

10 Themes | 26 Focus Subjects | 82 Indicators

PUBLIC AFFAIRS INDEX

Governance in the States of India | 2017

Dr. C.K.Mathew | Udit Dutta | Architha Narayanan | Shulka Jalodia



PUBLIC AFFAIRS CENTRE
Committed to good governance



www.pai.pacindia.org



Public Affairs Index - Governance in the States of India - 2017

Authors: Dr. C.K.Mathew | Udit Dutta | Architha Narayanan | Shulka Jalodia

ISBN: 978-81-88816-93-4

We request an acknowledgement of the Public Affairs Centre's work while using this approach or the data here (the suggested citation: **Mathew, C.K.; Dutta, Udit; Narayanan, Architha and Jalodia, Shulka (2017). Public Affairs Index (2017): Governance in the States of India, Bangalore: PAC, ISBN: 978-81-88816-93-4).**

Public Affairs Centre (PAC) is a not for profit organization, established in 1994 that is dedicated to improving the quality of governance in India. The focus of PAC is primarily in areas where citizens and civil society organizations can play a proactive role in improving governance. In this regard, PAC undertakes and supports research, disseminates research findings, facilitates collective citizen action through awareness raising and capacity building activities, and provides advisory services to state and non-state agencies.

Public Affairs Centre

No. 15, KIADB Industrial Area
Bommasandra – Jigani Link Road
Bangalore 560105 India
Phone +91 (0) 80 278 399 18 / 19 / 20
mail@pacindia.org
www.pacindia.org

Copyright © 2017 Public Affairs Centre

Some rights reserved. Content in this publication can be freely shared, distributed, or adapted. However, any work, adapted or otherwise, derived from this publication must be attributed to Public Affairs Centre, Bangalore. This work may not be used for commercial purposes.

Website design : Shaibig Infosystems & Solutions
www.shaibiginfosystem.com

Book & PAI Logo design : Mallikarjun R Hosmath
mrh@spurana.com

Printed in Bangalore at Ramya Reprographic Pvt Ltd



www.pai.pacindia.org
www.publicaffairsindex.in



PUBLIC AFFAIRS CENTRE
Citizenship, Integrity, Governance



Copyright © 2017 Public Affairs Centre

Public Affairs Centre

Established in 1994 with a mandate to improve the quality of governance in India, the creation of Public Affairs Centre (PAC) was perhaps the first civil society-led institutional initiative to mobilize a demand for good governance in India. The focus of the centre is primarily in areas where citizens and civil society organizations can play a proactive role in improving governance. PAC undertakes and supports research, disseminates research findings, facilitates collective citizen action through awareness raising and capacity building activities, and provides advisory services to state and non-state agencies.

A think tank committed to good governance, PAC is more than two decades old, and has consistently adopted the cause of the citizen in the formulation, implementation and review of government programmes in the country. The well-known Citizen Report Card (CRC) is one of its early social accountability tools that assisted the government in understanding the opinion of the people on the nature and quality of the programmes put into place by the government and its many agencies. Over the years, it has brought out several treatises and publications that reflect its concern towards good governance and citizen engagement.

In denomination and in terms of contribution, PAC is now considered within the fraternity of think tanks that promote and support evidence-based policy design, formulation and implementation.

10 Themes | 26 Focus Subjects | 82 Indicators

PUBLIC AFFAIRS INDEX

Governance in the States of India | 2017

Dr. C.K.Mathew | Uditā Dutta | Architha Narayanan | Shulka Jalodia



PUBLIC AFFAIRS CENTRE
Committed to good governance



The team which prepared the PAI 2017 report was led by **Dr C.K.Mathew**, former Chief Secretary to the Government of Rajasthan and Senior Fellow of the Public Affairs Centre, Bangalore. From the 1977 batch of the IAS, he has held important positions in Government, including those of Principal Secretary to the Chief Minister and Additional Chief Secretary in the Finance Department. He is the author of two books and is an avid blogger. He had also spearheaded the first PAI report of 2016 and has recently compiled and edited a volume of several essays by former Chief Secretaries of the states of India entitled “In the Rear-View Mirror”. He is available at mathew@pacindia.org.



Uditadutta is a Programme Officer in the Public Policy Research Group at PAC and was mainly responsible for data crunching and its further analysis of the PAI 2017 report. As an intern last year she was closely involved with the preparation of the first PAI 2016. She received her undergraduate degree in Economics from University of Calcutta. She completed her Masters in Economics, with a specialization in Development Studies, from Symbiosis School of Economics, Pune. Her research interests include Development Economics, Public Policy, Econometrics and Urbanisation. She can be reached at uditadutta@pacindia.org.



Architha Narayanan is a lawyer by training and is currently in the final year of her Masters in Public Policy and Governance at the Azim Premji University, Bangalore. Her work involved data collection and analysis of PAI 2017. She has previously worked with the World Resources Institute and the Times of India as a research and an editorial intern. Her interests lie in Ethics, Law and Governance, Politics and International Relations and she has been a part of various national competitions such as parliamentary debates, moot court competitions and Model United Nations. She has also represented Karnataka in various national and state level kickboxing competitions. Her other interests include music, martial arts and philosophy.



Shulka Jalodia is a graduate in Economics from University of Delhi and is currently in the final semester of Masters in Public Policy and Governance at Azim Premji University. She collected the data for PAI 2017 and was engaged in analyzing them. Her areas of interest lie in evidence based policy design and quantitative evaluations of public policies using Randomised Controlled Trials. She has an experience of working with data in the field of Micro finance to do quantitative evaluation of the policies pertaining to financial and non financial needs of the micro entrepreneurs in Hosur, Tamil Nadu.

THE EDITORIAL AND DESIGN TEAM



Vivek Divekar is Programme Manager with PAC. He oversees the Resources and Corporate Relations function, apart from involvement in Research-Studies and supporting simple Storytelling through Data-Visualization. Presently, through our partner PAF he is involved with the 'Stakeholder survey of Social Welfare Department Hostels and KREIS Residential Schools in Karnataka (GoK)' undertaken within a Monitoring & Evaluation Framework and including Social Accountability instrument such as digital-CRC (Citizen Report Cards); and the 'Benchmarking of Public Services in North East India' programme, an initiative to enhance voice and capacity at the grassroots level. His areas of research interest include Social Heuristics tools of Bounded Rationality and Participatory Governance Frameworks. Vivek can be reached at vivek@pacindia.org.



Varsha Pillai with her over 14 years of experience in the Communications space leads the Policy Engagement and Communications Team at PAC and is presently in charge of building networks in the media for the centre. She is also pursuing her PhD from Symbiosis International University under the media, communication and design faculty. Her research interests lie in media advocacy, gender and communications, while her interest in fiction writing ensured that her short fiction stories were published in different short story anthologies. Varsha can be reached at varshapillai@pacindia.org.



Akash Vadan is the Communications Officer in the Policy Engagement and Communication team at PAC and is presently handling the social media communication products. His research interests lie in politics, history and governance. Akash can be reached at akash@pacindia.org.

ACKNOWLEDGEMENTS

We must place on record our appreciation to the new Director of Public Affairs Centre, Bangalore, Shri G Gurucharan, who, with his vast experience both at the Centre and the State, is aware of the complexities of the subject, and who has consistently supported the writing of this report. Gratitude too to the other staff members of PAC who, through their advice and suggestions, have enriched the final results emerging from the study: This includes Dr Meena Nair, Head, Participatory Governance Research Group, PAC and Dr Lalita Pulavarti, Senior Manager, PAF (Public Affairs Foundation (PAF) is a sister organization of PAC) who provided new insights and inputs for the project. Dr Meena Nair also cast a careful eye over the text of the chapters and ensured that the errors were eliminated. Thanks are also due to two external experts who assisted in the identification of the indicators for the special focus theme of Inequality and the statistical methodology adopted for PAI 2017, namely, Dr Abdul Aziz and Dr. Kaushik Basu both from National Law School, Bangalore. Priyanka Agarwal, Programme Officer, PAC, who was involved with the first PAI report 2016 as an intern, also supported the editorial team in developing the annexures of the report. Thanks to Anil Kumar, System Administrator, PAC and Arvind L Sha, Senior Programme Officer, PAC, for their help.

Special mention must also be made to the Think Tank Initiative of the International Development Research Centre, which has provided untied grants to enable the Centre to take up such innovative projects.

INDEX

■	FOREWORD	012
■	INTRODUCTION - Governance in the States of India	014
■	METHODOLOGY	024
■	PAI - THEMES	
●	01 THEME - ESSENTIAL INFRASTRUCTURE	030
●	02 THEME - SUPPORT TO HUMAN DEVELOPMENT	038
●	03 THEME - SOCIAL PROTECTION	044
●	04 THEME - WOMEN AND CHILDREN	052
●	05 THEME - CRIME, LAW & ORDER	058
●	06 THEME - DELIVERY OF JUSTICE	066
●	07 THEME - ENVIRONMENT	072
●	08 THEME - TRANSPARENCY AND ACCOUNTABILITY	078
●	09 THEME - FISCAL MANAGEMENT	084
●	10 THEME - ECONOMIC FREEDOM	090
■	PAI SCORE - AGGREGATED RANKING	096
●	A ranking of Indian states on Governance	098
●	Insights: PAI and other developmental indices	102
■	SENTIMENT ANALYSIS	106
■	INEQUALITY	116
■	ANNEXURE	136
●	PAI - Theme wise state ranking	138
●	PAI - How each state fares ? (Large States)	139
●	PAI - How each state fares ? (Small States)	141
●	List of themes, focus subjects, indicators and weightages	143
●	INEQUALITY: List of themes, focus subjects, indicators and weightages	149
■	MEDIA COVERAGE	153
■	PAC PUBLICATIONS	155

FOREWORD



*G. Gurucharan, Director
Public Affairs Centre*

The Public Affairs Centre (PAC) (<http://www.pacindia.org>), a 'not for profit' think tank established in 1994, works primarily in the field of public governance and social accountability in India. Over the last 22 years, the PAC has gained considerable expertise in research relating to public policy, participatory governance, citizen action and sustainability across a wide gamut of sectors and geographies. Our contribution to praxis includes innovative tools like the Citizen Report Card (CRC), Community Score Card (CSC), Climate Change Score Card (CCSC) and Community Level Environment Assessment (CLEA), for real world research. These tools typically generate data at the intersection of citizen-government engagement and provide the basis for evidence based evaluation of public policies and programmes; re-engineering of governance processes and service delivery mechanisms; and restructuring of government and community institutions. They have also enabled PAC to undertake research that is inclusive, giving voice to the marginalised sections, otherwise not heard.

Partnering with governments and non-governments alike, the PAC has helped build capacities in both the community and the state. Our strength is in engaging the community and strengthening service delivery at the 'last mile'. We have an extensive network of Non-Government civil society partners who give us both the reach and depth necessary to engage with individuals, households and the community across the country. PAC is one of the nine distinguished think tanks in India to be part of the Think Tank Initiative consortium led by IDRC, Canada. PAC is also one of the twenty-four prestigious think tanks of South Asia to be represented on the Think Tank Map of the International Centre for Climate Governance (ICCG), Italy.

It is now widely recognised that data and evidence based praxis is central to deploying systems based solutions to enhance equity and inclusion; reorganising public services around peoples' needs and expectations; and enhancing capacities at the last mile on both the supply and the demand sides. This is especially true of the development challenges that need to be addressed in a vast, diverse and pluralist society like India. In the UNDP Human Development Report 2016, India ranks 131 out of 188 countries surveyed. Two important facts emerge from this: first, that after 70 years of independence we are yet a work in progress and therefore a sense of urgency must permeate all levels of public governance; and second, that we must recognise and understand patterns of exclusion if our development strategy has to reach out to those left behind.

In 2016, the PAC introduced the 'Public Affairs Index' (PAI), a log frame, to measure the quality of governance in the states in India and rank them on the basis of a standardised data based framework. The fact that it was based entirely on data residing within government – at the centre and the states – lent credibility to it and PAI has since received recognition as a relatively reliable index. This year our effort has been to improve it further. The highlight of PAI 2017 worth noting is that we have added a chapter on 'Inequality', to emphasise the divergence between regions and states and the divergence within communities and hence the need to prioritise equity and inclusion as key governance objectives in India's otherwise remarkable journey on the path of development. We hope you find PAI 2017 thought provoking and help in a small way to understand the state better.

We would be happy to receive your views, inputs and critiques because we believe that all of us work together for a better India.

G. Gurucharan,
Director
Public Affairs Centre



INTRODUCTION

At a time when the clarion call is for “minimizing government and maximizing governance”, the accurate measurement of the quality of governance has become more important than ever before.

The Public Affairs Centre, having worked extensively in areas of citizen engagement and the assessment of public delivery systems, brought out in 2016 a new product called the Public Affairs Index (PAI) which enumerated ten themes, twenty-five focus subjects and over five dozen specific indicators designed to measure the quality of governance in the states of India.

Now, in this edition of PAI 2017, with an expanded vision covering eighty-two variables, we attempt to measure governance in an even more sensitive and reflective manner. The results would reveal the reasons that make each state unique and some states more developed than others. Further, we take a closer look at the subject of Inequality through an examination of 25 variables measuring three aspects: economic disparity, gender bias and social discrimination.

This report would enthrall serious students of public administration while at the same time enriching the governance literature of the country. It is our fond hope that it would motivate the states to spur themselves on to do better in areas where their potential remains unrealized.



The year gone by



The Public Affairs Index (PAI) is a product of the Public Affairs Centre (PAC), Bangalore, a think tank working in the field of governance and citizen engagement for over two decades now. PAC is best known for its seminal work carried out in the formulation of the Citizen Report Card (CRC), a powerful tool to provide public agencies with systematic feedback from users of public services. Over the years it has been adopted within the country as well as abroad. CRC provides a rigorous basis, and a proactive agenda, for communities, civil society organizations or local governments to engage in a dialogue with service providers to improve the delivery of public services. This was followed by other social accountability tools such as Community Score Cards (CSC) so as to strengthen the voice of the citizen in policy formulation, implementation and feedback.

The Public Affairs Index (PAI) 2016 is a recent product of PAC. It may be defined as an ambitious attempt to rank the states of the country, culturally, economically and socially diverse as they are, into

a common, data driven framework so as to enable an interstate comparison. Based on a detailed examination of ten broad themes of governance, it analyses data available in the public domain, to arrive at scores and ranks for each of the states of the country. The aggregation and analysis of the 68 carefully selected indicators revealed the nature and quality of governance in the states of the country. The report was formally released on the 12th of March 2016 by the former Chief Justice of the Supreme Court of India Justice Shri M. N. Venkatachaliah in the presence of Shri Mohan Das Pai, Chairman of Manipal Global Education. Chief Secretaries of the top ranking states were also present on the occasion.

Thereafter, the report received wide attention in the national and state level press. An interaction with Sochara (Society for Community Health Awareness Research and Action) Bangalore was held where the concept was discussed and explained to an interested audience. The report was also presented formally to the State Governments of Tamil Nadu, Andhra Pradesh and Mizoram. The Lal Bahadur Shastri National



Academy of Administration (LBSNAA), Mussoorie invited PAC to make a presentation on PAI 2016 to a batch of its probationers, namely the State Service officers of a large number of states, who had been recently promoted into the Indian Administrative Service. In addition, presentations were made to the students and faculty of Symbiosis School of Economics, Pune. Recently, in two regional conferences of the National Human Rights Commission held at Shillong (on 3rd November 2016) and at Bangalore (on 20th December 2016), PAC was requested to make a presentation on the PAI to representatives of State Governments on the subject of Good Governance with special focus on corruption, transparency, accountability and participation.

Moreover, the PAI was presented to, and was received well by, all the delegates of a conference held by the Odisha Vikash Conclave, at Bhubaneswar, where state government and civil society organizations and corporate entities were represented. It is also a matter of pride for PAC that the National Institution for Transforming India (NITI) Aayog has expressed an interest in utilizing the PAI methodology for developing an index to measure the quality of education in the country. There is also a proposal received from the Global Practice Division of the World Bank for making a presentation at their workshop to be held at Delhi/Jaipur some time shortly.

The report also received wide media attention in local and national newspapers. It is heartening to note that Bibek Debroy, Member of NITI Aayog, also wrote an article on the PAI, which drew national attention to the report.¹

A very recent development has been the visit of about 15 representatives of the Information and



Decision Support Centre (IDSC) of the Egyptian Government to Bangalore, at the behest of the World Bank, to study the processes of empowering and engaging the citizens of their country to become equal partners in the policy making processes to further Egypt's democratic transition. Public Affairs Foundation (PAF) a sister organization of the PAC, had been designated as the lead partner in this effort. The PAI was presented to the IDSC team and an exercise was carried out to assess whether the concerns addressed in PAI by way of themes, focus subjects and indicators crucial to our country, may be equally relevant to the Egyptian people as well. During discussions it was revealed that the availability of general information in the public domain in India is far more detailed and expansive than in Egypt. This is a tribute to the transparency and availability of government data in India which makes such comparative reports possible.

PAI and its relevance in the new world order

Motivated by the wide spread positive response to PAI 2016, PAC proposes to prepare annual PAI

reports which, while examining critical issues of general governance, will also additionally provide in-depth focus on identified sectors of special interest to the people. In PAI 2017 we are, in addition to the ranking of the states on quality of governance, also taking a closer look at issues of inequality as expressed in economic, social and gender perspectives.

In the Introduction to Public Affairs Index (PAI) 2016, there were some thoughts expressed about the changing nature of governance in the context of the sweeping international changes that have expressed themselves in the realities of post-cold war realpolitik. The failure of socialism to deliver economic benefits to the large percentage of people living in poor conditions, further highlighted the need for constant re-evaluation of the study of governance. We have recently celebrated the 25th anniversary of the New Economic Policy initiated in 1991 and the country has introspected about the changes that it has brought in, in the last quarter of a century. On the other hand, the continuing, though diminished, travails associated with international recession have raised large questions on the subject of capitalism as a medium of economic development. The



The European Union is going through a severe crisis after Brexit and the dream of a unified international economy, where all the countries engage with each other in a system of mutual benefit and combined economic prosperity, seems to have receded recently. The unexpected election of Donald Trump as President of the United States of America, has shocked the liberal and middle-

INTRODUCTION

of-the-road polity in that country, raising fears of a white dominated and conservative backlash that would deal a severe blow to the principle of liberal humanism and a world community where all humans, irrespective of colour and race, are equal.

One crisis after another, engendered by internecine wars and the increasing involvement of the super powers, has made the world a darker and more unsafe place to live in. Syria and the catastrophe faced by the threat of an Islamic world order, as propounded by ISIS, has shaken up the complacency of a world that had hitherto lived by basic human principles and tolerance. Some would argue that the attack made by the Americans on Iraq by the administration of Bush the Second, and the consequent toppling of the Saddam regime, without any proof of its complicity in the Twin Towers attack, without establishing the presence of weapons of mass destruction, started the recent cycle of violence and terror that the Islamic jihadists unleashed on the unsuspecting world.

Be that as it may, the world order has changed. The influx of immigrants into Europe and the US raised many fears hitherto lying dormant and suddenly the world is no longer a safe place to live in. The conservative right started encroaching upon the mental space of the world and it soon became an attractive ideology for many people to follow and espouse. The fall of the United States to such right wing ideology was not expected, but the new President may yet shake up the world into a new order that would be unrecognizable. Everywhere, it seems that the drawbridges are being raised, the ramparts are being strengthened and the world is preparing for a siege as a prelude to a great new Armageddon.

In India too, there were tremors that did not fail to raise apprehensions. The question of patriotism was elevated to a litmus test and those of the liberals and humanists, clubbed as 'intellectuals', often received the ire and rage of the 'nationalists.' The disturbing events on our western border has given some pause to the ongoing efforts to convert



India into a vibrant economic super power in the world. And this despite certain positive achievements which enabled the country to raise itself above sectarian political considerations and pass the Goods and Services Act, 2016, which is likely to change the character and current opaqueness of our domestic trade and industry. So too, is the creation of a mechanism to deliberate on the monetary policy for our country, a significant development in our on-going measures to bring transparency into the country's fiscal ecosystem.

PAI 2017

This new edition of PAI 2017 does not intend to touch upon the principles of good governance that have been already discussed in some detail in the Introduction to PAI 2016. However, it would be appropriate to discuss some of the significant feedback we have received after PAI 2016 was published, some by way of critique and some by way of seeking clarification. One of the key issues raised was whether, combining outcomes, institutions and processes as we have done in the methodology adopted for PAI, is advisable. It may be recalled that while many of the indicators identified are outcomes, such as per capita

consumption of power, or, surfaced roads as a percentage of total roads, there are other indicators which look at institutions such as the existence of Water Regulatory Commission in a state, or the promulgation of an Act or statute for the regulation of ground water, and so on. Yet again, there are indicators which examine processes such as institutional delivery under the ambit of mother and child care, as also the ASER report to assess the learning capabilities of children in public schools. All these indicators have been blended together after assigning weights and then aggregated at three levels, namely the indicator level, the focus subject level and finally at the theme level. The grand aggregate scoring of all these levels leads the reader to the Public Affairs Index which ranks the states of India on overall governance.

Some critics have enquired, whether this is statistically correct. Can outcomes, processes and existence of institutional arrangements, all of them different reference points, be mixed together? Are we comparing oranges with apples with mangoes? The question cannot be brushed away or denied. The answer that presents itself is that governance too cannot be divided into clear cut compartments: the true nature of governance is the harmonious integration of all the activities of the organs of the state, the smooth functioning of the processes involved in the delivery of services, the effective working of the institutions and a million other functions that together constitute good governance. The nature of the governance of this country is, therefore, best described as the amalgamation of all processes and outcomes and formal as well as informal institutions that together ensure that the will of the people is served. And, therefore, the manner of

evaluation of the working of a government, or the character of its governance, has to necessarily include all these different and varying aspects. And thus, the same methodology has been adopted in PAI 2017 as well.

Another interesting issue that arose during post-PAI 2016 discussions is on the question of combining both the CAGR statistics as well as end-point data. This needs further explanation. In order to ascertain whether a state has been improving its position in any one of the selected indicators over, say a three-year period, we have taken into consideration the annual figures of the states and derived its Cumulative Aggregate Growth Rate (CAGR) from the same. We have also, depending upon the nature of the variable concerned, taken the end-point data too: that is the current status of the state in a particular programme or aspect of development. We have noted that exceptionally well-performing states may not be able to show outstanding improvement year on year as the progress becomes more and more difficult with achievements close to perfection. For example, Kerala is already a fully literate state; how much increase in achievement can be made by Kerala insofar as literacy is concerned? Thus, if we base our ranking of states only on the year on year growth, we will be doing an injustice to an outstanding state, in comparison to a state which initially makes progress by leaps and bounds, since it is starting from a low base line.

$$CAGR = \left(\frac{V_{end}}{V_{begin}} \right)^{\left(\frac{1}{\#Periods} \right)} - 1$$

On the other hand, it is also necessary to take note of the position that a particular state is at, at a particular moment in time, and not its CAGR over a three-year period. In the analysis of a state, in several indicators, we have taken both CAGR and end point results with an assigned weight of 50% each. Statisticians have argued that CAGR and end point data cannot be combined. We have respectfully declined to accept that advice. It appears to us that a real picture of how the state is performing can be arrived at by combining both CAGR and end point data so as to reveal a picture of its progress over the said three-year period as well as the end point. To put it in another way, we are combining a photo (an end point data) with a video (a moving average as depicted by the CAGR). The purpose is to measure the movement of the states over a period of time so as to assess its trajectory of growth.

PAI 2017 shall attempt to track the many changes that have been brought in after the release of PAI 2016 in March 2016. Each of the ten themes will record these changes and new developments and then make an assessment as to the impact of those changes in the scoring and the ranking of the states of India. A listing of the developments in the current year will update the reader as to what is happening in the realms of governance across the ten identified themes. As to whether these developments have had an impact on the ranking of the states may be difficult to assert; or perhaps the impact of the new initiatives will take time to have an appreciable effect on the data pertaining to that particular programme. Even so, we have tried to list out these new developments as they are significant advances in the over all governance of the country.

We have a new entrant in the ranking list. Telangana was already in existence when PAI 2016 was released, but the data in all the required details and specificities was not in the public domain. Hence, we had no option but to depict the statistics of the combined state of Andhra Pradesh in our examination of the quality of governance in the country. A year on, Telangana has made significant efforts to bring out all the relevant data that we can use to study its progress insofar as the ten themes are concerned: we entered into correspondence with the Planning Department of Telangana and have managed to obtain access to much data which will be invaluable in such inter-state comparisons. And thus there are thirty states for comparison and ranking in this report PAI 2017. Where such data is not available, we shall be mentioning its absence at the relevant places so that the reader is aware of the same.

The steel frame

In this introduction to PAI 2017, there are two aspects of governance that are being highlighted: systems of administration and the political leadership at the national level. We shall look at the administrative structure in the country which, in fact, is responsible for the implementation of the programmes of the Government, Central and State, as well as the maintenance of law and order, collection of taxes, etc. Mention must be made of the Indian Administrative Service, and the other All India Services, along with the various services of the State Governments, all of which contribute to the effective administration of the country.

The starting point for the creation of an administrative apparatus for the governance of the

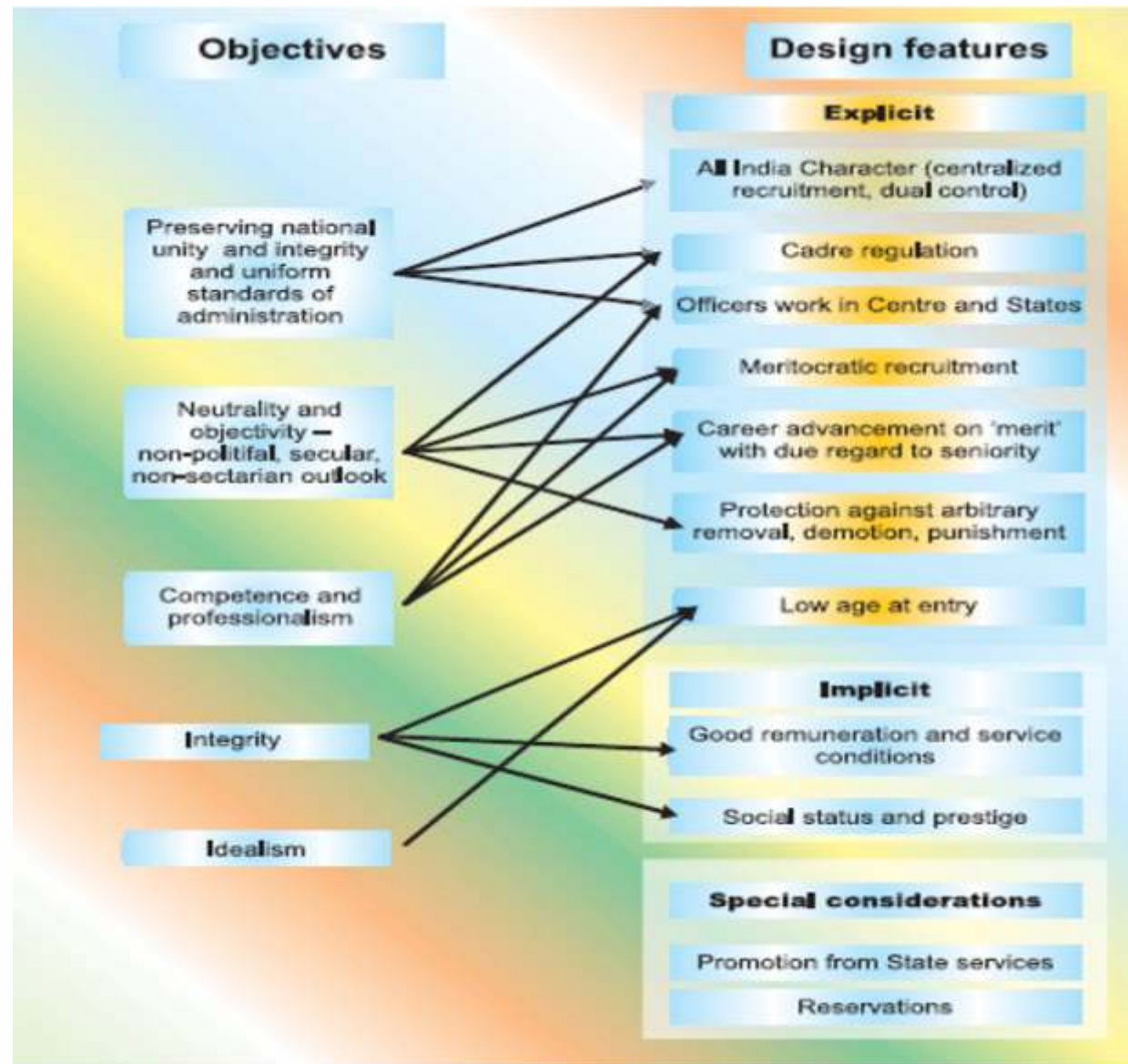
INTRODUCTION

country, must be attributed to Macaulay's recommendation in the mid-nineteenth century. He argued for the creation of a civil service, based not on patronage as was prevalent during the times of the East India Company, but on merit:

*“Henceforth, an appointment to the civil service...will not be a matter of favour, but a matter of right. He who obtains such an appointment will owe it solely to his own abilities and industry.”*²

After Independence, the Indian political leaders opted to retain elements of the British structure of a “unified administrative system such as an open entry system based on academic achievements, elaborate training arrangements, permanency of tenure, important posts at Union, State and district levels reserved for the civil service, a regular graduated scale of pay with pension and other benefits and a system of promotions and transfers based predominantly on seniority.”³

The Civil Services in India can be grouped into three categories; services which serve both the Union Government and the State Government are termed as the All India Services; services which serve only the Central Government are called the Central Civil Services; and, the states have their own group of services known as the State Civil Services. Article 312 of the Constitution empowers the Parliament to create the All India Services (AIS). The AIS Act of 1951 prescribes the rules and regulations for the selection into the AIS. The key objectives of the AIS are: (a) preserving national unity and integrity and uniform standards of administration; (b)



neutrality and objectivity – non-political, secular and non-sectarian outlook; (c) competence, efficiency and professionalism – at entry by attracting the best and the brightest and throughout the career; (d) integrity; and (e) idealism. The figure alongside gives the key features of the design of the AIS. From time to time, there have been attempts to reform the civil service of the country: about fifty Commissions and Committees have been formed at the level of the Government of India. These bodies have looked at various aspects of governance including the machinery at the Government of India; the apparatus for planning; the nature of Centre-State

Attributes of a Good Administrator

- a. Willingness to assume responsibility.
- b. A steadily enlarging ability to deal with more problems.
- c. A strong bent toward action.
- d. A good listener.
- e. Effective with people.
- f. Capacity to build his own strength by building the competence of his organization.
- g. Capacity to use his institutional resources.
- h. Avoiding using power or authority for their own sake.
- i. Welcoming reports of troublesome things.
- j. A good team-worker.
- k. A good initiator.

(Source: Public Administration for a Welfare State- Paul H Appleby), 1961.

relationship; financial, personnel and economic administration; administration at the state and district levels, problems of redress of citizen grievances etc. The reports of the Committees and Commissions run into several hundred recommendations. These recommendations are placed on the table of the Parliament and often debated hotly. There is a general perception, often reflected in the report of the Commissions and committees that the administration, especially the IAS, has become elitist and quite distanced from the people. Changes in the method of



examinations undertaken by the Union Public Services Commission have been enabling young aspirants from moffusil and rural areas also to enter the All India Services. In the same way, the State Services have also evolved in a manner as to best implement the programmes of the State government, while at the same time providing an opportunity to the State Service Officers to be selected on the basis of merit and seniority and get promoted into the India Administrative Service.

Conditions in the field are complex: political interference in day-to-day administration has increased and has taken a form never seen before. Caste and religious prejudices complicate the lives of the civil servants. Corruption, it is apprehended, raises its head nearly everywhere. The unholy nexus, as it is stated, of politician, engineer and officer, sullies the waters in every project taken up for execution. In such circumstances, at the cutting edge, the role of the District Collector, or the Deputy Commissioner as

he is referred to in some states, becomes crucial. Other district level officers, such as the Superintendent of Police, also bear the brunt of the daily task of administration. The Lal Bahadur Shastri National Academy of Administration (LBSNAA) at Mussoorie and its counterpart institutions for the other services, provide basic training to the young entrants: but it can be clearly stated that the acquisition of skills and capabilities required for the young administrators to ready themselves for the awesome responsibilities at ground zero, are really learnt on the job, in the midst of risks and travails of public administration. Dealing with public representatives has become a complex skill for the young civil servants, that is vital to ensure the inclusive and participatory development of the state and the country. And though there are enough stories of corruption and misuse of power, by and large the Services have performed their duties to the best of their abilities. Unsung and unhonoured, they perform their duties in the towns and villages of the country, without search for reward and with a simple anonymity that is still enviable and worth emulation.

It is in this context that the nature and quality of the political leadership provided to the bureaucrats is of vital importance; any action of the political masters perceived to be dilatory, or as being mere lip-service, or in contradiction to the best principles of administration, can cause loss of confidence for the district level administrator and derail the progress of the district or state.

INTRODUCTION



The Prime Minister: The Game Changer

A mention of the Prime Minister at this point will not be out of place.

Nominated as the newsmaker of the year 2016 by India Today, Prime Minister Narendra Modi has been a game changer in every sense of the word. His command over the social media is phenomenal, with over 25 million twitter followers and over 35 million Facebook likes, more than any other world leader. He travels all over the country and abroad (he has visited 16 countries in the year gone by) and commands a presence that few Prime Ministers have had till now. While there were discordant notes in the first part of his tenure, with issues of intolerance, beef ban, dalit atrocity and moral policing on the headlines, there is no doubt that 2016 was Modi's year when he came into his own. Wrestling a consensus on the contentious issue of GST in the Parliament was a singular achievement. The surgical strike against a belligerent neighbor was a bold move, that would influence the relationship between the two countries. So was his November 8th declaration of demonetization, which affected every single citizen of the country.



The schemes he has launched, almost twenty-five in number, have largely caught the imagination of the people. The most widely talked about are Swachh Bharat Abhiyan, Pradhan Mantri Jan-Dhan Yojana, Pradhan Mantri Mudra Yojana, Pradhan Mantri Ujjwala Yojana, UJALA Yojana, Deendayal Antyodaya Yojana, Pradhan Mantri Awas Yojana, Direct Benefit Transfer, Mission Indradhanush, Beti Bachao, Beti Padhao Yojana, Make in India, Digital India and Startup India etc.

The reference to the Prime Minister is critical in this report of PAI: one of the first announcements he made after being sworn in as Prime Minister in mid-2014 was to declare his resolve to 'minimise government and maximise governance'. Whether that has converted itself into a mantra to improve the quality of governance in the country, both at the level of the Union Government and the State Governments is yet to be analysed. There are critics who argue that the Prime Minister's Office is now more centralized than ever, with every decision requiring his approval. Nevertheless, the ability of the man to take bold and dramatic

decisions is now a part of his personality. No study of the quality of governance in the country can be complete without reference to this mercurial personality.

With the opposition in disarray and with no credible leadership, Modi's presence in the Indian polity is larger than life; some of his critics call it as all media management and high quality showmanship; others testify to his selfless leadership and personal cleanliness in the leadership of the country. The spectacular victory in the recent Assembly election, particularly in Uttar Pradesh as well as the wresting of power in Goa and Manipur, have added to his stature as a rare national leader. There is no denying that he has a stellar role to play in the governance of this country and for this reason alone, he has a special place in this introduction to the report.

The format of PAI 2017

Indeed, PAI 2017, like its predecessor, PAI 2016, shall, while using updated data, and enhancing the number of focus subjects and variables, primarily repeat the exercise conducted in the last year; that is to identify 82 indicators spread over 26 focus subjects and 10 broad themes, arranged in a pyramidal hierarchy. While the ten themes have been assigned equal weightage, the focus subjects and the specific variables have been assigned differential weightages depending upon a reasoned and logical appreciation of the importance of those subjects and variables to the overall concept of good governance. These details have been mentioned elsewhere in this report.

Unlike PAI 2016, PAI 2017, as already mentioned, makes an attempt to also focus on an important

I often say that when you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind... William Thomson, the Scottish physicist also known as Lord Kelvin, in his lecture on May 3, 1883, "Electrical Units of Measurement" (Popular Lectures, Vol. 1, page 73)

theme that profoundly affects the quality of our collective lives; inequality, though prevalent in some measure or the other in every nation in the world, is being depicted in this report as a pointer to the contradictions in the story of growth of our country; a large number of indicators have been identified and presented for this purpose.

The detailed justification for the selection of the specified indicators and the premise on which these special focus studies are being carried out have been explained in the respective chapters.

PAC also deems it necessary to articulate the reason why the preparation of this report is considered necessary for the overall issue of governance in the country. It is a well known axiom that "what is measured, gets done". Though attributed to Peter Drucker, the management guru, the real source of that little nugget appears to be Lord Kelvin: it can be employed for any aspect of governance or management and used in a manner to enforce better compliance and produce results. The amorphous nature of governance and the difficulty of portraying it in a manner as to be objective, data based and hence acceptable to the

discerning citizen, is indeed a challenge. PAC had addressed these issues to produce a credible report on the quality of governance in the states of India in its PAI 2016 report; and through this, the PAI 2017, it is setting in place a tradition that it hopes will be of a recurring annual format, while never compromising on the quality of its data or the objectivity with which it has been depicted.

It is our fond hope that PAI 2017 will further build on the trends we have already seen when PAI 2016 was released. The curiosity that it had engendered, both in State and national bodies, was heartening and representative of the interest that the study generated, as well as the sincerity of these bodies to grapple with important questions of governance. We hope that that curiosity and sincerity is further re-kindled and taken forward. PAC is 'committed to good governance' and shall remain dedicated to it. If by doing so we can aid the state governments to further the goals of governance and reach its benefits to the people of India, then there can be no better reward for us.

Written by **Dr. C K Mathew**

End Notes

¹ <http://indianexpress.com/article/opinion/columns/the-best-governed-of-them-all-2773364/>

² Quoted from Macaulay Committee Report on the Civil Service; Vol 1 HMSO: London 1975

³ RB Jain and OP Dwivedi, *Bureaucracy in India, the Developmental Context*; from the book, *Bureaucratic Politics in the Third World*, Gitanjali Publishing House, 1989.

Photograph sources:

PAI Launch: Public Affairs Centre.

PAI: Public Affairs Centre.

Donald Trump:

http://www.slate.com/content/dam/slate/blogs/money_box/2015/08/16/donald_trump_on_immigration_build_border_fence_make_mexico_pay_for_it/483208412-real-estate-tycoon-donald-trump-flashes-the-thumbs-up.jpg.CROP.promo-xlarge2.jpg

GST: <http://bookmyhouse.com/blog/wp-content/uploads/2016/08/GST-Bill.jpg>

CAGR:

<http://www.chaelchristopher.com/compounded-annual-growth-rate-cagr-in-microstrategy/>

UPSC:

<https://iasandyou.files.wordpress.com/2016/04/upsc-logo.jpg?w=307&h=307>

Prime Minister: <http://www.pmindia.gov.in/en/pms-profile/>



METHODOLOGY



Structure of PAI 2017

After the launch of PAI 2016, the PAI team had several rounds of internal discussion to help formulate the strategy for PAI 2017 and for defining the structure there of. Initially three basic questions rose in our minds and they were:

1. Have we missed out any important theme in PAI 2016, which could enhance the qualitative assessment of governance in the states of India?
2. Are the identified 68 indicators in PAI 2016 sufficient to conceptualise governance or do we need to take on board some more indicators so as to make our study even more comprehensive?
3. What should be the special feature of PAI 2017 that would help to make it distinct from PAI 2016 and render more value to the same ?

All the above questions were addressed even as we received suggestions and advice from various State Governments, academic institutions and workshops. The list of indicators for PAI 2017 were finalised after several rounds of discussions with PAC staff and other interested persons. Our own reading on such comparative studies of governance gave us new thoughts and ideas to mull over. We also had a discussion with two expert faculty members from National Law School, Bangalore who helped us in strengthening the list of indicators for PAI 2017.

After all these deliberations, we decided to modify the list of already existing 68 indicators in PAI 2016. Therefore, we decided to add new indicators which were very crucial, tweak certain other indicators so as to make them more relevant and

also drop those which were either overlapping in nature or not closely related to governance.

Thus, in PAI 2017 we added a total of 16 indicators, tweaked 2, and dropped 2 others, so as to arrive at a total of 82 indicators. We also added one focus subject. PAI 2017 now has **ten themes, twenty six focus subjects and eighty two indicators.**

PAI 2017
New Indicators = 16
Tweaked Indicators = 2
Dropped Indicators = 2
Total Indicators = 82

In addition, we are also focusing on one special theme for closer study, namely, Inequality.

Data collection

Data was largely collected from secondary sources and was extracted only from Union Government Ministries and Departments. Government data in the public domain is the least controversial, and PAC was not keen to access private data sources that may be interpreted as biased or slanted. Only in three cases, we had to rely on non Governmental sources and they are:

1. In order to assess the quality of the learning levels of the students in public schools, we accessed data from ASER report of 2016, which has been developed by Pratham, an NGO. It has a credibility that is impressive in a contentious subject such as learning capabilities.
2. To track the criminal records of MLAs we extracted the information from MyNeta, which is a website for ADR (Association for Democratic

Reforms), the only known and reliable source for information pertaining to criminal records of MLAs, which itself is based on information revealed by the candidates themselves when they file their nomination for elections.

3. To get information related to Right to Public Services (RTPS) Act, we collated the data for a few states from Transparency International India. For the rest of the states, the information was sought from their respective state portals.

Standardisation

PAI is all about comparing, through a data driven platform, the quality of governance in the Indian states, which are economically, socially and culturally diverse and different. Further, the geographical and demographic size of each state is also different. Thus, such a pan-India comparison will only make sense if the data is standardised and all the data points are in the same scale of measurement. In PAI we have standardised all the data either by the denominator of population, or by GSDP, or by some other factor depending upon the nature of the parameter. For instance, comparing the incidence of homicide between a large state like Uttar Pradesh and a small state like Manipur will be erroneous unless the data for this variable is standardised with an appropriate unit of population.

Time Period

The Index has been calculated by taking into account only the latest data available in the public domain. As a result, the time period is not same across all the indicators. We have to depend upon the data as it is available in the various data sets across the Ministries and other governmental

sources; thus the asymmetrical nature of the data across the variables is what we have to live with. Therefore, while in some cases we may have relied upon the current year's data, in certain others we have had to go back a few years.

For a few indicators we have considered only the latest data point and in several others we have taken the data for three continuous years for showing a trend. In the case of the latter, we have taken the data of three years so as to demonstrate the movement of the state over a three year period, and thus to establish whether the state is improving or declining over the said period.

Depending upon the nature of parameter, where three consecutive years data was available, we have calculated the Compound Annual Growth Rate (CAGR) as well as Arithmetic Mean (AM) and have given both of them equal weightage. The formulas used to calculate CAGR and AM is mentioned below:

$$CAGR = \left(\frac{\text{End Value}}{\text{Initial Value}} \right)^{1/n} - 1$$

where n = difference in the number of years.

$$AM = \frac{\sum \text{Observations}}{\text{Number of Observations}}$$

The logic behind calculating both CAGR and AM was to give equal importance to the already developed states vis-a-vis the developing and

least developed states. For example, Kerala is a good performing state and its performance will be reflected by AM and not CAGR since it is already developed. In contrast, a developing state's performance will be better reflected by its CAGR.

Index

After calculating the CAGR or AM or taking the latest data point, each and every data set was converted into a scale of **0 to 1**. This is how the index was calculated and depending upon the nature of the indicator, the formula was modified. The details of the formula used for calculating the index values are given below:

In cases, where higher index value indicates positive results, the following formula was used:

Higher the better:

$$\frac{\text{Value} - \text{Minimum}}{\text{Maximum} - \text{Minimum}}$$

For example, the higher the number of Institutional Delivery cases, the lower will be the maternal mortality rates and better the health of the mother and the infant. In such cases the above formula has been used.

