

29.

DEVELOPMENT ADMINISTRATION: AN INTERPLAY OF SORTS AMONG STATE, CITIZEN AND MARKET

Nazir Ahmad Mir

(PhD Scholar)

Department of Public Administration
Maulana Azad National Urdu University, Hyderabad

Abstract: *This paper is an endeavour to throw light on the role and importance of state, citizen and market in Development Administration. The very definition and conceptualization of development administration is incomplete without acknowledging the respective roles played by state, citizen and market. Right from the emergence of the concept till today state, citizen and market have held positions of prominence in any debate or discussion on development administration. These three terms have been, throughout the journey of development administration, the concern of scholars- both advocates and critics. Through an analysis of evolutionary process of development administration, this paper has traced its changing focus at different periods of time and provided reasons for such a change. Development administration is essentially a concept meant for developing countries like India where state has the primary responsibility for development and welfare of its citizens. The emergence of market as a major player in economic development particularly in today's era of liberalization, privatization and globalization (LPG) has certainly changed state's modus operandi to perform this responsibility but the responsibility is still there and its need has in fact increased.*

Keywords: Development Administration, lassiaz faire, Keynesian theory, participation, Washington consensus, liberalization.

Introduction:

At the end of World War II, a new world called the third world was taking shape. These were the countries getting independence one after the other. Due to the reason of being under subjugation for a long period, they were severely underdeveloped. There were a plethora of problems confronting them which included poverty, unemployment, illiteracy, lack of healthcare, overpopulation, shortage of infrastructure and what not. The governments in these countries had an uphill task of putting their respective nations on the path of socio-economic progress. Under such a situation they had to either devise their own model of development or adopt the one already under usage in the western developed nations. Keeping in view the nature of problems they faced, they went for the later one i.e. the western model. The reasons being that this model was a tried and tested one, it could be implemented fast and above all it came with a bonus of sponsorship by the United States of India. The development model so adopted came to be known as Development Administration.

Under Development Administration state had the responsibility of socio-economic progress of the country, to be achieved mainly through its administrative arm. With financial and technical help from the west administrative reforms aimed at structure and functioning of administration were initiated to increase its capacities and capabilities. Reforms did not produce desirable results as the bureaucracy preferred their own vested interests over welfare of people. Despite increase in growth rate, inclusive development could not be attained. Efforts to end redtapism and bring flexibility in the system got intensified. Citizen-oriented development through de-bureaucratization, decentralization and participation was sought. State's role in socio-economic development was brought under the scanner. From 1990 under liberalisation, privatisation and globalisation (LPG), market became a dominant force to influence Development Administration. Reduction of the role of state and loosening up the market forces seemed order of the day. However, there is a strong realization that 'welfare state' is necessary to safeguard interests of 'citizens' under a 'market-oriented' development approach.

Review of Literature:

This paper is mainly based on first chapter of my research thesis entitled "Theoretical perspective of Development Administration". Other books and literature consulted include public policy and politics in India by Kuldeep Mathur, Administrative Theories: Approaches, Concepts and

Thinkers in Public Administration edited by Rakesh Hooja and Ramesh K. Arora, Development Administration: R. K Sapru, Development Administration in Asia Edited by Edward W. Weidner, Development Administration: Concept, Goals and Methods by George Gant and Development Administration in India edited by V A Pai Panadikar. Besides this internet has also been used.

Objectives:

- To highlight the role played by state, citizen and market in the concept and growth of Development Administration.
- To highlight the importance of state, citizen and market in the evolution of Development Administration.
- To understand inseparability of these three terms from Development Administration.

Research Methodology:

This is an analytical research based on secondary sources.

State, Citizen and Market-inherently present in the concept or meaning of Development Administration:

From the definitions of some of the most prominent authors on Development Administration, one can understand how intrinsic state, citizen and market are in the very concept and meaning of Development Administration. Edward W. Weidner-the first to conceptually explain the definition of Development Administration, defined Development Administration as “maximizing innovation for development”¹. He viewed innovation for development as the process of planned or intended change in the direction of modernity or *nation-building and socio-economic progress*. Nation-building and socio-economic progress signify two things one that development or nation- building can only be undertaken by state or government having welfare orientation and second that socio-economic progress implies that social and economic condition of common people or citizens is improved. Weidner also said that *governments* or agencies must be innovative to be successful in the task of nation-building and socio-economic progress. In the same vein Pai Panandikar said, “The essence of Development Administration is holistic change undertaken through integrated, organized, and properly directed *governmental action*.”²

George F. Gant- the father of Development Administration said, “Development Administration’ is the term used to denote the complex of agencies, management systems and processes, a *government* establishes for administration of policies, programs and projects to serve developmental purposes”. He further says that Development Administration is characterised by its ‘purposes’, its ‘loyalties’ and its ‘attitudes’. Its ‘purposes’ are change, innovation and movement to stimulate and facilitate defined programs of social and economic progress. Bureaucratic ‘loyalty’ in Development Administration must be *to the people* and not to its own vested institutional interests nor to a non-public sovereign such as a king or empire. And its ‘attitudes’ are positive rather than negative, persuasive rather than restrictive and outward reaching rather than inward looking³. Therefore Gant views state as an institution responsible for implementation of policies, programs and projects to achieve developmental objectives. He is of the opinion that participation of people/citizens in developmental activities is necessary and administration should work for welfare of people/citizens only.

