing good governance and citizens remain at the central focus like in any other good governance initiative.

The role of technology should be limited to merely providing cheaper and practical ways of serving citizens better. Installing computers, digitization of data and building computer networks may be instruments in providing better service delivery, but cannot be end goals in themselves.

Such upgradation of technology should be accompanied by a systematic review of the ways things are being done in the government organization with the aim of improving process and quality of service delivery. Otherwise what use are the emails if the concerned officer still doesn't approve it without taking a bribe?

The experience of various e-governance initiatives has shown that an e-governance system

becomes a success only when it is able to demonstrate a visible benefit to the stakeholders i.e. citizens or the government. The government personnel have to buy into the initiative and trained so as to use the new system. Processes which suited the old way should be discarded and new ones brought in to make full use of the technology.

A good example of limitation of e-governance project if not accompanied by structural reforms in the office processes is the passport issuance process which despite digitization has not shown substantial improvement in service delivery and citizens still have to resort to middlemen to get their work done.

Q3.c Self-help group (SHG) bank linkage program portrays it as an effective tool being used in various countries to approach a range of socioeconomic issues. Explore the possible performance and sustainability of this type of program in India? (15 marks)

The SHG – bank linkage model has vast potential in addressing a number of socio-economic issues such as:

- It empowers people at the very bottom of the pyramid. Most of the beneficiaries are SHGs which have women and that too coming from the marginalized sections of the society.
- This model gives them an opportunity to lift their lives out of poverty, trains them for gainful employment and also gives them confidence. This naturally improves their social standing as well.
- Studies have revealed that the additional income so generated improves the educational and nutritional outcomes of not only these women but also their children.
- This model encourages savings in the SHGs which increases their financial capabilities.
- This model also trains them in modern management practices.
- This model generates economies of scales and increases their bargaining strength in the supply chain. Thus they are able to get a better share of profits generated.

So far over 2 crore households have been brought under this programme via NRLM and the target is to increase this number to 7 crores by 2017. These household have disproportionately higher number of SC and ST households and care is taken to empower the woman of the household.

However, a lacuna in the performance is over 80% of the credit distributed under the programme is in the southern states.

In terms of sustainability this model has clearly emerged as a model of choice by the banks, the SHGs and the government. SHGs are encouraged to save and once the savings reach a threshold, banks start lending to them. Initially the bank may lend only a fraction of the savings, but slowly as it gains more confidence, it may start lending a multiple of the savings. Thus it is a win-win situation for all parties involved.

Q3.d Suggest a roadmap for reforming the civil services in India making it more accountable and accessible to the "common man". (15 marks)

Some of the important measures in reforming civil services in India need to address the following:

- Relationship with the Politicians: This needs to be clearly defined and into a civil services law. Political interference into day to day functioning of the officers needs to end. Their control over the transfers and postings also needs to end. Transfer and tenure policies need to be created. An autonomous Civil Services Authority should be created to implement these.
- Increased Accountability: Autonomy cannot come without increased accountability. The performance of an officer should be measured against a set of clearly defined objective

outputs so as to align their efforts with the political vision. This can be set by the political authorities in a rule based setting.

Code of Ethics: Current code of conduct for civil servants contains either too vague sermons or too impractical specifications. A complete overhauling of the code is needed and it should be made simple and crisp. A senior committee should be set to oversee its implementation and it should become a part of the ACR of the officer.

Requirement of sanction for prosecution: This requirement, though necessary to protect fearless bonafide decision making, is often abused to shield the corrupt. A committee involving the CVC should be constituted for evaluation of sanction requests. Its decisions should be placed in public domain and sanction should be deemed granted if no decision is made within 90 days.

Incentive Realignment: Incentives should be restructured so as to encourage an officer to work efficiently. Citizen participation and feedback in the form of citizen charters, report cards, grievance redressal mechanisms should be encouraged. Strong Lokpal should be there.

Q4. Answer in about 150 words each.

3 x 10 = 30 marks

Q4.a Examine how far "Prohibition of Employment as Manual Scavengers and their Rehabilitation Bill, 2012" can curb the social menace of manual scavenging. (10 marks)

The Bill declares the act of manual scavenging illegal in explicit terms and prohibits it in all forms. The Bill also makes it illegal to construct and / or maintain a dry latrine.

Paradoxically today, the state is the biggest employer of manual scavengers. The urban local bodies and the railways employ them in large numbers. The Bill expressly prohibits that.

The Bill also has strong rehabilitation provisions for people freed from manual scavenging. Their children would be given scholarships, they would be entitled to various benefits under the state programmes, they would be given houses under the government housing schemes and also an adult member would be given alternative employment.

The Bill also lays down stringent criminal penalties against people who still force others to indulge in this inhumane act.

Q4.c List out the various measures taken by the government to include differently abled persons in the mainstream of society. (10 marks)

- The government has recently signed and ratified the international convention on people with different abilities. As per the convention it is required to modify its domestic laws and create an enabling environment for people with different abilities (PWD).
- Government has amended the RTE Act to include the education of differently abled children within its ambit.

The very approach of the government towards this subject has undergone a phenomenal change. Earlier the thinking was that PWD were a liability and the government was doing an act of generosity by providing them with certain benefits. They were seen as mere beneficiaries.

- Now they are seen as assets, equal partners in the nation's development. An enabling environment is their right and not an act of generosity.
- The government is coming up with an overarching law to cover different aspects of different abilities and based on the changed philosophy.
- Apart from this, earlier acts and policies provide for reservations in certain jobs, focus on prevention rather than cure, setting up of special trusts to manage their property, training of

manpower for their care and their rights.

Q4.d Describe the features and significance of National Skill Development Mission. (10 marks)

Over 90% of India's workforce receives first training on the job. This situation is simply not compatible with a nation which aspires to become a global superpower and grow at 8-9% per annum for the next few decades.

Experience of developed economies tells us that they really 'took off' when large productivity gains among workers were made via human capital development and training. Thus the importance of the National Skill Development Mission.

The NSDC aims at providing skill training to over 50 million people by 2017 and much more beyond that. To achieve this a National Skill Development Authority, a National Skill Development Council and a National Skill Development Fund have been constituted. The Council will frame the guidelines while the Authority would look at the operational part drawing money from the Fund.

Active private sector involvement would be encouraged. Industrial Training Institutes in PPP mode would be setup in the various NIMZ which would come around the country. Workers would then be employed in the NIMZ itself. Involvement of industry would also be there in deciding what skills are imparted to the workers.

- (3)
- Some answers are well presented, others require content support.
 - Overall O.K. attempt.