On the other hand, where a lower index value indicates better and more positive results, the following formula was used:

Lower the better:

$$\frac{\text{Maximum} - \text{Value}}{\text{Maximum} - \text{Minimum}}$$

METHODOLOGY

For example, a lower debt burden always indicates better financial health for a state.

The above formula has been used by various reputed institutions. For example the NITI Aayog recently (Dec, 2016) came up with a guidebook named “Performance on Health Outcomes”. In this guidebook they have used the same formula. A glimpse of it is given below.

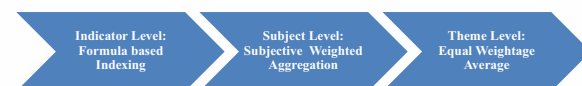
$$\text{Scaled Value (positive indicator)} = \frac{X - \text{Minimum Value}}{\text{Maximum Value} - \text{Minimum Value}}$$

$$\text{Scaled Value (negative indicator)} = \frac{\text{Maximum Value} - X}{\text{Maximum Value} - \text{Minimum Value}}$$

This formula was also used by the Indian economist, Bibek Debroy, now Member, NITI, in the report, 'Economic Freedom of the States of India'. It was also used by the former Governor of Reserve Bank of India, Raghuram Rajan, in a report addressed to the Finance Ministry during 2013.

Weightages

One of the areas where PAI has faced a measure of criticism is the manner in which weightages have been assigned to the indicators. This involves three steps at three levels, namely:



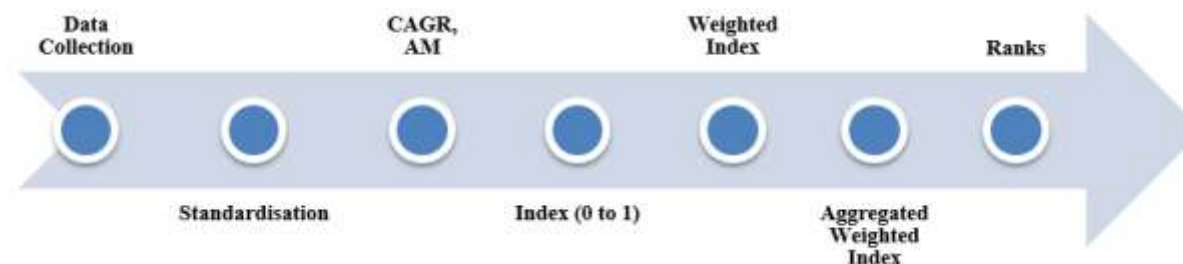
At the indicator level, the above mentioned formula (higher the better or lower the better) was used for calculating the index, after which, the indicators were given a certain weightage. The

weightages are, admittedly, subjective in nature and based on the authors' own justification regarding its importance or relevance to the issue at hand. However, they are not fanciful or whimsical by any interpretation. These weightages were assigned after a detailed discussion about the manner in which it impacts the assessment of the state with regard to the variable under examination or focus subject in question. Finally, all the weighted indices of the indicators were aggregated to arrive at the index of the particular focus subject.

Similarly at the focus subject level, subjective, but well considered weightages, were assigned; and thereafter, all the weighted indices of the focus subjects were aggregated to get the theme level index.

Finally, at the theme level, all the themes were given equal weightage and all the weighted theme indices were aggregated to determine the final PAI 2017 index. From this final index we arrived at the final rankings of all the states, i.e. the state with the highest aggregated index value was allotted Rank 1 and the state with the lowest index value the last Rank 30, i.e. the last rank. Similarly, all the other states were ranked between 1 and 30.

The above methodology is represented in the diagram below:



Microsoft Office Excel was used to conduct all the above steps.

The same methodology is applied throughout the entire study of PAI 2017. It is similarly used in the special theme of Inequality.

Issues regarding the new State of Telangana

In PAI 2016, we had taken into consideration twenty nine states including Delhi. Since the data for Telangana was not available for that year, we were not in a position to include Telangana in the report. In PAI 2017 we have now included Telangana and we are ranking the performance of thirty states including Delhi.

The Government of Telangana was cooperative and indeed, quite supportive in providing us the data for numerous indicators, as they were not available in the public domain. We hereby acknowledge the support extended by Shri. B.P.Acharya, Special Chief Secretary, Planning Department, Government of Telangana, who put in all efforts for providing us with the relevant information. We are grateful to him and his entire team for the same.

The PAI team faced significant issues while ranking the newly formed state of Telangana. The following are the features of the adjustments which were incorporated in the case of Telangana:

- For those indicators where the data of only two years was available, CAGR was not calculated, as a minimum of three years data is required for this purpose. A variation by way of growth rate had to be resorted to, which was calculated by using the formula stated below:

$$\text{Growth Rates} = \frac{\text{End Value} - \text{Initial Value}}{\text{Initial Value}}$$

- For those indicators where only one year's data was available, Average Mean (AM) was taken into consideration. This AM index was calculated along with all the states; however, unlike other states, AM index was given full i.e. 100 per cent weight age.

Categorisation of States

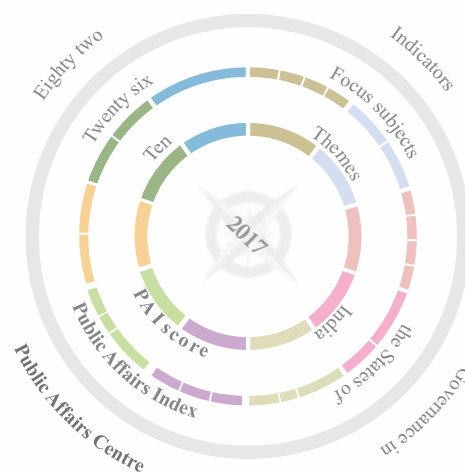
In the process of ranking the states, we have divided the states into two categories, i.e. large states and small states. This categorisation was made on the basis of population. A state with more than 2 Crore population is considered a large state, whereas, a state with less than 2 Crore population was considered a small state.

This report gives rankings among the large states and among the small states. In addition, this report also assigns consolidated rankings for each state regarding their standing amongst all the thirty states.

We have not included Union territories in this study.

There is an interesting postscript. The task of data crunching was mainly undertaken by Ms. Uditia Dutta, Programme Officer, PAC and two interns from the Azim Premji University, Ms. Architha Narayanan and Ms. Shulka Jalodia who worked on the project for about two to three months. In the course of the data mining exercises, their penchant for rigorous examination led them to discover two errors in government data sets available in the public domain: one of the National University of Educational Planning and Administration (NUEPA) and two, that of the Reserve Bank of India itself. Both the organisations were approached with the queries we had; both examined the data in question and were generous enough to acknowledge the errors. They also carried out the necessary rectifications. This gave us an inordinate sense of pride, perhaps larger than the seriousness of the errors detected. It is a testimony to the thoroughness with which the data was mined before being used for PAI 2017.

Written by **Uditia Dutta**



PUBLIC AFFAIRS INDEX

-  **THEME # 1**
ESSENTIAL INFRASTRUCTURE
-  **THEME # 2**
SUPPORT TO HUMAN DEVELOPMENT
-  **THEME # 3**
SOCIAL PROTECTION
-  **THEME # 4**
WOMEN AND CHILDREN
-  **THEME # 5**
CRIME, LAW & ORDER
-  **THEME # 6**
DELIVERY OF JUSTICE
-  **THEME # 7**
ENVIRONMENT
-  **THEME # 8**
TRANSPARENCY AND ACCOUNTABILITY
-  **THEME # 9**
FISCAL MANAGEMENT
-  **THEME # 10**
ECONOMIC FREEDOM
-  **AGGREGATED INDEX**
PAI SCORE

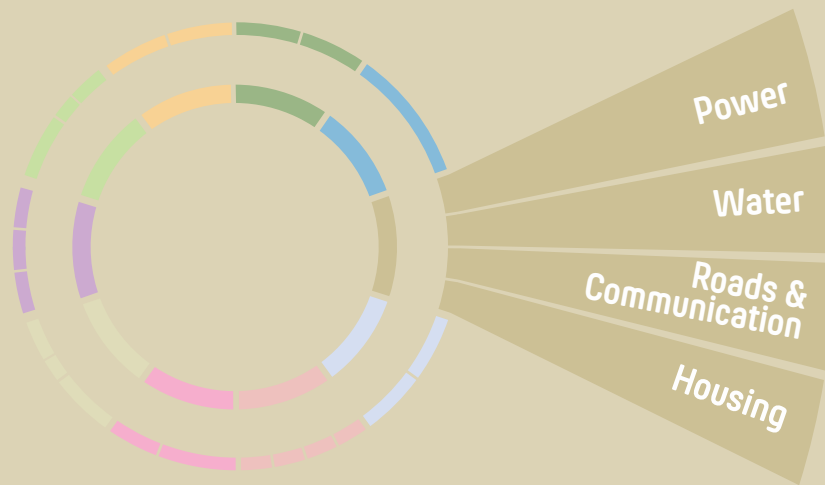
End Notes

¹ NITI Aayog: Performance on Health Outcomes, A reference guidebook, December 2016.

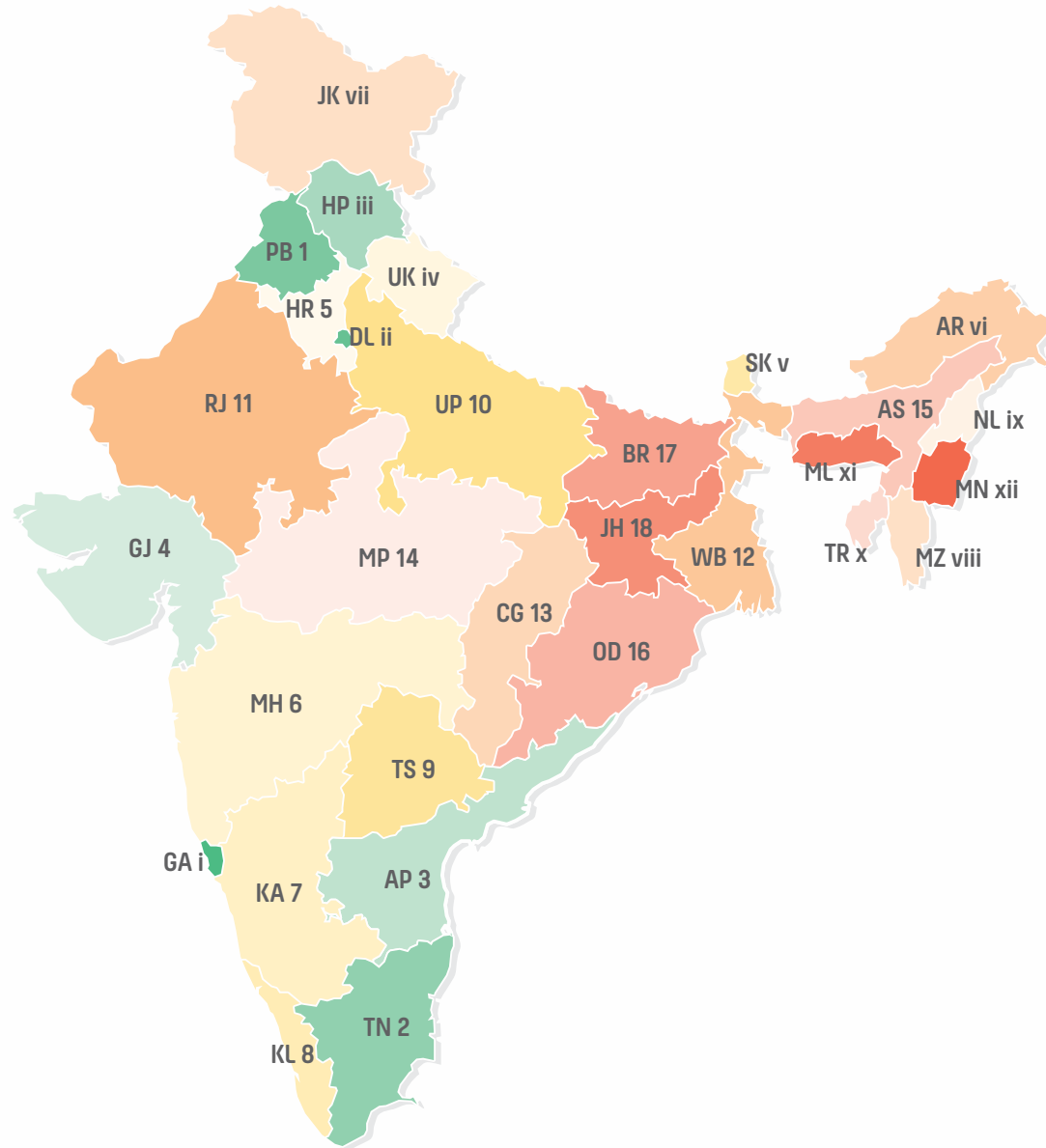


THEME #1

ESSENTIAL INFRASTRUCTURE



- Transmission and Development Losses
- Per Capita Consumption of Power
- Households electrified as a % of total Households
- % of Households with access to safe drinking water
- Total Irrigated Area vs Total Agricultural Area
- Existence of Water Regulatory Commission
- Existence of Ground Water Regulation Act
- Surface Roads as a % of total Roads
- Road Density per 1000 Population
- Households having access to Laptops with internet
- Total Bus Fleet and Buses in Public Sector (SRTUs)
- No. of Kutcha Houses as a % of total Households
- Slum Population as a % of total Urban population
- % of households with toilets inside premises



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	PB Punjab	0.724	
2	TN Tamil Nadu	0.672	
3	AP Andhra Pradesh	0.660	
4	GJ Gujarat	0.646	
5	HR Haryana	0.632	
6	MH Maharashtra	0.609	
7	KA Karnataka	0.599	
8	KL Kerala	0.579	
9	TS Telangana	0.501	
10	UP Uttar Pradesh	0.464	
11	RJ Rajasthan	0.461	
12	WB West Bengal	0.441	
13	CG Chhattisgarh	0.427	
14	MP Madhya Pradesh	0.383	
15	AS Assam	0.356	
16	OD Odisha	0.350	
17	BR Bihar	0.335	
18	JH Jharkhand	0.328	

Rank	Small States	Index	0 scale range 1
i	GA Goa	0.757	
ii	DL Delhi	0.725	
iii	HP Himachal Pradesh	0.663	
iv	UK Uttarakhand	0.631	
v	SK Sikkim	0.544	
vi	AR Arunachal Pradesh	0.439	
vii	JK Jammu & Kashmir	0.416	
viii	MZ Mizoram	0.416	
ix	NL Nagaland	0.410	
x	TR Tripura	0.361	
xi	ML Meghalaya	0.326	
xii	MN Manipur	0.300	

In PAI 2016, we examined in some detail the political philosophy entailed in the matter of the state providing basic and essential infrastructure and how this is one of the fundamental functions of governance, despite arguments to the contrary that the state must only be a facilitator of private efforts to provide such infrastructure at affordable costs. As demonstration thereof, in the budget of 2016-17, the Finance Minister has enhanced allocations on infrastructure by about 10%, thus sending an unmistakeable message of India's commitment to create world-class infrastructure, the superstructure that shall bolster our economy and ensure our place amongst the modern economies in the world.

The total outlay of Rs 3,96,135 Crore is a rise of 10% over the budget of the previous year. Some of its main highlights are as follows: It includes a substantial share for the roads and highways sector of almost Rs. 65,000 crores and the targets assigned for the rural road construction has been increased from 73 kms per day to 133 kms per day. Significantly, affordable housing has been given infrastructure status and tax incentives have been advanced, too. Lock-in period for long-term capital gains on land and buildings has been reduced from three to two years. Customs and excise duties on machinery and on parts used to manufacture solar power project components have been liberalised.

There is no denying that basic infrastructure constitutes the economic backbone of a state. Without proper infrastructure in place, the motor of the state's growth will be impeded, and its potential for growth or development will not be achieved. It is also important to add that governments do realise the complementarities and

the inter-linkages existing between the different sectors. For example, the presence of proper infrastructure will ensure that other sectors like health, education etc. will also develop properly. There are instances of maternal mortality cases due to absence of health centres in nearby villages, or because the distance from the centre to the nearest urban health facility has not been reduced by the construction of motorable roads. Or, the benefits of development have not reached some hilly areas due to poor road connectivity. Therefore, infrastructure is a core sector and Government must emphasize more on this subject for overall development.

The synchronicity of various infra sectors coming together through the catalyst of innovation, research and design should be one of the priorities of a country. The government has to ensure better use of technology, efficient division of labour and more capital investment. If all these are synchronised properly, then we are bound to get better outcomes. For instance, if advanced technology is used in building roads and construction workers are well equipped and educated and at the same time the local administration is on its feet to deliver better services, then better roads will be constructed in a much shorter time and in a more efficient way and also resources will be optimally used.

In PAI 2016, we identified four key infrastructure sectors such as power, water, roads & communication and housing. In PAI 2017, we continue with the same, but with some modifications. We add a critical sector of public road transport, as it is a clear indicator of the state's capacity to provide the people with affordable transport facilitates and is symbolic of the state's



concern for them. This shall be captured by examining the strength of the public transport bus fleets in each of the states. Thus the structure of the focus subjects and the indicators identified for the broad theme of essential infrastructure for PAI 2017, is as follows:

Power

- a. Transmission and Distribution Losses
- b. Per capita consumption of Power.
- c. Households electrified as a percentage of total population.

Water

- a. Percentage of Households with access to safe drinking water.
- b. Total Irrigated area vs. Total Agricultural Area.
- c. Existence of Water Regulatory Commission.
- d. Existence of Ground Water Regulation Act

Roads and Communication

- a. Surfaced Roads as a percentage of total Roads.
- b. Road Density per 1000 population.
- c. Households having access to Laptops with Internet.
- d. Total Bus Fleet and Buses in Public Sector (SRTUs)

Housing

- a. Number of kutchha houses as a percentage of total population.
- b. Slum population as a percentage of total urban population.
- c. Percentage of households with toilets inside premises

It is also important to point out some modifications in the indicators currently being employed. In PAI 2017, we have tweaked indicators and modified them with those aspects which may be relatively more relevant.

a. In PAI 2016 we had considered Road Density per 1000 sq. KM. However, after receiving various suggestions and rounds of peer review, we felt that **Road Density per 1000 population** will be a better indicator since it takes into account the road length available to the population irrespective of any geographical context. Therefore, PAI 2017 includes **Road Density per 1000 population** as one of the indicators.

b. Similarly, in PAI 2016, we had taken percentage of Households with access to Cell phone. But, since use of cell phones is almost universal now, we have dropped that indicator and, in PAI 2017, we have considered **Households having access to Laptops with internet** as a better indicator to depict that element of infrastructure in the states.

New developments

Before we go on to the rankings of the states, we may glance at some of the national and international developments that have taken place

in the sphere of infrastructure over the past one year or so.

Power: India's installed power generation capacity has almost crossed 300 GW, of which renewable energy accounts for 42 GW. The Government tries its best to ensure that there are fewer losses while distributing power. Also, it encourages more and more renewable sources of energy to achieve sustainability and to reduce its dependence on conventional sources of energy. Goal 7 of the Sustainable Development Goals is Affordable and Clean Energy. Countries all over the world are aiming at achieving the SDGs by 2030. In view of Goal 7, India is also attempting to shift towards cleaner fuel to reduce carbon footprints which will further help the environment.



In the country, the Ujala Yojana, (the Unnat Jyoti by Affordable LEDs for All) attempts to replace all inefficient lighting methods by LED bulbs for over 200 million consumers thus effecting savings of energy. The restructuring of the loans of the Power utilities is another major step in this direction. However, there are also disturbing and contradictory tendencies in the sector such as an increase in the availability of power coupled with

a reduction in the plant load factor, clearly indicating serious issues with the optimum distribution of the power generated. It is clearly understood by all players in the sector that while keeping power tariff for agriculture sector low may make political sense, it is not sustainable in the long run and will clearly debilitate the power distribution companies, beyond the scope of the state government to recompense them.



Analysis of big data is regarded as a very important tool for assessing the performance of any sector. NITI Aayog has come up with this flagship programme called India Energy, which is a portal for obtaining different sorts of data and research related to energy. Such a platform will not only help policy makers and researchers, but will also benefit a novice to get energy related information.



Further, the Power Ministry is about to launch the GARV- II App for rural electrification. The earlier version of GARV App provided data of how many villages have been electrified out of the total mission of electrifying 18452 unelectrified villages. The GARV- II app will be an improved version of the earlier app since it will provide real time data of six lakh villages. This will definitely increase transparency and citizen participation. This app will also monitor the works done in each village under the **Deen Dayal Upadhyaya Gram Jyoti Yojana**. This scheme was undertaken by the Government of India to provide round the clock electricity in rural India.

Water is of utmost importance for human life and is the second of our four subject matters within the overall theme of Essential Infrastructure. Water is the basis of all our national policies regarding drinking water, irrigation, hydropower, industrial uses etc. The National Water Policy of India treats water as an economic good. It is primarily the responsibility of the State Government to ensure that all the citizens are enabled to avail the benefits of a sustainable and regular water supply. In PAI 2016, we saw how the country has only 4% of the world's water resources though 16% of its population live here.

Water is also a very sensitive issue. The recent Cauvery dispute had attracted adverse attention everywhere, in view of the vandalism that was aroused between the states of Karnataka and Tamil Nadu. Though water is at Entry No. 17 in the State List, in matters of interstate water disputes, in case the Parliament so desires, it can be shifted into the concurrent list. However, there is a growing demand that it could be made a

concurrent subject in view of the sensitive nature of the issues involved and to ensure that national interests are not subjugated to local requirements and do not hamper sustainable development in this sector. Moreover, at the level of the State Government there are cantankerous and persistent issues pertaining to irregular supply of drinking water, contamination of ground water, regional disparities in the availability of water etc.

Roads: There is a saying that it is not the nation that builds the roads, it is the roads that build the nation. Indeed, roads are the lifeline of a nation and our third focus subject in this theme. Developmental programmes can only be successful if the benefits are reaped by all the citizens irrespective of their geographical location. Roads connect inaccessible areas and ensure that development reaches to those places. Thus, it is the responsibility of the government to ensure that far flung areas are connected to the growth centres.





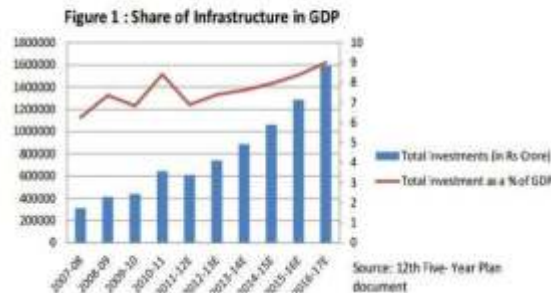
The Government of India plans to invest Rs 3 trillion (US\$ 44.73 billion) for developing 35,000 km of roads across the country, of which 21,000 km will be economic corridors and 14,000 km will be feeder routes. This is expected to improve freight movement, ease traffic bottlenecks and improve inter-city connectivity in the country. In addition, the Ministry of Road Transport and Highways and National Highways Authority of India (NHAI) plan to take up 82 highway development projects under the Bharatmala project, which would help in improving connectivity to both major as well as minor ports in the country.

A panel set by Government of India has cleared 16 highway projects worth Rs 7,456 crore (US\$ 1.11 billion) for bidding in 11 states, totalling a length of 622 kilometres, including the construction of new roads, widening and expansion of existing highways, and rehabilitation and upgrade of some projects.

The Government of India is looking at bundling public-funded national highway projects that can be monetised by leasing out to private players for toll collection, which would enable the concessionaire to achieve economies of scale, synergy in operations, with an appropriate investment size.

The Government of India plans to introduce a new framework on renegotiation of Public Private Partnership (PPP) contracts, which will allow renegotiations based on sector-specific issues, especially for national highways and ports, and provide greater flexibility to the parties involved.

Trends of Infrastructure Development in India



The Cabinet Committee on Economic Affairs (CCEA) has approved a hybrid annuity model for implementing highway projects, which adopts a more rational approach to allocation of risks between the government and the private developer, and is hence expected to revive highway projects construction in India.

India and Japan are planning to enter into a partnership and launch an infrastructure finance company which will provide soft loans for Indian road projects with a credit target of Rs 2 lakh crore (US\$ 29.82 billion).

Housing: Ensuring that everyone has a roof above their head is very crucial. With rural to urban migration, more people are shifting to urban centres. This has given rise to urban poor. These marginally backward groups cannot afford to rent a house and as a result, slums are expanding in the cities. Therefore, it is the responsibility of the state to provide affordable housing for all. The lowering of housing credit rates and the inclusion of housing in the definition of infrastructure should give a boost to this critical sector for the Indian economy.

Urban infrastructure is another area that has been specially focussed on in the recent past.

The programme **Pradhan Mantri Awas Yojana – Housing for all (Urban)** was implemented in 2015 by the Modi Government and aims to provide housing for all in the urban areas by 2022.



New Indicators

In PAI 2016, we did not have any indicator related to public transport. Since, roads and public transport complement each other; we have added **Total Bus Fleet and Buses in Public Sector** as one of the new indicators.



There are various other indicators for infrastructure which we have considered in the Inequality chapter, which is in a later section of PAI 2017.

The examination of the four focus subjects and the fourteen specific indicators according to the methodology adopted as discussed in the earlier chapter reveals the given rankings. We are following the same division of states into big states (those states with a population of more than two Crore) and small states (those with a population of less than two Crore).

In PAI 2016, amongst the larger states, the first three ranks had been taken by Punjab, Haryana and Gujarat. Now, Punjab retains its predominant position in the theme, whereas, Tamil Nadu and Andhra Pradesh have now taken the second and third positions. Amongst the ranking of the small states, there has been no change in names of the states, though Delhi and Goa have exchanged their places. Amongst the low performers, Bihar has made a marginal improvement in the rankings.

Written by **Udita Dutta**

Photograph sources:

Affordable and Clean energy

:<http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

Sustainable Development Goals:

<http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

India Energy: <http://indiaenergy.gov.in/index.php>

Roads:<http://indiaoc.com/images/portfolio/Highways.jpg>

Infrastructure:

<https://image.slidesharecdn.com/infrastructureinindia-140904045230-phpapp01/95/infrastructure-in-india-indian-infrastructure-9-638.jpg?cb=1409806408>

Housing: https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcQYo5QXljDx4s8_aSKr1243x9S6kwfldKqaR9AiHqeAcv7kVsaU

<https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcTHIYQjRVEGIU670Ab-d3dmccqrhMYaBYNBJ3wXb5aHw5aBRRK>

Bus fleet: <https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcTHIYQjRVEGIU670Ab-d3dmccqrhMYaBYNBJ3wXb5aHw5aBRRK>

<https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcTHIYQjRVEGIU670Ab-d3dmccqrhMYaBYNBJ3wXb5aHw5aBRRK>

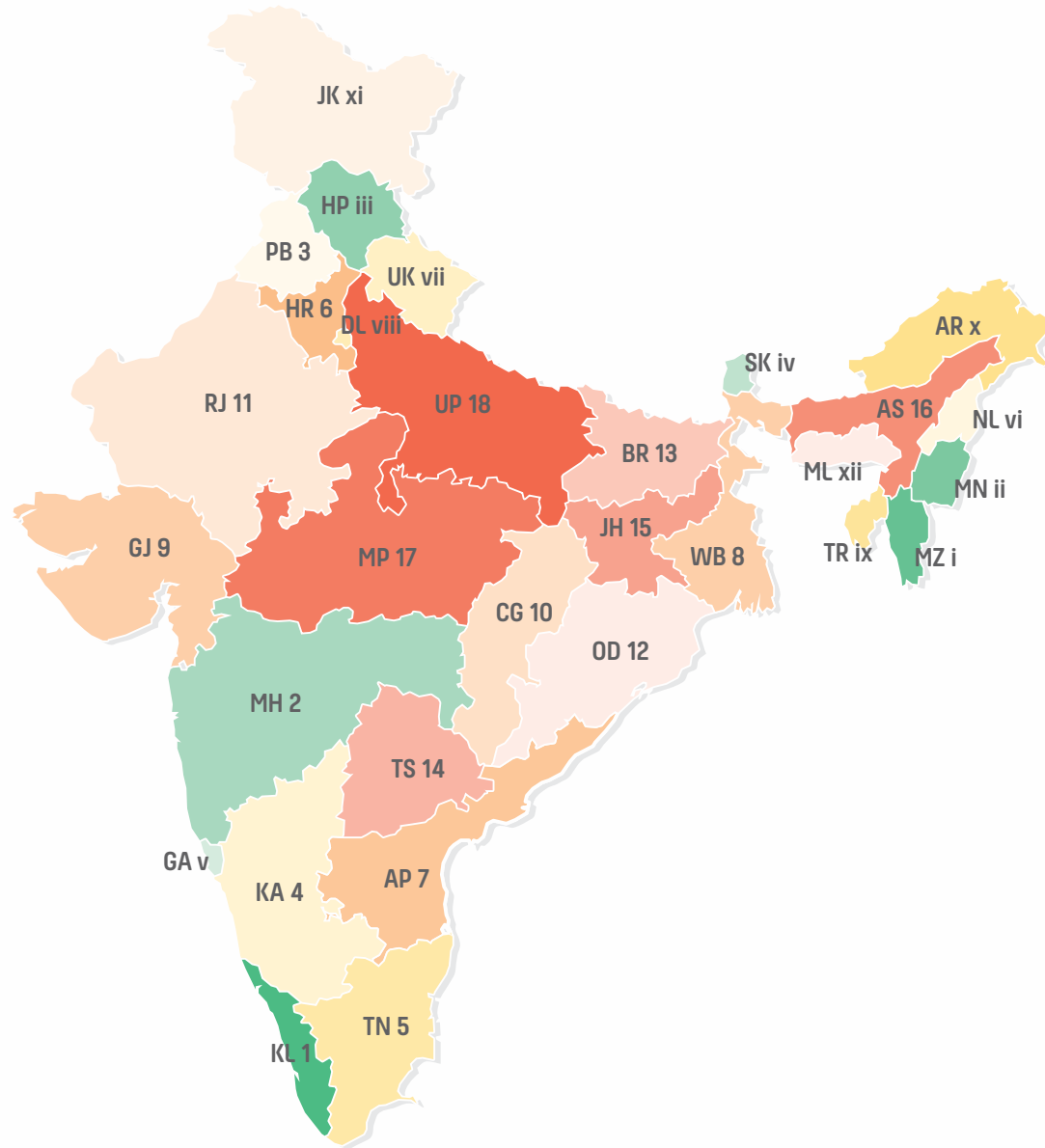


THEME # 2 SUPPORT TO HUMAN DEVELOPMENT



- Educational Development Index
- ASER Learning Levels
- No. of Higher Education Colleges per 1 Lakh Population
- Educational Expenditure as a % of GSDP
- % SC Enrolment out of total SC target population
- % ST Enrolment out of total ST target population

- IMR
- Average Population served per hospital bed
- Full Immunization
- Health Expenditure as a % of GSDP
- Life Expectancy
- Average population served per Government allopathic doctor



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	KL Kerala	0.672	
2	MH Maharashtra	0.548	
3	PB Punjab	0.544	
4	KA Karnataka	0.529	
5	TN Tamil Nadu	0.481	
6	HR Haryana	0.469	
7	AP Andhra Pradesh	0.454	
8	WB West Bengal	0.424	
9	GJ Gujarat	0.424	
10	CG Chhattisgarh	0.414	
11	RJ Rajasthan	0.402	
12	OD Odisha	0.390	
13	BR Bihar	0.334	
14	TS Telangana	0.333	
15	JH Jharkhand	0.332	
16	AS Assam	0.301	
17	MP Madhya Pradesh	0.270	
18	UP Uttar Pradesh	0.267	

Rank	Small States	Index	0 scale range 1
i	MZ Mizoram	0.622	
ii	MN Manipur	0.607	
iii	HP Himachal Pradesh	0.598	
iv	SK Sikkim	0.546	
v	GA Goa	0.545	
vi	NL Nagaland	0.534	
vii	UK Uttarakhand	0.520	
viii	DL Delhi	0.493	
ix	TR Tripura	0.473	
x	AR Arunachal Pradesh	0.472	
xi	JK Jammu and Kashmir	0.400	
xii	ML Meghalaya	0.390	

Public Affairs Index (PAI) 2016 laid out some of the most important indicators to measure the quality and nature of support being provided by the states for the education and health of citizens. PAI 2017 is a continuation of the same with some additional indicators that will more substantially contribute to the task of ranking states in these two critical sectors of social development in India. It is universally accepted that education and health are the two most exigent focus subjects out of all areas of governance interventions, mainly because of their contribution to increasing productivity and overall development of human capital. As discussed in PAI 2016, *"Two of the three indicators used are UNDP's Human Development Index pertaining to health and education. It may be said that the future of any people depends to a great extent on the inputs provided by the State towards these two life-quality enhancing interventions."*¹

Indeed, India has made great strides in providing access to primary education, the first of our focus subjects in this theme, to the people of India; but as we move towards a more advanced age of education, the nation has started grappling with the question of what the next transformational

change in education needs to be. The ASER report has revealed a significant increase in enrolment rates but a decrease in learning outcomes and the quality of education imparted. Yes, the poor quality of education and the rate of decline in the learning outcomes is not uniform across India. Some states are low in quality, but continue to stay where they are, while some others have higher levels of education which are neither improving nor deteriorating. Hence, it is important to measure the differences across the levels of governance in the states on education. Public Affairs Index has identified several indicators to do this task that are discussed in this chapter.

The second focus subject under the theme of Support to Human Development is Health. The Constitution of India places the responsibility of health directly on the States. However, the Centre also takes several initiatives to ensure good health for its citizens. Amongst all these initiatives of the Centre and the States, it should be noted that the health care sector of India is in a rather dismal state currently as stated in leading studies extant in the literature on this subject. Several authors have identified numerous factors that show why India's health care sector needs an overhaul. Some of them are:

- a weak primary health care sector along with inequality across states with respect to health services available per person;
- unequally distributed skilled human resources across the states;
- large unregulated private sector that includes under-qualified doctors, corrupt practices, etc;
- low public spending on health;





In such a scenario, it is important to assess the health infrastructure in the country for comparison amongst the States, indicators for which are mentioned in the following paragraphs of the chapter.

New developments

After the release of PAI 2016, there have been many new developments intended to improve the quality of health and education in the country. There is no evidence that the improvements in the current situation are attributable to the new policies and programmes launched by the government in the current year. A few of the policies and programmes announced recently by the government to increase support to human development are mentioned below:

1. **Pradhan Mantri Yuva Yojana (PMYY)** (November 2016): The Union Ministry of Skill Development and Entrepreneurship (MSDE) has launched Pradhan Mantri Yuva Yojana (PMYY) to scale up an ecosystem of entrepreneurship for youngsters. PMYY is MSDE's flagship scheme on entrepreneurship education and training and will provide the same to over 7 lakh students in 5 years through 3,050 institutes. It will grant easy access to information and a mentor network, incubator facilities, credit as well as accelerator facilities and advocacy to create a pathway for the youth. The institutes under the PMYY include 2,200 institutes of higher learning (colleges, universities and premier institutes), 500 ITIs, 300 schools and 50 entrepreneurship development centres through Massive Open Online Courses (MOOCs).²

2. Approval for creation of **Higher Education Financing Agency (HEFA)** (February 2016): HEFA, as stated by the Union Finance Minister

Arun Jaitley, is a not-for-profit organisation that will leverage funds from the market and supplement them with donations and CSR funds. These funds are used to finance improvement in infrastructure in top institutions and serviced through internal accruals. Thus, this will help enhance affordable access to high quality education for ordinary Indians.³

3. **Institutes of Technology (Amendment) Bill, 2016** (August 2016): The Parliament has passed the Institutes of Technology (Amendment) Bill, 2016 to set up six new Indian Institutes of Technology (IITs). All these institutions will be declared as institutions of national importance. The Institutes of Technology Act, 1961 declares certain Institutes of Technology as institutions of national importance.⁴

4. **Prashikshak** (June 2016): The Union Human Resource Development (HRD) Ministry has launched 'Prashikshak'-an online teacher education portal for District Institutes of Education and Training (DIETs). It seeks to strengthen DIETs and bring quality teachers into the school education system. It is an open online platform for collecting and reporting data from all DIETs which will help in the establishment of a strong monitoring mechanism. Prashikshak users will comprise pre-service teacher educators, DIET faculty and principals, policy makers at district, state and national level and the general public. The portal will strengthen the teacher education system in four ways. It will equip government officials with data for decision making, empower aspiring teachers, support innovation in teachers' education, and increase transparency.⁵

5. **Draft National Education Policy 2016** (June 2016): The focus of the policy is to address the various issues of the school education system such as gender discrimination, the creation of educational tribunals, and a common curriculum for science, mathematics and English. The motto of the new policy is "Educate Encourage Enlighten". Its vision is to create a credible education system capable of ensuring inclusive quality education and lifelong learning opportunities for all. Among others, the mission statement includes the following: Ensuring equitable, inclusive and quality education for all; foster quality education with strong focus on education reforms; promote acquisition by all



learners of relevant skills, including technical and vocational skills, for work and entrepreneurship.⁶

6. **Shala Asmita Yojana (SAY)** - 25 May 2016): The Union Ministry of Human Resource Development (HRD) has decided to launch ASMITA, a student tracking system programme. Shala Asmita Yojana (SAY) aims to track the educational journey of close to 25 crore school students from Class I to Class XII across 15 lakh schools in the country. In other words, this online database will carry information about student attendance and enrolment, mid-day meal service, learning outcomes and infrastructural facilities, among other things, on one platform for both private and government schools. The success of the programme hinges on states' participation as local authorities will have to feed data on a daily basis in the online tracking system. The Centre claims that all states are on board. "This system will help track leakages and corruption in mid-day meals."⁷

"To keep the body in good health is a duty... otherwise we shall not be able to keep our mind strong and clear." - Buddha

"Education is the most powerful weapon which you can use to change the world." - Nelson Mandela

7. Leprosy Case Detection Campaign: (September, 2016) The Union Health Ministry has recently launched the "Leprosy Case Detection Campaign [LCDC]" to eradicate leprosy from the country. It focused on 149 endemic districts in India. LCDC covered more than 1,600 blocks in the 149 districts across 20 states where nearly 3 lakh health teams undertook door-to-door visits to detect leprosy cases. Leprosy has been successfully eradicated at the national level and most of the states have also eradicated it, but it exists at the districts and block level. According to the National Leprosy Eradication Programme (NLEP), a centrally sponsored scheme, India has already achieved the goal of elimination of leprosy as a public health problem, defined as less than 1 case per 10,000 population, by December, 2005.⁸

As in the PAI 2016 report, the specific indicators identified in PAI 2017 under each are as mentioned below:

Education:

- a. Educational Development Index
- b. ASER Learning Levels
- c. Number of higher education colleges per unit of population
- d. Education Expenditure as a percentage of GSDP
- e. Percentage SC enrolment out of total SC target population
- f. Percentage ST enrolment out of total ST target population

Percentage of SC enrolment and Percentage ST enrolment out of total SC and ST target population

respectively are the two new indicators in PAI 2017 in order to evaluate the levels of enrolment amongst the marginalised sections of the society and to obtain a holistic picture of the level of education in the States.

Health:

- a. IMR
- b. Average Population served per hospital bed
- c. Full Immunisation
- d. Expenditure on health as a percentage of GSDP
- e. Average population served per government allopathic doctor
- f. Projected years of life expectancy at birth

Average population served per government allopathic doctor and projected years of life expectancy at birth are new indicators in Public Affairs Index 2017. Average population served per government allopathic doctor indicates the availability of skilled human resources in the health sector and the different levels achieved in the states. Assessing differences in life expectancy at birth across states is another indicator which is important to compare the performance of the states with regard to health sector.

Here is the performance of the states post implementation of these new policies, although it is a debatable point as to whether these have contributed to any significant impact on the performance, and thus rankings, of the states.

Kerala, Punjab and Karnataka stood at the top of the rankings amongst the large states in PAI 2016. Karnataka has slipped to the fourth position this time around while Maharashtra has entered the list of the top three. Amongst small states, the top

three last year were Sikkim, Manipur and Mizoram, whereas Himachal Pradesh has moved up by one position from rank four to rank three. It is interesting to point out here that as far as the ASER studies pertaining to the quality of learning alone as a single indicator is concerned, Himachal Pradesh has caught up with, and overtaken, even Kerala in this respect.

Uttar Pradesh, Madhya Pradesh and Bihar stood at the bottom of the rankings in PAI 2016 as against the present rankings of states of Assam, Madhya Pradesh and Uttar Pradesh in PAI 2017. Similarly, Delhi, J&K and Arunachal Pradesh had figured in the bottom three in the last report as against the current low performing states, namely Arunachal Pradesh, J&K and Meghalaya.