Fred. W. Riggs is regarded as a prime mover of academic interest in the field of Development Administration. According to him an essential feature of Development Administration is its two-sidedness. Administration cannot normally be improved very much without changes in the *environmental constraints (the infrastructure)* and the environment itself cannot be changed unless the administration of developmental programs is strengthened. The first aspect is concerned with ‘Administration of Development’ and the second aspect with ‘Development of Administration’. The reciprocal relatedness of these two sides of Development Administration involve a chicken and egg type causation⁴. The environment of administration includes everything with which it interacts i.e. social, political and economic conditions surrounding administration both within and outside the organization. Within such conceptualization of environment ‘*market*’ occupies a very important place. In fact its influence on Development Administration in the modern world is more visible than any other thing.

State, Citizen and Market in the evolution of Development Administration:

The Great Depression of the 1930's in the United States of America resulted in severe unemployment, lack of demand for goods and virtual destruction of the economy. Laissez Faire System (free market economy) prevalent in U.S.A at that time was not able to regulate itself and get the economy out from depression. Need for welfare state was felt to raise demand for goods produced, maintain full employment and make economy stable. As a consequence a deal of President Franklin D. Roosevelt on the political side and Keynesian Revolution (on public works policy in America) in economics on the theoretical side popularly known as New Deal Programme, was adopted. This successful deal or arrangement which started in 1933 expanded substantially the role of Government in economy.

The American's, taking clue from this deal launched Marshall Plan in 1948 - an American initiative to aid economic recovery of the war ravaged Western Europe. The Marshall plan met with considerable success in its objectives. At about the same time i.e. after the Second World War, country after country achieved independence from the imperialist powers. A new world called the third world came into being, governments in these newly independent nations were to put their respective countries on high growth path through planning and also bring about socio-economic development. Marshall Plan and New Deal Programme were extended to these newly independent countries. But unlike in America and West European countries they failed to make an impact as they were not conducive to social, economic, political and cultural conditions of third world. Such realities of third world called for the adoption and execution of new approaches of change. This realization led to emergence of the concept of Development Administration. And the responsibility for bringing about development and socio-economic change was entrusted to the state.

(1950 to 1970- State in the lead role)

Development Administration model in 1950's was based on Instrumental Theory of Administration. Government was considered to be the crucial instrument to achieve developmental objectives. This theory focused on normative approach viewing administrative reforms as a pre-condition for development. Stress was laid on reforming administrative structures, creation of new agencies to improve administrative capability and employ methods, procedures and practices on the lines of western administrative thought. Principles of hierarchy, unity of command, formalism and impartiality, span of control, authority and responsibility, line and staff, decentralization and delegation of authority became the basis of organizational structure. But contrary to the western countries, developmental objectives could not be attained in the developing countries by adopting these principles. The reasons being that administrative reforms could not be implemented as they aimed at only the structural change and not at attitudinal change, environmental contexts to administration and technology in different countries were considered to be same in every country

Under the chairmanship of Fred. Riggs Comparative Administration Group (CAG) was organized in 1960-61 to look into the problems faced by Development Administration in developing countries. The Comparative Administrative Group felt that the classical concepts of administration in the third world were rigid, narrow and parochial, suitable only for 'maintenance needs' rather than 'development needs'. The group laid stress on cross-cultural aspects of Administration. The period of 1960's saw a shift from normative approach to empirical approach. The former searched for ideal and at least better patterns of administrative structure and action while as the latter stressed on structures and their functions in different systems having parallel characteristics. But both the approaches focused on reforms in the functioning of government especially its administrative wing. So the era from 1950 to 1970 can best be described as one in which state and its executive organ were the focal points of Development Administration. It was believed that goals of Development Administration could be met through structural and attitudinal changes in the administration keeping in view environmental factors. State's commitment towards welfare of people was well respected and its intentions were not put under shadow of doubt.