Written by **Shulka Jalodia**

End Notes:

- ¹ *Public Affairs Index-Governance in the states of India, 2016, Theme 2: Support to Human Development*
- ² *Government rolls out Pradhan Mantri Yuva Yojna for entrepreneurs, The Economic Times, 9 November 2016*
- ³ *Budget 2016, Government to create higher education financing agency, The Economic Times, 29 February 2016*
- ⁴ *Parliament passes Institutes of Technology Bill, The Times of India, 2 August 2016*
- ⁵ *Prashikshak, Education News Agency (India), 30 June 2016*
- ⁶ *Draft National Education Policy 2016, The Financial Express, 30 June 2016*
- ⁷ *HRD Ministry to launch student tracking system, The Indian Express, 25 May 2016*
- ⁸ *Government launches biggest Leprosy case detection campaign, Business Standard, 6 September, 2016*

Photograph sources:

Human Development Approach:

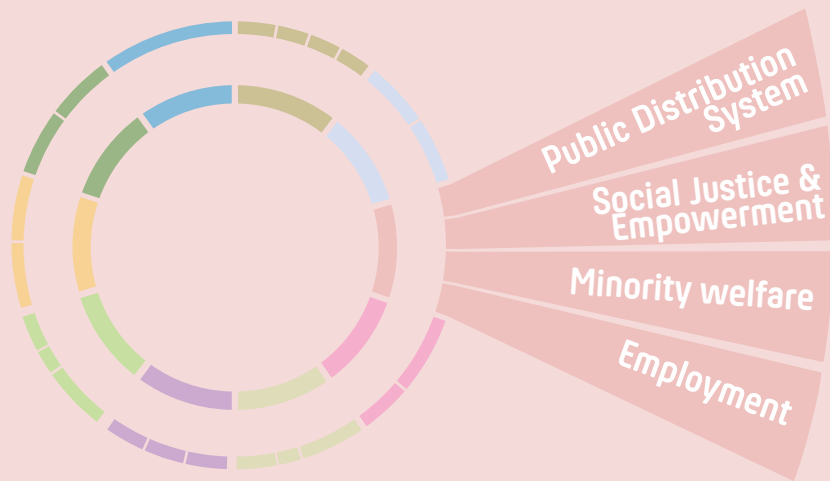
<http://www.in.undp.org/content/dam/india/img/country-programme-HD.jpg>

Girl Education: <http://irusa.org/in>



THEME # 3

SOCIAL PROTECTION

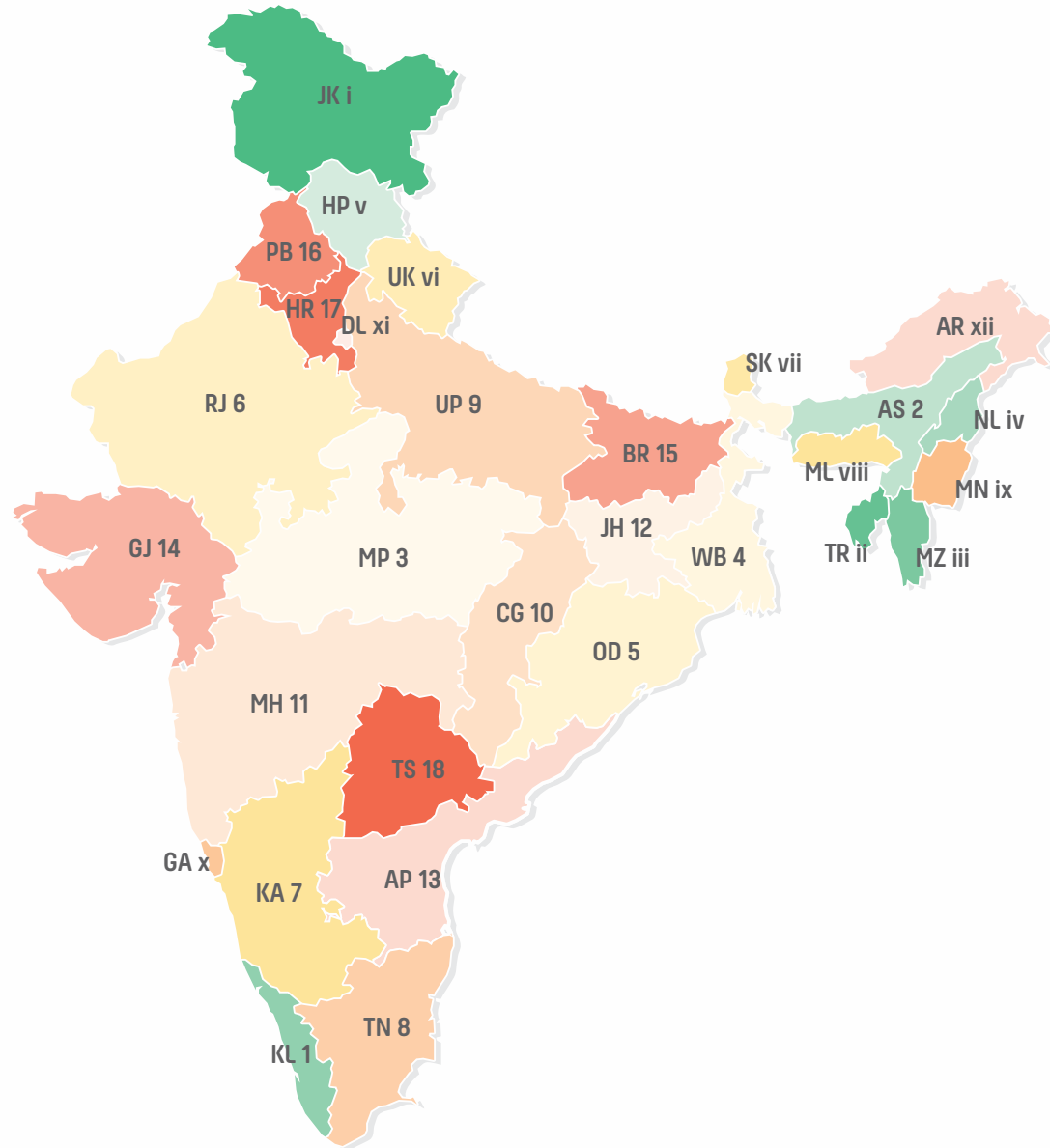


- Allocation and off take of grain under PDS
- % of Pension beneficiaries of the total population above 60
- % of Households with no land
- Incidence of crime against SC/ST
- Titles distributed under the Scheduled Tribes and Other Traditional Forest Dwellers Act
- No. of Minority Children given pre metric scholarship
- % Muslim Enrolment out of total Muslim target population
- Unemployment Rate
- No. of State Government Employees
- Average days of employment provided per household
- Average wage rate per day per person

THEME # 3



SOCIAL PROTECTION



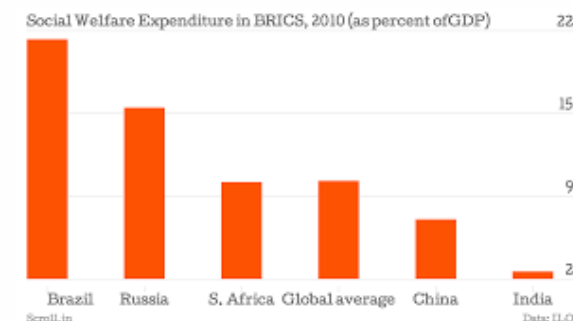
Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	KL Kerala	0.568	
2	AS Assam	0.537	
3	MP Madhya Pradesh	0.531	
4	WB West Bengal	0.516	
5	OD Odisha	0.510	
6	RJ Rajasthan	0.509	
7	KA Karnataka	0.493	
8	TN Tamil Nadu	0.464	
9	UP Uttar Pradesh	0.462	
10	CG Chhattisgarh	0.457	
11	MH Maharashtra	0.434	
12	JH Jharkhand	0.406	
13	AP Andhra Pradesh	0.370	
14	GJ Gujarat	0.354	
15	BR Bihar	0.351	
16	PB Punjab	0.338	
17	HR Haryana	0.315	
18	TS Telangana	0.215	

Rank	Small States	Index	0 scale range 1
i	JK Jammu and Kashmir	0.624	
ii	TR Tripura	0.586	
iii	MZ Mizoram	0.578	
iv	NL Nagaland	0.544	
v	HP Himachal Pradesh	0.536	
vi	UK Uttarakhand	0.502	
vii	SK Sikkim	0.496	
viii	ML Meghalaya	0.493	
ix	MN Manipur	0.486	
x	GA Goa	0.468	
xi	DL Delhi	0.391	
xii	AR Arunachal Pradesh	0.369	

India is a country with stark differences between its various social, economic and ethnic groups. Given the circumstances, promoting inclusive growth becomes a challenge for the government as well as the society. The Public Affairs Index 2016 states that, “*The very nature of economic growth is such that only some people are able to extract the best out of the processes of growth. The hard fact is that almost 30% of the population of this country live in poverty even as economists debate whether the definition of the poverty line should be Rs 32 per day or more or less*”.¹ Amidst all these debates, the fact remains that the nature and scope of policies formulated by the government truly measures its commitment towards promoting inclusive development and ensuring security to the vulnerable and deprived sections of the society.

One of the important objectives of United Nation's Sustainable Development Goals (SDGs) is the implementation of nationally appropriate social protection systems and measures for all, and to achieve substantial coverage of the poor and vulnerable by 2030.² Reducing inequalities and promoting inclusive development by protecting the marginalised and vulnerable sections of our society is an affirmative and positive way to powerfully enhance human capital and productivity, build resilience and end the inter-generational cycle of poverty. Hence, social protection can be understood as a set of public actions which address not only income poverty and economic shocks, but also social vulnerability, thus taking into account the inter relationship between exclusion and poverty. Through income or in-kind support and programmes designed to increase access to services (such as health, education and nutrition),



social protection helps realise the human rights of children and families.³ This chapter tries to evaluate and assess the performance of government across selected indicators to measure the protection of socially and economically backward groups.

New developments

After the release of PAI 2016, there have been many new developments intended to promote social protection and inclusive development in the country. Though there is no evidence that the improvements in the current situation are attributable to the new policies and programmes launched by the government in the current year, it could be conjectured that some percentage of variation in the rankings and indices may be attributed to them. A few of the policies and programmes announced by the government for social protection are mentioned below:

1. Employee's Compensation (Amendment) Bill, 2016 (August 2016): The Lok Sabha has unanimously passed the Employee's Compensation (Amendment) Bill, 2016 to reduce litigation in cases of disputes arising over compensation to workers. The Bill seeks to amend



the Employee's Compensation Act, 1923 that would raise the cap on amount of compensation to be taken up by high courts to Rs. 10,000. This law provides payment of compensation to employees and their dependents in the case of injury by industrial accidents, including occupational diseases.⁴

2. HIV and AIDS (Prevention and Control) Bill, 2014 (October 2016): The Union Cabinet has given its approval to introduce amendments to the HIV and AIDS (Prevention and Control) Bill, 2014. The Bill seeks to safeguard the rights of people living with, or affected by, HIV. It seeks to prevent social stigma and discrimination against people living with HIV. It also seeks to strengthen legal accountability and establish formal mechanisms for inquiring into complaints and redressing grievances to probe complaints against those who discriminate against such people. The protection mandated in the Bill extends to the fields of employment, healthcare services, educational services, public facilities, property rights, holding public office, and insurance. It also provides for confidentiality of HIV-related information and makes it necessary to get informed consent for undertaking HIV tests, medical treatment and research. The Bill lays down penal provisions for any discrimination practised against a person with HIV/AIDS and breach of confidentiality.⁵

3. Child Labour (Protection and Regulation) Amendment Bill, 2016: Parliament has passed the Child Labour (Prohibition and Regulation) Amendment Bill, 2016. The bill was first passed in Rajya Sabha and later in Lok Sabha during Monsoon session of Parliament. It seeks to amend the Child Labour (Prohibition and Regulation)

Act, 1986 so as to widen the scope of the law against child labour and enforce stricter punishments for violations. The Bill calls for complete ban on the employment of children below 14 in all occupations and enterprises, except those run by his or her own family. It defines children between 14 to 18 years as adolescents and bars their employment in any hazardous occupations. It makes child labour a cognizable offence attracting a jail term of up to two years and penalty upto fifty-thousand rupees.

4. Direct Benefit Transfer Scheme for Kerosene subsidy (January 2016): The government unveiled Direct Benefit Transfer Scheme for Kerosene subsidy in a bid to cut down the diversion and black marketing of the fuel. Where such transfer is introduced, the consumer will pay the un-subsidised price of kerosene at the time of purchase: subsequently, the amount of subsidy will be directly transferred to the bank account of the beneficiary. To avoid any inconvenience to the beneficiary through payment of unsubsidised price, subsidy will be credited to eligible beneficiaries in advance during the initial purchase.⁶

5. Pradhan Mantri Fasal Bima Yojana (PMFBY - January 2016): In a bid to provide social security to farmers so as to enable them to avail insurance cover against crop loss on account of natural calamities, Union Cabinet has approved a new crop insurance scheme in which premium rates to be paid have been brought down substantially. The farmers will have to pay a uniform premium for 2% for all kharif and 1.5% for all rabi crops. For annual commercial and horticultural crops, farmers will have to pay a premium of 5 per cent. The remaining share of the

premium, as in previous schemes, will continue to be borne equally by the Centre and the respective state governments.⁷

6. Deen Dayal Antyodaya Yojana (NULM-February 2016): The government announced renaming of National Urban Livelihood Mission as Deen Dayal Antyodaya Yojana-NULM which will now cover all 4041 statutory urban local bodies in the country. This programme seeks to enhance employment opportunities and incomes of the urban poor through skill development and training, setting up of individual and group micro-enterprises, formation of Self-Help Groups, building shelters for homeless, among others.⁸

7. Pradhan Mantri Ujjwala Yojana (April 2016): The Cabinet approved the Pradhan Mantri Ujjwala Yojana - a scheme for providing LPG connections to women and to households below poverty line. The target is to provide cooking gas under this scheme to 5 crore women. It ensures financial support of Rs 1600 for each LPG connection to BPL Households. After the Give It Up Campaign, those who have decided to surrender their subsidies have to buy the product at the market price. The surrendered subsidy is used by the government to provide cooking gas connection to the poor in rural households free of cost. LPG subsidy is transferred to beneficiaries directly in their bank accounts in advance. According to experts, "Providing LPG connections to BPL households will ensure universal coverage of cooking gas in the country.



"We are in a crisis today because the practical consensus between the right and the left, linking economic efficiency with social protection, has broken down." - Andre Glucksmann

This measure will empower women and protect their health. It will reduce drudgery and the time spent on cooking. It will also provide employment for rural youth in the supply chain of cooking gas."⁹

8. Pradhan Mantri Awaas Yojana (February 2016): This scheme intends to provide houses for all people in the rural areas. Under this scheme, incentive will be given by the government to build Pucca house, financial assistance of Rs 1.20 lakhs in plain areas and Rs 1.30 lakhs in hilly areas to all houseless and people who live in dilapidated houses. The beneficiary is entitled to 90 days of unskilled labour from MGNREGA. This will be ensured through a linkage between PMAY and MGNREGA.¹⁰

9. Swadhar Greh Scheme: The Ministry for Women and Child Development Maneka Gandhi initiated a project of construction of a special home for 1000 widows in 2015. The scheme envisions a supportive institutional framework for women victims of difficult circumstances so that they can lead their life with dignity and conviction. It envisages that shelter, food, clothing, and health as well as economic and social security are assured for such women. It also envisions that the special needs of these women are properly taken care of and under no circumstances they should be left unattended or abandoned which could lead to their exploitation and desolation.¹¹

10. Transgender Persons (Protection of Rights) Bill (August 2016): Transgender Persons (Protection of Rights) Bill allows a transgender person to identify himself/herself as 'man' 'woman' or 'transgender' while doing away with

the nomenclature 'Other' that is currently in use. It protects transgenders from discrimination in education, employment, and the right to rent or buy property. It aims to ensure that such children are not separated from their families due to social stigma. In cases of abandonment, the state will set up rehabilitation centres. The Bill requires the government to create vocational training and welfare schemes for such persons.¹²

11. Stand up India Scheme for loans to SC/ST and women (April 2016): Stand Up India is among the various financial inclusion and social security schemes introduced by the government.



Centre notifies changes for a stronger SC/ST Act

Completion of investigation and filing of chargesheet within 60 days

Introduced: Provision of relief for victims of rapes or gangrapes

Relief in cash or in kind or both within 7 days



No medical exam to get relief amount for offences against women, like sexual harassment



Relief amount increased from between Rs 75,000 & Rs 75 L to between Rs 85,000 & Rs 8.25L

The 'Stand up India Scheme' is aimed at promoting entrepreneurship among Scheduled Castes/Scheduled Tribes and women by giving loans in the range of Rs 10 lakh to Rs 1 crore for setting up a new enterprise. The intent of the proposal is to leverage the institutional credit structure to reach out to these under-served sectors of the population by facilitating bank loans in the non-farm sector set up by such SC and ST women borrowers. There is also a scheme to facilitate the upgradation of pedal rickshaw pullers into e-rickshaw owners and help create threefold increment in their income. Credit for all these facilities are being provided under Mudra Scheme.¹³

12. Amendments to SC/ST (Prevention of Atrocities) Act (April 2016): The Ministry of Social Justice and Empowerment has notified to revamp Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act to speed up the process of dispensation of justice to victims of atrocities and liberalise and expedite access to relief for community members who have been victims of such atrocities. There is also provision of relief for offences of rape and gang rape introduced for the first time; delinking requirement of medical examination for getting relief amount for non-invasive kind of offences against women like sexual harassment, gestures or acts intended to insult the modesty of women, assault or use of criminal force with intent to disrobe, voyeurism and stalking. The new rules also provides for regular reviews of the scheme for the rights and entitlements of victims and witnesses in accessing justice at the State, District and Sub-Division Level Committees in their respective meetings.¹⁴



13. Rights of Persons with Disabilities Bill (December 2016): This bill comprehensively covers a whole spectrum of problems from physical disabilities to mental illness and multiple disabilities under it. Under this Bill, persons with disabilities shall have the right to equality. They shall not be discriminated against on grounds of their disability. Rights include protection from inhuman treatment and equal protection and safety in situations of risk, humanitarian emergencies, natural disasters and armed conflict. All existing public buildings shall be made accessible for disabled persons. It also provides for the access to inclusive education, self-employment and vocational training to disabled persons. At least 5% seats in all government institutions of higher education and those getting aid from the government are required to be reserved for persons with disabilities. The Union and State governments will ensure that at least 5% of the vacancies in identified establishments are filled by persons or class of persons with at least 40% of any of the disabilities.¹⁵

As in the PAI 2016 report, this study has identified four focus areas for assessment and evaluation of the performance of the states under this critical theme; namely, the Public Distribution System, Social Justice and Empowerment (through a representative scheme of old age pensions), Employment and Minority Welfare.

The identified indicators under each of them are as follows:

Public Distribution System:

- Allocation and off take of grain under PDS

Social Justice and Empowerment:

- Percentage of old age pension beneficiaries of the total population above age of 60
- Percentage of households with no land
- Incidence of crime against SC/ST
- Percentage of titles distributed over number of claims received under the Scheduled Tribes and other Forest Dwellers (Recognition of Forest Rights) Act, 2006

PAI 2017 has incorporated a new indicator under the focus subject of Social Justice and Empowerment that encompasses the protection of Scheduled Tribes and other groups of people who inhabit forests.

Minority Welfare:

- Number of minority children given pre metric scholarship
- Percentage of Muslim enrolment out of total target of Muslim population

Under the focus subject of Minority Welfare, a new indicator has been added in our current report that measures the percent of enrolment of Muslim students at primary level out of the total Muslim children of that age.



Employment:

- Unemployment Rate
- Number of state government employees
- Average days of employment provided per household
- Average wage rate per day per person

Under the focus subject of Employment, 3 new indicators have been added to assess the performance of government in ensuring social protection. First among them is the number of government employees. This encapsulates the job opportunities and security provided by the State governments as well as the Centre. The second is the average number of days of employment provided per household; and the third is the average wage rate provided per day per person. These last two measure the employment opportunities provided by the government to the household and also the price point at which they are employed.

In PAI 2016, we had percentage of manual casual labour as one of the indicator, which we have dropped this time, since we have included two relatively important indicators, i.e. average days of employment provided per households as well as average wage rate per day per person.



Karnataka, West Bengal and Kerala had stood at the top of the rankings among the large states in PAI 2016, while amongst the small states, the top rankers were Mizoram, Sikkim and J&K. In PAI 2017, among the large states, we have Kerala, Assam and Madhya Pradesh at the top three, and among the small states, J&K, Tripura and Mizoram.

The poor performers among the large states were Jharkhand, Haryana and Bihar and within the small states, Delhi, Goa and Tripura in PAI 2016. On the other hand, in PAI 2017, the poor performers among the large states are Punjab, Haryana and Telangana and among the small states are Goa, Delhi and Arunachal Pradesh.

Written by **Shulka Jalodia**

End Notes:

- ¹ *Public Affairs Index-Governance in the states of India, 2016*
- ² *WorldBank; <http://www.worldbank.org/en/topic/socialprotectionlabor/overview#1>*
- ³ *UNICEF*
- ⁴ *Lok Sabha passes Employee's Compensation (Amendment) Bill, 2016, The Economic Times, 9 August 2016*
- ⁵ *Cabinet clears amendments to HIV/AIDS Bill, The Indian Express, 5 October 2016*
- ⁶ *Government announces Direct Benefit Transfer scheme for kerosene subsidy, Business Standard, 1 January 2016*
- ⁷ *Pradhan Mantri Fasal Bima Yojana: Crop insurance plan to entail Rs 8.8 K cr outgo, The Indian Express. 14 January, 2016*
- ⁸ *NULM renamed as DAY-NULM; extended to all urban local bodies, Business Standard, 20 February 2016*
- ⁹ *PM to launch Rs. 8,000 crore scheme for free LPG connections to poor, The Hindu, 22 April 2016*
- ¹⁰ *Five crore houses to be built for the poor by 2022: PM, The Hindu, 21 February 2016*
- ¹¹ *SWADHAR Greh (A scheme for Women in Difficult Circumstances, Ministry of Women & Child Development*
- ¹² *Explaining the bill that sees, seeks to protect transgenders, The Indian Express, 4 August 2016*
- ¹³ *PM Modi to launch Stand up India scheme for loans to SC/STs, women on April 5, Firstpost Business, 3 April 2016*
- ¹⁴ *Centre modifies SC/ST (Prevention of Atrocities) Act for speedy justice, The Times of India, 23 April 2016*
- ¹⁵ *Rajya Sabha passes Disabilities Bill, The Hindu, 14 December 2016*

Photograph sources:

Social welfare expenditure:

https://www.google.co.in/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&ved=0ahUKEwiYjpuOkNXSAhUBIZQKHRp0A_QQjRwIBw&url=https%3A%2F%2Fscroll.in%2Farticle%2F699519%2FIndias-wealth-is-rising-so-is-inequality&psig=AFQjCNExVYvOHpyxoHvMRI31TELPFjue-A&ust=1489550997378263

PM Ujjwala

Yojana: https://www.google.co.in/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&ved=0ahUKEWjV7OGAm9XS AhXGHpQKHTt9CmcQjRwIBw&url=http%3A%2F%2Fwww.thebetterindia.com%2F59532%2Fpradhan-mantri-ujjwalayojana%2F&psig=AFQjCNF7KmebzVCmBBGnP3ucL_Y5ZFM3IA&ust=1489553934907903

SC ST Act:

https://www.google.co.in/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&ved=0ahUKEwiisNelm9XSAhVlppQKHREaBM8QjRwIBw&url=http%3A%2F%2Ftimesofindia.indiatimes.com%2FIndia%2FInfographic-Centre-to-strengthen-SC%2FST-act%2Farticleshow%2F51962521.cms&psig=AFQjCNFwAcNMs9IYgZkr4iAam2l1X_R50Q&ust=1489554006836645

Minority Welfare:

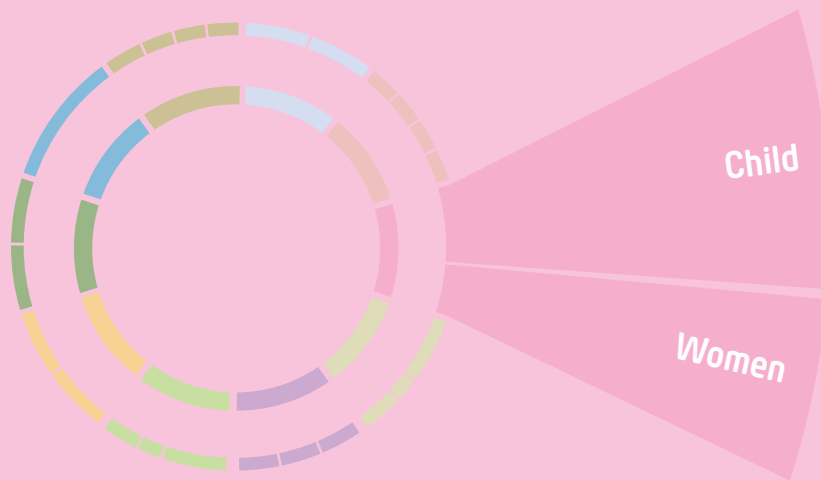
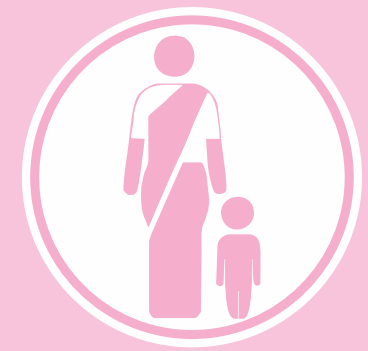
https://www.google.co.in/imgres?imgurl=https%3A%2F%2Ffi1.wp.com%2Fwww.siasat.com%2Fwp-content%2Fuploads%2F2016%2F08%2Fminority-af.jpg%3Fresize%3D660%252C330&imgrefurl=http%3A%2F%2Fwww.siasat.com%2Fnews%2Fschemas-minority-welfare-delayed-budget-unreleased-1062212%2F&docid=4c4Uua7_iLsrM&tbnid=42RQEmMPQIKTKM%3A&vet=1&w=660&h=330&client=safari&bih=629&biw=1199&q=Minority%20Welfare&ved=0ahUK Ewi_8uzDm9XSAhWCKZQKHd9sBdMQMwhoKEMwQw&iact=mrc&uact=8

Social Safety Nets Keep Millions Out of Poverty:

<http://www.worldbank.org/en/topic/socialprotectionandjobs>



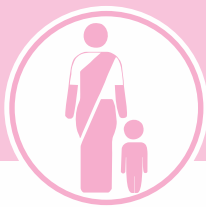
THEME # 4 WOMEN AND CHILDREN



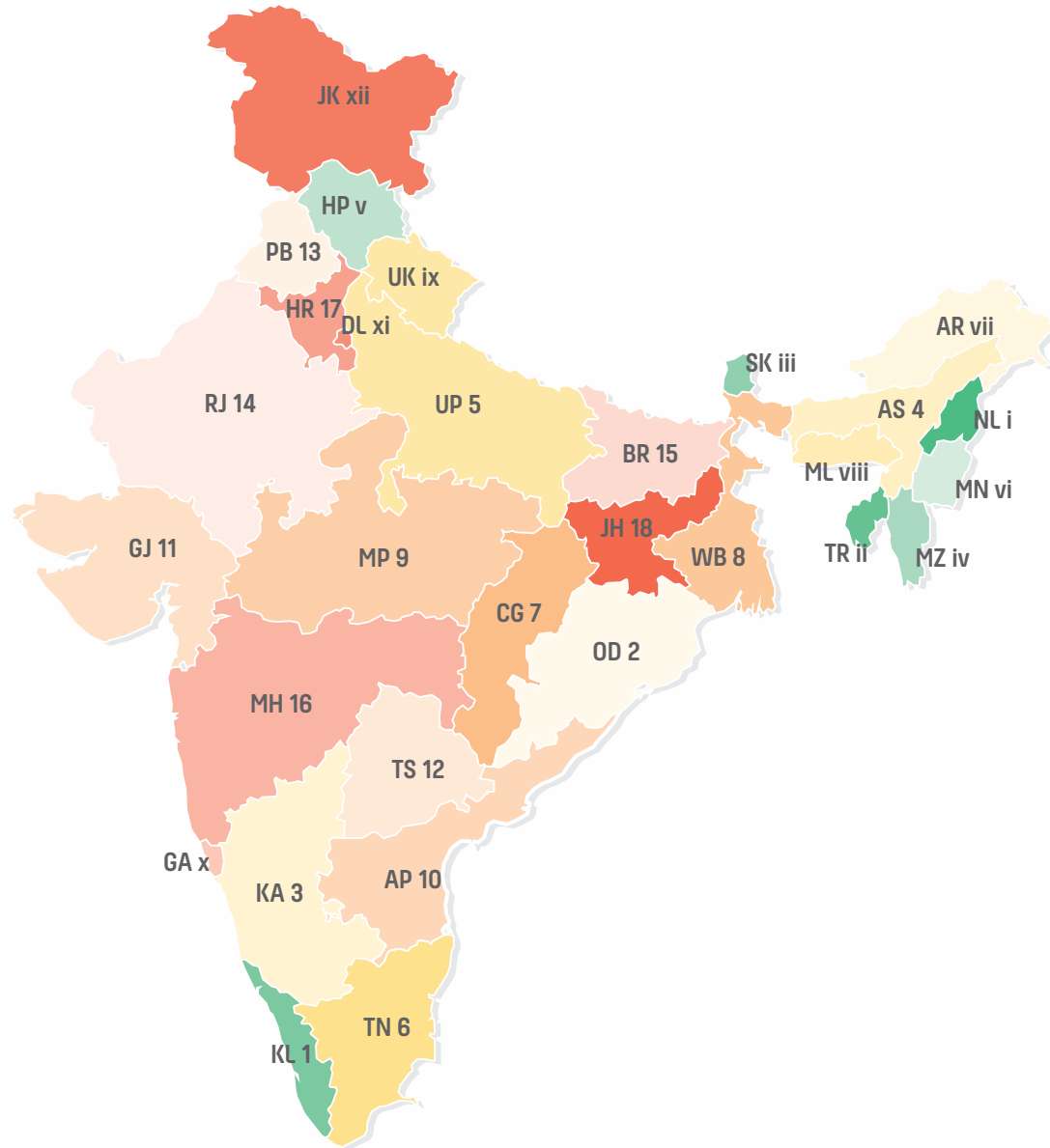
- Crime against Children
- Percentage of Child Labour
- % of Beneficiaries under ICDS
- Child Sex Ratio
- % of Malnourished children

- Working Women Population ratio
- Institutional Delivery
- Male Female Literacy Gap
- Gender budgeting

THEME # 4



WOMEN AND CHILDREN



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	KL Kerala	0.683	
2	OD Odisha	0.622	
3	KA Karnataka	0.593	
4	AS Assam	0.591	
5	UP Uttar Pradesh	0.566	
6	TN Tamil Nadu	0.554	
7	CG Chhattisgarh	0.548	
8	WB West Bengal	0.525	
9	MP Madhya Pradesh	0.510	
10	AP Andhra Pradesh	0.503	
11	GJ Gujarat	0.498	
12	TS Telangana	0.482	
13	PB Punjab	0.477	
14	RJ Rajasthan	0.467	
15	BR Bihar	0.455	
16	MH Maharashtra	0.434	
17	HR Haryana	0.415	
18	JH Jharkhand	0.360	

Rank	Small States	Index	0 scale range 1
i	NL Nagaland	0.698	
ii	TR Tripura	0.688	
iii	SK Sikkim	0.656	
iv	MZ Mizoram	0.652	
v	HP Himachal Pradesh	0.634	
vi	MN Manipur	0.629	
vii	AR Arunachal Pradesh	0.618	
viii	ML Meghalaya	0.587	
ix	UK Uttarakhand	0.566	
x	GA Goa	0.436	
xi	DL Delhi	0.408	
xii	JK Jammu and Kashmir	0.376	

Women and Children continue to be a most vulnerable section of our society. The Public Affairs Index 2016 focused on the quality of life of these two vulnerable sections of our society and the evaluation of various government programmes initiated for their benefit. PAI 2017 continues to assess the lives of the two sections of our society. It has been recognised by the United Nations in The Partnership for Maternal, Newborn & Child Health that *“we must make a decisive move to improve the health of women and children around the world. Many countries have achieved excellent progress in a short time by ensuring universal access to essential health services and proven, life-saving interventions ranging from family planning and making childbirth safe to increasing access to vaccines and treatment for HIV, malaria, tuberculosis, pneumonia, and other neglected diseases.”*¹ Thus, the health needs of women and children stand on top of the United Nation's global strategy that include key areas such as adequate delivery of health services, stronger health systems, skilled health workers, and improved monitoring and evaluation to ensure the accountability of all actors for results. A larger share of the Sustainable Development Goals for our planet for the period up to 2030 is on the equality of life of Women and Children.

There are many policies in place to facilitate access to learning, nutrition, institutional and legislative support for enabling them to grow and develop to their full potential. However, despite these policies to promote social and economic empowerment and to ensure the development, care and protection of these two critical sections of society, the situation on the ground is very

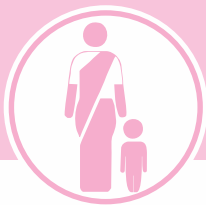
different from that envisioned by the policy makers. As established in Public Affairs Index 2016, the rate of crimes against children is on a rise. In addition to this, malnourishment levels are increasing day by day due to various factors such as lack of proper implementation of the existing schemes and also due to the quality and quantum of nutrition given to children.



There has also been increasing crimes against women including domestic violence and sexual assaults at work and on the streets. Though NGOs and various civil society organisations are working towards the benefit and upliftment of women, there is, nevertheless, still a large gap between the position due to women in our society and the position that they are currently given. Not just the insensitive treatment meted out to women, but discussion in the public sphere on the issues pertaining to the health of women is still considered taboo in our Indian society. Thus, all these issues raise a big question about the execution of the policies that are in place for the women of our society to ensure gender equality. The topic of gender inequality is elaborately discussed in a separate report on “Inequality”.

New developments

In contrast to PAI 2016, there have been many new developments intended to empower women and also to ensure adequate health services to children and women. Though there is no evidence that the improvement in the current situation are attributable to the new policies and programmes launched by the government in the current year, nevertheless, some percentage of variation in the



rankings and indices may be attributed to them. A few of the policies and programmes announced by the government for the empowerment of women and children are mentioned below:

1. Juvenile Justice (Care and Protection of Children) Act (January 2016): This Act which came into force on 15th January 2016 is a legislation to consolidate and amend the laws relating to children alleged to be in conflict with law, and children in need of care and protection by catering to their basic needs through proper care, protection, development, treatment, social re-integration. It aims to achieve these objectives by adopting a child friendly approach in the adjudication and disposal of matters in the best interest of children and for their rehabilitation through processes provided, institutions and bodies established.²

2. Draft National Policy for Women (August 2016): The National Policy for Women envisions a society in which women attain their full potential and are able to participate as equal partners in all spheres of life and influence the process of social change. The areas that this policy focusses on are: fundamental rights, mainstreaming gender in all-round development processes/programmes, women's health, access to women's education, equal participation in social, political and economic spheres, gender sensitive judicial system, elimination of violence against women, empowerment of women belonging to marginalised communities and strengthening the evaluation and monitoring of schemes to bridge gender gaps.³

3. The Surrogacy (Regulation) Bill (August 2016): The Surrogacy (Regulation) Bill, 2016

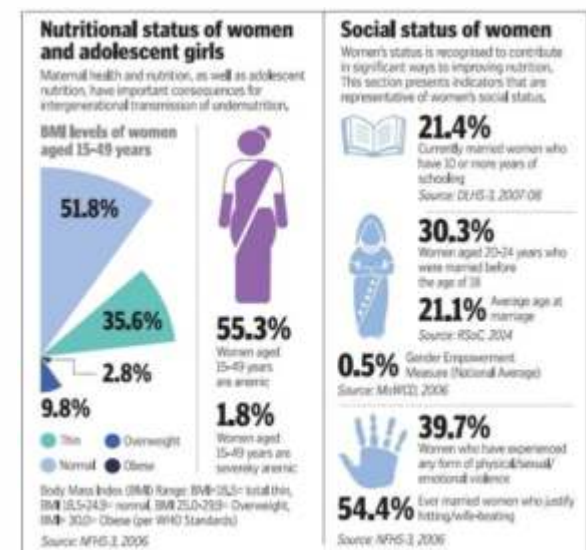
proposes to regulate surrogacy in India by permitting it as an option for couples who cannot naturally have children, or have a lack of other assisted reproductive technology options, but are keen to have a biological child, and can find a surrogate mother among their relatives. The Bill prohibits commercial surrogacy but allows altruistic surrogacy which does not involve monetary compensation to the surrogate mother other than the medical expenses and insurance coverage during the pregnancy. Any establishment found undertaking commercial surrogacy, abandoning the child, exploiting the surrogate mother, selling or importing a human embryo etc shall be punishable with imprisonment for a term not be less than 10 years and with a fine up to Rs.10 lakh. Registered surrogacy clinics will have to maintain all records for a minimum period of 25 years.⁴

4. The Maternity Benefit Act, 2017: The current provision provides maternity leave only up to 12 weeks for all women. This Act extends this period to 26 weeks. However, a woman with two or more children will be entitled to only 2 weeks of maternity leave. The Act also introduces maternity leave up to 12 weeks for a woman who adopts a child below the age of three months, and for commissioning mothers. The period of maternity leave will be calculated from the date the child is handed over to the adoptive or commissioning mother. The Act requires every establishment with 50 or more employees to provide for crèche facilities within a prescribed distance. The woman will be allowed four visits to the crèche in a day. An employer may permit a woman to work from home, if the nature of work assigned permits her to do so. This may be mutually agreed upon by the employer and the

woman. The Act requires an establishment to inform a woman of all benefits that would be available under the Act at the time of her appointment. Such information must be given in writing and electronically.⁵

As in the PAI 2016 report, this study attempts to evaluate these two sections of our society and how effectively the government has been able to uplift their lives by taking advantage of various government initiatives. PAI 2016 focused on 9 key indicators; 4 for women and 5 for children and ranked the states by computing state wise indices for each indicator. This study attempts to do the same but with some alteration in the key indicators in the following way:

For women, the following indicators, though not exhaustive, would reveal a broad representative picture of their condition and status in the States:



"A man without a woman is only half a man." - Old Indian proverb

"You are the bows from which your children as living arrows are sent forth." - Khalil Gibran

- a. Working women population ratio
- b. Institutional delivery
- c. Male Female literacy gap
- d. Gender Budgeting

The subject of crime against women has been considered separately in theme number 5 namely Crime, Law and Order, which in this regard focuses on rape and dowry deaths occurring in our country. It is to be noted that there are two alterations in the existing indicators. The first one is the removal of indicator, "Utilisation of funds under the Janani Suraksha Scheme" given the fact that it overlaps with the indicator "Institutional Delivery" that focuses on how many women have undergone child birth in hospitals or other health care institutions. The second is the replacement of the data for female literacy rate by actual statistics of the gap between male and female literacy rates as brought out in census 2011.

Also, in our current report, Gender Budgeting has been included to assess how many states have executed their budgets in a gender sensitive manner. Gender Budgeting is an innovative and a sensitive concept that will help to rank states by keeping gender perspective in policy/programme formulation, its implementation and review. The Ministry of Women and Child Development has recognised, *"that national budgets impact men and women differently through the pattern of resource allocation. Women constitute 48% of India's population, but they lag behind men on many social indicators like health, education, economic opportunities, etc. Hence, they warrant special attention due to their vulnerability and*

*lack of access to resources. The way government budgets allocate resources has the potential to transform these gender inequalities. In view of this, Gender Budgeting as a tool for achieving gender mainstreaming has been propagated."*⁶

For children, the indicators under examination to rank the states remain the same:

- a. Crimes against children
- b. Child labour in the age-group of 5-14
- c. Beneficiaries in the special nutrition programme under ICDS



- d. Percentage of malnourished children
- e. Child sex ratio

Kerala, Tamil Nadu and Assam topped the ranking in PAI 2016 amongst the large states, while Rajasthan, Bihar and Jharkhand, stood at the bottom of the list. The rise of Odisha in PAI 2017 to one of the top positions, from its earlier rank 5, is an indication of the quality of the work being done by the government in this sector. Among the large states Haryana and Jharkhand are at the bottom.

Similarly, Manipur, Mizoram and Sikkim got the honours amongst the small states, while J&K, Goa and Delhi have stood at the bottom.

End Notes:

- ¹ Forward by UN Secretary General, *Global Strategy for Women's and Children's Health*, http://www.who.int/pmnch/knowledge/publications/fulldocument_globalstrategy/en/
- ² *New Juvenile Justice Act to come into force today*, *The Indian Express*, 15 January 2016
- ³ *Economic and Political Weekly*, 27 August 2016
- ⁴ *Why the surrogacy bill is necessary*, *The Hindu*, 28 August 2016
- ⁵ *Maternity Benefit Bill*, *The Financial Express*, 11 November 2016
- ⁶ *Ministry of Women and Child Development*, <http://wcd.nic.in/gender-budgeting>

Photograph sources:

Woman and Child:

<https://www.google.co.in/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&ved=0ahUKEwiL76JnNXSAhWBHZQKHVuCB5AQjRwIBw&url=http%3A%2F%2Fwww.pbs.org%2Fwgbh%2Fnova%2Fbody%2Fbettering-life-for-indian-women.html&psig=AFQjCNFIU4xeWH8iGTIELq8UvP4fDx27A&ust=1489554218981579>

Nutritional Status of Women and Adolescent Girls: NFHS 3.

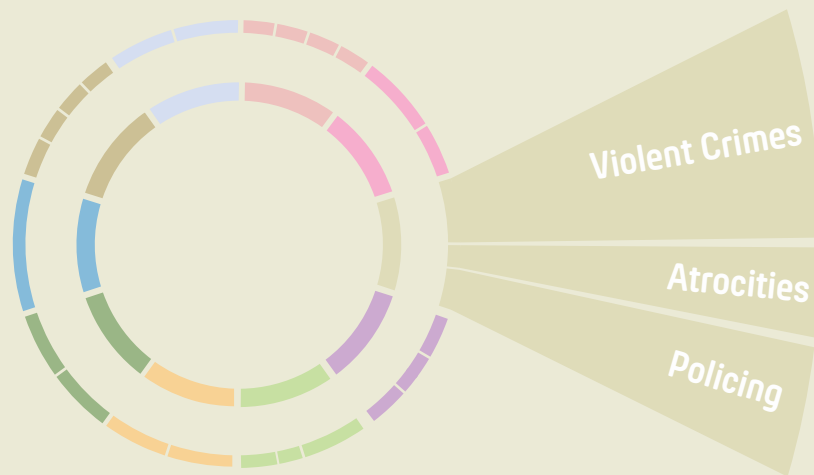
ICDS:

https://www.google.co.in/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&ved=&url=http%3A%2F%2Ftheindianir.com%2Fintegrated-child-development-servicesicds%2F&psig=AFQjCNEYJn8_xuh5eOaP3PS1rKuAyjFT1w&ust=1489554586233275

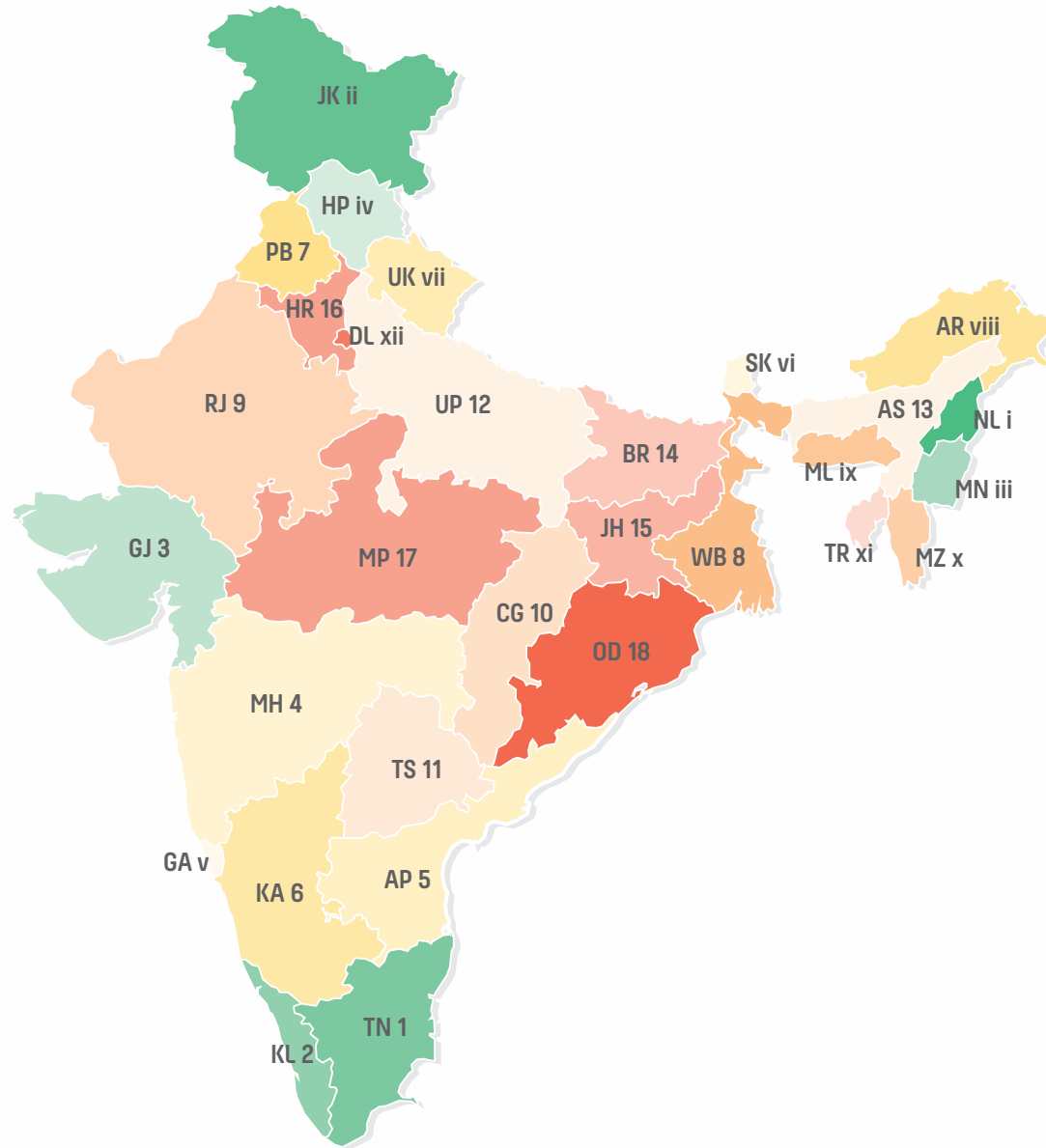
Written by **Shulka Jalodia**



THEME # 5 CRIME, LAW & ORDER



- Rapes per ten lakhs population
- Murders per ten lakhs population
- Dowry Deaths per ten lakhs population
- Custodial Deaths per ten lakhs population
- No. of police firings
- No. of police personnel per ten lakhs
- % of Women police to the total strength of police



Highest Index value Lowest Index value

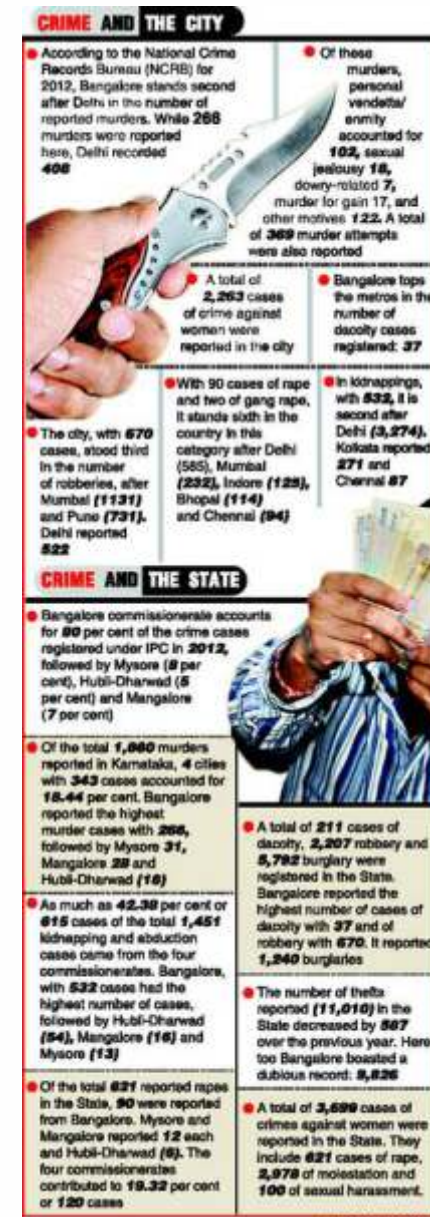
Rank	Large States	Index	0 scale range 1
1	TN Tamil Nadu	0.434	
2	KL Kerala	0.431	
3	GJ Gujarat	0.423	
4	MH Maharashtra	0.372	
5	AP Andhra Pradesh	0.360	
6	KA Karnataka	0.356	
7	PB Punjab	0.354	
8	WB West Bengal	0.351	
9	RJ Rajasthan	0.303	
10	CG Chhattisgarh	0.299	
11	TS Telangana	0.268	
12	UP Uttar Pradesh	0.252	
13	AS Assam	0.252	
14	BR Bihar	0.241	
15	JH Jharkhand	0.232	
16	HR Haryana	0.214	
17	MP Madhya Pradesh	0.214	
18	OD Odisha	0.176	

Rank	Small States	Index	0 scale range 1
i	NL Nagaland	0.470	
ii	JK Jammu and Kashmir	0.439	
iii	MN Manipur	0.430	
iv	HP Himachal Pradesh	0.418	
v	GA Goa	0.409	
vi	SK Sikkim	0.403	
vii	UK Uttarakhand	0.357	
viii	AR Arunachal Pradesh	0.355	
ix	ML Meghalaya	0.347	
x	MZ Mizoram	0.337	
xi	TR Tripura	0.246	
xii	DL Delhi	0.200	

The distinction between crime on the one hand, and law and order on the other, perhaps requires an unnecessary explanation. It has been argued that crime is an expression of the inequalities existing in society, both in terms of economic disparities as well as social discriminations. When the legitimate aspirations of some people, who consider that they have been deprived of their chances for a better material life because of the depredations of the more privileged, are sought to be actualised, then there is a proclivity to resort to crime so as to even the score. Otherwise, there could be crimes arising out of the passions of the heart, which inflame emotions and lead people to commit criminal offences. In other words, a crime or criminal offence is an act harmful not only to some individual or individuals but also to a community, society or the state, which acts are forbidden and punishable by law.

Law and order, on the other hand, arises because the wilful disobedience of the law, or disruptions to the tranquility of the society when groups of people take matters into their own hands and disrupt normal life thus affecting society at large. In the restoration of law and order in a particular place or region, the civil government may take the assistance of military forces, while also temporarily denying basic civil rights so as to ensure that the peace is restored.

Crime is an offence which harms individuals as well as society and is punishable by law. Law and order ensures peace in the State and improves public service delivery. While to talk of the complete establishment of a crime-less society may be utopian, one of the ways to ensure that crimes are curbed and law and order is maintained



CRIME AND THE CITY

- According to the National Crime Records Bureau (NCRB) for 2012, Bangalore stands second after Delhi in the number of reported murders. While 266 murders were reported here, Delhi recorded 406
- Of these murders, personal vendetta/enmity accounted for 102, sexual jealousy 16, dowry-related 7, murder for gain 17, and other motives 122. A total of 369 murder attempts were also reported
- A total of 2,263 cases of crime against women were reported in the city
- Bangalore tops the metros in the number of dacoity cases registered: 37
- With 90 cases of rape and two of gang rape, it stands sixth in the country in this category after Delhi (565), Mumbai (222), Indore (123), Bhopal (114) and Chennai (94)
- In kidnappings, with 532, it is second after Delhi (3,274). Kolkata reported 271 and Chennai 87
- The city, with 670 cases, stood third in the number of robberies, after Mumbai (1131) and Pune (731). Delhi reported 522

CRIME AND THE STATE

- Bangalore commissionerate accounts for 80 per cent of the crime cases registered under IPC in 2012, followed by Mysore (8 per cent), Hubli-Dharwad (5 per cent) and Mangalore (7 per cent)
- Of the total 1,000 murders reported in Karnataka, 4 cities with 343 cases accounted for 34.3 per cent. Bangalore reported the highest murder cases with 266, followed by Mysore 31, Mangalore 28 and Hubli-Dharwad (10)
- A total of 211 cases of dacoity, 2,207 robbery and 5,792 burglary were registered in the State. Bangalore reported the highest number of cases of dacoity with 37 and of robbery with 670. It reported 1,240 burglaries
- As much as 42.38 per cent or 615 cases of the total 1,451 kidnapping and abduction cases came from the four commissionerates. Bangalore, with 532 cases had the highest number of cases, followed by Hubli-Dharwad (54), Mangalore (16) and Mysore (13)
- The number of thefts reported (11,010) in the State decreased by 587 over the previous year. Here too Bangalore boasted a dubious record: 3,826
- Of the total 621 reported rapes in the State, 90 were reported from Bangalore. Mysore and Mangalore reported 12 each and Hubli-Dharwad (6). The four commissionerates contributed to 19.32 per cent or 120 cases
- A total of 3,699 cases of crimes against women were reported in the State. They include 621 cases of rape, 2,978 of molestation and 100 of sexual harassment.

GRAPHIC BY SELMAN



INDIAN SCENARIO (NON-REGISTRATION OF FIR)

9-20%

Victims whose FIR is written

30%

Victims who don't report the crime

50-61%

Victims whose FIR is not recorded

94%

of investigation time is consumed
in interviewing witnesses and
writing case diaries

20.5 lakh

The number of registrations on
Delhi Police's Lost and found app in
the past 18 months which saved 15
lakh man hours

Source: (Based on) International
Crime Victimization Survey

is to achieve socio economic development and ensure employment to all the people so that they are all gainfully employed in their own lives. That is why all governments, and political parties give so much emphasis to the creation of jobs that will enhance productivity and give self respect and dignity to the individual citizens of the country.

INTERPOL is the largest international police organisation in the world, which strives towards making the world a safer place by combating crime. India is a member country of INTERPOL. INTERPOL states that:

“Each of INTERPOL's member countries operates a National Central Bureau (NCB) which serves as the national platform for cooperation between domestic law enforcement units and the international police community”.¹

As in PAI 2016, in this edition of PAI 2017 most of our data for this theme is taken from the National Crime Records Bureau (NCRB), which is perhaps the only platform for retrieving macro level data on crimes in the country. NCRB reported that the rape rates² in our National Capital, i.e. Delhi, have increased by almost 350 per cent since 2012! The NCRB report of 2012 says that Bangalore ranks second in the criterion of crime prone city³. Crimes against women⁴ have tremendously increased among the six north eastern states, as reported by NCRB during 2014. After the horrendous 'Nirbhaya' incident, which shocked the nation and set off large scale civil protests, Government of India constituted the **Justice Verma Committee** to take immediate actions against criminals for committing sexual assault against women.

Crimes against various social groups, especially, Dalits, are also increasing. NCRB reported that violence against **Dalits** have increased by 44 per cent from 2010 to 2014.⁵ The crimes against women are also not decreasing.

Human rights are violated if law and order is not maintained and it poses serious repercussions on the normal life of the citizens. There are instances where public property was damaged and economic activities hampered, further reflecting the breakdown of law and order. Situations of vandalism can arise if law and order is not maintained properly. At times, the stance taken by government may incite violence and disturbance to public order. The unrest seen in many parts of the country after the questions of freedom of speech was agitated in the wake of the JNU incident last year is an example. Yet another example of such a scenario could be the stand taken by the government in the imposition of a ban on consumption of beef in India, which led to turmoil and shedding of blood among various sectarian groups. The Rohit Vemula suicide case in Hyderabad led to disruptions arising out of people's perceptions of injustice meted out to people of so called 'lower' castes.

The Seventh Schedule of the Constitution of India states that 'Police' and 'Public Order' are State subjects. Thus, the State Government is responsible for penalising criminals and also ensuring peace and justice. Whenever required, the Central Government gives assistance to the State Government by providing Central Paramilitary Forces (CPMFs).

Comparing states on the basis of this theme is complex. If the data of any state reflects the

"Poverty is the mother of crime" - Marcus Aurelius

"There is no crueller tyranny than that which is perpetuated under the shield of law and in the name of justice." - Charles de Montesquieu

existence of a very high incidence of crime than other states, it is not necessary that the crimes in that state is actually higher. One of the obvious reasons is the more accurate reporting of crime. On the same logic, a state reporting low crime rates may actually be suppressing the registration of FIRs so as to depict a rosier picture when compared to the other states. In India the politics of reporting or not reporting crime is a sensitive issue. There is a view that most of crimes in India are not reported. One of the major reasons why the metro cities shows higher incidence of crime, is that reportage in these cities is high, mainly due to public awareness and the closer vigilance maintained by people and civil society organisations over the activities of the public and the action taken by the police.

Crime is closely associated with inequality. Literature suggests that crime rates have increased due to increase in inequality. Therefore, this subject is explored in the theme of Inequality, which is seen in a later section.

New developments

1. The Ministry of Home Affairs (MHA) has given NCRB the responsibility of implementing their flagship Plan Programme "**Crime & Criminal Tracking Network System (CCTNS)**" by 31st March 2017. CCTNS plans to connect all police stations in India through computerisation. Till now 10,000 Police Stations out of 16,000 have already been connected through CCTNS.

2. On March 2016, the Government of India launched the web portal named **Fake Indian Currency Note (FICN)** compilation system. This will enable NCRB to get data from all the states

and will provide information about the circulation of fake notes.

3. The Union Minister of State for Home Affairs also launched a Mobile App named '**Vahan Samanvaya**' on March, 2016. The app includes a database which will help the public to trace stolen vehicles.

4. The United Nations Office on Drugs and Crime (UNODC) launched the Global Programme on Building Effective Networks Against Transnational Organized Crime in 2015. One of the major components of this programme was "Networking the Networks", which is a platform where criminal intelligence centres come together and target different kinds of organized crime and the illegal finances flowing from those crimes.⁶

In November 2015 a meeting was held in New Delhi under the "Networking the Networks" initiative, where, experts from the field of law enforcement, asset recovery, anti-money laundering came together to discuss how this platform can be utilised for tackling organised crime.

New Indicators

In view of the different type of crimes that are committed against women like rape, domestic violence, foeticide, dowry deaths etc., women police stations were set up especially to deal with women and their rights. The Ministry of Home Affairs has asked to set up a desk on "Crimes against Women and Children" in every police station and Special Women police cells in all police stations and exclusive women police thanas. Therefore, in PAI 2017, we had thought of



COUNTRIES WITH HIGH CRIME RATES

(incidence of crime per 1 lakh population as recorded by police)

COUNTRY	RATE OF CRIME*
Sweden	6,456
Denmark	6,041
Netherland	5,523
New Zealand	4,601
UK	4,447
Australia	3,854
Belgium	3,816
Germany	3,699
Finland	3,681
Austria	3,342

COUNTRIES WITH LOW CRIME RATES

COUNTRY	RATE OF CRIME*
Somalia	1.5
Iraq	2
Libya	2.9
Nigeria	3.8
Haiti	5
Mali	8
Myanmar	10.7
North Korea	15.1
Angola	19
Lebanon	59
Yemen	67
India	87

*Crime Rate calculated on seven counts: Homicide, assault, sexual violence, rape, kidnapping, burglary, theft

Source: UNODC



adding women police stations as one of the new indicators in this theme. However, we decided to drop it since there was reporting that in a few cases women were more harassed in a women police station than in a normal station! Hence, in this respect, percentage of women police to the total strength of police would be a better indicator to reveal the inclination of the state to balance the force by induction of more women into its strength.

All Indicators

There are three focus subjects in this theme and the indicators of each of them are specified below:

Violent crimes

- Rape
- Murder
- Dowry deaths

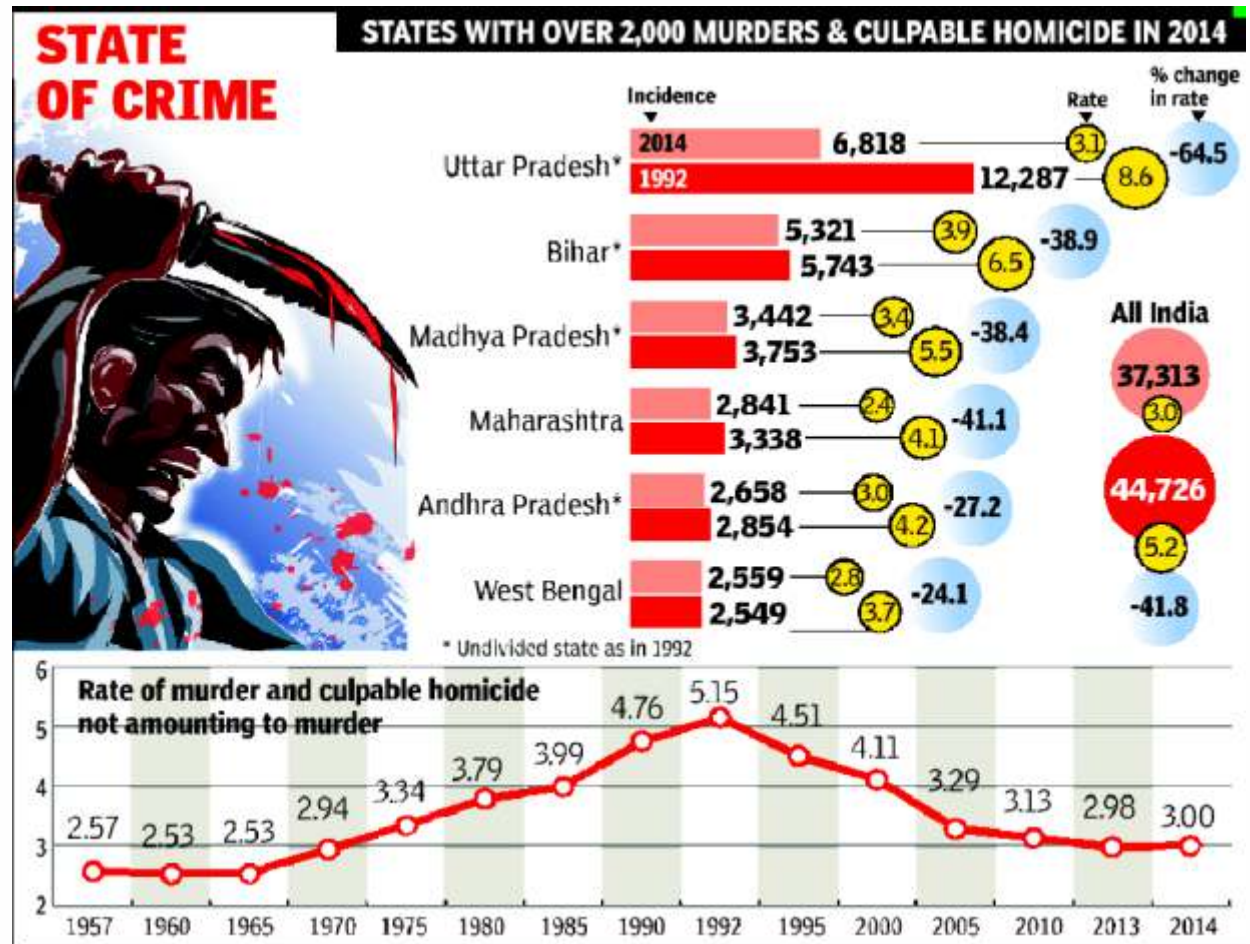
Atrocities

- Custodial Deaths
- Police firing in law and order situations

Policing

- The ratio of police personnel per ten lakh population
- Percentage of women police to the total strength of police

Other indicators of crimes have been taken into consideration in the second part of the PAI 2017 report dealing with the subject of inequality specifically. For instance, crimes against women is part of the **Inequality** study.



All the above indicators were selected to rank the Indian states from the point of view of governance defined in terms of crime and law & order. Violent crimes like rapes and murders are a serious issue in our country. Custodial deaths are crimes committed by the State on its citizens, and may be

regarded as an act against the very concept of the State.⁷ Police firings takes place in situations where the administration cannot manage a state of affairs through discussions and negotiations and where the people have become so violent and lawless that extreme force is required. At times, in order to maintain law and order, the authorities argue that police firings are necessary.

Lastly, it has to be stated that the maintenance of law and order and the control of crime so as to ensure peace largely falls on the shoulders of the civil police. It is the police which investigates crimes and fights against criminal activities and also maintains law and order in the State. Thus the importance of creating a non-partisan and objective police administration, by capable officers who will not be swayed by political considerations, is of paramount importance in the creation of a just and equitable society.

Tamil Nadu, Gujarat and Kerala had topped the rankings amongst the large states in this theme in PAI 2016. In this report too, the same three states are at the top of the ranking though in a different order. The three top performers amongst the small states in the last report were Manipur, Nagaland and Mizoram, while in this report, J&K has entered the top three rankings with Mizoram falling to a much lower position.

Jharkhand, Uttar Pradesh and Haryana had been the laggards in this theme in PAI 2016, while Haryana, Madhya Pradesh and Odisha occupy the lowest positions in this year's report. Amongst the small states, Meghalaya, Tripura and Delhi had this dubious honour last year as against Mizoram, Tripura and Delhi this year.

Written by **Udita Dutta**

End Notes:

- ¹ <https://www.interpol.int/Member-countries/Asia-South-Pacific/India>
- ² <http://indianexpress.com/article/india/india-news-india/why-india-has-a-low-crime-rate/>
- ³ <http://www.thehindu.com/news/cities/bangalore/bangalore-second-in-crime-rate-in-country/article4816838.ece>
- ⁴ <https://www.opendemocracy.net/openindia/meera-vijayann/dangerous-silence-in-india's-northeast>
- ⁵ <http://indianexpress.com/article/blogs/dalit-violence-gujarat-gau-rakshaks-2930876/>
- ⁶ https://www.unodc.org/documents/AnnualReport2015/Annual_Report_2016_WEB.pdf#6
- ⁷ PAI 2016

Photograph sources:

Crime and the City:

<http://www.thehindu.com/news/cities/bangalore/bangalore-second-in-crime-rate-in-country/article4816838.ece>

Indian Scenario (Non-Registration of FIR):

<http://indianexpress.com/article/india/india-news-india/why-india-has-a-low-crime-rate/>

Countries with High/ Low Crime Rates:

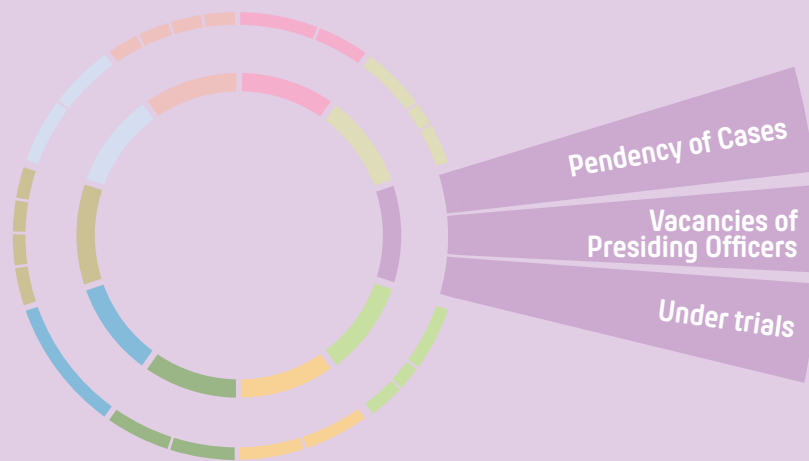
<http://indianexpress.com/article/india/india-news-india/why-india-has-a-low-crime-rate/>

State of Crime:

<http://timesofindia.indiatimes.com/india/Murder-count-in-India-falls-to-its-lowest-level-since-1960s/articleshow/48635001.cms>



THEME # 6 DELIVERY OF JUSTICE

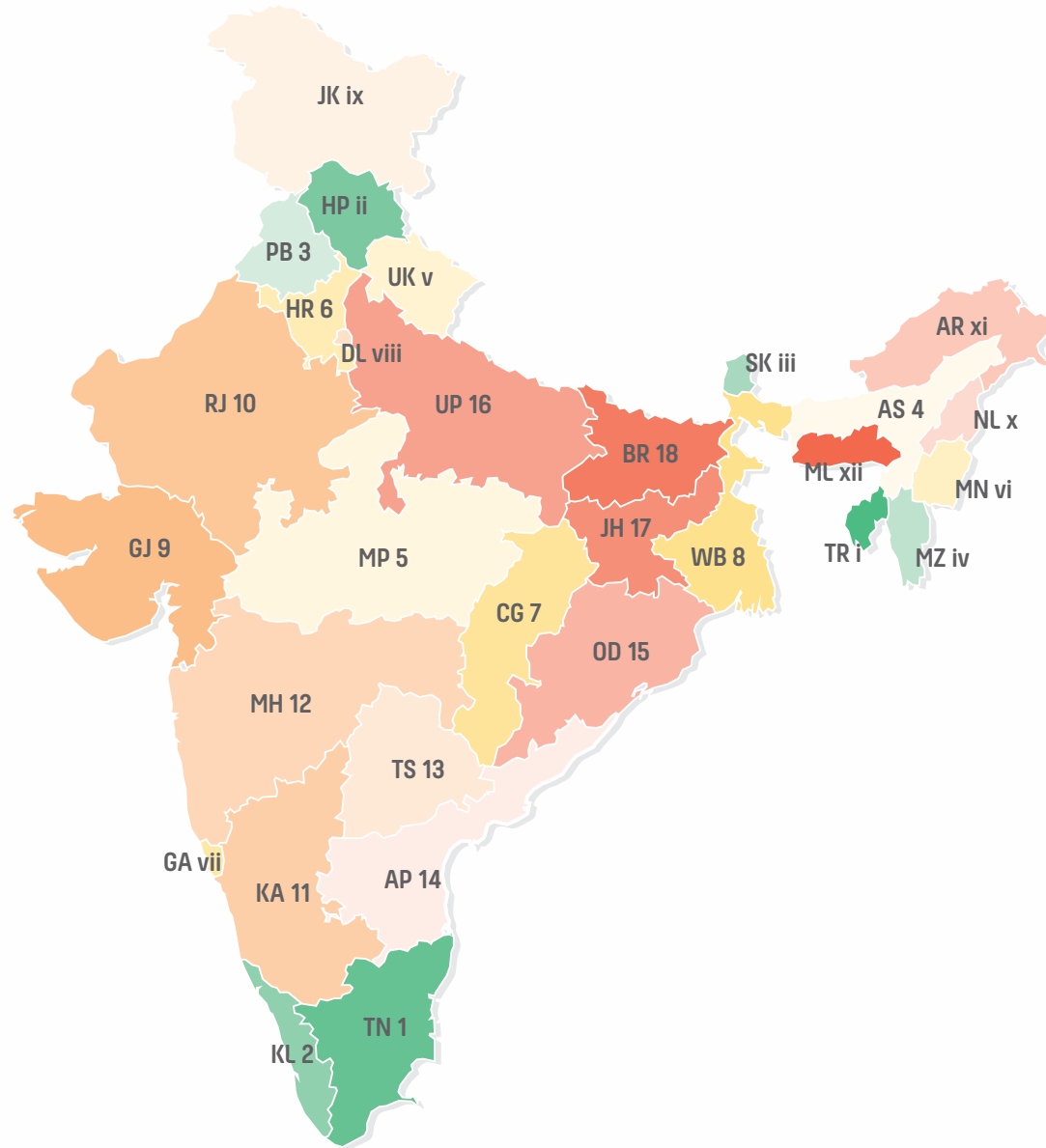


- Pendency in High Court
- Pendency in District Court
- Vacancy in High Court
- Vacancy in District Court
- No. of Undertrials

THEME # 6



DELIVERY OF JUSTICE



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	TN Tamil Nadu	0.725	
2	KL Kerala	0.638	
3	PB Punjab	0.609	
4	AS Assam	0.583	
5	MP Madhya Pradesh	0.581	
6	HR Haryana	0.569	
7	CG Chhattisgarh	0.546	
8	WB West Bengal	0.528	
9	GJ Gujarat	0.496	
10	RJ Rajasthan	0.495	
11	KA Karnataka	0.486	
12	MH Maharashtra	0.479	
13	TS Telangana	0.464	
14	AP Andhra Pradesh	0.427	
15	OD Odisha	0.390	
16	UP Uttar Pradesh	0.388	
17	JH Jharkhand	0.383	
18	BR Bihar	0.273	

Rank	Small States	Index	0 scale range 1
i	TR Tripura	0.779	
ii	HP Himachal Pradesh	0.661	
iii	SK Sikkim	0.632	
iv	MZ Mizoram	0.624	
v	UK Uttarakhand	0.580	
vi	MN Manipur	0.576	
vii	GA Goa	0.552	
viii	DL Delhi	0.467	
ix	JK Jammu and Kashmir	0.445	
x	NL Nagaland	0.426	
xi	AR Arunachal Pradesh	0.392	
xii	ML Meghalaya	0.226	

Under this theme the aim is to assess the comparative status of delivery of justice in the States of India, throwing light on two focus subjects; namely the High Courts and the District Courts. Under these two principal seats of judicial administration, we shall look at the data pertaining to pendency of cases and the vacancies in the posts of the presiding officers. In PAI 2016, the number of pending cases across the country was already pegged at 3 crores. The situation, it seems, has not improved much in a year's time.

The Union Minister of State for Law and Justice, Mr. P.P. Chaudhary recently reportedly stated that some of the main reasons for pending cases in the various courts across the country were the impact of state and central legislations, accumulation of first appeals, vacancies of judges and frequent adjournments.¹

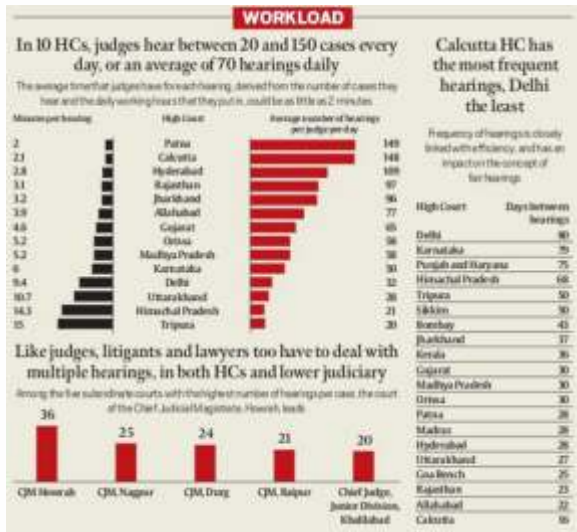
It must be kept in mind that there is an ongoing controversy between the Supreme Court and the Union Government in the matter of the manner and procedure adopted by the former in appointment of judges through a closed collegium of judges. The Union Government has taken the stand that there should be greater transparency in the process of appointment of judges and that the Collegium should be expanded so as to bring in objectivity and fairness in the selection process. This controversy has resulted in a stand off between the two that threatens to wreck the delicate balance between the Judiciary and the Executive. The unlikely scene of the Chief Justice of the Supreme Court of India, overwhelmed by the situation, weeping before a public audience



was an unforgettable image printed in the minds of any concerned Indian with regard to this important aspect of governance.

As of March 31st 2016 around 42 % of the post of judges in the High Courts across India i.e. 442 posts of the sanctioned strength of 1,041 judges of the High Courts, are vacant, according to Supreme Court data. In the district courts around 4882 of the sanctioned strength of 21,017 judge's posts lie vacant (23%). The Supreme Court, with a sanctioned strength of 31 judges, including the Chief Justice, has three vacancies.

A Law Ministry report said that the situation in the subordinate courts is getting worse, with the number of judges' posts vacant in the subordinate and district courts across the country crossing 5,000. More than 2.18 crore cases are still pending in the district courts and in totality, there are now more than 3 crore cases pending in courts across the country.²



For our study we have identified the following focus subjects:

Pendency of Cases

- a. Pendency in High courts.
- b. Pendency in District courts.

Vacancies of presiding officers

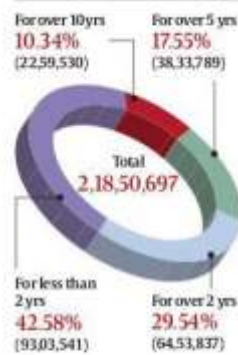
- a. Vacancies in High courts.
- b. Vacancies in District courts.

In PAI 2017 we have introduced a new focus subject in this theme, i.e, **Under trials**.

To assess whether the pendency of cases and the vacancies of presiding officers are increasing or decreasing at the level of High Courts and District Courts, data has been aggregated over a three year period for all the indicators under this theme. The

Supreme Court has been monitoring these matters very closely and brings out detailed data on these matters periodically. The purpose of this report is to simply state the facts and thereafter to assess the state of pendency of cases and vacancy of judges across India: no attempt is being made to be critical or indeed, even to adversely analyse the reason or causes that have resulted in this particular situation.

PENDING CASES



WHERE ARE THE JUDGES?

SC AND HIGH COURTS
As of April 20, 2016

	Supreme Court of India	Approved Vacancies strength
Supreme Court of India	31	6
Allahabad	160	80
Bombay	29	94
Delhi	23	60
Gauhati	24	10
J&K	17	8
Karnataka	62	31
Madras	75	34
Patna	53	24
Punjab and Haryana	85	38
Rajasthan	50	20

DISTRICT AND SUBORDINATE COURTS

State	District Courts	Subordinate Courts
Andhra Pradesh and Telangana	1,034	249
Bihar	1,727	660
Delhi	793	303
Gujarat	1,939	769
Punjab	672	182
Uttar Pradesh	2,104	277

New developments

A Chief Ministers' and Chief Justices' Conference was held on April 22nd and 23rd 2016 wherein a resolution was passed by the Judiciary to utilise the services of suitable retired High Court judges on an ad hoc basis under Article 224 A of the

Constitution. This step was taken keeping in mind the high number of civil and criminal cases pending across the country and the shortage of judges that the judiciary is facing. The resolution was passed also taking into account the recommendations of the 17th Law Commission of India (2003). But this resolution was only agreed to by the Executive in November 2016, after six months of it being mooted by the Judiciary. This decision was also in response to the government's delay in clearing the Collegiums proposal for the appointment of judges in the higher judiciary.³

Around 145 appointments were recently cleared by the Government out of which only 55 were fresh appointments and the rest were additional judges that were made permanent.⁴

The Chief Justices Conference also saw the passing of a new five plus zero initiative wherein cases pending for more than five years will be given top priority for disposal and their numbers would be brought down to zero. This was decided taking into account the concerns being put forth in



the Conference where it was stated that a substantial chunk of pending cases are of over five years. The concentration of 5 plus years cases was there in a few High Courts and the stagnant pendency figures of five years plus cases in district courts was 33.5 % in 2015.⁵

The Prime Minister also recently affirmed the mounting load on the judiciary and said that there is an urgent need to lessen this load. He stated that the Government was one of the biggest litigants and that the judiciary spends majority of its time dealing with cases with the Government as a party. On these lines it was suggested that a litigation policy be adopted (still in the draft stage) where cases would be filed by the Government only after taking a “considered view” on them.

The Prime Minister also suggested an All India Judicial Services that could be established on the lines of the All India Civil Services. This suggestion was also made in the past Chief Justices Conferences (1961, 1963 and 1965) but was not adopted due to opposition from certain states and High Courts. It still remains a contentious issue but there is a possibility that it could be debated in the future.⁶

In PAI 2016, Kerala, Tamil Nadu and Chhattisgarh, were at the top amongst the large states, with Assam, Bihar and Jharkhand at the bottom. Tamil Nadu, Kerala and Punjab grab the top three positions this year. Amongst the small states, Meghalaya, Tripura and Arunachal Pradesh were the toppers in PAI 2016 with Himachal Pradesh, Manipur and Sikkim at the bottom. Tripura, Arunachal Pradesh and Sikkim lead the

small states in PAI 2017 while Nagaland, Arunachal Pradesh and Meghalaya stand at the bottom this time around.

Note: Data pertaining to pendency and vacancy for certain States falling within the jurisdiction of one High Court is the same amongst all those states. For example the data relating to pendency of cases and vacancy of judges for the state of Goa and Maharashtra will be the same since they both fall within the jurisdiction of the Mumbai High Court.

Written by **Architha Narayanan**

End Notes:

- ¹ <http://indianexpress.com/article/india/india-news-india/judges-appointment-high-court-vacancies-collegium-government-2970744/>
- ² <http://indianexpress.com/article/india/india-news-india/indian-judiciary-shortage-judges-ts-thakur-2crore-cases-pending-in-indias-district-courts-report-2842023/>
- ³ <http://www.thehindu.com/todays-paper/tp-national/Retired-judges-to-wield-the-gavel-again/article16155801.ece>
- ⁴ <http://indianexpress.com/article/india/india-news-india/three-crore-cases-pending-before-judiciary-ret-judicial-officers-to-work-as-ad-hoc-judges-2768526/>
- ⁵ <http://www.thehindu.com/todays-paper/tp-national/Retired-judges-to-wield-the-gavel-again/article16155801.ece>
- ⁶ <http://timesofindia.indiatimes.com/india/Government-biggest-litigant-need-to-lessen-load-on-judiciary-PM-Modi/articleshow/55154921.cms>

Photograph sources:

Shortage of Judges and Pendency of Cases:

<http://indianexpress.com/article/india/india-news-india/india-judiciary-cji-t-s-thakur-supreme-court-judges-pending-cases-2778419/>

Work Load:

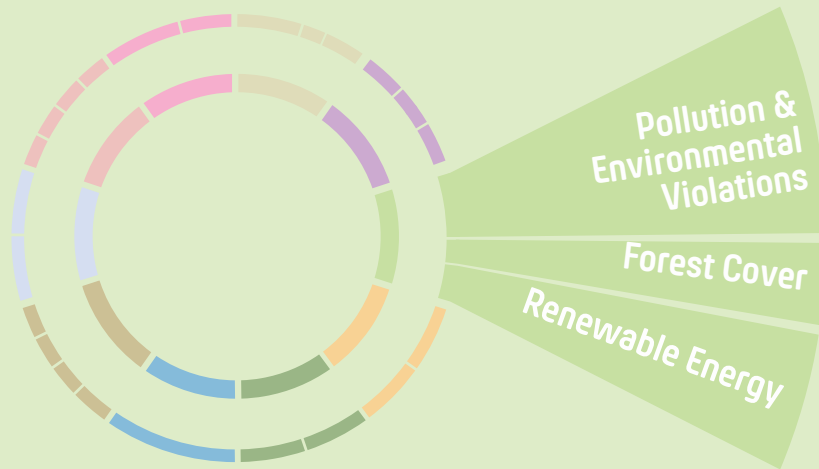
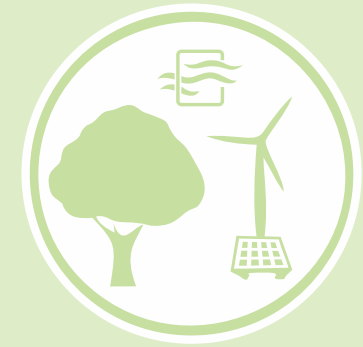
<http://indianexpress.com/article/explained/study-shows-pendency-of-cases-longest-in-allahabad-hc-shortest-in-sikkim-2970050/>

Pendency Cases/ Where are the Judges?:

<http://indianexpress.com/article/india/india-news-india/india-judiciary-cji-t-s-thakur-supreme-court-judges-pending-cases-2778419/>



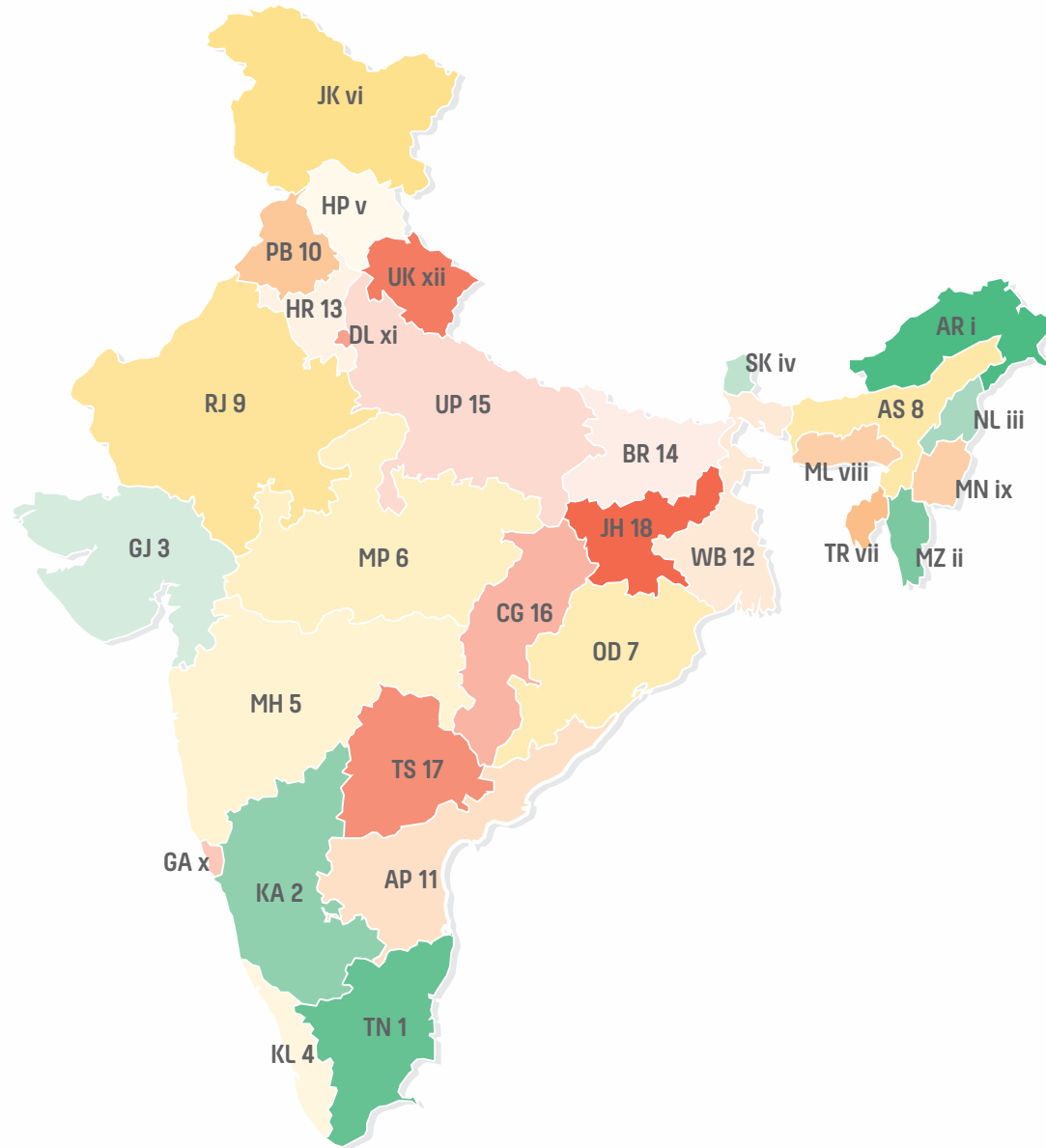
THEME # 7 ENVIRONMENT



- Suspended Particulate Matter
- SO₂ Emissions
- NO₂ Emissions
- No. of Environmental Violations in the State (Per capita)

- Increase / Decrease in Forest Cover

- Renewable Energy as a % of total energy generated



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	TN Tamil Nadu	0.829	
2	KA Karnataka	0.749	
3	GJ Gujarat	0.621	
4	KL Kerala	0.611	
5	MH Maharashtra	0.601	
6	MP Madhya Pradesh	0.600	
7	OD Odisha	0.583	
8	AS Assam	0.579	
9	RJ Rajasthan	0.576	
10	PB Punjab	0.561	
11	AP Andhra Pradesh	0.551	
12	WB West Bengal	0.529	
13	HR Haryana	0.528	
14	BR Bihar	0.493	
15	UP Uttar Pradesh	0.491	
16	CG Chhattisgarh	0.472	
17	TS Telangana	0.457	
18	JH Jharkhand	0.428	

Rank	Small States	Index	0 scale range 1
i	AR Arunachal Pradesh	0.832	
ii	MZ Mizoram	0.770	
iii	NL Nagaland	0.700	
iv	SK Sikkim	0.640	
v	HP Himachal Pradesh	0.612	
vi	JK Jammu and Kashmir	0.575	
vii	TR Tripura	0.567	
viii	ML Meghalaya	0.558	
ix	MN Manipur	0.558	
x	GA Goa	0.489	
xi	DL Delhi	0.458	
xii	UK Uttarakhnd	0.443	

In this sensitive theme of Environment, key emphasis has been placed on three focus subjects, namely, air pollution and environmental violations, forest cover (whether the green cover in the state is increasing or decreasing and at what rate), and alternative energy as a percentage of the total energy production in the state.

These three focus subjects have six indicators under them, which reflect the intent of the state to reduce its dependence on hydrocarbons and enhance the production of non-conventional sources of power, as well as improve the environment as a whole. The selection of these indicators is based on their importance from the perspective of the state's obligation to protect the environment as well as the availability of government data.

The specific indicators are as follows:

Pollution and environmental violations:

- a. Sulphur dioxide levels.
- b. Nitrogen dioxide levels.
- c. Suspended particulate matter.
- d. The number of cases of environmental violations registered by the authorities in the states.

Forest cover

- a. The percentage of land under forest cover; its increase or decrease over a three-year period.

Renewable Energy

- a. Renewable energy as a percentage of total energy generated.

New Developments post PAI 2016

In the year 2016, many events have taken place that have again brought to attention the pressing issue of environmental degradation and climate change. These events have reinstated the need to have urgent and imperative measures by nations internationally and domestically to curb the impact of climate change on the environment.



MARRAKECH COP22 | CMP12 | CMA1
CONFÉRENCE DES NATIONS UNIES
SUR LES CHANGEMENTS CLIMATIQUES

The United Nations conference on climate change took place in Marrakech, Morocco from the 7th to 18th November, 2016. The task of the conference was to develop guidelines to operationalize the Paris Agreement, which was adopted in April 2016 and brought into force on November 4th 2016. India also participated with other developing countries to ensure that climate actions are based on the principles of CBDR (Common But Differentiated Responsibilities), equity and climate justice. The conference also underlined the pressing need for early action on the part of developed countries to make emission cuts in accordance to their commitments in the Kyoto protocol, which will expire in the year 2020. India had ratified the Paris Agreement in October 2016.