(1970 to 1980- Citizen as the Centre of gravity)

After its accelerated growth under CAG movement of 1960's Development Administration plunged into intellectual depression. It was realized that necessary set of conditions for bringing about political and socio-economic changes in the third world were either missing or unconducive. The innovations in administration with the help from foreign experts, were simply 'cosmetic' in nature and brought no real alteration in the status quo. With phenomenal expansion of bureaucracies, new bureaucratic bourgeoisie acquired social and political currency and paramountcy and used its position to advance its own vested interests. It was experienced that poverty, hunger, squalor and unemployment

were on the rising scale despite high economic growth. Meeting the basic needs of food, clothing and shelter along with education and public health became indicator for development. Need for new economic framework and accordingly a new approach to Development Administration was felt. U.N Second Development Decade (1971-81).⁵ gave development social and economic meaning instead of just economic growth. De-bureaucratization and participatory management were regarded important for inclusive development. Development of regional, local and sectoral structures was focused upon rather than central organizations.

The World Bank in its World Development Report 1983 said that developing countries should focus on public sector to bring it at par with private sector. The report laid stress on participative, decentralized and localized approaches to development. There was a shift in Development Administration theory from a 'blue-print' approach to 'learning process' approach and from a 'production centered' approach to 'people centered' approach'. The 'blue print' approach involved designing a specific plan of action in advance for administering a development programme. In contrast a 'learning process' approach was an open-ended strategy to planned social change, involving a cybernetic process by which Development Administrators can adapt themselves to changing environments to incorporate mid-course corrections, based on existing local conditions. On the other hand 'production centered' development approach emphasized production of goods and services to maximize returns on investment. While as in 'people centered' approach to development needs of the people take precedence over the needs of the production system. It views an individual not as a subject but as an actor who defines the goals, controls the resources and directs the processes affecting his/her life⁶.

(1990 onwards- Market in the driving seat)

The collapse of communism in Eastern Europe and the Soviet Union served as a confirmation of arguments against central planning and re-enforced the apparent superiority of a market oriented development approach. In the backdrop of Washington Consensus (started in 1989), institutions such as the International Monetary Fund (IMF) and the World Bank suggested economic policy prescriptions for debt ridden developing countries in lieu of the reform packages. There are two other models of market- driven development approach the first being UNDP's Sustainable Human Development Approach and the second East Asian model of capitalism. The Washington Consensus focusses on the promotion of GDP growth and has been implemented through a top-down, donor conditionality- driven and outside expert led approach. The Sustainable Human Development approach argues that the ultimate test of development practice is that it should improve the nature of people's lives and it should be founded on participation and more equal partnership between developing countries and aid donors⁷. The East Asian Model of capitalism (sometimes known as state-sponsored capitalism) believes that liberalization should be gradual- to enable national enterprises to build up production capabilities and thus face competition- and selective. Successful implementation of development policies require government- business cooperation within the framework of a pragmatic developmental state⁸.

Conclusion:

Today almost all countries of the world follow one or the other among above three models of development. Under an era of liberalization, privatization and globalization no country can remain immune to effects of market on its economy, politics and society. State in general and its administrative wing in particular have to change their modus operandi and professionalize themselves by increasing their capacities and capabilities to meet changing needs of the time. As the debate continues about an appropriate role of state in development but no one can deny importance of its role. Government in a developing country like ours, which has obligations towards socio-economic development of its people, cannot allow free hand to private sector. It is the duty of government to work towards welfare of the people, protect their rights and safeguard their interests. As rightly put by R K Sapru " In the current phase of globalisation, Development Administration has assumed particular importance with the object to exercise effective economic sovereignty and control over national resources and environment, to ensure that their use by the private sector, especially by its foreign component, is in harmony with national objectives.⁹

References:

1. Edward W. Weidner: "Development and innovational roles" in 'Development Administration in Asia, by Weidner (Ed.), Duke University Press, Durham, North Carolina 1970, p.399.
2. V.A Pai Panindikar: ' Introduction', in Development Administration in India, Pai Panindikar(Ed.), the Macmillan Company of India Ltd, Madras 1974, p.ix.

3. George F. Gant “The meaning of Development Administration” in Development Administration: Concepts, Goals and Methods, by George Gant, University of Wisconsin Press 1979, Madison Wisconsin, p.21-22.
4. George F. Gant “The meaning of Development Administration” in Development Administration: Concepts, Goals and Methods, by George Gant, University of Wisconsin Press 1979, Madison Wisconsin, p.21-22.
5. ‘International development strategy for the second United Nations Development Decade: U N documents gathering a body of global agreements’. www.un-document.net, 1883rd plenary meeting, 24 October 1970, web, 29 August 2017.
6. Singhal Arvind, “ Development Administration”, Evolution of Development and Development Administration Theory, IIPA New Delhi, p.8
7. Gore Charles: “The rise and fall of the Washington Consensus as a paradigm for developing countries”. ‘United Nations Conference on Trade and Development’, Geneva, Switzerland. www.siteresources.worldbank.org, web, 29 August 2017, p. 8.
8. Ibid, p.8-9.
9. Sapru R K: “Development Administration: crisis and continuities” in Development Administration by R K Sapru”, Sterling publications Pvt. Ltd, New Delhi 2015, p.400.