The Marrakech Action Proclamation was declared during the conference under which countries were called to combat climate change as a matter of “urgent priority”. The conference reiterated the need for immediate political action by nations since the climate is said to be warming at an “unprecedented and alarming” rate. India welcomed the proclamation and stated that most of the demands made by it, which included the issue of providing finance to developing nations to deal with climate change, have been incorporated and the country will continue to push for steps taken domestically as per the Paris agreement. The conference was also held amid reports that US under President Donald Trump could pull out from the Paris pact after taking over office.



The timing of the conference was opportune, as a primary assessment provided by the World Meteorological Organization (WMO, the global UN weather agency) in its “Status of the Global Climate in 2016” report, identified that 2016 will be the hottest year on record. It further added that global temperatures will be even higher than what was experienced in 2015. The world is likely to

cross 1.2° C of global warming above pre-industrial levels in 2016. The temperature levels are perilously close to breaching the 1.5° C warming levels advised as an ambitious target to stay safe from the worst impacts of climate change.

The Paris Agreement last year had adopted 2°C as the absolute threshold for staying within safe global warming levels. However, 1.5°C was advised as an ambitious target, especially bearing in mind the fate of small island countries that are threatened with extreme weather and submergence due to the rise in sea-level. The WMO report outlined the major weather events associated with increasing global warming levels in 2016. As of October 2016, there have been a total of 78 tropical cyclones around the world as well as a number of major droughts and heat waves that were experienced during 2015-2016. The Meteorological Organization report also mentions the city of Phalodi in Rajasthan which set a new record for the highest temperature in India (51.0°C on May 19, 2016).

With regard to ambient air quality and pollution, the city of Delhi experienced the worst air pollution in nearly two decades in November 2016. The Capital's air quality slipped into the 'hazardous' level post Diwali with low wind speed and high moisture content which made sure that the city remained engulfed in smog and suffered poor visibility for weeks. The city had registered appallingly high levels of suspended particulate matter (PM10) and benzene (cancer causing agent) across the city. Taking this emergency into account, the National Green Tribunal (NGT) passed multiple directions which included the setting up of centralized and State level



monitoring committees which are tasked with preparing action plans to combat pollution. The Supreme Court in the wake of increasing pollution levels also banned the sale of firecrackers in the capital recently.

“Saving our planet, lifting people out of poverty, advancing economic growth... these are one and the same fight. We must connect the dots between climate change, water scarcity, energy shortages, global health, food security and women’s empowerment. Solutions to one problem must be solutions for all.” – Ban Ki-moon

Air pollution level comparison with major cities in the world



The bench said that “When air pollution enters alarming or 'severe' levels, immediate steps are required to be taken as environmental emergency. According to experts when PM 10 and PM 2.5 are above 431 and 251 micrograms per cubic meter respectively, then it is the situation of severe emergency in the ambient air.” The city's faltering attempts to introduce the odd-even rule for vehicles, based on their registration numbers, has also not seen any real progress.

This incident is not an isolated event though, a fact that was backed by a report by Greenpeace. According to the Greenpeace India report released in 2016, India overtook China in the number of deaths caused by air pollution last year. Analyzing the Global Burden of Disease (GBD) data (Institute for Health Metrics and Evaluation at the University of Washington in Seattle), the report found that India had 3,283 premature deaths due to ambient air pollution every day, as opposed to China's 3,233 per day. The number of deaths per day due to air pollution in India has risen from 2,139 per day in 1990 to 3,238 in 2015.

In PAI 2016, Tamil Nadu, Karnataka and West Bengal, stood at the top amongst the large states, while Bihar, Chhattisgarh and Jharkhand were at the bottom. Within small states, Arunachal

Pradesh, Mizoram and Nagaland were at the top, while Goa, Delhi and Uttarakhand stood at the bottom.

In PAI 2017, the fall of West Bengal from its position at 3 last year to 12 in the current report is significant. The new entrant Telengana stands at a low of 17. Amongst the small states, there is no change in the rankings both at the top and at the bottom.

Written by **Architha Narayanan**

Photograph sources:

UN Climate Change Conference: <http://cop22.ma/fr/>

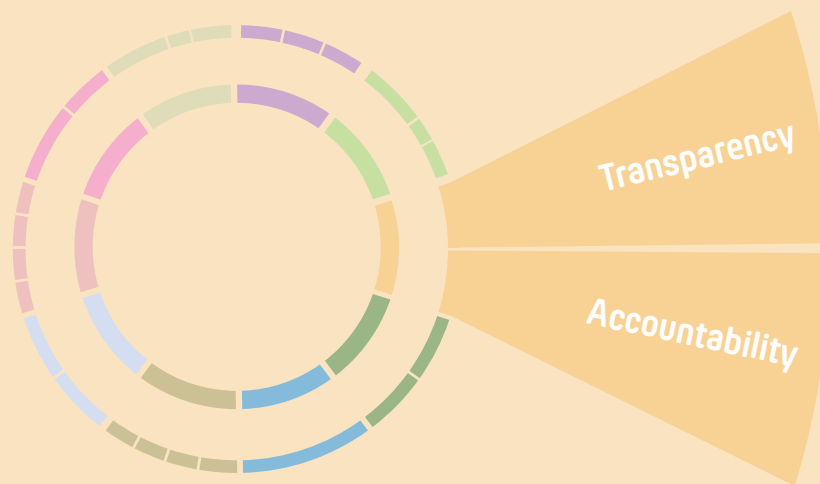
UN Climate Change Conference: <http://edition.cnn.com/2016/11/18/politics/cop22-trump-ban-ki-moon/>

Capital Breathes Uneasy: <http://www.hindustantimes.com/india/delhi-world-s-most-polluted-city-study/storyKqiz2WDZ8muWya6MJpbGPM.html>

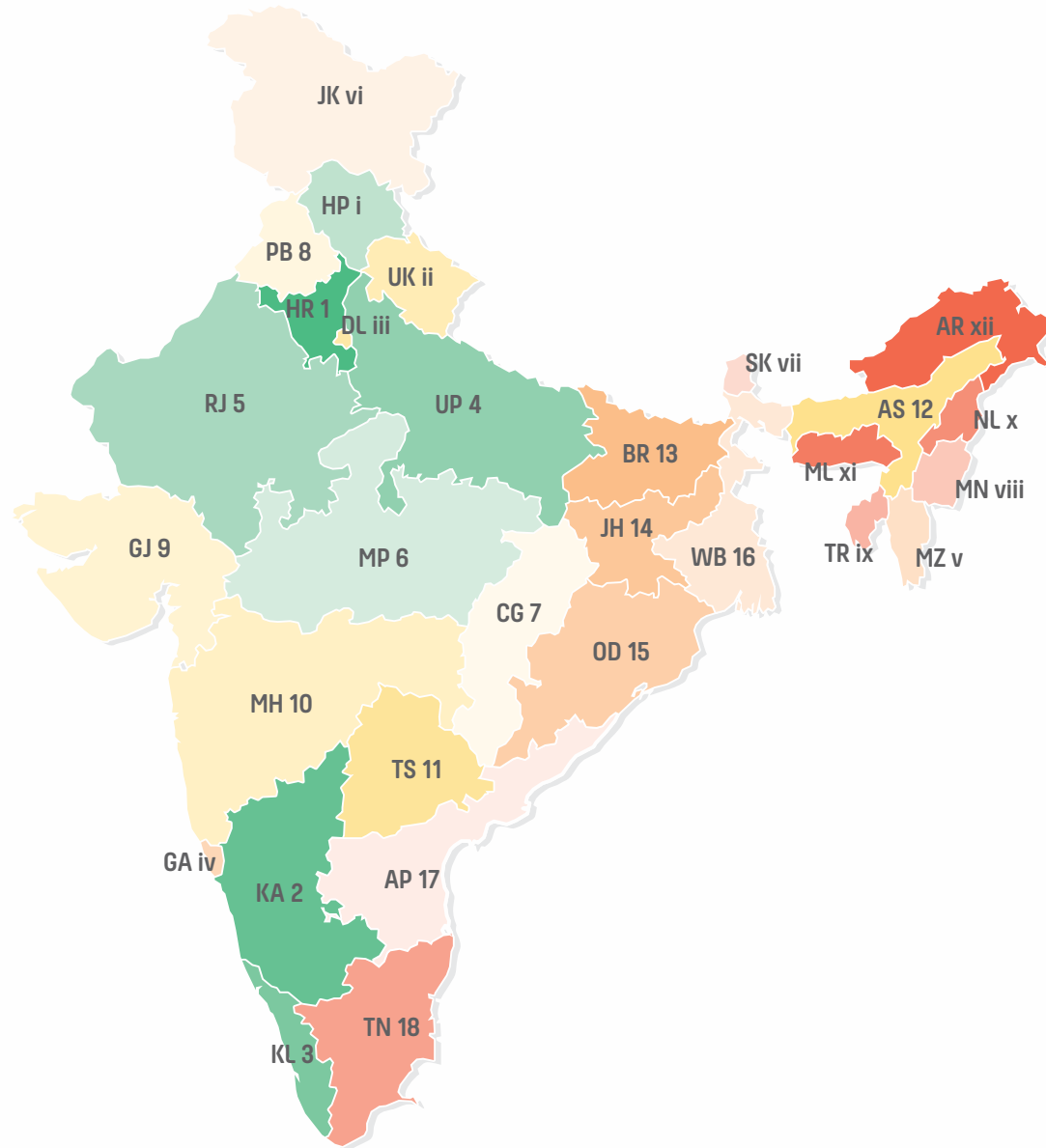
Air pollution level comparison with major cities in the world: <https://scroll.in/article/675507/your-neighbourhood-petrol-pump-is-the-source-of-indias-deadliest-pollution>

THEME # 8

TRANSPARENCY AND ACCOUNTABILITY



- Adherence to Section 4 RTI
- RTPS act legislated or not
- No. of Services provided under e-Governance plan
- Lok Ayukt: Constituted / Bill Passed, Individual Web-sites and Chairpersons appointment
- No. of ACB cases disposed as a % of total cases registered
- Social Audit under NREGA: % of GP's covered
- Panchayat Devolution Index Score
- State wise number of NGO's (Role of civil society organisations)
- Criminal Records of MLA's



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	HR Haryana	0.707	
2	KA Karnataka	0.684	
3	KL Kerala	0.642	
4	UP Uttar Pradesh	0.616	
5	RJ Rajasthan	0.608	
6	MP Madhya Pradesh	0.598	
7	CG Chhattisgarh	0.597	
8	PB Punjab	0.579	
9	GJ Gujarat	0.578	
10	MH Maharashtra	0.562	
11	TS Telangana	0.537	
12	AS Assam	0.533	
13	BR Bihar	0.526	
14	JH Jharkhand	0.509	
15	OD Odisha	0.506	
16	WB West Bengal	0.491	
17	AP Andhra Pradesh	0.449	
18	TN Tamil Nadu	0.364	

Rank	Small States	Index	0 scale range 1
i	HP Himachal Pradesh	0.604	
ii	UK Uttarakhand	0.559	
iii	DL Delhi	0.541	
iv	GA Goa	0.501	
v	MZ Mizoram	0.500	
vi	JK Jammu and Kashmir	0.481	
vii	SK Sikkim	0.396	
viii	MN Manipur	0.390	
ix	TR Tripura	0.378	
x	NL Nagaland	0.352	
xi	ML Meghalaya	0.341	
xii	AR Arunachal Pradesh	0.330	

In order to maximise governance and make the processes of administration open and participative, the system should be transparent and accountable in nature. A transparent and accountable Government will not only help the States to achieve growth, but also ensure development with the active participation of the people. Openness within the institutions will allow the citizen to be aware of the functioning of the Government and this will further enable the Government to improve their quality in public service delivery. An accountable Government strengthens the entire process to achieve better outcomes.

With the advent of internet, the State Governments as well as the Government of India are providing various details in their respective websites. Citizen's charters announced in Central Government Ministries as well as in many States show the commitment of the Government in providing services to the people within a stipulated time. The requirement of the law under the Right to Information Act for self disclosure is also an important tool to ensure that the activities of the state are placed in the public domain. All these are instances of transparency and accountability in the administration.

New Developments

The Government of India has introduced various schemes, policies, apps etc to encourage a transparent, corruption-free and accountable State. A few of the recent developments, mostly recent ones, are mentioned below:

1. **BHIM (Bharat Interface for Money):** It is a mobile app which was launched by the

Honourable Prime Minister of India, Narendra Modi on 30th December, 2016. It helps in making easy payment transactions using Unified Payments Interface (UPI). One can simply make payments or collect money by just using their Mobile number or Payment address. This shows the accountable nature of the Government in enabling a hassle free transaction, weeding out the hurdles that come in a common man's way. It will also help in strengthening one of the greatest pillar of governance, i.e, transparency.



2. India marginally performed better in the **Corruption Perception Index (2016)**, as prepared by Transparency International. This Index ranges from 0 to 100, where 0 indicates high level of corruption and 100 indicates a zero level of corruption, i.e. higher transparency. India's score increased from 38 in 2015 to 40 in 2016.

3. **Geo tagging the assets created under MGNREGA:** Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was introduced in 2005 and guarantees 100 days of wage employment in the rural areas. The government recently decided to geo tag the assets



created under MGNREGA, to ensure transparency in the database of asset creation. In this respect, a Memorandum of Understanding (MoU) has been signed on June, 2016, between the Department of Rural Development (DoRD), Ministry of Rural Development (MoRD), New Delhi and National Remote Sensing Centre (NRSC), ISRO, Hyderabad, to geo-tag the assets created under MGNREGA.

4. **Digital India:** This flagship programme was launched in 2015 to empower the citizens digitally. This platform ensures transparency in the process of service delivery as well as citizen participation.



New Indicators:

The role of a civil society organisation is very

crucial to maintain transparency in the system. These organisations work closely with the local bodies as well as the respective governments for service delivery and hence have a major role in promoting good governance. Thus, we have added the number of NGOs in a state, duly normalised, as one of the new indicators.

On the other hand, it was felt that, if there exists public information disclosing the criminal records of MLAs to the public, then it will also reflect a transparent process for informing the public about the nature and character of the representatives that are representing the people at large. Also, if an MLA commits a crime, it also reflects a lack of accountability on his/her part to the public. Therefore, we selected Criminal records of MLA as a new indicator in PAI 2017.

All Indicators:

This theme has two focus subjects, namely, Transparency and Accountability. The indicators under each of the focus subjects are specified below:

Transparency:

- a. Adherence to Section 4, RTI.
- b. Right to Public Services Act (RTPS) legislated or not.
- c. The number of services provided in the States on a digital platform under the e-Governance plan.

Openness in the government is a sure indicator of the quality and level of governance. The RTI Act

gives the citizens the right to avail Government information. In the same vein, this study also incorporates the number of states that have legislated the Right to Public Services Act (RTPS). In addition, the number of public services delivered by a State through an online portal has also been studied.



Accountability:

- a. The Lok Ayukt office in terms of the enactment of the statute, the maintenance of its website and the appointment of the Lok Ayukt himself.
- b. Cases registered against public servants by the Anti Corruption Department and disposed of.
- c. Social audit through the statutory provisions under the MNREGA to curb unfair practices of misappropriation of funds.
- d. The Panchayat Devolution Index which looks at the depth of devolution of funds, functions and functionaries by the States to the Panchayat Raj Institutions in compliance with the 73rd Constitutional amendment.
- e. Number of NGOs in a state.

“The best way to prove the clearness of our mind, is by showing its faults; as when a stream discovers the dirt at the bottom, it convinces us of the transparency and purity of the water.” – Alexander Pope

f. Criminal records of MLAs.

Since, Public Accountability is difficult to capture, we have identified the above proxy indicators to understand the essence of this subject. It would be interesting to know whether the states have appointed a Lok Ayukt or not, or whether there is an individual website revealing the functioning of the Lok Ayukt. From a governance perspective, it is important to identify how many Anti Corruption cases have been disposed off. Similarly, it is interesting to note how many Gram Panchayats (GPs) in a State were covered under Social Audit. Finally, to judge how the States fare in devolution of funds, Panchayat Devolution Index was used.

In PAI 2016, the states of Kerala, Karnataka, Chhattisgarh occupied the first three positions in this theme: now, in PAI 2017, Haryana has joined the top three with Chhattisgarh falling to the seventh rank.

Similarly in PAI 2016, amongst the smaller states, Himachal Pradesh, Delhi and Goa had been the top performers, with Sikkim, Nagaland and Arunachal Pradesh at the bottom of the pile. Now in PAI 2017, Uttarakhand joins the top three with Goa slipping to the fourth position. Nagaland, Meghalaya and Arunachal Pradesh lie at the bottom of the list.

Photograph sources:

BHIM App:

http://miti.gov.in/writereaddata/files/BHIM%20Presentation_english-01.jpg.

Digital India:

<http://images.financialexpress.com/2015/07/Narendra-Modi-Digital-India.jpg>

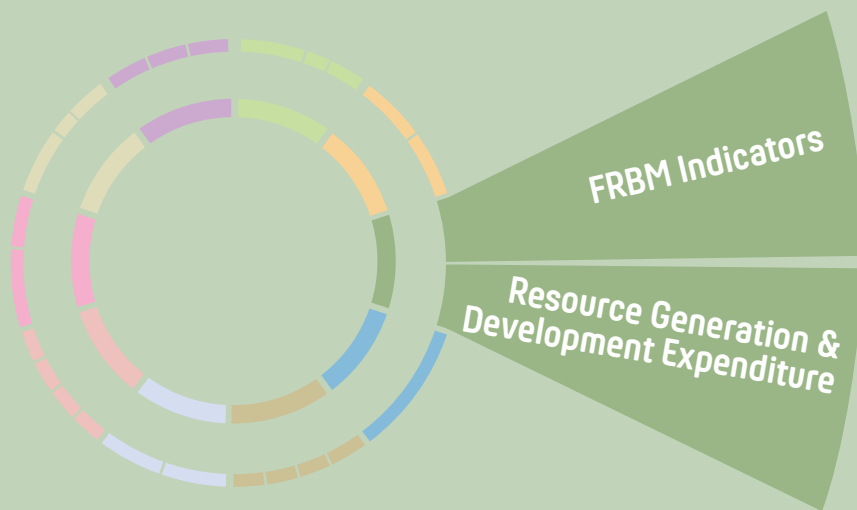
RTI: <http://timesofindia.indiatimes.com/india/Law-students-to-assess-govt-departments-transparency/articleshow/53963696.cms>

Written by **Udita Dutta**



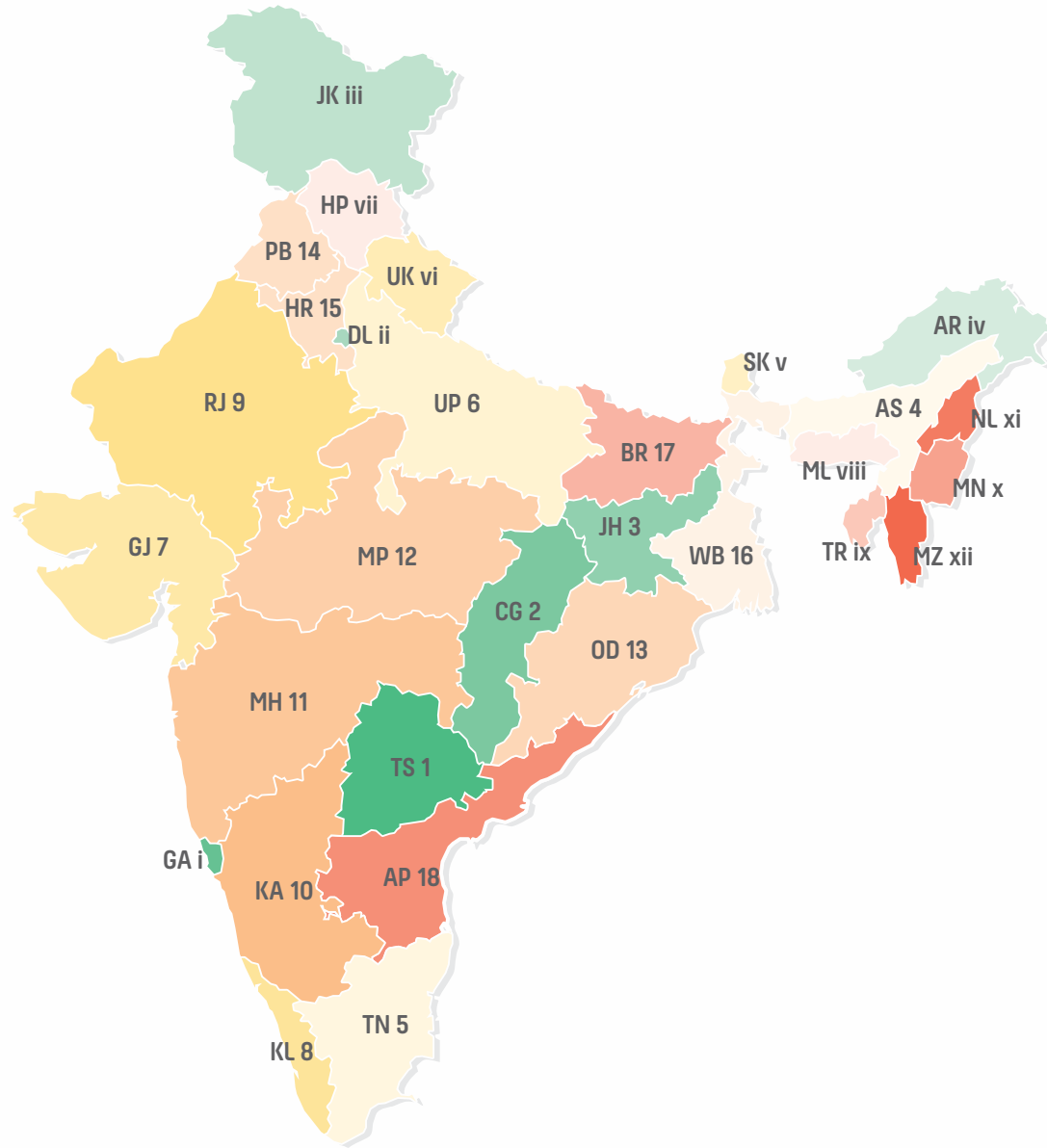
THEME # 9

FISCAL MANAGEMENT



- Revenue Surplus / Deficit (% of GSDP)
- Fiscal Surplus / Deficit (% of GSDP)
- Debt Burden (% of GSDP)

- Per Capita Development Expenditure
- States own tax revenue growth
- Tax GDP Ratio



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	TS Telangana	0.654	
2	CG Chhattisgarh	0.557	
3	JH Jharkhand	0.552	
4	AS Assam	0.521	
5	TN Tamil Nadu	0.517	
6	UP Uttar Pradesh	0.511	
7	GJ Gujarat	0.497	
8	KL Kerala	0.492	
9	RJ Rajasthan	0.491	
10	KA Karnataka	0.489	
11	MH Maharashtra	0.487	
12	MP Madhya Pradesh	0.480	
13	OD Odisha	0.477	
14	PB Punjab	0.465	
15	HR Haryana	0.465	
16	WB West Bengal	0.463	
17	BR Bihar	0.424	
18	AP Andhra Pradesh	0.388	

Rank	Small States	Index	0 scale range 1
i	GA Goa	0.577	
ii	DL Delhi	0.544	
iii	JK Jammu and Kashmir	0.531	
iv	AR Arunachal Pradesh	0.522	
v	SK Sikkim	0.505	
vi	UK Uttarakhand	0.503	
vii	HP Himachal Pradesh	0.451	
viii	ML Meghalaya	0.451	
ix	TR Tripura	0.436	
x	MN Manipur	0.417	
xi	NL Nagaland	0.378	
xii	MZ Mizoram	0.337	

Under this theme the primary focus is on effective and efficient fiscal management at the Central and State levels. This factor is essential for the economic growth and development of the country both in the short and the long term. Over the past two decades, ever since the shift in the country's policies due to 1991 Economic Liberalization programmes, many steps have been taken to ensure that the fiscal health of the nation is improved.

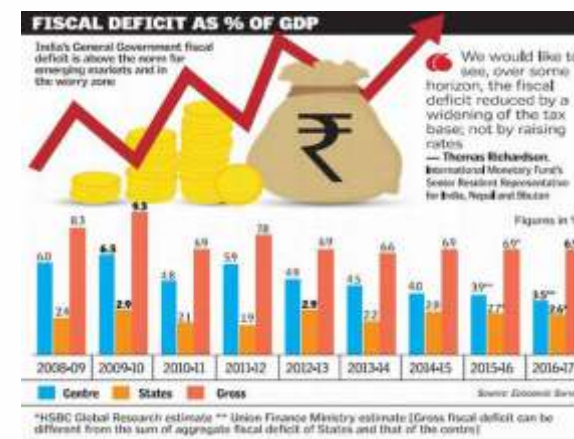
There are two focus subjects in this overall theme of Fiscal Management i.e. compliance to **FRBM guidelines and Tax and Development expenditure of the States**. In this study we are looking at all three basic FRBM Act indicators and how well they have been achieved by the States. Figures for the last three years have been accessed to outline the steps being adopted by each of the States to achieve the objectives of the FRBM Act 2003: this also provides a moving picture of the trajectory taken by the states towards fiscal consolidation. The FRBM Act was enacted to make sure that States maintained the prescribed deficit limits and the burden of their debt to the GDP was brought down over a period of time. The indicators for the two focus subjects described above are as follows:

FRBM compliance

- a. Revenue deficit as a percentage of GSDP
- b. Fiscal deficit as a percentage of GSDP
- c. Debt burden as a percentage of GSDP

Tax and Development Expenditure

- a. States own tax revenue growth.
- b. Per capital development expenditure as assessed by the Plan expenditure of the State normalised by the population of that State as in 2011.
- c. Tax GDP Ratio.



New developments

The announcement made by the Prime Minister on November 8th 2016 to demonetize Rs 500 and Rs 2000 notes had led to not just considerable inconvenience to the general public but had also caused the Parliament to be in a state of deadlock due to major parties opposing this move. This has not only caused huge wastage of the working days of the Winter Session of the Parliament but has also resulted in a tremendous amount of loss to the exchequer (one





hour of Lok Sabha proceedings cost about Rs1.5 Crore and one hour of Rajya Sabha Rs.1.1 crore to the state exchequer).¹ But politics aside, the implications of the Centre's move on the fiscal and economic growth of the economy has also been highly debated.

The elimination of 86% of the existing currency by the announcement of re-monetization with the long term aim of ridding the system of black money, tax evasion and corruption has been portrayed as “short term pain for long term gain” by the Government. Among the criticisms of this move, the foremost seems to be that of the inconvenience caused to the general public, especially to the poor, who do not have bank accounts to fall back on for cashless transactions, as well as various informal sector businesses that are totally cash based. The consequence of this step impacting various industries is also predicted to have a negative impact on the GDP and slow down of growth in the next financial year (FY 17-18). Some of the other criticisms seem to be on the feasibility of this move with respect to the objective with which it was taken. The fact that black income in the form of cash is only a small portion of the black wealth that is present in the economy and that the demonetization process does not really target tax evasion, black money generation and other forms of holdings of black wealth are some issues that are consistently stated against this decision. The Government in response states that this move is only a part of a larger plan to curb the generation and presence of black money and the rest of the plan would be unfolded in the coming days; this may be an indicator of many other steps to be taken in the future by the Government to curb black money.²



The Government in 2003 had enacted the FRBM (Fiscal Responsibility and Budget Management) Act in order to reduce the revenue deficit and bring down the fiscal deficit to 3% of the GDP, as well as to reduce the debt burden of the country. Its aim was to institutionalize fiscal discipline by the passing of this law. But since 2003 many changes have happened globally and nationally that have affected the economy and forced the Government to take a decision to review and fine tune the framework of this act so that it could respond better to such changes. The Finance Minister during his budget speech in 2016 announced the formation of a committee to analyze the fiscal policy and review the working of the Act with respect to the current changes in the national and international scenario.³

FISCAL INDICATORS – ROLLING TARGETS AS A PERCENTAGE OF GDP

	Revised Estimates 2016-17	Budget Estimates 2017-18	Targets for	
			2016-18	2018-20
1. Fiscal Deficit	3.5	3.2	3.0	3.0
2. Revenue Deficit	2.1	1.9	1.8	1.4
3. Effective Revenue Deficit	0.9	0.7	0.4	0.2
4. Total Outstanding Liabilities at the end of the year	40.7	44.7	42.0	40.0
5. Gross Tax Revenue	11.3	11.3	11.6	11.9

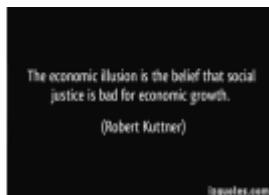
Source: Government of India

The report by the FRBM committee constituting five members under former revenue secretary N K Singh was submitted to the Government at the end of January 2017. The report focuses on reviewing the FRBM Act and also looks into the matter of whether there should be a shift to having a “fiscal deficit range” rather than a fixed target, indicating of a fiscal path, but with escape clauses that have been quantified.

In order to judge the performance of the States it is essential to know the status of the Governments fiscal and financial health without which achieving targeted growth becomes very difficult. If the concerned Government is under huge debts and does not maintain fiscal health, something that the FRBM Act aims to target, then its capacity to aid development through expenditure and other financial decisions becomes highly reduced. It is thus essential for the general public to be aware of the fiscal position of the Government and the emphasis it places on development that can be judged through its expenditure on such schemes.

There is also the long standing debate about whether economic growth alone should be the main focus of any Government: it is in this context that the nature and quantum of the allocations made for the social sector becomes a matter of intense debate amongst the people of the country. That economic growth alone can generate prosperity for the people at all levels in the hierarchy of the classes through the trickle down theory is one side of the coin. On the other hand, it is argued that the government should directly intervene in the social progress of its citizens, especially at the bottom of the pyramid and adhere to a bottom-up approach for inclusive growth. These are the two stark choices before the

“Today, if you look at financial systems around the globe, more than half the population of the world - out of six billion people, more than three billion do not qualify to take out a loan from a bank. This is a shame.” - Muhammad Yunus



government. Often ideology determines the trajectory that the government shall follow. Often, expediency determined the way ahead. India has been

grappling with both approaches, as governments come and go.

In this theme we are looking at the three aspects of fiscal management embodied in the FRBM Act along with the expenditure made by each State for the welfare of its citizens to judge the financial performance of the States. It is to be noted that equal weightage has been given not only to the aspect of fiscal management but also to the expenditure on developmental activities from the resources generated by the State Governments.

In PAI 2016, the comparison of the larger states on fiscal management revealed that Uttar Pradesh, Assam and Jharkhand had occupied the top slots with Haryana, Maharashtra and Andhra Pradesh the bottom. This had raised some eyebrows, especially with Uttar Pradesh at the top of the list of large states and Maharashtra and Andhra Pradesh at the bottom. In this connection, during discussions on the results of PAI 2016, it had been clarified that we are looking at the performance of the states over a three-year period so as to measure improvement or decline. It is in the context of the efforts made by the State over this period that this position had emerged.

Amongst smaller states, PAI 2016 had placed Delhi, Meghalaya and Manipur at the top with Nagaland, Mizoram and Himachal Pradesh at the bottom.

Now, amongst the large states, Telengana, Chhattisgarh and Jharkhand top the list in PAI 2017 with West Bengal, Bihar and Andhra Pradesh at the bottom. Now Goa, Delhi and J&K stand at the top amongst small states with Manipur, Nagaland and Mizoram at the bottom

***Note:** The data for calculating the FRBM indicators relies on the estimates of GDP of various states. The data source relied on follows the new series of national accounts with 2011-2012 as the base year as opposed to 2004- 05 as the base year that was earlier followed.*

The change in the methodology for the calculation of the GSDP is said to indicate a change in the growth rate as it would include more sectors in the economy. The estimates for the year 2011-12, 2012-13, 2013-14 are referred to as the “New Series” Estimates.

Written by **Architha Narayanan**

End Notes:

¹ http://www.business-standard.com/article/news-ians/parliamentary-disruptions-hurting-india-s-progress-naqvi-116021900952_1.html

² http://www.livemint.com/Opinion/cA5tkx4L7E1MMkP8quR6xJ/Demonetisation-The-good-the-bad-and-the-ugly.html?li_source=LI&li_medium=news_rec

³ <http://www.thehindu.com/opinion/op-ed/Hitting-the-refresh-button/article16669777.ece>

Photograph sources:

Fiscal Deficit as % of GDP:

<http://www.thehindu.com/business/Economy/indias-gross-fiscal-deficit-to-exceed-target/article8429683.ece>

India's new notes :

<http://india.globalfinefurniture.com/latest-news/frbm-panel-to-relax-2017-18-fiscal-deficit-target-to-3-3-5/>

Long queues near ATMs/ Banks during demonetisation:

<http://indianexpress.com/article/business/economy/demonetisation-wedding-ceremonies-farmers-government-employees-traders-withdrawal-limit-guidelines-4379892/>

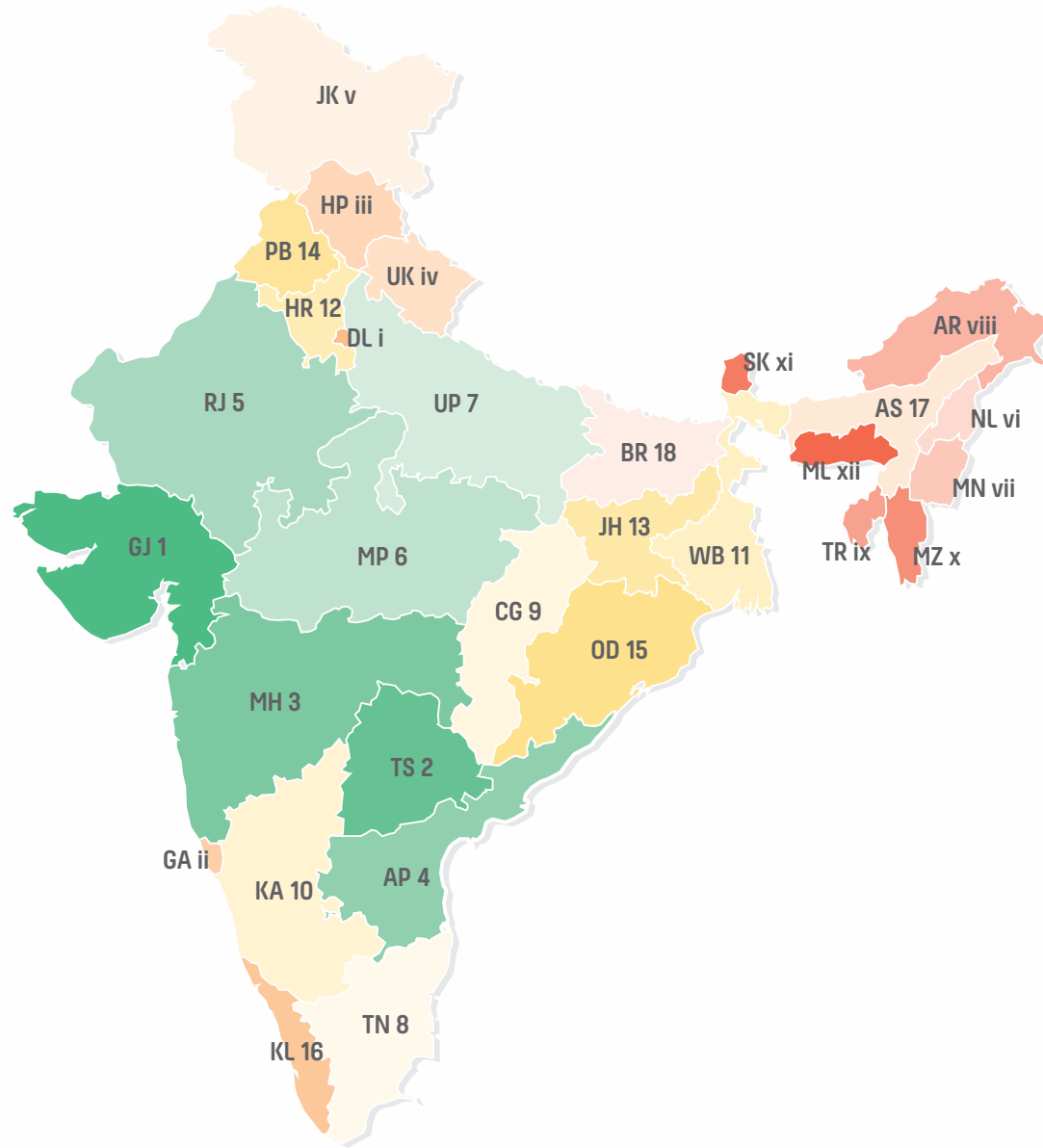


THEME # 10

ECONOMIC FREEDOM



- No. of Industrial Entrepreneurs Memorandum filed
- Ease of Doing Business
- Value of MSMEs assets (% of GSDP)



Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	GJ Gujarat	0.828	
2	TS Telangana	0.639	
3	MH Maharashtra	0.593	
4	AP Andhra Pradesh	0.505	
5	RJ Rajasthan	0.415	
6	MP Madhya Pradesh	0.402	
7	UP Uttar Pradesh	0.393	
8	TN Tamil Nadu	0.391	
9	CG Chhattisgarh	0.364	
10	KA Karnataka	0.337	
11	WB West Bengal	0.326	
12	HR Haryana	0.321	
13	JH Jharkhand	0.320	
14	PB Punjab	0.315	
15	OD Odisha	0.307	
16	KL Kerala	0.197	
17	AS Assam	0.122	
18	BR Bihar	0.114	

Rank	Small States	Index	0 scale range 1
i	DL Delhi	0.199	
ii	GA Goa	0.188	
iii	HP Himachal Pradesh	0.174	
iv	UK Uttarakhand	0.132	
v	JK Jammu and Kashmir	0.118	
vi	NL Nagaland	0.087	
vii	MN Manipur	0.065	
viii	AR Arunachal Pradesh	0.060	
ix	TR Tripura	0.058	
x	MZ Mizoram	0.057	
xi	SK Sikkim	0.039	
xii	ML Meghalaya	0.032	

This theme deals with the efforts made by the state to enhance economic growth. A state which has abundant natural and local resources will certainly have a comparative advantage to develop in a more enhanced and comprehensive manner than those states which are scarce in resources. Geographical location also has a very crucial role in determining the growth trajectories of a state. Since such circumstances are granted to a state by nature, these natural endowments can make the difference between a prosperous state and an impoverished one. Therefore, the challenge is to develop the state despite all these hindrances and the limited resources at its command, while at the same time ensuring that the economically deprived do not lose out in the race for development.

In fact, there are many strategies which a state can utilise to encourage growth. For instance, a state can increase its developmental investment, enhance its infrastructure, remove/relax stringent laws, provide tax incentives and can create a positive environment so as to attract investors. If all these are applied, then economic freedom can be achieved leading finally to the overall well being of the citizens. The debate between various models of growth still continues: especially the ones between a free capitalistic template and a regulated socialistic model. It is believed that if the market is free or open, then there will be more economic freedom and hence more prosperity. Thus, economic freedom will not only increase growth, but will also enhance the socio-economic development. On the other hand, a sharp and exclusive focus on the imperatives of economic

development alone may result in the obliteration of the social development of the poorest of the poor in an highly layered economy where the gap between the top one percentile is vastly different from those at the bottom of the pyramid.

India is a classic example that proves that economic freedom and wellbeing are closely related to each other. After the New Economic Policy of 1991, growth rates in India have accelerated. This means that with more liberal laws, more private players and open market, economic freedom can be attained, which will further amplify economic development. However, we have to keep in mind that studies have proven that inequality in the economic classes have sharply increased in recent times: this is a fact not merely in our country, but even in the highly developed industrialised countries of the world.

It is worrisome that an exclusive thrust in the economy towards growth based on investment and private capital may result in a lopsided trajectory of growth that would exclude the possibility of redistribution of wealth and the empowerment of those who have not attained the benefits of growth so far. In India, the Finance Minister has to walk the tight rope between these two apparently contesting philosophies so as to ensure inclusive growth with economic development of the optimum level.

The 2017 Union Budget, presented by Finance Minister Arun Jaitley on 1st February (another change for the financial process so as to ensure that the budget is passed well before the end of the financial year), was broadly focused on 10 themes — the farming sector, the rural population, the



youth, the poor and underprivileged, health care, infrastructure, the financial sector for stronger institutions, speedy accountability, public services, prudent fiscal management and tax administration for the honest. A strong emphasis on the agriculture sector with enhanced allocations for irrigation is one of the key features. A commitment to bring out about one crore households above the poverty line, an investment of over Rs 3 lakhs Crore in the rural sector with increase in the MGNREGA outlays, a focussed attention on rural health, a firm commitment to develop infrastructure and railways etc are some of the thrust areas. The total expenditure is Rs. 21,47,000 Crore, with the final burying of the principles of plan and non-plan expenditure. Fiscal deficit has been pegged at 3.2% for 2017-18 with the determination to reduce it to 3% in the year thereafter. Some of the feared aberrations of the first year of the NDA government that social expenditure is being reduced, have been allayed in the subsequent budgets presented.

New Developments:

1. Startup India:

The Government of India (2016) introduced the Startup India campaign to stimulate the scope of entrepreneurs and to encourage start ups. Large industries do not indicate the depth or spread of industrialisation. Small and medium industries are much more dispersed over the entire state and they generate large scale employment.

#startupindia

2. Pradhan Mantri Mudra Yojana:

In 2016, the Government of India introduced this scheme under the Micro Units Development and Refinance Agency (MUDRA) Bank, for developing micro units by giving them financial assistance in the form of loans. This scheme has three components:

1. Shishu: - Loans up to ₹50,000.
2. Kishore: - Loans ranging from ₹50,000 to ₹5 lakh.
3. Tarun: - Loans above ₹5 lakh and up to ₹10 lakh.

The three different categories, i.e. 'Shishu', 'Kishor' and 'Tarun' indicate the funding needs of the beneficiary and also their stage of de



3. Atal Innovation Mission:

The Atal Innovation Mission was set up under the NITI Aayog and is a platform to encourage self employment and start ups. One of the objectives of this Mission is to train innovators so that they become successful entrepreneurs. This mission is more of a capacity building process where the skilling levels as well as employment increases.

4. Stand up India:

This scheme aims to provide loans ranging from ₹10 lakhs to ₹100 lakhs to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) beneficiary and at least one woman beneficiary in every branch of a commercial bank so that the recipients can set up their own enterprise. This scheme not only proposes to boost entrepreneurial activities but also encourage participation from various social groups.



5. As per the “Economic Freedom of the World: 2016 Annual Report”, India came down by 10 positions and ranked 112th out of 159 countries. Countries like Pakistan, Bangladesh and China lagged behind India, while, other neighbouring countries like Bhutan, Sri Lanka and Nepal performed better than India.

All Indicators:

In this theme we have not added any new indicator nor have we tweaked any. We are confined to the same set of indicators which we had taken last year, i.e. in PAI 2016. The indicators are:

- a. The ease of doing business, based upon the annual World Bank study
- b. The number of Industrial Entrepreneurship Memoranda filed in the State.

“Freedom in economic arrangements is itself a component of freedom broadly understood, so economic freedom is an end in itself ... Economic freedom is also an indispensable means toward the achievement of political freedom.” – Milton Friedman

The idea was to select those specific parameters which will capture – a) freedom in carrying out a business, b) motive towards investment and c) promotion of small and medium enterprises which would increase job creation and help in dispersal of the industries across the state.



Photograph sources:

Start up India: <http://www.startupindia.gov.in/>

Mudra: <http://www.mudra.org.in/>

Stand up India: <https://www.standupmitra.in/>

Economic Freedom :

<http://economictimes.indiatimes.com/daily-chart-data-wise/economic-freedom-india-slips/slideshow/57194762.cms>

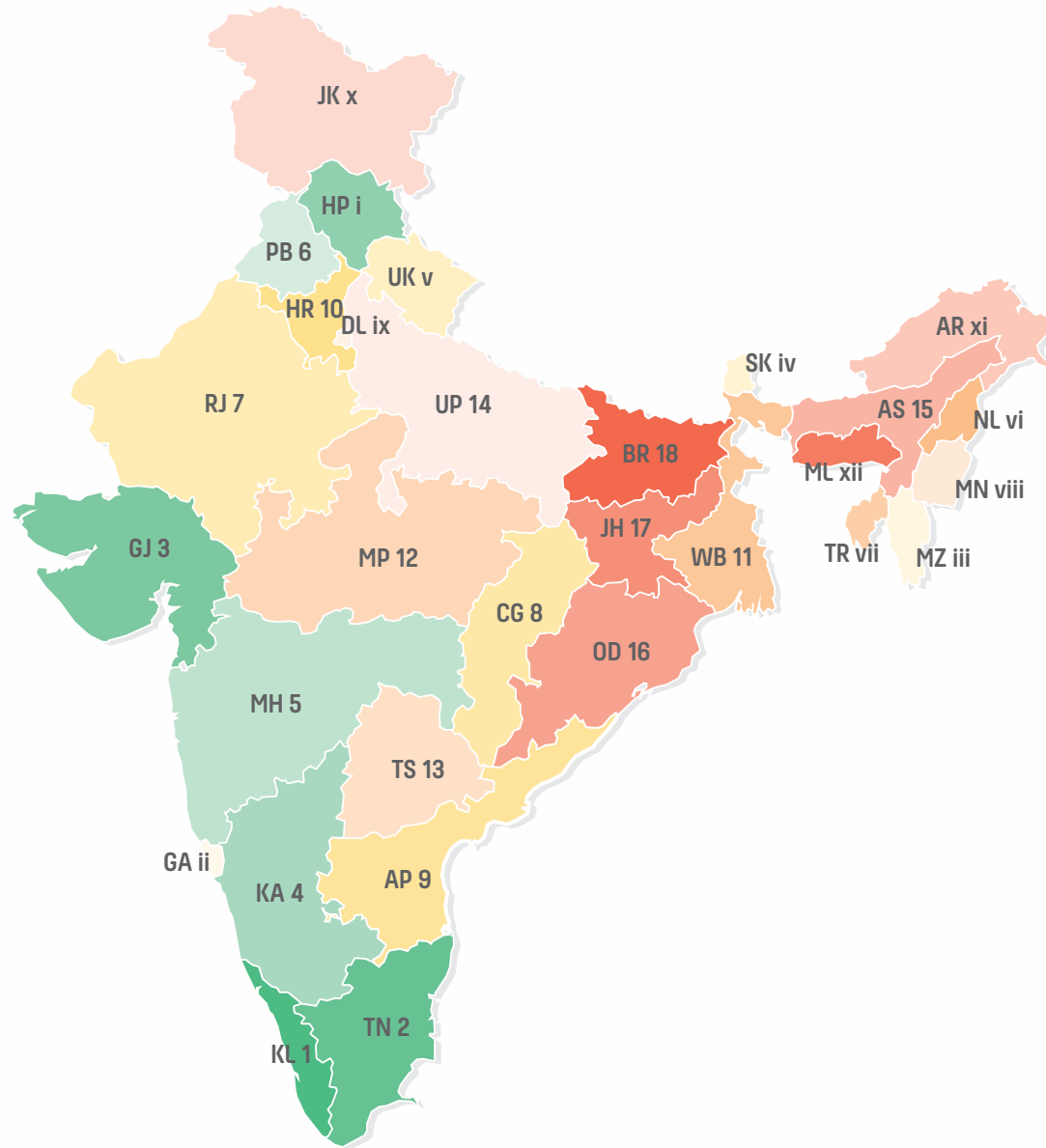
Gujarat, Maharashtra and Andhra Pradesh had stood at the top amongst the large states in PAI 2016 with Kerala, Assam and Bihar at the bottom. The ranking of the three low performing states in PAI 2017, it may be observed, have not changed from their positions in PAI 2016.

As for the small states, in PAI 2016, the top performers were Goa, Himachal Pradesh and Delhi, which positions have been retained in PAI 2017 though with some alterations in the ranking of the three states. Sikkim, Manipur and Meghalaya had stood at the bottom of the small states in PAI 2016 whereas the same three states, in a different order occupy the same three lowest positions.



PAI SCORE AGGREGATED RANKING





Highest Index value Lowest Index value

Rank	Large States	Index	0 scale range 1
1	KL Kerala	0.551	<div style="width: 55.1%;"></div>
2	TN Tamil Nadu	0.543	<div style="width: 54.3%;"></div>
3	GJ Gujarat	0.536	<div style="width: 53.6%;"></div>
4	KA Karnataka	0.531	<div style="width: 53.1%;"></div>
5	MH Maharashtra	0.512	<div style="width: 51.2%;"></div>
6	PB Punjab	0.497	<div style="width: 49.7%;"></div>
7	RJ Rajasthan	0.473	<div style="width: 47.3%;"></div>
8	CG Chhattisgarh	0.468	<div style="width: 46.8%;"></div>
9	AP Andhra Pradesh	0.467	<div style="width: 46.7%;"></div>
10	HR Haryana	0.464	<div style="width: 46.4%;"></div>
11	WB West Bengal	0.459	<div style="width: 45.9%;"></div>
12	MP Madhya Pradesh	0.457	<div style="width: 45.7%;"></div>
13	TS Telangana	0.455	<div style="width: 45.5%;"></div>
14	UP Uttar Pradesh	0.441	<div style="width: 44.1%;"></div>
15	AS Assam	0.438	<div style="width: 43.8%;"></div>
16	OD Odisha	0.431	<div style="width: 43.1%;"></div>
17	JH Jharkhand	0.385	<div style="width: 38.5%;"></div>
18	BR Bihar	0.355	<div style="width: 35.5%;"></div>

Rank	Small States	Index	0 scale range 1
i	HP Himachal Pradesh	0.535	<div style="width: 53.5%;"></div>
ii	GA Goa	0.492	<div style="width: 49.2%;"></div>
iii	MZ Mizoram	0.489	<div style="width: 48.9%;"></div>
iv	SK Sikkim	0.486	<div style="width: 48.6%;"></div>
v	UK Uttarakhand	0.479	<div style="width: 47.9%;"></div>
vi	NL Nagaland	0.460	<div style="width: 46.0%;"></div>
vii	TR Tripura	0.457	<div style="width: 45.7%;"></div>
viii	MN Manipur	0.446	<div style="width: 44.6%;"></div>
ix	DL Delhi	0.443	<div style="width: 44.3%;"></div>
x	JK Jammu & Kashmir	0.440	<div style="width: 44.0%;"></div>
xi	AR Arunachal Pradesh	0.439	<div style="width: 43.9%;"></div>
xii	ML Meghalaya	0.375	<div style="width: 37.5%;"></div>

THE PUBLIC AFFAIRS INDEX 2017: SOME FINDINGS

In the preceding sections, we have seen the scoring and rankings of the states of India as represented through the quality and levels of their governance in the ambit of ten broad themes, twenty-six focus subjects and eighty-two specific variables. Now, in this section, we look at the aggregation of all the themes into a single formulation so as to arrive at the final rankings of the states in what is now referred to as the Public Affairs Index (PAI).



As in PAI 2016, here too we are breaking up the states into two groups, the large states with a population of over 2 crores and the small states with less than two crores. These rankings, we would argue, are a fair indication of the quality of governance in the thirty states of India. The scope and expanse of the landscape of governance covered is indeed comprehensive; perhaps there does not exist elsewhere a more complete and wide-ranging panorama of the difficult terrain that it seeks to survey.

Comparison with PAI 2016

We shall also try to see whether their current rankings in PAI 2017 have significantly varied from PAI 2016 and in what measure. There is a word of caution, though. A one-on-one comparison would be incorrect. PAI 2016 had 68 indicators, the current one has 82. There is also one additional focus subject. Therefore, for punctilious statisticians, the obvious objection would be that the two Indices of 2016 and 2017 cannot be equated. Indeed, there can be no argument against it. However, since such comparisons between states will be inevitable, and since the votaries of each state would be keen to know how their state has performed over the last report, we have, just the same, decided to make the comparison. The logic is that the ten broad themes decided upon in PAI 2016 remain the same in 2017 as well. Hence, the comparison on the quality of governance amongst states is being made at the level of the identified themes and should be an interesting exercise to follow through.

The table below reveals the comparative rankings of the states of India in PAI 2017 when posited against PAI 2016. It would also be noted that Telengana as a new entrant into the rankings has no comparative ranking for the previous year. The two tables for the large and the small states reveal many aspects of the comparative and staggered growth patterns of the states of India. The attention of the reader is invited, first to the movement of the states in PAI 2017 when compared to the findings of PAI 2016; and then to the irregular gaps between the states that reveal the uneven nature of the inter-se growth of states, both large and small.

Table 1

Large States	Index (2016)	Rank (2016)	Index (2017)	Rank (2017)	Movement in Ranks
Kerala	0.568	1	0.551	1	→
Tamil Nadu	0.550	2	0.543	2	→
Gujarat	0.535	5	0.536	3	↑
Karnataka	0.547	3	0.531	4	↓
Maharashtra	0.536	4	0.512	5	↓
Punjab	0.533	6	0.497	6	→
Rajasthan	0.473	10	0.473	7	↑
Chhattisgarh	0.472	11	0.468	8	↑
Andhra Pradesh	0.499	8	0.467	9	↓
Haryana	0.481	9	0.464	10	↓
West Bengal	0.505	7	0.459	11	↓
Madhya Pradesh	0.452	13	0.457	12	↑
Telangana	-	-	0.455	13	New entrant
Uttar Pradesh	0.461	12	0.441	14	↓
Assam	0.446	14	0.438	15	↓
Odisha	0.442	15	0.431	16	↓
Jharkhand	0.389	16	0.385	17	↓
Bihar	0.370	17	0.355	18	↓

KEY	
→	No change in Ranks
↑	Improvement in Ranks
↓	Deterioration in Ranks

Amongst the large states, there is no change in the ranks of the two top states, Kerala and Tamilnadu. Gujarat has gained two positions rising from 5 to 3, while Karnataka has slipped down one notch from 3 to 4. Rajasthan and Chhattisgarh had risen by three ranks each while West Bengal has risen four positions. The last four ranks amongst the large states in PAI 2016 remain at the same position in PAI 2017, namely Assam, Odisha, Jharkhand and Bihar.



The similar position as regards the small states are also indicated in Table 2.

Table 2.

Small States	Index (2016)	Rank (2016)	Index (2017)	Rank (2017)	Movement in Ranks
Himachal Pradesh	0.539	2	0.535	1	↑
Goa	0.507	5	0.492	2	↑
Mizoram	0.543	1	0.489	3	↓
Sikkim	0.508	4	0.486	4	→
Uttarakhand	0.479	10	0.479	5	↑
Nagaland	0.459	11	0.460	6	↑
Tripura	0.453	12	0.457	7	↑
Manipur	0.500	6	0.446	8	↓
Delhi	0.508	3	0.443	9	↓
Jammu & Kashmir	0.488	7	0.440	10	↓
Arunachal Pradesh	0.488	8	0.439	11	↓
Meghalaya	0.484	9	0.375	12	↓

Amongst the small states there has been greater variation in the comparative rankings. Himachal Pradesh has wrested for itself the first rank among the small states. Both it and Goa have been gainers. Uttarakhand, Nagaland and Tripura have also risen five ranks each from 10, 11 and 12 to 5, 6 and 7 respectively. Conversely, the three small states of J&K, Arunachal Pradesh and Meghalaya have fallen by three ranks each from 7, 8 and 9 to 10, 11 and 12 respectively.

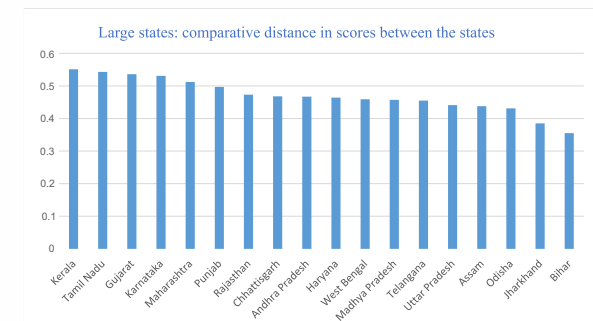


Statisticians would also be interested in the deviation in the scores from the median. Insofar as the large states are concerned, the median in the scoring would be about 0.466 which would place the median a little above the rank of Uttar Pradesh. This would position about 9 states from amongst the 18 large states above the median and nine states below the median. Similarly, amongst the 12 small states, the median score would be 0.459

almost the score obtained by Tripura. This places 6 out of the 12 small states above the median score, with six below it.

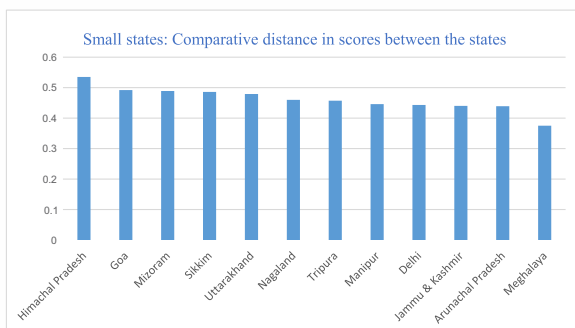
Moreover, in both groups the highest ranking states have dipped, marginally for the small states, a bit more for the large states.

The gap between the states in their rankings is also a matter of interest. Keeping in mind the fact that the scoring is between 0.0 and 1.0, the gap between the 1st and the 18th ranking large state is 0.2. We will observe that the first five ranks amongst the large states fall within a numerical interval of just 0.04. And the next 11, with an interval of only 0.06. To press this argument further, at the lower end of the rankings, the gap between states becomes larger: Jharkhand is only one rank below Odisha but the interval is 0.05. Bihar just below Jharkhand has an interval of 0.03.



Among the small states, the gap between the two top rankers, Himachal Pradesh and Goa is 0.04, while Goa shares an interval of just 0.02 with the next four ranks. Meghalaya, the last of the small states is at a distance of 0.16 with the top ranker. The change in the rankings both positive and

A ranking of Indian states on Governance



negative, arise out of small changes in the performance of the states, spread over the eighty-two variables. While this may not necessarily mean any dramatic rise or fall in the overall performance of the states, it certainly indicates incremental variations in certain indicators that finally result in changes in the overall rankings. In any case a very sudden fall or rise cannot be expected within a year after PAI 2016 was released.

There is a further point for clarification here, which had arisen at the time of the release of PAI 2016 as well. The performance of all the states, both in the category of large and small, does not approach very high scores, nor touch rock bottom. Out of a possible perfect score of 1.00, the best of the large states, Kerala, barely touches 0.551, even less than 0.568 of the previous PAI report. The comparative figure for the best among the small states, namely Himachal Pradesh, is 0.535 against its own previous year's best score of 0.539, and the score of the best performer Mizoram last year of 0.543. Thus, in PAI 2017, the 18 large states are bunched between the lowest score of 0.355 and the highest score of 0.551; similarly, the small states are bunched between a high of 0.535 and a low of 0.375.

This phenomenon can be noticed among the lowest ranked of large states, namely Bihar, which has also fallen to 0.355 from last year's score of 0.370. Meghalaya, the worst performing state among the small states, has also fallen, and drastically so, to 0.375 from 0.484. The reasons for this decline in scores can possibly be attributed to the nature of the new indicators added in PAI 2017 and that it is perhaps more difficult to approach higher scoring insofar as these new indicators are concerned.

There is another oblique way of looking at the scores achieved by the states with reference to their inter-se positions. Amongst the large states, the differential between Kerala, the top-ranker and Bihar, the lowest performing state, ie between 0.551 and 0.355, is 0.196. Half of this score is 0.098, which when posited into the aforementioned range, takes us to a score of 0.453 and a notional position between the rank 13 and rank 14. Thus thirteen states fall above this notional mid-point and 5 states below it. We would interpret this positively: that there are thirteen large states in a total of eighteen, which are performing at levels better than the mid point. It is an indication that a majority of the larger states are contributing to the concept of good governance and are making efforts to reach levels qualitatively better than they are at present.

In the same manner we look at the position as obtaining amongst the small states. The range amongst the small states is 0.535 (Himachal Pradesh) and 0.375 (Meghalaya) with a gap of 0.160. The mid point of this gap is 0.080 which, when placed into the scoring framework, reaches a score of 0.455 and a notional rank of 8 with five states below and seven above. This too, in the light

of the arguments above, is a positive trend as far as the trajectory of these states with regard to overall development and good governance is concerned.

During discussion on these patterns of scoring at the various forums where PAI 2016 had been presented during the year gone by, attention was drawn by some astute readers of the report to the clubbing of the states to such a narrow and mediocre range of scores. Is governance of the highest level, with states possibly scoring in the region of say 0.900 or more, so very difficult to find in our country? One would say the results are a little dismal. We have such a long way to go if we are to be even somewhere near the perfect score.

The only explanation, on behalf of the better performing states, would be to argue that the range of eighty-two indicators covering virtually all aspects of governance, and spread over twenty-six focus subjects and ten themes, is so comprehensive and wide-ranging that it would be well-nigh impossible for any individual state to approach high scores in all of them. In fact, the range of the variables, and the variety of the aspects of governance that it covers makes a score very much higher than average quite impossible to achieve. We shall leave the argument there and hope that the readers of PAI 2017 will have some more incisive observations to make in the future.

Special features of specific states

Interesting Fact No.1:

Ranks have improved = Ranks have remained same

Uttarakhand, formerly known as Uttaranchal, is the only state among all the 29 states of India, where all the theme wise rankings in PAI 2017, in comparison to PAI 2016, have either improved or remained same. The overall PAI 2016 rank of Uttarakhand among the small states was 10 out of 12 states, where as in 2017, the rank has amplified to the 5th position.

Interesting Fact No.2:

Large States

Chhattisgarh: PAI 2017 Rank: 8, PAI 2016 Rank: 11

Rajasthan: PAI 2017 Rank: 7, PAI 2016 Rank: 10

Apart from the top 5 best performing states in PAI 2017, these two states have come up the ladder by leaps and bounds, in comparison to PAI 2016.

Interesting Fact No.3:

Small States

Nagaland: PAI 2017 Rank: 6, PAI 2016 Rank: 11

Tripura: PAI 2017 Rank: 7, PAI 2016 Rank: 12

Among the small states, Nagaland and Tripura performed the best apart from the top 5 states, in coming up the ladder, in comparison to PAI 2016.

Correlation with other indices:

The HDI and the Sentiment Analysis

The correlation of the findings of 2017 with other standard indices of development such as the Sentiment Analysis and the HDI will be of interest to the readers. We are all aware of the significant distinction between growth and development. High GSDP does not mean higher levels of development; other wise a single indicator of GSDP or per capita income would have been enough to capture the extent of development of any state or nation. Wellbeing is attained if people have developed entitlements and also acquire the freedom and the capabilities to achieve them. Keeping this in mind, PAC has developed this PAI index which includes both economic and developmental indicators.

In this context, it is important to know where our current index the PAI 2017 stands in comparison with other important developmental indices. One of the globally accepted indices is the Human Development Index (HDI). HDI includes indicators of health, education and income. As we now have the results of the aggregated scores of the ten themes, it would be interesting to calculate the correlation between PAI and HDI and to examine whether they are closely related to each other or not. The correlation coefficient between PAI and HDI is 0.492. This means that there exists a moderate positive correlation between HDI and PAI. Figure 1 is a scatter plot depicting this correlation between PAI and HDI. Kerala and Bihar are the outliers on either sides of the scale: Kerala has a higher index values for both both PAI and HDI, whereas, Bihar has lower values for PAI and HDI. In a very broad sense, there is a

correlation which justifies the overall robust nature of PAI. As far as the other states in between are concerned in the context of the interse position in PAI and in HDI, no further detailed examination has been done. Although there may be no intrinsic worth in such a comparison between two indices which have been developed with differing concepts and methodologies, it, nevertheless, gives some food for thought in knowing that there is indeed a moderate positive correlation between the two, thereby strengthening the standing of the newer PAI report.

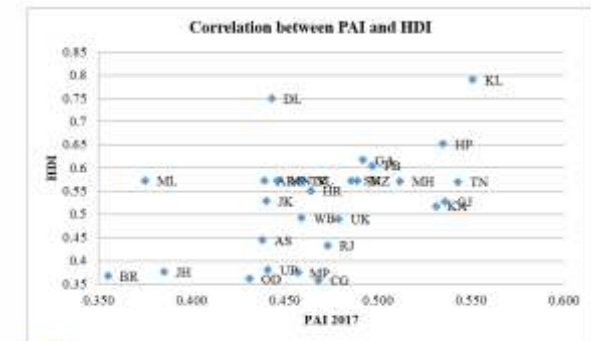


Figure 1

PAI is based only on secondary data from various Government departments. But it is a fact that ordinary people do have an impressionistic appreciation of the states of India, perhaps based on hearsay or bias, but nonetheless of some significance to them and others. At times, these biases or prejudices may tilt an election this way or the other. Therefore, it is equally important to know what the public perceives or intuitively about the performance of a state. In this regard, a Sentiment Analysis was conducted by a private party, to track the sentiments of the people. The sentiment analysis in its original form has been

Insights: PAI and other developmental indices

provided in the succeeding sections in this report. Readers who may be interested in the methodology adopted for analysis of big data through the interpretation of words and phrases as they appear in newspapers or in tweets, may like to read that chapter separately.

The correlation coefficient between PAI and Sentiment Analysis is 0.119, i.e. a very weak positive correlation. Figure 2 shows the scatter plot between PAI and Sentiment Analysis. Again in this case, Kerala and Bihar are the two outliers on two extreme sides. This clearly means that these two states are respectively the best (Kerala), and the least (Bihar), performing states of the country. In public perception these states form the two extremes in the development story of the country.

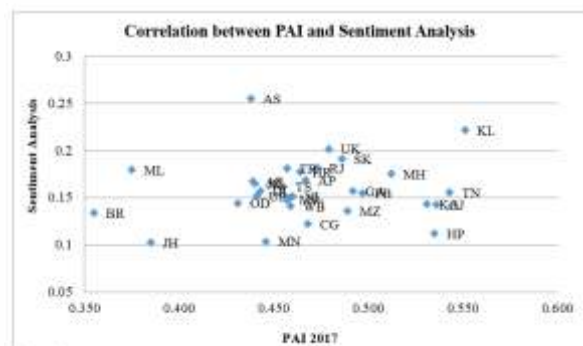


Figure 2

Such comparisons help PAC in validating or perhaps interpreting the findings of the PAI in a way that may not be entirely explainable or logical. However, it will help us in arriving at complex assessments of the performance of the states as we prepare annual PAI reports on a regular basis, fine tuning our understanding of the

interrelationships and interplay of the identified variables over the landscape of the themes and the focus subjects.

Some final observations

We shall leave the subject after making some observations of certain interesting trends seen in the character of Indian polity in recent times. As a federal nation, it cannot be denied, that our strength lies in the establishment of a strong Union Government with specific powers and responsibilities and equally strong states with their own clearly understood sets of duties and areas of jurisdiction. This balance has been clearly brought out in the Constitution of India where the obligations of each of these entities are clearly spelt out: the subjects to be entrusted to the Union Government and the states were enumerated in List I (the Union List), List II (the State List) and List III (the Concurrent List) of the Seventh Schedule. Natural centrifugal forces ensure that the states orbit around the Centre while at the same time discharging the duties assigned to them in conformity with these general principles.

Variations do arise from time to time. A strong Prime Minister, as we do have now, may raise anxieties of an all-powerful Central Government with the states having to play a subordinate role. On the other hand, powerful Chief Ministers of the states often ensure that regional concerns are never forgotten; in fact, they often tend to take centre stage even on the national level. At times, on an institutional level, economic, legislative and other instruments are sought to be placed at critical positions in the polity of the nation that would seem to enhance the powers of the Union Government, not per se, but because of the

implications or the import such a move. The GST legislation is a good example. Undoubtedly the measure will convert the economy of the nation into a single market with much simplification of existing process and the unification of separate and several tax systems into an integrated whole. However, despite near uniformity amongst the states at this time, there are lurking fears that the measure may place the Union Government in a commanding position vis-à-vis the states. Hence, the attempts to clearly stipulate the compensatory mechanisms for the states for the feared revenue loss, and to restrict the authority of the Central Government over the tax payers by defining the turnover limits and so on.



Yet another example is the Aadhaar unique identification project: despite some initial hesitation, the Government of India has adopted the project whole heartedly and has also brought in the legislation to ensure the legal sanctity of action that shall be taken to enhance the scope and extent of the project as it covers more and more citizens of the country into one integrated mega project over which data control and command would remain in a centralised warehouse, directly under the administrative control of the Union Government.



The Swachh Bharat Abhiyan, the pet project of the Prime Minister, also seems to rise above sectarian or regional politics and to motivate the people to a national goal of a clean India, using the brand image of the Mahatma for the purpose. There is a national

identity for the project, arising out of both the Prime Minister's personal identification with the SBA as well as the apt use of the Father of the Nation for this noble cause.

The Mann ki baat, is perhaps yet another measure to persuade the citizens of the nation to listen to a single voice, as important social and public issues are discussed and a general awareness is sought to be created in the minds of the people. The many foreign tours carried out by the Prime Minister, carries with it an image of an undisputed leader of the nation bearing the torch for more than a billion people. The surgical strike executed with precision and ruthlessness against a recalcitrant neighbor, also sends a message of a resolute leader taking up arms in a calculated and deliberate manner to secure the security interests of the people of India.

But on the other hand, there are also centripetal forces that work in the opposite direction. The political parties who occupy an ideological space opposite to the party in power at the centre have a different story to tell. Issues pertaining to law and order, which lies strictly within the ambit of the states, are often leveraged to drive home a wedge between the powers at the Centre and the States. Political parties which have a state level, or at best,

a regional level presence, can often act in a manner that may not be conducive to a national agenda for all round development. At

times ideology and narrow views may sully the waters and divert the attention of the nation from the task of “sab ka saath, sab ka vikas”. The unnecessary debate on the consumption of beef, the hot deliberations on freedom of speech and expression arising out of the incidents at Jawaharlal Nehru University (JNU), the incidents at UP involving minority communities, the army of vigilantes enforcing a particular moral law on personal behaviour, the conflagration arising in Karnataka and Tamil Nadu out of the Cauvery dispute, the Jallikattu agitations etc give pause to the forward momentum and break the urge towards the dream of a great and united India. These disruptive and centripetal forces act in a contrary direction. Impelled by political and social forces, perhaps inimical to the political power at the Centre, they cause a disruption to this national drive towards consolidation. There are those who will argue that these incidents only reflect a truly democratic character of the nation that favours diversity and plurality, and which refuses to be drawn into a uniform unity that discourages differences in the name of nationalism. Mistakenly too, free thinkers and critics of some aspects of governance have been condemned to be anti-Indian or anti-nationalistic. On the other hand, those who espouse a particular brand of jingoistic fervor occupy the patriotic turf for themselves, while ousting all others from the same.



India is a land of diversity and its strength lies in the very nature of that diversity. The protection, and indeed the encouragement, of these varying elements of social and religious differences should be the essential focal point of any political government, both at the Centre and in the states. It is argued in this context that the government in power should understand the subtle but essential difference between a democracy and a republic. Indeed, both may use the representational system of universal adult suffrage to elect politicians to



represent their interests and to form the government. The key difference lies in the limits placed on government by the law, which has implications for minority rights. In a

republic, a constitution or a charter of rights guarantees certain inalienable rights that cannot be taken away by a government, even if it has been elected by a majority of voters. In a pure democracy, the majority is not restrained in this way and can impose its will on the minority. In a rule by the omnipotent democracy, an individual or a group of individuals comprising any minority have no protection against the unlimited power of a majority. In a republic, however, there is a written constitution of basic rights that protect the minority from being completely unrepresented or over ridden by the majority. India is a republic with a written constitution brought into effect in January 1950. There are guaranteed rights and freedoms that are inviolable and this fundamental character of the Constitution cannot be altered: there have been many challenges to this principle both during the dark period of the Emergency and

Insights: PAI and other developmental indices

otherwise. Several pronouncements of the Supreme Court from time to time have provided the necessary corrections when required, chiding the government in power when such aberrations were made.

Much of the controversies in recent times have been generated when this fundamental principle of India as a republic was either ignored or deliberately given the go by. The challenge is to retain the diverse and plural nature of our country and its citizens and also at the same time to ensure that development of all the people, especially the uplift of those who have been denied such basic rights and entitlements for centuries in the hoary past, remains at the centre of the concerns of the government, irrespective of ideology and political creed.

We have to search for those ideas and concepts that will capture the imagination of the people and bring the multitudinous nature of our country into a unified and strong nation. We have to allow the states to grow in the manner that they desire to grow, while at the same time, each of them contribute to the greater whole of the nation. The task is difficult. We may say, in a lighter vein, that cricket and Bollywood are already playing this role. But that cannot be the foundation of our evolution as a people, a country, a nation. There are serious issues in education and health, in women's empowerment and drinking water, in energy security and the distribution of food grains, which when addressed in the right spirit and without seeking quick-fix and easy answers, can transform our nation into a mighty republic, more grand and awesome than any other on the planet.

The poor performers consistently perform poorly, and their progress has been slow and tardy. The states that have done well, have also done well consistently over the years. Perhaps they owe much of their success to the people, whose cultural and social background have enabled them to rise above divisions of gender and religion and caste and class. Kerala stands in a class of its own. The remarkable progress made by Himachal Pradesh in the last few decades have demonstrated that “it can be done”. On the other hand, states like Bihar and Jharkhand are yet to unleash the potential of their people and they remain cut off from the fruits of inclusive development that could so easily be theirs.

The idea of India has to be in the hearts of each one of us: an idea that will liberate our spirits and make us who we so yearn to be. And we must say to ourselves: yes, we can ! We repeat the call of our national poet, Rabindranath Tagore when he wrote, “Into that heaven of freedom, my father, let my country awake.’



Written by **Dr. C.K.Mathew**

Photograph sources:

1. **PAI**: Public Affairs Centre.
2. **Kerala** : https://encrypted-tbn0.gstatic.com/images?q=tbn:ANd9GcSQWdOID_PzbRhvZtb-VzcMo2Qti-rpxY3un5YAkuyMyDx9LGWJAA
3. **Constitution of india**: <https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcTrUVXViSsrc8pfBnyr5o3wLBN2PsnXgbHz3MQlBtuEyHeT4YEnw>
4. **Gandhi SBM**: <https://encrypted-tbn1.gstatic.com/images?q=tbn:ANd9GcRx363fbSHPz5lakqnGuS9JI-EUwjMBcLjXFhwoezv9jaKm1Nc3KJW2aMA>
5. **Kavery dispute**: <https://encrypted-tbn2.gstatic.com/images?q=tbn:ANd9GcRyhhF1DsjfH0HEypEWiA8ydVj9Qolc66Yejk1ZRbtAAYLYa8KTiw>
6. **Freedom speech information**: https://encrypted-tbn3.gstatic.com/images?q=tbn:ANd9GcSkhT-8UWDMKASBFylFdfooFeLFH5_Lu8e-SYnknmEHh49bZkBN
7. **Rabindranath Tagore**:
8. <https://encrypted-tbn0.gstatic.com/images?q=tbn:ANd9GcQQoeUrIE2yWW4VIDD2QHxofqJWtlmhWuBrhd7XVemR4s0OjVjyMs-b8gn2>



SENTIMENT ANALYSIS



ARTICLES



TWEETS

As in PAI 2016, here in PAI 2017 also, an attempt is being made once again to gauge the perceptions of the people on parameters not entirely based on statistics and data, but rather on their instinctive appreciation about various aspects of governance. Such an appreciation may be based on biases, prejudices, and hearsay, or sympathies and intuitive understanding, but is, nevertheless, a valid method of assessing the mood of the people about a particular theme or about a state in general terms. In the chapter entitled Sentiment Analysis, the prevalent and comparative mood of the people was assessed in PAI 2016 by using the results obtained from big data available in the printed media as well as tweets. In the same manner, an identical exercise has been carried out for this edition of PAI as well, by using the services of a private big data analysis firm called CPC Analytics, based out of Berlin, with offices at Pune and Strasbourg.

1. Introduction

One of the primary problems faced by decision makers in business and policy spheres is the lack of precise and timely information to guide the decision-making processes.¹ When it comes to policy decisions, the problem of bounded rationality is especially relevant, since there is no institutionalized feedback loop between citizens and policy makers (as opposed to customers and businesses). Understanding of sentiments present in the mediums of public sphere can alleviate this issue by providing precise and concise information on the prevailing public sentiment for governance issues. Sentiment concealed in language has long been identified as a “symptom” of underlying opinions and emotions within a populace.² And yet, it is only now – the digital age – that policy makers have access to tools which can inform their decision making. Thus, understanding the public debates on a variety of media platforms can serve as an important feedback loop for policy makers.

Sentiment analysis has been defined as the process of extraction of “opinions, sentiment and subjectivity in text”.³ This field is a frontier in research for computational linguistics and textual analysis, as it seeks to mechanically label human readable text. In other words, it seeks to establish patterns in text which allow easy categorization and aggregation without the involvement of subjective decision making. Due to the efficiency gains it brings along, sentiment analysis is often used in complex business and strategy making environments⁴ as a tool to grasp the current scenario and provide quick feedback of impact of decisions. It is also useful in policy making because sentiment analysis helps aggregate the

voices of the citizens into insights that are useful in policy assessment, planning and strategy. There are several examples where sentiment analysis has helped inform decision making at a governmental level.⁵ Evangelopoulos and Visinescu (2012) used concept extraction techniques for the efficient interpretation of citizen feedback while Kugo et al. (2005) clustered public comments on the proposed policy of high-level radioactive waste disposal. Sentiment analysis helped policymakers at the highest level to easily analyse and address the benefits of the proposed changes.⁶

This study aims to apply the advancements achieved in the field to evaluate public perception of five governance aspects: Inequality; Human Rights; Crime, Law and Order; Essential Infrastructure and Fiscal Management. The outcome of the study will consist of two parts:

- (1) part presenting the average coverage of the themes on national level as well as state-specific coverage. This overview is useful in understanding what themes are comparatively more present in the media coverage.
- (2) part with state-wise sentiment score for each of the themes. This information will be particularly useful from the comparative perspective. Namely, one would be capable to analyse how one state fares vis-à-vis the other when comparing the sentiment scores for Crime, Law and Order, for instance.

2. Data and Methodology

Using methods of natural language processing, we aim to evaluate the media perception of five aspects of governance in 30 Indian states. To account for a variety of perspectives, the data was gathered from around 200 relevant sources published across India in English. For each source, all digitally available publications for the period between 2015-2016 have been collected irrespective of the topic. Prior to the analysis phase, the text data is cleaned. The NLP methodology designed for the present study consists of the following steps: data collection, data cleaning and processing, sentiment analysis and state ranking. Each of the steps is briefly described in this section.

2.1. Data Collection

Data used in this study consists of a set of publications collected Google News Aggregator. Analysis of the Public Affairs Index 2017 is conducted using over 200 online media sources to obtain an estimator of the sentiment score. The increase in diversification and volume of data obtained will allow for a more statistically significant and accurate scoring of sentiment.⁷ While the listed selection consists of more than 300 media sources, the results are based on around 200 sources for which relevant data was available. Semi-automated cleaning of the data allowed for the elimination of irrelevant information, such as stop words, punctuation as well signs that do not carry meaning.⁸ Due to interest in specific aspects⁷ of the project, analysis of the articles within the obtained dataset for a given state were narrowed down to the predefined set of themes: Inequality; Human Rights; Crime and Law & Order;

Essential Infrastructure; and Fiscal Management. The identification of articles for each theme will involve assignment of keywords for the themes. The seed words we have used are listed in the table below. It is important to note that the list of keywords is not exhaustive and the categorization will involve the usage of synonyms of the identified words.

Table 1: Main themes of the inquiry and corresponding keywords

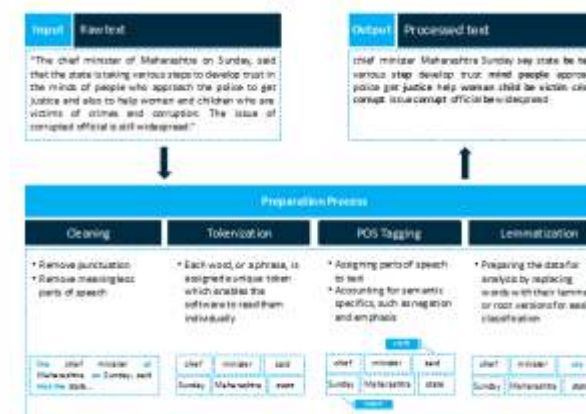
Theme	Keywords
Inequality	Gender pay gap, inequality, backward class, impoverish, pauper, income gap, economic gap ...
Human Rights	Human right, human rights commission, national human rights commission, minority rights, gender rights, sectarian, AFSPA child rights...
Crime, Law and Order	Robbery, murder, crime, thief, abduct, gang rape, burglar ...
Essential Infrastructure	Public infrastructure, essential infrastructure, state road, national road, infrastructure project ...
Fiscal Management	Government budget, fiscal measure, state budget, fiscal deficit, fiscal stability, monetary policy, fiscal policy, fiscal measure ...

2.2. Data Processing

Data Processing consists of several steps: cleaning, tokenization, part of speech tagging (POS tagging) and Lemmatization. Each step of the process is visualised with specific examples in *Figure 1* the and further explained in detail in text.

Figure 1: Data Processing

Preparation of textual media data – An automated multi-step procedure



SENTIMENT ANALYSIS

Cleaning: The collected data is controlled for the presence of punctuation items (such as commas, exclamation marks and similar) as well as parts of speech which do not carry meaning or sentiment (such as articles, prepositions, pronouns and other similar stop words¹⁰).

Tokenization: In the next step, the raw textual data is tokenized. That is, natural language processing algorithms – using pre-established dictionaries – break up the sequence of data into pieces of speech. Depending on the purpose of the assignment, the data can be tokenized into words, specifically defined keywords, phrases, and even symbols. Since the present analysis will be engaged in analysis of words within a given text, the data has been tokenized down into individual words.

Part of Speech Tagging: The tokenized dataset is further analysed for parts of speech. Specifically, we use part-of-speech (POS) tagging methods to classify words as nouns, verbs, adverbs and other based on their syntactic function. Since some parts of speech – as nouns or pronouns – do not carry any sentiment, POS tagging helps to create a subset of relevant sentiment-carrying elements such as adjectives and adverbs into a corpus of text ready for analysis. The algorithm was also trained to understand negation and emphasis in sentences. Words such as “not” or “no” which invert the meaning of words and consequently the direction of sentiment have been controlled for.

Lemmatization: the process of grouping together the inflected forms of a word so they can be analysed as a single item, identified by the word's lemma, or a dictionary form. That is, nouns, will

be put into nominative case in single form and verbs will be replaced with their infinitive forms. This exercise is extremely useful in making sure that none of the relevant information is lost to the analysis. For instance, if the word “police” has been used in several of its inflected forms (such as “policed”, “policing”), it is important to account for all inflected forms of a words to be included in an analysis. Lemmatization allows for collecting all inflected forms of a given word into a single unit. Once the steps above are performed, the data is ready for classification and further analysis described in the next part.

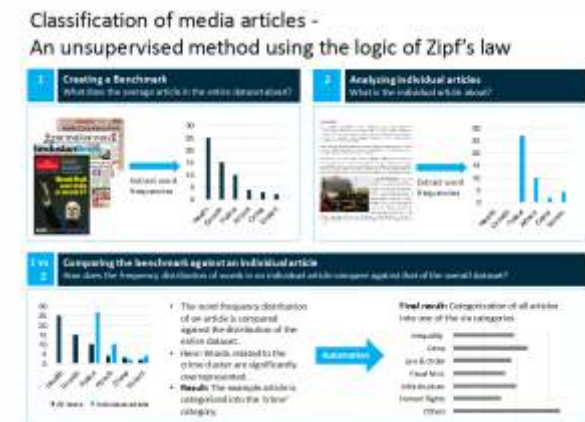
2.3. Data Categorization

The processed data is categorized into five main themes of the study mentioned above. For this level of categorization, we apply the method provided by the application of Zipf's law to natural language processing. Implementation of Zipf's law allows to calculate the frequency distribution of each individual word in each body of text and determine the rank of the word based on its usage. Namely, the Zipf's law stipulates that the frequency of any word in a text is inversely proportional to its rank. That is, the most common word – ranked 1- will have a tendency of occurring twice as often as the second most common word. For this present study, we will initially obtain the rank and frequency of each individual word in the entire dataset.

Furthermore, we will obtain the rank and frequencies of words in each individual newspaper article. Comparing the frequencies of words from an article to the frequency of the same word in the entire dataset allows for distribution of articles into themes. For instance, taking the

theme of fiscal management, we will first calculate the frequency of the word fiscal in the entire textual data we have and then compare that frequency to the frequency of the word fiscal in each news article. If the word is used more frequently in the given article than the word's average usage in the entire dataset, then the article is categorized as belonging to the theme of fiscal management. The process is represented with simple examples in the *Figure 2* below.

Figure 2: Zipf's law Categorization



2.4. Sentiment Analysis and Scoring

Sentiment Indices are an important component in understanding impact of policy changes, and are of greater value when calculated alongside the usual statistical indicators. There are several reasons for this. Firstly, statistical indices face an issue of comparability between the different indices. Sentiment indexes measure sentiment in a fixed manner and thus allows for comparison

across regions and themes. Secondly, sentiment indexes allow for a far easier and understandable normative ranking of themes than statistical indicators. Finally, a sentiment index provides a valid counterfactual to statistical scores, allowing for policy makers to understand the gap between implementation and usage.

Once the creation of the sentiment-carrying corpus is completed, we compute the sentiment scores. Namely, the data is scored through the Sentiwordnet dictionary for positive and negative sentiment. After each sentence is assigned a positive and a negative score, the scores of all the sentences are obtained and averaged to represent the article score. Using positive and negative sentiments, we further obtain the sentiment polarity score for each of our five themes. The polarity score is created using the following formula: $\text{Polarity Score} = \ln(\text{PositiveSentiment} + 1) - \ln(\text{NegativeSentiment} + 1)$. The formula is used often in defining the polarity in political discourse (left right political leanings) and, therefore, is suitable for sentiment scoring.¹⁵

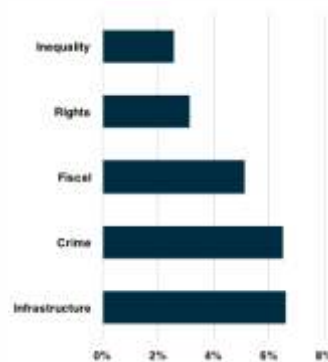
The scoring method provides an index ranging from a negative one (-1) to a positive one (1), where positive scores reflect a positive sentiment and vice-versa. The value of zero will signify that the sentiment for the given category is neutral and does not expose any positive or negative sentiment. The index allows a smooth and symmetric range for sentiment scoring, without creating artificial clusters around the edges. By creating a similar base, it also allows readers to compare different themes without difficulty.

3. Analysis

3.1. Media coverage and data categorization

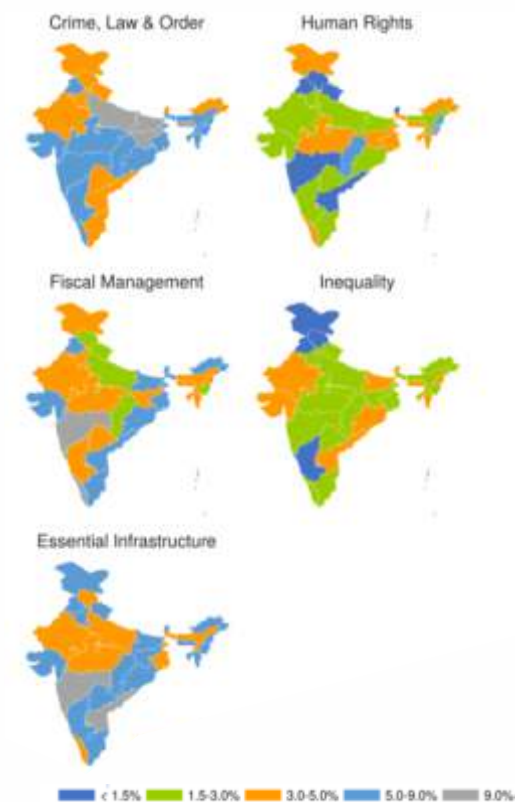
The present study followed newspaper coverage of governance themes in 30 states across 12 months (or a period between April, 2015 to March, 2016). Initially consisting of almost 18,000 pieces of individual articles, the final dataset included of 15652 articles. The reduction is explained by the elimination of irrelevant and repeating articles during the processing stage of the analysis. In general, the media within the given study tends to lay emphasis on certain themes over others. Namely, topics of Essential Infrastructure, Crime and Fiscal Management are the predominant focus areas of the media amongst the five categories considered for the study. Studying the **average coverage of the themes**, we observe that approximately 7% of overall coverage was dedicated to Infrastructure and Crime. This was followed by the theme of Fiscal Management which received around 5% of media attention. Human Rights and Inequality, on the other hand, received around 3% of overall coverage each.

Figure 2: Average coverage of themes



In India, being in the phase of economic growth, as explained by mainstream development economics theory,¹⁶ this emphasis is to be expected. Furthermore, the tendency to emphasize certain themes does not change when considering the states individually. As visualized in the maps of Figure 3, by state coverage of crime, infrastructure and fiscal management ranges between 7-12% of overall media coverage as opposed to the range of 0-8% of coverage on the human rights and inequality.

Figure 3: State-wise coverage of themes



SENTIMENT ANALYSIS

Furthermore, media has also been reflective of how a given theme is important in a state. Three states, with traditionally high rates of **crime**, have thus the highest level of media coverage of the topic; namely, the states of **Uttar Pradesh**, **Jharkhand** and **Bihar** are the states where crime has been covered the highest. Uttar Pradesh comes with the highest level of crime coverage with 13% of overall media articles dedicated to crime. This is followed by Jharkhand with around 11% of media coverage of crime. And the states of Bihar and Meghalaya follow the suite each with 10% of media coverage of crime. While Uttar Pradesh, Jharkhand and Bihar are traditionally states with high rates of crime, Meghalaya seems to be an outlier. Detailed investigation of the Meghalaya reveals that media coverage of crime drastically increased after the publication of the National Crime Records Bureau (NCRB) in 2015. Namely, the articles focused on the fact that there were approximately 9,000 cases registered under different sections of the Indian Penal code and were pending as well as 3348 cases which were disposed by the police (as per the NCRB report).¹⁷

Within the area of **fiscal management**, the media has been most active in the state of Maharashtra. Maharashtra is followed by Bihar where 9.47% of overall articles focused on fiscal management.¹⁸ Furthermore, approximately 9.2% of the articles in Kerala were on fiscal management - the best performing state of 2016 per the Comptroller and Auditor General of India.¹⁹ Interestingly, media of those states which tend to have fiscal issues have not been active in discussing fiscal management. In Manipur, for instance, less than 2% of coverage is dedicated to fiscal management which is one of the weaker aspects of governance in the state.²⁰

The state which is leading in **infrastructure** is Andhra Pradesh. This is not surprising as one of the most ambitious infrastructure projects in India is taking place in the capital of the state. Namely, the coverage of the rebuilding of the state's new capital has received big media attention. Andhra Pradesh is followed by Maharashtra (11.45%). Among the small states Arunachal (9.44%), Sikkim and Delhi have more coverage on this subject.²¹ All of the states have been greatly improving within the area of infrastructure in the past couple of years.²²

Little coverage of **inequality** and **human rights** by states in general reflects in how media has been covering the topic. Firstly, both **inequality** and **human rights** are covered weakly. There is not a single state in which media dedicated more than 5% of its coverage on issues of inequality. And this is irrespective of whether the state has issues with economic or other social inequalities. Taking an example of poverty, for instance, we notice that the theme was of no particular interest for media in relatively developed states such as Punjab, Sikkim, Himachal, Kerala and Goa (the states with the lowest number of population living below the poverty line).²³ Neither was the theme on the media attention of states where around 40% of population lives below poverty lines, such as Chhattisgarh, Jharkhand, Manipur, Arunachal or Bihar.²⁴

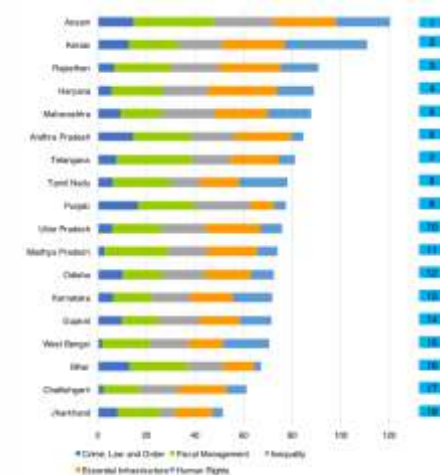
Similarly, the media coverage on human rights was limited across all states. The only exception is the state of Manipur, where the issue of human rights has been high on the agenda. The topic received 10.61% of media attention which is twice as much as other coverages of the theme in any state. The rise of the human rights coverage in

Manipur is explained by the fact that a famous human rights activist Irom Sharmila's comments about the AFSPA activities in Manipur at various times covered within the study.²⁵

3.2. Sentiment Score

The sentiment score provides a clear overview of the states leading in all five themes covered in the study. Among the large states, Assam ranked the first with a final sentiment score of 25.52. In particular, it scored high within the categories of Fiscal Management and Inequality. The state ranked as third in Crime, fourth when it comes to Infrastructure and second with regards to Human Rights. Assam is closely followed by Kerala which led as the first within the category of Human Rights and second within Infrastructure. Rajasthan, Haryana, Maharashtra and Andhra Pradesh follow in the ranking with Rajasthan and Haryana leading in Infrastructure, Maharashtra in Inequality and Andhra Pradesh in Crime.

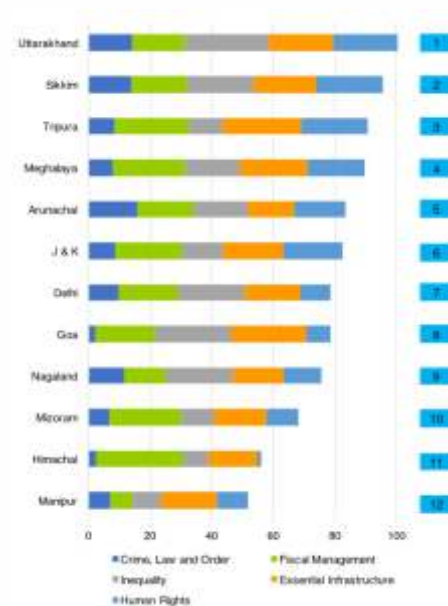
Figure 4 : Sentiment scores and final ranking of big states



States of Jharkhand, Chhattisgarh and Bihar, on the other hand, are lagging within the category of big states. Jharkhand scores very low particularly in Inequality, Human Rights and Infrastructure. Chhattisgarh scores very low in Crime, Fiscal Management and Inequality. While Bihar seems to be doing well on Crime (fourth), Fiscal Management (fourth), the state is ranked as 18th in Human Rights, 17th in Infrastructure and 16th in Inequality.

Uttarkhand, Sikkim, Tripura and Meghalaya are the four states leading within the category of small states. While the overall sentiment scores for all four are not very different from each other, each of the states prevalence within specific themes is apparent. Uttarkhand, for instance, ranks as first within Inequality and second within Crime. Sikkim, on the other hand, leads within the category of Human Rights and ranks third within Crime. Tripura is the leader in the category of Infrastructure and is the second in categories of Fiscal Management and Human Rights. The overall ranking as the third is explained by the fact that the state is only seventh in Crime and ninth within the measure of Inequality. Ranking as the third in Fiscal Management and Infrastructure Meghalaya ranks as only eighth in Crime, sixths in Inequality and fifth in Human Rights. The media ranked the states of Mizoram, Himachal and Manipur as the worst performing states per themes of this study within the group of small states

Figure 5 : Sentiment scores and final ranking of small states.



Category	States	Sentiment Score	Rank
Big	Assam	25.52	1
	Kerala	22.17	2
	Rajasthan	18.17	3
	Haryana	17.75	4
	Maharashtra	17.54	5
	Andhra Pradesh	16.87	6
	Telangana	16.18	7
	Tamil Nadu	15.57	8
	Punjab	15.49	9
	Uttar Pradesh	15.17	10
	Madhya Pradesh	14.79	11
	Odisha	14.43	12
	Karnataka	14.32	13
	Gujarat	14.26	14
	West Bengal	14.08	15
	Bihar	13.40	16
	Chattishgarh	12.23	17
	Jharkhand	10.25	18
Small	Uttarakhand	20.16	1
	Sikkim	19.11	2
	Tripura	18.09	3
	Meghalaya	17.93	4
	Arunachal	16.70	5
	J & K	16.48	6
	Delhi	15.72	7
	Goa	15.70	8

SENTIMENT ANALYSIS

- ¹ Simon, Herbert A. "Bounded rationality and organizational learning." *Organizational learning* 175 (1996): 188.
- ² Ngai, E. W. T., and P. T. Y. Lee. "A Review of the Literature on Applications of Text Mining in Policy Making." (2016).
- ³ Pang, B., & Lee, L. (2008). Opinion mining and sentiment analysis. *Foundations and trends in information retrieval*, 2(1-2), 1-135.
- ⁴ See Vohra, M. S., & Teraiya, J. (2013, February). Applications and challenges for sentiment analysis: A survey. In *International Journal of Engineering Research and Technology* (Vol. 2, No. 2 (February-2013)). ESRSA Publications. For several applications
- ⁵ See Ngai, E. W. T., & Lee, P. T. Y. (2016). A review of the literature on applications of text mining in policy making. for more
- ⁶ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3168328/>
- ⁷ Please see the list of the article selection in the separate document submitted with the study.
- ⁸ Signs such as &, various types of brackets and others.
- ⁹ Aspects were identified by the PAC team.
- ¹⁰ Stopwords are defined as a list of the most common words which do not have a meaning. Source : <http://nlp.stanford.edu/IR-book/html/htmledition/dropping-common-terms-stop-words-1.html>
- ¹¹ For example; a state uses household surveys to measure access of households in rural areas to drinking water and sanitation, while another uses estimates as calculated by different regional and local bodies. The two indices are incomparable, as they use different techniques to measure the same indicator. The issue may be expanded to address the problem of comparing two completely different statistical indicators across different topic areas.
- ¹² Statistical indicators, barring rare examples, are often non-normative in their calculation. For example, a binary variable to measure the presence of sanitation facilities in a town will not take into account the usage of the facility or the issues in quality of infrastructure. Often such rich data is not present in statistical indicators. However, sentiment indices overcome these issues by providing normative scores, i.e. even in the presence of a sanitation facility, if the quality is deemed poor by the individuals, it will provide a negative score.
- ¹³ Sentiwordnet is a lexical database that is useful for opinion mining. It assigns a score of positivity and negativity to each word derived from the Wordnet dictionary. Wordnet is a large database that groups words and acts as a thesaurus ad backend for natural language processing tools. It is maintained by Princeton University. For detailed information on Sentiwordnet see <https://wordnet.princeton.edu>. For more information on Sentiwordnet see Esuli, A., & Sebastiani, F. (2006, May). "Sentiwordnet: a publicly available lexical resources for opinion mining. In *proceedings of LREC* (Vol. 6, pp. 417-422).
- ¹⁴ For a more detailed information of the formula and the method please see: William Lowe, Kenneth Benoit, Slava Mikhaylov, and Michael Laver (2011). "Scaling Policy Preferences From Coded Political Texts." *Legislative Studies Quarterly* 26(1, Feb): 123-155.
- ¹⁵ Reference: William Lowe, Kenneth Benoit, Slava Mikhaylov, and Michael Laver. (2011) "Scaling Policy Preferences From Coded Political Texts." *Legislative Studies Quarterly* 26.
- ¹⁶ OECD, 2012. India: Sustaining High and Inclusive Growth. Retrieved from: <https://www.oecd.org/india/IndiaBrochure2012.pdf>
- ¹⁷ Times of India: 9000 cases pending investigation in Meghalaya. Retrieved from: <http://timesofindia.indiatimes.com/city/shillong/9000-cases-pending-investigation-in-Meghalaya/articleshow/53975084.cms>
- ¹⁸ <http://www.ide.go.jp/English/Publish/Download/Dp/pdf/331.pdf>
- ¹⁹ <http://indiatoday.intoday.in/story/india-today-state-of-states-awards-best-performing-most-improved/1/802652.html>
- ²⁰ Controller and Auditor General of India. Report 2016-State Finance of Manipur. Retrieved from: <http://www.cag.gov.in/content/report-2016-state-finances-manipur>
- ²¹ The Hindu. Capital project: The making of Amaravati. Retrieved from: <http://www.thehindu.com/news/national/Capital-project-The-making-of-Amaravati/article14399809.ece>
- ²² <http://indiatoday.intoday.in/story/india-today-state-of-states-awards-best-performing-most-improved/1/802652.html>
- ²³ <https://www.rbi.org.in/scripts/PublicationsView.aspx?id=15283>
- ²⁴ *ibid.*
- ²⁵ <http://www.ndtv.com/india-news/afspa-responsible-for-attack-on-army-men-in-manipur-says-irom-sharmila-769148>



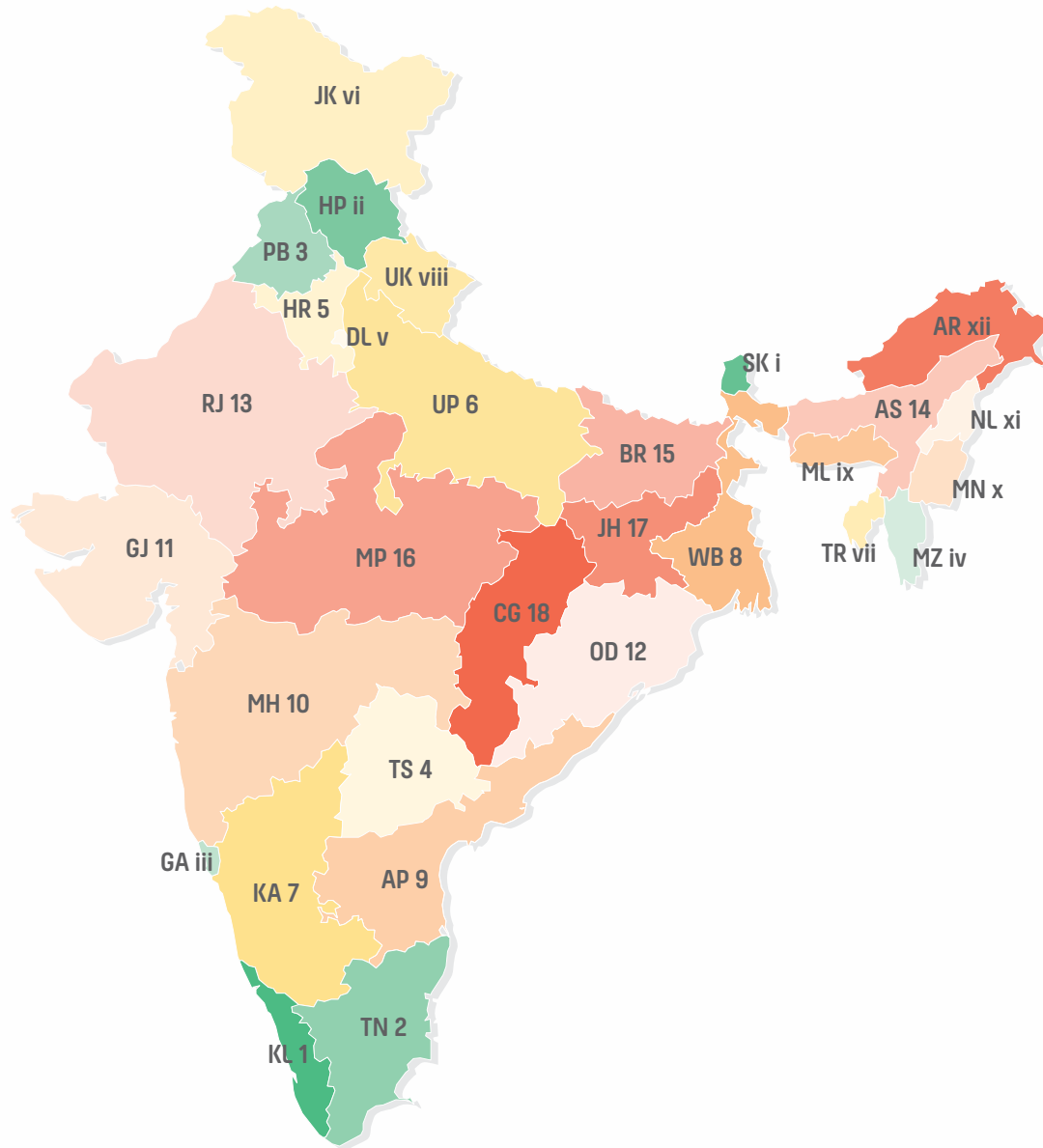
INEQUALITY



- Economic
- Social
- Gender



INEQUALITY



Least Inequality Highest Inequality

Rank	Large States	Index	0 scale range 1
1	KL Kerala	0.754	<div style="width: 75.4%;"></div>
2	TN Tamil Nadu	0.627	<div style="width: 62.7%;"></div>
3	PB Punjab	0.625	<div style="width: 62.5%;"></div>
4	TS Telangana	0.601	<div style="width: 60.1%;"></div>
5	HR Haryana	0.588	<div style="width: 58.8%;"></div>
6	UP Uttar Pradesh	0.568	<div style="width: 56.8%;"></div>
7	KA Karnataka	0.563	<div style="width: 56.3%;"></div>
8	WB West Bengal	0.563	<div style="width: 56.3%;"></div>
9	AP Andhra Pradesh	0.546	<div style="width: 54.6%;"></div>
10	MH Maharashtra	0.534	<div style="width: 53.4%;"></div>
11	GJ Gujarat	0.528	<div style="width: 52.8%;"></div>
12	OD Odisha	0.500	<div style="width: 50.0%;"></div>
13	RJ Rajasthan	0.474	<div style="width: 47.4%;"></div>
14	AS Assam	0.462	<div style="width: 46.2%;"></div>
15	BR Bihar	0.457	<div style="width: 45.7%;"></div>
16	MP Madhya Pradesh	0.448	<div style="width: 44.8%;"></div>
17	JH Jharkhand	0.440	<div style="width: 44.0%;"></div>
18	CG Chhattisgarh	0.419	<div style="width: 41.9%;"></div>

Rank	Small States	Index	0 scale range 1
i	SK Sikkim	0.653	<div style="width: 65.3%;"></div>
ii	HP Himachal Pradesh	0.646	<div style="width: 64.6%;"></div>
iii	GA Goa	0.618	<div style="width: 61.8%;"></div>
iv	MZ Mizoram	0.618	<div style="width: 61.8%;"></div>
v	DL Delhi	0.607	<div style="width: 60.7%;"></div>
vi	JK Jammu and Kashmir	0.582	<div style="width: 58.2%;"></div>
vii	TR Tripura	0.574	<div style="width: 57.4%;"></div>
viii	UK Uttarakhand	0.570	<div style="width: 57.0%;"></div>
ix	ML Meghalaya	0.561	<div style="width: 56.1%;"></div>
x	MN Manipur	0.533	<div style="width: 53.3%;"></div>
xi	NL Nagaland	0.510	<div style="width: 51.0%;"></div>
xii	AR Arunachal Pradesh	0.421	<div style="width: 42.1%;"></div>

ASPECIALSTUDYININEQUALITY

A study on inequality is fraught with dangers when the definition of terms used for the study is subject to interpretation and differences in the method of their application. For a general appreciation of the subject, we may define it as the difference found in various measures of economic well-being among individuals in a group, among groups in a population, or among countries. Economic inequality is sometimes called income inequality, wealth inequality, or the wealth gap. Economists generally focus on economic disparity in three metrics: wealth, income, and consumption.ⁱ The methodology adopted for the estimation of such inequality is subject to much debate and discussion. Economic inequality varies between societies, historical periods, economic structures and systems. The term can refer to cross-sectional distribution of income or wealth at any particular period, or to changes of income and wealth over longer periods of time.ⁱⁱ There are various numerical indices for measuring economic inequality. A widely used index is the Gini coefficient, but there are also many other methods.

Even as we embark on this exercise, we must be informed by the caveats pronounced by Amartya Sen in attempting to define what equality is: the essential idea is confronted by two different diversities, namely a; the basic heterogeneity of human beings, and b; the multiplicity of variables in terms of which equality can be judged. Again, differences in class, gender, and other social features play a



crucial part in strengthening the significance of thinking not merely in terms of income, opportunities, happiness etc, but also taking note of achievement of functionings and capabilities to achieve them.ⁱⁱⁱ

Further, the issue of economic inequality is also related to larger notions of equity, equality of outcome, and equality of opportunity,^{iv} and thus opens the door to interpretative niceties, which is not the intent of this report.

The purpose of this part of the PAI 2017 requires some clarification. Readers will note that in the first part of this report we have extended the findings of the first PAI report of 2016 by another year, while adopting the same methodology, as well as the same updated data sets (more or less) which informed the earlier report, so as to arrive at a ranking of the states on the basis of the quality and levels of governance in the country. The ten themes remain the same; though the 25 focus subjects have gone up to 26, and the 68 indicators to 82, with some tweaking here and there, so as to accommodate latest thinking on the subject.

But where PAI 2017 differs from the earlier report is the declared intent to take the study further and focus on more involved questions that go into the very core of developmental economics in the states of India. Inequality is the selected special theme, identified for such focused attention. While PAI 2016 and the first part of PAI 2017 measures critical elements of governance, this chapter will look at the effect of the development trajectory on the state's economic stratification with an attempt to ascertain the inequality existing between the slim centiles at the top and the many layers at the bottom. This assessment can be made



on several indices, such as economic, gender, social etc. But more of this later.

We read from time to time about hypothetical questions asked on the subject of redistribution of wealth. “If the world's wealth was evenly distributed, what would each person's annual income be?” is the trite question. While it may be possible to arrive at an answer on the basis of the estimation of the world's wealth being about \$65 trillion, the equally hackneyed answer attempted, on the basis of how a broad understanding of the reasons for such inequality arising over a period of time, is as follows: "If we divided all the money in the world equally, in a short time the rich would be rich again, and the poor would be poor."

This answer is not completely trite though. The nature of the free market, despite largely unsuccessful attempts to regulate it, encourages disparities based on human ingenuity to manipulate situations to one's own personal gain. In its essential form, capitalism, while allowing for general progress to take place in society through the trickle-down model, encourages the growth of private capital and private wealth. We only have to observe the nature of wealth creation in some of the western economies to appreciate the same. The United States exhibits wider disparities of wealth between rich and poor than any other major developed nation.^v

In India, however, as well as in many developing countries that have freed themselves from colonial rule, the on-going and continuing struggle, irrespective of the ideology of the party in power, is to provide dignity of life to all the citizens of the country. Our Constitution says it in so many words in the very preamble itself:

“We, the people of India, having solemnly resolved to constitute India into a sovereign, socialist, secular democratic republic and to secure to all its citizens,

- Justice, social, economic and political;
- Liberty of thought, expression, belief, faith and worship,
- Equality of status and opportunity; and to promote among them all
- Fraternity assuring the dignity of the individual and the unity and integrity of the Nation;



In our Constituent Assembly, this 26th day of November, 1949 do hereby adopt, enact and give to ourselves this Constitution.“

Specifically, the provisions of the Constitution dealing with equality are art Article 14 to article 16, reproduced below:

14. Equality before law: The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India

15. Prohibition of discrimination on grounds of religion, race, caste, sex or place of birth

- (1) The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them
- (2) No citizen shall, on grounds only of religion, race, caste, sex, place of birth or any of them, be subject to any disability, liability, restriction or condition with regard to
 - (a) access to shops, public restaurants, hotels and palaces of public entertainment; or
 - (b) the use of wells, tanks, bathing ghats, roads and places of public resort maintained wholly or partly out of State funds or dedicated to the use of the general public
- (3) Nothing in this article shall prevent the State from making any special provision for women and children
- (4) Nothing in this article or in clause (2) of Article 29 shall prevent the State from making any special provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes

and the Scheduled Tribes

16. Equality of opportunity in matters of public employment

- (1) There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State
- (2) No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect or, any employment or office under the State
- (3) Nothing in this article shall prevent Parliament from making any law prescribing, in regard to a class or classes of employment or appointment to an office under the Government of, or any local or other authority within, a State or Union territory, any requirement as to residence within that State or Union territory prior to such employment or appointment
- (4) Nothing in this article shall prevent the State from making any provision for the reservation of appointments or posts in favor of any backward class of citizens which, in the opinion of the State, is not adequately represented in the services under the State
- (5) Nothing in this article shall affect the operation of any law which provides that the incumbent of an office in connection with the affairs of any religious or denominational institution or any member of the governing body thereof shall be a person professing a particular religion or belonging to a particular denomination

Equality before law is, therefore, one of the fundamental guiding principles of the Constitution. Not only this, where inequality exists by way of adverse social and cultural characteristics along with the burden of history, the State is enjoined to take affirmative action to make available special facilities to provide the promised equality of opportunity to all persons. The many measures of affirmative action, by way of protection of the depressed classes, hitherto enslaved by a caste bound society, was the grand task set by the Constitution for the country, and we are still in the process of achieving what was promised.

We have to remember though, that equality as pronounced in the Constitution does not mean equality per se, but rather, equality of opportunity. For example, in the matter of public employment, this would mean that that all citizens of the country will have the equal opportunity to compete for employment within the frame work of the systems of public administration of the country. All competing persons are not guaranteed jobs, as is obvious: but they are entitled to get an equal chance while competing for the limited job opportunities available in the public employment system. The provision of reservation for the Tribes and the Castes provides these two large social groups some advantage when pitted against those of the so-called 'upper castes' who do not have the advantage of such a constitutional protection. However, within the category of Tribes and Castes, there is equality of opportunity for those similarly placed as Tribes and Castes, and the relative backwardness or otherwise amongst them do not provide any advantage or disadvantage to individual members of these two groups. Within their respective groups they have to face fierce

competition to obtain the benefit of public employment as stated in the Constitution.

The paradox, however, is that competition by its very nature, is based on inequality, and the most competent of those who compete, alone will gain access to the employment opportunities available. And the nature of that competence may have its origins in social and economic advantages that clearly arise from inequality.

The country's first Prime Minister Jawaharlal Nehru was perhaps more keenly aware than others, of the dilemma of extending equality as he wrote in prophetic words:

'The spirit of the age is in favour of equality, though practice denies it almost everywhere. We have got rid of slavery in the narrow sense of the word, but in the name of individual freedom, political and economic systems exploit human beings and treat them as commodities.'^{vi}

There are many deeply philosophical treatises on inequality that has enriched the debate on the subject. While we do not intend to cover them all, some references cannot be avoided because of the lasting significance on economic policies for a country like India. Amartya Sen's seminal work on *On Economic Inequality*^{vii} related the theory of welfare economics to the study of economic inequality, while also delineating the problems associated with the measurement of inequality. In its sequel, *Inequality Re-examined*^{viii} Sen argues that the dictum "all men are created equal" serves largely to deflect attention from the fact that we differ in age, gender, talents, physical abilities as well as in material advantages and social background. He argues for concentrating on



higher and more basic values: individual capabilities and freedom to achieve objectives. His powerful message still resonates: annual income growth is not enough to achieve development. Societies must pay attention to social goals as well, always leaning toward their most vulnerable citizens, and overcoming deep-rooted biases to invest in the health and well-being of girls as well as boys. Enunciating the capabilities approach, with reference to both ‘well-being’ and the freedom to pursue well-being, with life as consisting of a set of interrelated ‘functionings’, Sen argued that “the relevant functionings can vary from such elementary things as being adequately nourished, being in good health, avoiding escapable morbidity and premature mortality, etc., to more complex achievements such as being happy, having self-respect, taking part in the life of the community, and so on. The claim is that functionings are constitutive of a person’s being, and an evaluation of well-being has to take the form of an assessment of these constituent elements.”^{xix} Sen went on to state that the capability to function is related to the notion of functionings and reflects the person’s freedom to choose from one type of life or another.

Two decades later, in a new book that Sen co-authored with Jean Dreze^x, the two authors argue that the problems remain with the lack of attention paid to the concerns of the poor, thus enhancing the dilemma of inequality. There has been significant lack of attention given by governments to foster participatory growth as also to make good use of the public resources to enhance people’s living conditions. There is a marked inadequacy of social services such as schooling and medical

care, as well as of physical services such as safe water, electricity, drainage, transportation, and sanitation. In the long run, even the feasibility of high economic growth is threatened by the underdevelopment of social and physical infrastructure and the neglect of human capabilities, in contrast with the Asian approach of simultaneous pursuit of economic growth and human development, as pioneered by Japan, South Korea, and China.

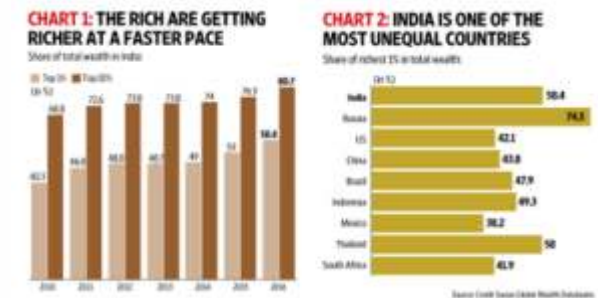
Of course this is not a phenomenon restricted only to the Indian sub-continent. The dilemma is worldwide and the recent best seller of Thomas Piketty^{xi} examines many questions about long term evolution of basic economic issues like inequality, the vast concentration of wealth amongst a minority population bracket and how the prospects of the economic growth of a developing nation lie at the heart of its political economy. Piketty’s by now well-known formula of $r > g$ touches the heart of the question. He argues that the main cause of this inequality is the proclivity of rate of return on capital to exceed the rate of economic growth, which threatens to generate extreme gaps of inequality leading to public discontent.

Readers are already aware that several decades earlier Simon Kuznets had developed in economics what is known as the Kuznets curve graphs based on the hypothesis that as an economy develops, market forces first increase and then decrease economic inequality. Kuznets curve diagrams show an inverted U curve, although variables along the axes are often mixed and matched, with inequality or the Gini coefficient on the Y axis and economic development, time or

per-capita incomes on the X axis.^{xiii}



The latest data on global wealth from the Credit Suisse Group AG, the financial services company based in Zurich, reveals that in India, the rich are getting richer at a faster clip. The two charts above are revealing. Whereas, in 2010, the top 1% of the population held 40.3% of the total wealth in India and the top 10% held 68%, by 2016, the comparative figures had risen to 58.4% and 80.7% respectively. In this sense, India is one of the most unequal countries in the world.^{xiii}



This position is not challenged in a similar study conducted by People Research on India’s Consumer Economy in 2016, known as the Household Survey on India’s Citizen

Environment & Consumer Economy (ICE 360°Survey).^{xiv} The study establishes that the top 20% accounts for 45% of total national disposable income while the bottom 60% accounts for barely a third. Further, 87% of people living in the metros belong to the top two income quintiles, while an overwhelming majority (76%) of the people living in underdeveloped rural areas belong to the bottom three quintiles. Similarly, while examining monthly incomes, it has been concluded that the bottom quintile spends 90% of house hold income on routine consumption expenses. The top quintile spends just 53% and is able to save more.

The role of education in the stabilization of income inequality can be seen in the findings that most households with graduate breadwinners end up in the top 40% of India's income distribution, while most households with illiterate breadwinners end up in the bottom 60% of income distribution. Households with graduate breadwinners earn nearly three times as much as households with illiterate breadwinners.

The recent Oxfam report entitled “An economy for the 99 percent” is also relevant in this context.^{xv} (Readers will recall the never ending debate on all international fora on the 99% and the 1% of population and the widening chasm between classes of people.) The Oxfam report highlights that amongst other things it is tax evasion, political corruption, and the driving down of wages by big businesses and the super-rich



that are fuelling an inequality crisis. Some of its findings are as below:

- The richest 1% has owned more wealth than the rest of the planet since 2015.
- 70% people live in a country that has seen a rise in inequality in the last 30 years.
- Between 1988 and 2011, the incomes of the poorest 10% increased by just \$65 per person while the incomes of the richest 1% grew by \$11,800 per person – 182 times as much.
- At the current rate, it will take 170 years to achieve equal pay for men and women.
- The super-rich also avoid paying their share of taxes by using tax havens and they also secure high returns on their investments with the help of their wealth managers. Services that are not easily available to ordinary citizens.
- Many of the super-rich are not ‘self-made’. Over half of the billionaires inherited the wealth or accumulated it by investing in industries which have rampant corruption and cronyism.
- The big businesses and organisations use their power and money to ensure that the government policies work in their favour. For example, billionaires in Brazil have sought to influence elections and successfully lobbied for a reduction in tax bills while oil corporations in Nigeria have managed to secure generous tax breaks.
- In country-wise analyses, over the last 30 years, in the United States of America, the income growth of the bottom 50% has been zero, whereas the top 1% have seen an income increase of 300%.

In Vietnam, the richest man in the country earns more in one day than what the poorest person makes in one decade.

- The top 1% has earned more income in the last 25 years than all of the bottom 50% put together.
- From Brexit to the success of Donald Trump’s presidential campaign, in a worrying rise in racism and the widespread disillusionment with mainstream politics, there are increasing signs that more and more people in rich countries are no longer willing to tolerate the status quo.
- Millions of people have been lifted out of poverty in recent decades, an achievement of which the world should be proud. Yet, one in nine people still goes to bed hungry.
- Three-quarters of extreme poverty could, in fact, be eliminated using existing resources, by increasing taxation and cutting down on military and other regressive spending.
- The total global wealth is \$255.7 trillion.

It is also pertinent to see what the report says about India in this global picture.

- India’s richest 1% now holds 58% of India’s total wealth (the global figure is about 50%).
- 57 billionaires in India now have same wealth (\$ 216 billion) as that of the bottom 70% population of the country.
- There are 84 billionaires in India, with a collective wealth of \$ 248 billion, led by Mukesh Ambani, Dilip Shanghvi, and Azim Premji.
- The total Indian wealth is \$3.1 trillion.



According to Oxfam, we need to design businesses and economies in a way to ensure that excess wealth is not generated in the first place. This, they suggest, can be done by things like setting limits on the income of the top people, and by encouraging business models that do not provide undue rewards to shareholders. Second, steps need to be taken to end the undue influence of elites over politics and the economy. Beyond these actions, the main tool for eliminating excessive wealth is taxation. Oxfam advised that top rates of income tax be raised in almost every country. Oxfam called for “a fundamental change in the way we manage our economies so that they work for all people, and not just a fortunate few”.^{xvi}

The dimensions of inequality that this report intends to study can be defined as more extensive than intensive. We do know that there are several shapes and forms that inequality assumes covering almost every aspect of human endeavour. These may cover social disabilities, physical handicaps, gender disparities and so on.



However, despite the strenuous efforts of Sen and Dreze^{xvii} to encourage focused attention in developmental economics to the concerns of social, gender and other forms of inequalities, the primary concern of most governments, especially developing economies, seems to be on reducing economic inequalities, usually derived from derivatives of growth indices such as GDP and per capita income.

“... we have argued that development is best seen in terms of an expansion of people’s freedoms, or human capabilities. In this perspective, we have to recognize the importance of the two-way relationship between economic growth and the expansion of human capability, while also keeping in mind the basic understanding that the expansion of human freedom and capabilities is the goal for which the growth of GDP, among other factors serves as important means”.^{xviii}

Those amongst the country’s planners and policy makers as well as those in the highest echelons of power in the country “have to reconsider not only the reach of their understanding of the mutual relationship between growth and development, but also their appreciation of the demands of social justice which is integrally linked with the expansion of human freedoms.” It is in this context that Sen and Dreze make the proposition that “Indian democracy is seriously compromised by the extent and form of social inequality in India, particularly since democracy stands not just for electoral politics and civil liberties, but for an equitable distribution of power.”^{xix}



It is necessary to elucidate this further. India, as the Sen and Dreze explain, “has a unique cocktail of lethal decisions and disparities. Few countries have to contend with such extreme inequalities in so many dimensions, including large economic inequalities as well as major disparities of caste class and gender.”^{xx} The mutual reinforcement of these different kinds of inequalities creates the enormous disparities we see everywhere in Indian society, and perhaps more so in the northern heartland.

Economic disparity

Praveen Chakravarty and Vivek Dehejia’s recent examination of the issue of economic divergence can be perused in their new paper entitled “India’s curious case of economic divergence.”^{xxi} They argue that while neo-classical economic theory predicts the convergence of different regions or different states to converge in terms of real GDP (otherwise known as the ‘catch-up hypothesis, where the poorer regions catch up with the richer regions), India presents a story where there is persisting divergence despite overall economic growth. The key takeaways that these studies on inequality amongst the regions of India present are:

“1: Levels of income disparity across the largest states of India is the widest of other similarly large federal economic zones. 2: Contrary to global experiences of income convergence across and within nations, India shows continuing trends of divergence among its large states. 3: 1990 seems to be the seminal year of a structural break in income disparity between the richer and poorer large states... Nevertheless, the economic divergence of the different states raises the important political economy question of federalism and its discontents. At a minimum, we need to start having a serious conversation on whether a greater devolution of fiscal and legislative powers and not just financial resources from the centre to the states ought to be the way forward, given the political economy of large and widening intra-state economic disparities which are showing no signs of disappearing on their own anytime soon.”^{xxii}

India, as a land of severe contradictions and inconsistencies, is an ideal study for the kinds of inequality that Nehru hinted at in his now famous quote of the denial of equality everywhere in India. We have to examine this in the context of the constitutional guarantees and safeguards, some of which have been quoted above and seek to find how age old prejudices and customs conspire to impose inequality, in a myriad ways, on the life and times of the India we now live in.

It is in this connection that there is frequent reference to the Gini coefficient, which is basically a measure of the inequality of distribution: it intends to depict the income distribution of a nation's residents and is the most commonly used measure of inequality. In India, the only organization that provides income distribution data is National Council of Applied Economic Research (NCAER), through the National Survey of Household Income and Expenditure (NSHIE). However, the Planning Commission has worked out the Gini Coefficient based on consumption expenditure (latest for 2009-10) which is often used as a reference to depict the levels of economic inequality.^{xxiii} By way of an example, the comparative figures of Gini coefficient for rural India recorded in 1973-73 at 0.281, had, by 2009-10 become 0.276. Thus, according to these statistics, there have been no significant changes in inequality in rural India over a period of about 35 years.

This gives reason to question a purely economic depiction of equality based only on consumption expenditure. Per capita income may be a better indicator of inequality. A World Bank study of 2001 concludes that "inequality in India appears

to be in the same league as that in Brazil and South Africa, both high inequality countries."^{xxiv} The India Human Development Study of 2004-05 includes income data and makes it possible to estimate the coefficient of per capita income for India which turns out to be 0.54 (much higher than the value of 0.35 or so that typically emerges from per capita expenditure study). The Inequality-Adjusted Human Development Index (IHDI) combines a country's average achievements in health, education and income with how those achievements are distributed among country's population by "discounting" each dimension's average value according to its level of inequality. The IHDI is calculated for three indicators namely, life expectancy at birth, mean years of schooling & expected years of schooling and Gross National Income (GNI) per capita, with PPP adjusted on dollar terms.^{xxv}

The difference between the IHDI and HDI is the human development cost of inequality, also termed as the loss to human development due to inequality. The IHDI allows a direct link to inequalities in dimensions, it can inform policies towards inequality reduction, and leads to better understanding of inequalities across population and their contribution to the overall human development cost. The IHDI has been calculated by UNDP in its 2015 report for more than 150 countries, and India stood at rank 99.

A deeper examination in other aspects of life in India would, it is certain, reveal more characteristics of inequality than is readily apparent by the Gini Coefficient. There is much evidence of growing economic inequality especially in the urban-rural divide as well as growing inequality in urban areas. Similarly, data

indicates a growing concentration of incomes at the top. Further, while the growth of economic inequality goes with continued poverty decline, it also leads to adverse consequences in social sectors such as lower health achievements, propinquity for increased crime, disproportionate political power to the privileged minority, as well as the continued caste and other inequalities.

Caste discriminations

The singular feature of social life in the sub-continent is the predominance of caste in virtually every aspect of life. The four varnas, and those not even mentioned therein, as well as their strength in terms of votes in a democratic system, form the basis of political ideology across all parties in the country. The dominance of the upper classes in the early part of our post-independence history followed by the gradual swelling of the designated lower communities, the Dalits, the Scheduled Castes and the Scheduled Tribes culminating in political hegemony flowing to them even in sensitive states such as Bihar and UP.

The roots of the Varna system lie in the clash of the races.^{xxvi}

Fair complexioned Aryan hordes who entered India from 1500 BC onwards soon subjugated the darker earlier settlers and laid down rules and regulations underlining the inherent inequality of the people based on birth: this perverse logic was largely accepted by the masses. Aryan supremacy was further established by the Rg Veda where we find the tendency of considering the profession of the priest and the warrior higher than the agriculturist, who was himself, higher than the labourer and the slave. The stratification of society



Caste System And Dalit

between the Brahmins, the Kshatriyas, the Vaishyas and the Sudras may have taken a couple of millennia to be formalized. Worse, the castes below the Sudras, uncategorized and not included in the four varnas, suffered an adverse fate in all forms of social ostracization. Land became the exclusive property of the upper castes, and the dependence of the others as well as the barriers created on the basis of division of labour led to a proliferation of occupational groups that in effect meant the formalization of the system of jatis. The varnas, therefore, implied ‘natural superiority’ arising from functions of religion and land and political power. The jatis arose out of the stratification generated from occupational characteristics and the multifarious nature of the labour market and the requirements of society.^{xxvii}

Untouchability is a form of jati variant. While the Shudras, lowest in the varna system, were employed as agricultural labour, as Kautaliya’s Arthashastra indicates, certain communities were restricted solely to ‘unclean occupations’ and the tag of untouchability came to be attached to them.

Ambedkar’s severe indictment of the caste system in his undelivered speech prepared in May 1936 for the annual conference of the Jat-Pat-Todak Mandal of Lahore is relevant here. The organizers cancelled the conference “on the ground that the views expressed in the speech would be unbearable to the Conference.”^{xxxviii} In a masterful examination of the caste system in India, and a condemnation of the chaturvarna system, Ambedkar lashed out at the upper caste Hindus “who would not spread the light, who would endeavor to keep others in darkness, who would not consider to share his intellectual and social inheritance with those who are ready and willing to make it a part of their own make-up.”^{xxxix} According to him, the three upper classes the Brahmins, the Kshatriyas and the Vaishyas managed to work by compromise while agreeing to beat down the Shudra who was not allowed to acquire wealth, knowledge or bear arms, let alone rebel against their authority. Behaviour was codified by Manu. “There is no code of laws more infamous regarding social rights than the laws of Manu.”^{xxx}



Ambedkar suggested ways to abolish the caste system while replacing it with the religion of principles. Religion must be given a new doctrinal basis “that will be in consonance with liberty, equality and fraternity. This means a fundamental change in the fundamental notions of life...you must discard the authority of the shastras, and destroy the religion of the shastras.”^{xxxi}

After elaborating on his complete disenchantment of the Hindu way of life and the hinting at the possibility of his leaving the religion, Ambedkar concluded: “In the fight for Swaraj, you fight with the whole of the nation on your side. In this (fight against caste), you have to fight against the whole nation – and that too your own. But it is more important than swaraj.”^{xxxii}

Nearly 80 years after Ambedkar’s tirade against the Hindus, Arundhati Roy took up cudgels again, defining the Annihilation of Caste as a breach of peace that attempts to throw blinding light on the crimes being committed against the lower castes. It is not only the Shudras, the lowest in the chaturvarna system that it attacks, but the countless Dalits, outside the varna system, who find no mention even amongst the four castes, “the Untouchables, the Unseeables, the Unapproachables”. Roy goes on to quote statistics that indicate the ever present pernicious influence of caste on the Indian way of life: She quotes Khushwant Singh from his 1990 article called ‘Brahmin Power’ saying that Brahmins, though with only 3.5% of the population, hold as much as 70% of the government jobs. The National Commission for Scheduled Castes and Scheduled Tribes reports that in Central Public Sector Enterprises, only 8.4% of the top bureaucracy belongs to the Scheduled Castes when it should be in the region of 15%. It is only amongst those designated as sweepers that 90% of them are Dalits! This raises serious questions on inequality and challenges the declarations made in the Constitution of India regarding equality of opportunity as a fundamental right.

One word for the similar problem existing for poorer Muslims: while many Muslims are part of

the upper stratum of Indian society, at the other end, the poorer Muslims, (often descendants of lower caste Hindus who converted to Islam, primarily to escape caste based discrimination), do have economic and social disadvantages comparable to those of lower caste Hindus. This is compounded by the gross injustice of the affirmative legal provisions that grant scheduled castes and scheduled tribes preferential treatment in appointments and admission to higher educational institutions, but deny the same benefits to the poorer Muslims.

Indeed, while caste discrimination may have minimally subsided in recent times, thanks to the spread of education, economic development and resistance from victims of discrimination, it is still an instrument of power in Indian society. And the fact that caste has become virtually unmentionable in polite society in India is not because of the obliteration of caste consciousness, but perhaps simply because it is an inconvenient subject for any meaningful discussion.

Indeed, when on 13th December 1946, Jawaharlal Nehru moved the Objectives Resolution in the Constituent Assembly of India, he vowed that the soon-to-be- free nation would be an ‘Independent Sovereign Republic’ and along with the high ideals of justice, equality, freedom of thought etc, “adequate safeguards shall be provided for minorities, backward and tribal areas, and depressed and other backward classes...”.^{xxxiii} The tribals perhaps faced more of oppression than the castes and the other depressed communities. Speaking as “a jungli, as an Adibasi”, Constituent Assembly Member Jaipal said:

“The whole history of my people is one of continuous exploitation and dispossession by the non-aboriginals of India punctuated by rebellions and disorder; and yet I take Pandit Jawaharlal Nehru at his word. I take you all at your word that now we are going to start a new chapter of independent India where there is equality of opportunity, where no one would be neglected.”^{xxxiv}

So many years have passed “since Jaipal took Nehru and all the others at their word. What has been the fate of his people, the Adivasis in this time. ...in many ways the tribals of peninsular India are the unacknowledged victims of ... decades of democratic development. In this period they have continued to be exploited and dispossessed by the wider economy and polity. (At the same time, the process of dispossession has been punctuated by rebellions and disorder.) Their relative and often absolute deprivation is the more striking when compared with that of other disadvantaged groups such as Dalits and Muslims. While Dalits and Muslims have had some impact in shaping the national discourse on democracy and governance, the tribals remain not just marginal but invisible”.^{xxxv}

“When and how will this situation change?... Issues such as caste, religion and economic status, place of residence and knowledge of English have become significant markers in our social and political life...” Social analysts have mused that this may be “attributes to the way our electoral system has evolved whereby mobilization of political support is done on the basis of social, religious, caste and cultural attributes.” If we do accept the Constitution as our guiding spirit, we need to tell ourselves “that any violation of the

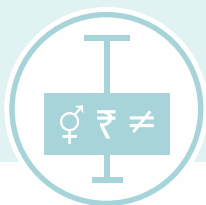
right to equality and the right against discrimination will invite strict penal action.”^{xxxvi}

Gender Inequality

Like caste, on the surface it may appear that gender inequalities are also being removed from Indian society. In education, for example, gender bias in school participation is virtually non-existent. In politics, literature, arts etc too, women occupy positions of importance. And yet, gender inequality is a very significant part of Indian society. One of the old problems in India is the larger incidence of mortality among female children over male, not only because of female infanticide, but because of the “quiet- and not clearly perceived - neglect of the interest of female children in health care and nutrition.”^{xxxviii} Regional differences are sharp, with excessive female mortality in the north-west and less in eastern and southern states.

The World Economic Forum uses three underlying concepts for formulating the Global Gender Gap Index 2016. “First, the Index focuses on measuring gaps rather than levels. Second, it captures gaps in outcome variables rather than gaps in input variables. Third, it ranks countries according to gender equality rather than women’s empowerment.” There are four sub-indices within these concepts; namely,

- a. Economic Participation and Opportunity: measured by evaluating female labour force participation, wage equality with female wage earned ratio to men’s wages, female legislators and senior officers, and female professional and technical workers;
- b. Educational attainment: measured by female



literacy rate, female enrollment and female net enrolment in secondary and tertiary level;

c. Health and Survival: measured by sex-ratio at birth and female life expectancy; and

d. Political empowerment: females with seats in parliament, females at ministerial level and number of years with a female head of state in the last 50 years.

The Scandinavian countries of Iceland, Finland, Norway and Sweden have grabbed the first four ranks. What may be a surprise is that in terms of Gender attainments, Rwanda is at rank 5, although its attainments in health and education are low. India ranks at a dismal 87 from amongst 144 countries surveyed with a score of 0.683.

The UNDP report featuring the Gender Inequality Index (GII) measures gender inequalities in three important aspects of human development —reproductive health, measured by maternal mortality ratio and adolescent birth rates; empowerment, measured by proportion of parliamentary seats occupied by females and proportion of adult females and males aged 25 years and older with at least some secondary education; and economic status, expressed as labour market participation and measured by labour force participation rate of female and male populations aged 15 years and older. The GII is built on the same framework as the IHDI — to better expose differences in the distribution of achievements between women and men. It measures the human development costs of gender inequality, thus the higher the GII value the more disparities between females and males and the more loss to human development.^{xxxix} India stood

at rank 130 in the report.

The harshest face of gender inequality is with regard to violence against women, especially the high incidence of rape. The fact that perhaps only 20% of actual rape cases are reported makes the problem even more acute. The tipping point came in the December 2012 Delhi gang-rape case when public protest reached a peak. The vulnerability of women to rape and harassment became an immediate national issue.



Yet another area of gender inequality is the participation of women in the work force which is extremely low by any standard. This is in sharp contrast to many other Asian countries, especially China and Bangladesh, where women have accessed employment opportunities in a satisfying manner, helping to transform the economy. On the other hand, participation of women in the political process is a mixed bag. The statutory provisions in the Panchyati Raj institutions for reservation of posts for women to the extent of 33% (and in some states even 50%) have ensured that millions of women take part in the political process at the local level. However, both the Parliament and the state assemblies remain male bastions. There are political parties which have stoutly protested against the proposed legislations to introduce 30% reservation for women representatives both in the parliament and the state assemblies.

The effectiveness of the voice of a woman in a society that is largely patriarchal is of high relevance here. We all are aware that property inheritance is largely patrilineal (with the notable

exception of the Nairs in Kerala and some tribes in the North-East); post-marital residence is almost always patrilocal, violence against women is quite prevalent, women's freedom movements are quite restricted. In fact, some of these social customs have expanded: the dowry system has indeed been extended to communities that did not practice this earlier. Sex-specific abortions are widely practiced leading to declining child sex ratio in the states of India. In the decade between the Census of 2001 and 2011, the ratio dipped from 927 to 914 for the country as a whole, with some states like Haryana showing a figure of only 830. We surely have a long way to go in achieving anything like gender parity in vitally important aspects of economic, social and political life in India.^{xi}

As we have seen, India is full of inequalities of various kinds. But it is important to realise that “the same people, often enough, are poor in income and wealth, suffer from illiteracy and bad schooling, work hard for little remuneration, have little influence on the administration of the country, lack social and economic opportunities that would allow them to move forward, and are treated with brutal callousness by the class conscious police. The dividing lines of ‘haves’ and ‘have-nots’ in India is not just a rhetorical cliché, but also an important part of diagnostic analysis, pointing us towards a pre-eminent division that is extremely important for an understanding of India society. The congruence of deprivations only increases the disparity between the privileged and the rest in distinct spheres, and places different people in altogether distinct compartments. There is a real challenge here for the pursuit of equity in India.^{xii}

The 15 Proposals from Tony Atkinson's 'Inequality – What can be done?'

Proposal 1: The direction of technological change should be an explicit concern of policy-makers, encouraging innovation in a form that increases the employability of workers and emphasises the human dimension of service provision.

Proposal 2: Public policy should aim at a proper balance of power among stakeholders, and to this end should (a) introduce an explicitly distributional dimension into competition policy; (b) ensure a legal framework that allows trade unions to represent workers on level terms; and (c) establish, where it does not already exist, a Social and Economic Council involving the social partners and other nongovernmental bodies.

Proposal 3: The government should adopt an explicit target for preventing and reducing unemployment and underpin this ambition by offering guaranteed public employment at the minimum wage to those who seek it.

Proposal 4: There should be a national pay policy, consisting of two elements: a statutory minimum wage set at a living wage, and a code of practice for pay above the minimum, agreed as part of a "national conversation" involving the Social and Economic Council.

Proposal 5: The government should offer via national savings bonds a guaranteed positive real rate of interest on savings, with a maximum holding per person.

Proposal 6: There should be a capital endowment (minimum inheritance) paid to all at adulthood.

Proposal 7: A public Investment Authority should be created, operating a sovereign wealth fund with the aim of building up the net worth of the state by holding investments in companies and in property.

Proposal 8: We should return to a more progressive rate structure for the personal income tax, with marginal rates of tax increasing by ranges of taxable income, up to a top rate of 65 per cent, accompanied by a broadening of the tax base.

Proposal 9: The government should introduce into the personal income tax an Earned Income Discount, limited to the first band of earnings.

Proposal 10: Receipts of inheritance and gifts *inter vivos* should be taxed under a progressive lifetime capital receipts tax.

Proposal 11: There should be a proportional, or progressive, property tax based on up-to-date property assessments.

Proposal 12: Child Benefit should be paid for all children at a substantial rate and should be taxed as income.

Proposal 13: A participation income should be introduced at a national level, complementing existing social protection, with the prospect of an all-wide child basic income.

Proposal 14 (alternative to 13): There should be a renewal of social insurance, raising the level of benefits and extending their coverage.

Proposal 15: Rich countries should raise their target for Official Development Assistance to 1 per cent of Gross National Income.



“What thoughtful rich people call the problem of poverty, thoughtful poor people call with equal justice a problem of riches.”

— Anthony B. Atkinson, *Inequality*

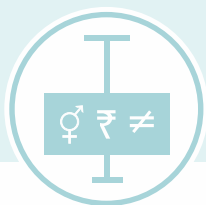
Anthony Atkinson, one of the most prolific writers on Inequality has not lost hope: in his book “Inequality: what can be done?” he has listed out a prescription of 15 steps that governments can take to reduce the blight of inequality. (Please see box alongside). He also highlights new ideas to pursue: these include a thorough and ongoing review of access of households to credit, an income tax-based treatment of contributions to private pensions, a re-examination of the case for an annual wealth tax, a tax regime based on total wealth and a minimum tax for corporations. “There has to be an appetite for action, and this requires political leadership. A major instrumental reason for concern about economic inequality is that concentrations of wealth and income convey political power an influence. The post-1980 rise in income inequality, which Piketty too wrote about, has in fact “reinforced the opposition to redistribution and strengthened support for economic policies, such as market liberalization, that contribute to inequality.”^{xlii}

In this PAI 2017 report, we will attempt to examine the phenomena of comparative inequality in these three broad themes discussed above, namely economic disparity, social discrimination and inequality arising out of gender issues. An explanation of how this report will attempt to do so is necessary. In terms of economic inequality, as we have already

mentioned, the gap in the income or consumption or wealth levels between those at the top of the pyramid and those at the bottom is a standard measure of inequality, well demonstrated by ratios such as the Gini coefficient or its clones such as the Palma ratio or the Kuznets ratio or the Theil ratio.

We also have state wise statistics of persons living below the poverty line as defined by various studies driven by the Planning Commission. And while we are aware of pitfalls in the identification of people living below the poverty line, as a general index of poverty it can be used for the purposes of our study.

Additionally, we are also examining some other indicators of economic inequality, which while not generally considered in studies of such a nature are, nevertheless, easily understood as obvious markers for economic inequality in the states of India. India presents paradoxes that challenge any political ideology that works in the space of governance. The diversity of our people in terms of social groups, castes, religions, languages and geographical varieties can perplex even the most determined of governments. A uniform and monolithic pattern of government cannot work in the country; just as the variety of models of development can only becloud the terrain and confuse the path forward. Nevertheless, despite admitting to the pitfalls of compiling a list of indicators that can capture the nature of the multi-dimensional inequality we face, it is still a worthy challenge to accept. We are attempting to create a matrix of indicators grounded on a common data-based statistical



format, with the intention of portraying this inequality on a pan-India stage.

Some of these are available from the recently released Socio-Economic Caste Census (SECC) and some data may be available from other sources as well. While accessing the various information sources in the public domain and within the government, we have, after much consideration, decided to take a closer look at the following indicators to measure the level of inequality, within and amongst the states:

Economic disparity

- a. % of people below the poverty line: state wise poverty figures are available, though the validity of such figures have been questioned.
- b. Per Capita Income: Though this is but a broad indicator, dividing the State GDP by the population, for inter-state comparison it is useful.
- c. BPL income vs PCI: A new thought: if the line of poverty, as drawn from various studies, can be shown to be below the per capita income, the difference between the two can indicate the depth of the poverty.

Social discrimination

- a. Homeless Population: A roof over the heads being the minimum requirement for any person, the statistics of homeless population is a credible indicator of inequality.
- b. % of households with Kuccha House (roofless houses): this is a variation of the above.
- c. Agricultural Labourers: Agricultural labourers

and its poorer cousin, bonded labour, indicates the nature and intensity of poverty and inequality. Agricultural labour being seasonal and only for a few months in a year, does not reflect a permanent and stable source of employment.

d. Bonded labour: As above

e. Households using firewood: with the spread of more efficient fuels, and taking into consideration the PM's scheme for provision of LPG for rural households, it was felt that this is a good indicator.

f. Households with no lighting (electricity): House hold with no source of lighting, or any identified assets and even with no latrine, definitely are eligible to be counted amongst the most unequal of households.

g. Households without the identified assets: As above

h. Households with no latrine: As above

i. Girls married below the age of consent: A low age of marriage is not merely an indicator of social unawareness, but also demonstrates a proclivity to refuse to join the mainstream of development processes in the country.

j. Nutritional Status of children: Assuming the priority of families would be the health of the children, this is a significant indicator for inequality.

k. Retention rate of all children at secondary level. This will reflect the educational ambition of children to continue to get education in schools.

l. Enrolment of all students of all categories Vs.

Enrolment of SC category (Secondary level)

m. Enrolment of all students of all categories Vs. Enrolment of ST category (Secondary level)

n. Manual Scavengers: one of the worst forms of social inequality and oppression.

o. Pension given to disabled population (Indira Gandhi National Disability Pension Scheme): to demonstrate the concern of the government towards the disabled. This may reveal the compassion of the administration to those who have been blighted by physical disability.

p. Farmers' Suicide: A rising subject of concern, the figures may reveal the apathy of the system to a serious malaise afflicting agriculture.

q. Rural Indebtedness: related to the above, this is a telling indicator as to the unreliable nature of agriculture as a major economic activity.

Gender inequality

a. Total Fertility Rate: The assumption is that the lower the rate, the higher would be the empowerment of women.

b. Girls out of school (Drop out rates in upper primary level): The intention and determination of the school education system to retain girls in schools would be a reliable measure of gender inequality

c. Women entrepreneurs in India, limited to SSI sector): This should reveal the levels of awareness of the women in entering economic activity as well as the financial system's willingness to make the entry process easier for them.

d. Crimes against women: This should reveal the society's general attitude towards women.

e. Women pensioners under social security schemes (Indira Gandhi National Widow Pension Scheme): a clear indicator that the governmental system is willing to mitigate the difficult circumstances that widowhood confers on the women.

The authors of this report realize the complexities of such a study. In fact, a comment has already been made that many of these identified indicators, especially those pertaining to economic inequality, reflect poverty, and not inequality. We have to also concede the fact that inequality is often not discernible as a distinguishing feature, separate and distinct from poverty, and especially so from a mere study of data and statistics; the discrimination and deprivation against the Dalits, the tribals and the minorities usually present themselves in both as a direct manifestation of prejudice arising from their unequal status in the society that they belong to as also more subtle ways of expression.

Such inequality may be appreciated in two levels: one, inequality between those at the top and those at the bottom of the variable being considered, within the structure of the individual state under examination; and two, the inequality amongst the states as we try to assess which state is more equal or less equal in all the states of the country, within the same variable and, finally, when aggregated, in the entire country for all the variables under study.

It may be rare in the annals of the literature of governance and social inequality that data

available in the public domain is used to depict the three forms of discrimination, economic, social and gender. The portrayal of this tri-dimensional inequality as a study between the states of India would be revealing and complex. The results could expose the malaise gripping the people of India and may lead to a better understanding of this phenomenon. If this purpose is even partly achieved, we would consider the study to be a success.

On the basis of the study and taking into consideration the twenty-five indicators spread over the three focus subjects of economic, social and gender issues, the results which have emerged are as follows:

Rank	Large states	Index
1	Kerala	0.754
2	Tamil Nadu	0.627
3	Punjab	0.625
4	Telangana	0.601
5	Haryana	0.588
6	Uttar Pradesh	0.568
7	Karnataka	0.563
8	West Bengal	0.563
9	Andhra Pradesh	0.546
10	Maharashtra	0.534
11	Gujarat	0.528
12	Odisha	0.500
13	Rajasthan	0.474
14	Assam	0.462
15	Bihar	0.457
16	Madhya Pradesh	0.448
17	Jharkhand	0.440
18	Chhattisgarh	0.419

Rank	Small states	Index
1	Sikkim	0.653
2	Himachal Pradesh	0.646
3	Goa	0.618
4	Mizoram	0.618
5	Delhi	0.607
6	Jammu and Kashmir	0.582
7	Tripura	0.574
8	Uttarakhand	0.570
9	Meghalaya	0.561
10	Manipur	0.533
11	Nagaland	0.510
12	Arunachal Pradesh	0.421

For the benefit of the readers it is clarified that in the PAI Inequality Index, the higher the index score, the more equal it is; conversely, a lower score indicates higher levels of inequality.

Kerala stands at the top of the chart, thus establishing that there is more equality in the state than in the others. This can be perhaps attributed to what is now famously referred to as Kerala model of development. In virtually all sectors of social development, Kerala stands at the top and the attempts of all governments in the past, most of them with a political philosophy left of centre or even quite left, have been to reduce inequality and improve the lot of those at the bottom of the pyramid. The nature of the demography of the state, including the rare balance between the three major religions, would also surely have played a role in achieving this balance. Tamilnadu at rank 2 and Punjab at rank 3 form the triumvirate at the top of the chart. The gap in the scores between rank 1 and 2 is dramatic and indicates clearly the lead that Kerala has even over its nearest competitor. We are sure that the model of the trajectory of development adopted by Kerala will have many pointers for the other states to follow.

At the bottom there are the states that usually do not fare well in many of the comparative studies of development, such as Madhya Pradesh, Jharkhand and Chhattisgarh.

Insofar as the smaller states are concerned, Sikkim stands at the top. We have always known that the two best performing states in the country amongst the smaller ones have been Himachal Pradesh and Sikkim. We have already seen that Himachal Pradesh stands at the top of the PAI 2017 in matters related to overall quality of governance,



while Sikkim stands as best performer amongst the small states in the Inequality Index, with Himachal Pradesh closely following.

PAC is aware that there is bound to be much debate amongst informed readers of this report in the method of the assessment of inequality and especially in the choice of the indicators examined. We welcome the debate and are keen to improve our appreciation of the issues involved so that we develop higher sensitivities and expertise to undertake the complex nature of such comparative studies in future.

Some insights

It is essential to elaborate on the reason why the Inequality Index as developed by us does not include the Gini Coefficient as it is the most standard measure of Inequality and is accepted globally. A Gini coefficient gives a clear picture of the inequality existing in the income distribution. Hence the question why we have not included Gini Coefficient as one of the indicators in the Inequality index is natural. Our answer to this is simple: Gini Coefficient is itself an index for inequality, and not an indicator. The collection of indicators we have selected attempts to make a more comprehensive assessment of inequality based not only on economic considerations but also on aspects of gender and social discriminations. The parameters are different and the methodology too varies. Thus, it will make more sense if we compare our Inequality index as developed in PAI 2017, with the Gini Coefficient. In this context, we have separately calculated the correlation between the Inequality index and the Gini Coefficient.

In India, the Gini co-efficient of distribution of consumption has been calculated for the States and the Union Territories of India for the period between 1973-74 to 2009-10 with separate figures for urban and rural. There are no established data in the public domain for a period later than this. Perforce, we have to rely on these figures for the said correlation. We are also basing our correlation on the rural component of the Gini Index mentioned above, rather than the urban set of figures. Thus, stretched though the comparisons may be, we are trying to arrive at some correlation between the Gini and the PAI Inequality Index, despite the obvious asymmetrical nature of the two indices.

The indicators for the PAI Inequality Index and the Gini Coefficient are in opposite directions, that is to say, for Gini from 0 to 1 the inequality increases, while for the PAI Inequality Index, the inequality decreases; 0 being the least equal and 1 being the most equal. Accordingly, the correlation coefficient between the two is (-) 0.269, which means that these two indices are negatively related. This negative correlation makes sense as the two indices are arranged in opposite directions. Indeed, the association between the two is weak, for which the reasons have already been hinted at: the Gini Coefficient takes into account the inequality existing only in the income or wealth distribution, basically, it reflects only

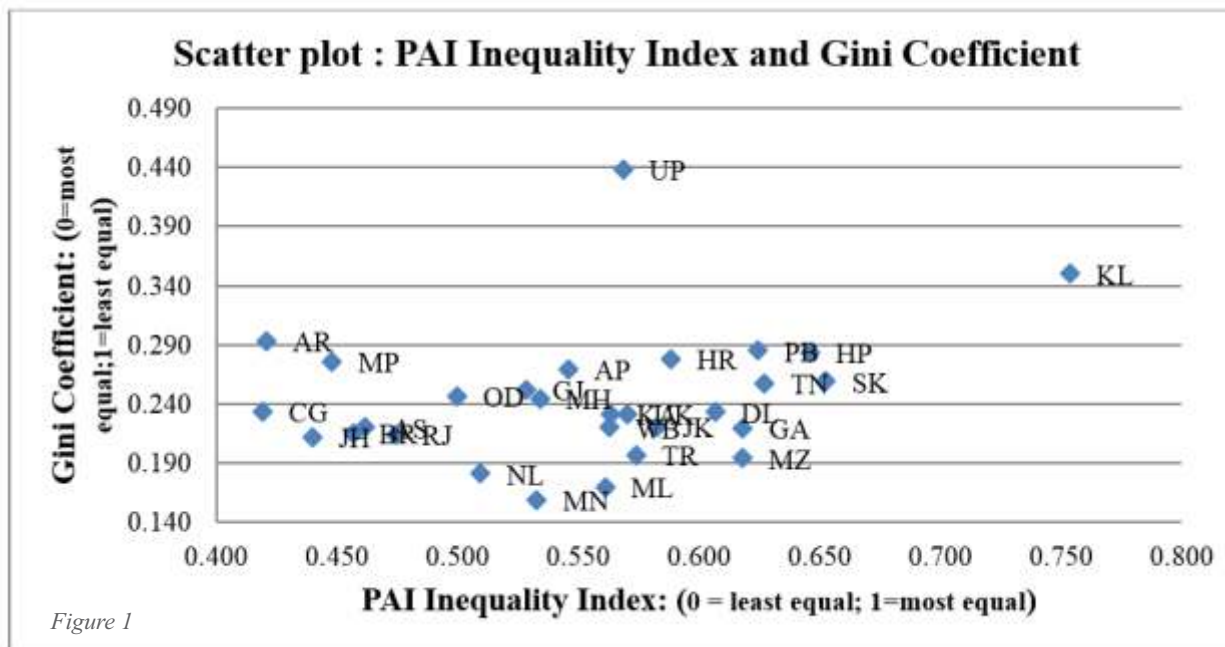


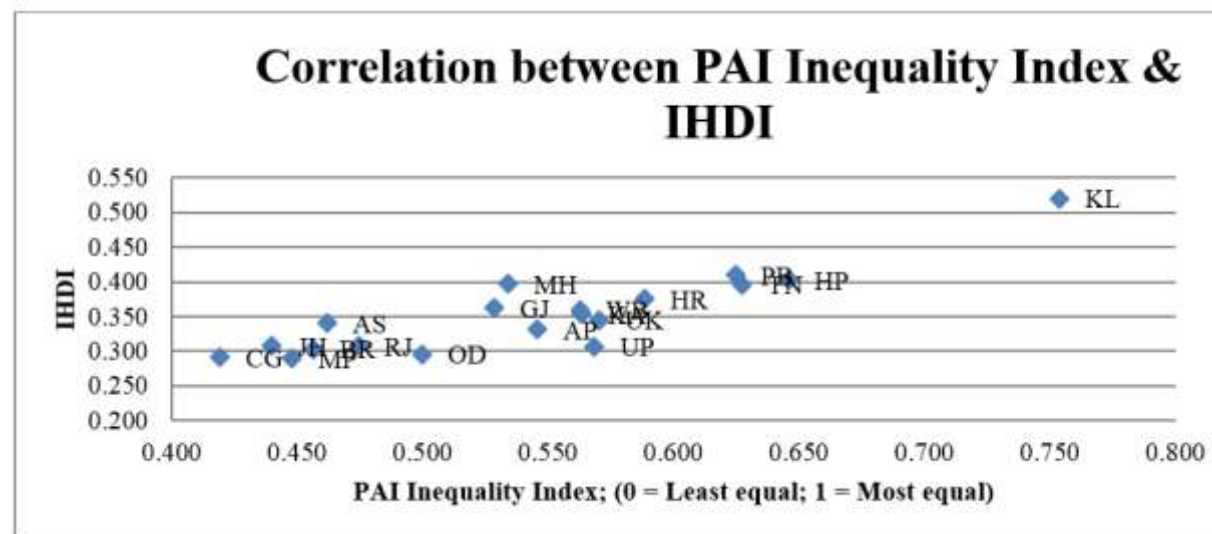
Figure 1

Note: The data for Gini Coefficient has been taken from Planning Commission and only the Rural Gini Coefficient has been considered.

the economic inequality. In contrast, the Inequality Index which PAC has developed not only includes the inequality existing in the income distribution, but also the disparity existing in the social sector, for instance in health, education, also in various other sectors like agriculture, infrastructure etc. In addition to all these, it even incorporates the inequality from a gender perspective.

Figure 1 gives the scatter plot between the Inequality Index under PAI and the Gini Coefficient. Kerala which is the most equal state in the Inequality Index stands to be most unequal as per the Gini Coefficient. On the other hand, Jharkhand which is one of the least equal state in PAC's Index, shows lower inequality as per the Gini Coefficient. As already stated, one of the reasons for such a glaring contrast is that Gini includes only the economic inequality, whereas, our index for inequality includes economic, social and gender. This scenario also points to the famous Growth-Development debate by the two eminent economists, Jagdish Bhagwati and Amartya Sen.

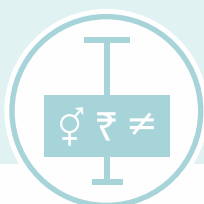
There is, however, reason to be justifiably happy in the co-relation that emerges when we look at the the PAI Inequality Index in comparison with the Inequality Adjusted Human Development Index (IHDI). We have, earlier in this section, referred to the IHDI report of UNDP and the ranking of the states of India according to the same. Here below, we are looking at the correlation of the PAI Inequality Index and the IHDI and find a strong correlation coefficient of 0.886. This makes the PAI Inequality Index, as developed by us, a robust method to assess a multidimensional frame work of inequality.



The nature of the rankings in the 25 indicators identified for this special focus subject of inequality reflects, if not in an identical manner, but, nevertheless, in a general manner, the broad trends observed in the ranking of the states on the 82 indicators of good governance of PAI 2017. It may be argued that economic development alone, engenders greater inequality than a random mix of indicators in economic social, gender parameters. As a result, the question of the more economically developed states demonstrating higher inequality could be a given. It stands to the credit of India, that a closely regulated economy, despite the gains accrued through the economic liberalization, or perhaps because of a number of factors including it, has kept the interests of the poor and impoverished, the infirm and the feeble at the very centre of most of its social programmes.

Amartya Sen once famously said: “India is the only country which is trying to be a global economic power with an uneducated and unhealthy labour force. Its never been done before, and never will be done in future. There is a reason why Europe went for universal education, and so did America. Japan, after the Meiji restoration in 1868, wanted to get fully literate in 40 years and they did. So did South Korea after the war, and Taiwan, Hong Kong, Singapore and China.”

We need to see in the light of the findings of PAI 2017, whether this truism can hold good at the sub-national level. The PAI indicates that those states which have invested in health and education reap the all round benefits of a higher orbit in the development trajectory. The opposite is also true: those states doing poorly in these two crucial



sectors also do poorly in the overall PAI rankings. And further, even in the inequality study, indications clearly reveal that the best performing states insofar as Health and Education are concerned, also show clear signs of being the most equal (or the least unequal).

Let's look at a few states:

The name of Kerala, like Abou Ben Adhem in Leigh Hunt's poem, leads all the rest amongst the large states and in all the four indices mentioned. The reader will also observe how the names of some states like Punjab, Karnataka and Tamil

Top rankers in focus subject Education	Top rankers in focus subject Health	PAI 2017 top rankers	Inequality study top rankers*
Large states			
Kerala -1	Kerala-1	Kerala -1	Kerala -1
Haryana-2	Maharashtra-2	Tamil Nadu -2	Tamil Nadu-2
Punjab-3	West Bengal-3	Gujarat -3	Punjab -3
Karnataka-4	Karnataka-4	Karnataka -4	Telangana -4
Small states			
Himachal Pradesh -1	Goa -1	Himachal Pradesh -1	Sikkim -1
Manipur -2	Sikkim -2	Goa -2	Himachal Pradesh-2

*= inequality top rankers mean the most equal (or, the least unequal)

Poor performers in focus subject Education	Poor performers in focus subject Health	PAI 2017 poor performers	Inequality study poor performers+
Large states			
Bihar -15	Odisha -15	Assam -15	Bihar -15
Jharkhand -16	Haryana -16	Odisha -16	Madhya Pradesh -16
Uttar Pradesh -17	Telangana-17	Jharkhand -17	Jharkhand -17
Madhya Pradesh -18	Assam-18	Bihar -18	Chhattisgarh -18
Small states			
Meghalaya -11	Tripura -11	Arunachal Pradesh -11	Nagaland -11
J&K -12	Meghalaya -12	Meghalaya -12	Arunachal Pradesh -12

+ = inequality poor performers mean the most unequal (or the least equal)

Nadu keep popping up amongst the best performers in the country. Amongst the small states, Himachal Pradesh, Goa and Sikkim find

high positions in the four indices. On the other hand, Bihar, Odisha, Jharkhand, Madhya Pradesh, Meghalaya and Arunachal Pradesh perform consistently at the lower reaches of the indices. Perhaps it is time to take the words of Amartya Sen, not as a criticism, or even as a sceptical warning, but as a pointer to how the poor performing states can improve their fortunes with a greater and more sustained investment in health and education over the long term. They need to learn the lesson that Kerala learned long ago: that good governance and overall economic development can be ushered in only if there is a social revolution first.



It is time to close our examination of the subject. PAC is keenly aware about the inadequacy of such comparative studies based on scoring of identified indicators to trace out the contours of inequality in a country as diverse and plural as we are. The role of the state in reducing interstate inequality may be minimal as we consider that much of the problems may arise out of social and cultural inequities persisting in the fractured society around us over the last several millennia. The availability of natural economic advantages for certain states may also perpetuate inequalities in the other states in comparison. Further, even after Independence, we may say that though the constitutional provisions exist to mitigate the impact of these ancient perversities, on the ground, in actual reality, the discriminations continue.

The reasons may be difficult to clearly identify and name. The weakness of the state capacity in delivering essential services such as health and education is indeed a distinctive feature of the Indian economic model, as stated in the Economic Survey 2016-17. This is a puzzle that requires unravelling: competitive federalism has been effective in attracting investment, but has been less evident in essential service delivery.^{xliii} The differentials in economic growth and the widening of inequality may be partly ascribed to this phenomenon. So too is the larger issue of inefficiency in redistribution, especially in terms of targeting the poor. There are three forms of errors perceived: exclusion errors (the poor not receiving the benefits intended), inclusion errors (the non-poor grabbing the benefits) and leakages (siphoning off due to corruption and inefficiency). And thus the emergence of “a precocious, cleavaged democracy”.^{xliiv} And thus too, the story of Bharath and India. Any study on inequality can only leave us nonplussed with the complexity of the issue. The results that have emerged from our study of the 25 indicators across the states of India may but be pointers to a malaise which is deeper than what the statistics can possible reveal.

Written by: **Dr. C.K.Mathew.**

- i. Paul de Vries (2011-09-12), *equal opportunity*, Blackwell Reference, retrieved 2011-09-12
- ii. Wojciech Kopczuk, Emmanuel Saez, and Jae: "Earnings Inequality and Mobility in the United States: Evidence from Social Security Data since 1937," *Quarterly Journal of Economics*. 125, no. 1 (2010): 91–128.
- iii. Sen, Amartya: : *Inequality Re-examined*: Harvard University Press 1995
- iv. Fletcher, Michael A. (March 10, 2013). "Research ties economic inequality to gap in life expectancy". *Washington Post*. Retrieved March 23, 2013.
- v. <http://inequality.org/wealth-inequality/>
- vi. Nehru, Jawaharlal: *The Discovery of India*, Meridian Books, 1946.
- vii. Sen, Amartya: *On Economic Inequality*, Clarendon Press, 1973
- viii. Sen, Amartya: *Inequality Re-examined*: Harvard University Press 1995
- ix. *Ibid*
- x. Sen, Amartya and Dreze, Jean: *An Uncertain Glory: India and its contradictions*: Penguin UK, 2014
- xi. Piketty, Thomas: *Capital in the 21st Century*: Harvard Business School Press India Ltd, 2014
- xii. https://en.wikipedia.org/wiki/Kuznets_curve
- xiii. <http://publications.credit-suisse.com/tasks/render/file/index.cfm?fileid=AD783798-ED07-E8C2-4405996B5B02A32E>. As reproduced in *The Mint* of 23 November 2016.
- xiv. <http://www.livemint.com/Politics/AvHvyHVJlhR0Q629wkPSSM/Indias-richest-20-account-for-45-of-income.html>
- xv. <https://www.oxfamamerica.org/static/media/files/bp-economy-for-99-percent-160117-en.pdf>
- xvi. <https://thelogicalindian.com/story-feed/awareness/oxfam-report/>
- xvii. Dreze, Jean and Sen, Amartya: "An uncertain glory: India and its contradictions." *Allen Lane, Penguin Group*, 2013.
- xix. *Ibid*
- xx. *Ibid*
- xxi. http://www.idfcinstitute.org/site/assets/files/10619/bp_curiouscase_economicdivergence_vdpc_231116_final.pdf
- xxii. *Ibid*
- xxiii. http://planningcommission.nic.in/data/datatable/data_2312/DatabookDec2014%20106.pdf
- xxiv. *World Bank 2011 a, p 23, On Income Inequality in India.*
- xxv. <http://hdr.undp.org/en/content/inequality-adjusted-human-development-index-ihdi>
- xxvi. *Indradev Shrirama: Shaping of the traditional pattern of stratification in India: an analysis of processes through the ages; essay from the book Social Inequality in India: Profiles of Caste, Class and Social mobility, ed by KL Sharma; Rawat publications 2001*
- xxvii. *Gupta, Dipankar; From Varna to Jati: The Indian Caste system from the Asiatic to the Feudal mode of Production. Essay from the book edited by KL Sharma mentioned at xiii above.*
- xxviii. *Ambedkar, B.R.: from the text of the undelivered speech entitled "Annihilation of Caste", to have been made in the presence of the Jat-Pat- Todak Mandal of Lahore on 15th May 1936*
- xxix. *Ibid, para 9.4*
- xxx. *Ibid, para 17.4*
- xxxi. *Ibid para 24.5, 24.6*
- xxxii. *Ibid para 26.4*
- xxxiii. <http://parliamentofindia.nic.in/ls/debates/facts.htm>
- xxxiv. *Constituent Assembly Debates, (vol. 1143-44)*
- xxxv. *From the essay "Adivasis, Naxalits and India nDemocracy by Ramachandra Guha, Economic and Political Weekly 42 (32), 11 August 2007.*
- xxxvi. *From the essay "What it means to be a Dalit or Tribal Child in our schools: A sythesis of a six-state Qualitative study," by Vimla Ramchandran and Taramani Naorem, Economic and Political Weekly 48 (44), 2 November 2013*
- xxxvii. *Dreze, Jean and Sen, Amartya: "An uncertain glory: India and its contradictions." Allen Lane, Penguin Group , 2013.*
- xxxviii. <http://reports.weforum.org/global-gender-gap-report-2016/measuring-the-global-gender-gap/>
- xxxix. <http://hdr.undp.org/en/content/gender-inequality-index-gii>
- xl. <http://reports.weforum.org/global-gender-gap-report-2016/measuring-the-global-gender-gap/>
- xli. *Ibid*
- xlii. "Inequality: what can be done?" by Anthony B Atkinson, *Gopsons Papers Ltd, 2015.*
- xliii. *Economic Survey 2016-17, page 44 of chapter The Economic Vision for Precocious , Cleavaged India.*
- xliv. *Ibid*

Photograph sources:

- *Income inequality*: http://comps.canstockphoto.com/canstock-photo_csp35446667.jpg
- *Constitution of India* : <http://blog.ipleaders.in/wp-content/uploads/2016/07/12.jpg>
- *Rich getting richer*: g_m2m_nation-wealth_web.jpg
- *Kuznet's curve*: https://en.wikipedia.org/wiki/Kuznets_curve#/media/File:Kuznets_curve.png
- *Oxfam report*: <https://thelogicalindian.com/wp-content/uploads/2017/01/11-3.png>
- *Amartya Sen*: http://unboxedwriters.com/wp-content/uploads/2015/07/Amartya-Sen_1.jpg
- *Jean Dreze*: http://cdn.deccanchronicle.com/sites/default/files/jean_dreze.jpg
- *Caste system*: maxresdefault.jpg
- *B.R.Ambedkar*: https://upload.wikimedia.org/wikipedia/commons/8/87/Dr._Bhim_Rao_Ambedkar.jpg
- *Gender Inequality*: gender-inequality-presentation-2-638.jpg



ANNEXURE

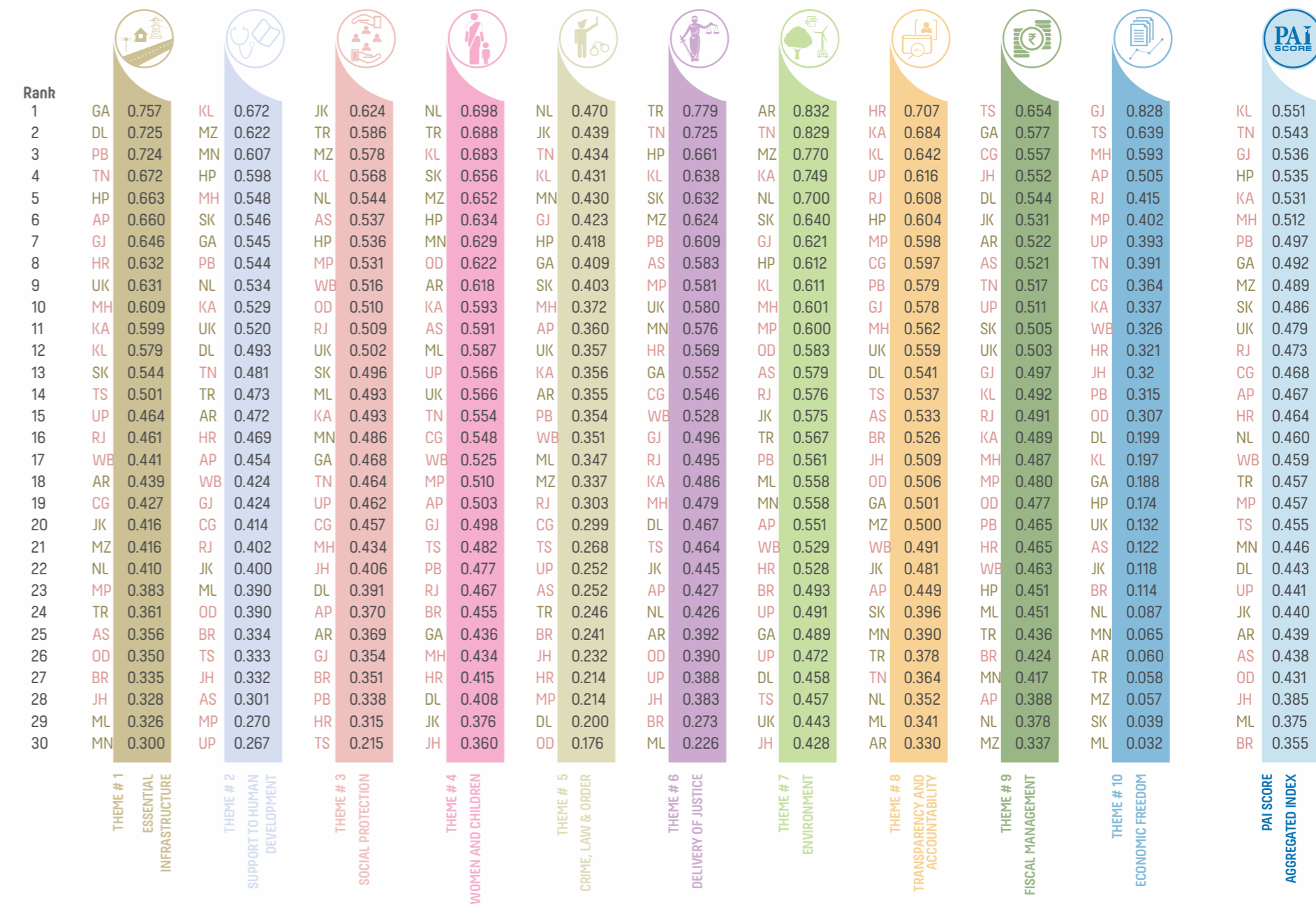
- PAI - THEME WISE STATE RANK
- PAI - HOW EACH STATE FARES ?
- LIST OF THEMES, FOCUS SUBJECTS, INDICATORS AND WEIGHTAGES
- INEQUALITY: LIST OF THEMES, FOCUS SUBJECTS, INDICATORS AND WEIGHTAGES



Category	Code	State_Name
Large	AP	Andhra Pradesh
Small	AR	Arunachal Pradesh
Large	AS	Assam
Large	BR	Bihar
Large	CG	Chhattisgarh
Small	DL	Delhi
Small	GA	Goa
Large	GJ	Gujarat
Large	HR	Haryana
Small	HP	Himachal Pradesh
Small	JK	Jammu and Kashmir
Large	JH	Jharkhand
Large	KA	Karnataka
Large	KL	Kerala
Large	MP	Madhya Pradesh
Large	MH	Maharashtra
Small	MN	Manipur
Small	ML	Meghalaya
Small	MZ	Mizoram
Small	NL	Nagaland
Large	OD	Odisha
Large	PB	Punjab
Large	RJ	Rajasthan
Small	SK	Sikkim
Large	TN	Tamil Nadu
Small	TR	Tripura
Large	UP	Uttar Pradesh
Small	UK	Uttarakhand
Large	WB	West Bengal
Large	TS	Telangana

*Small States [less than 2 crores population]

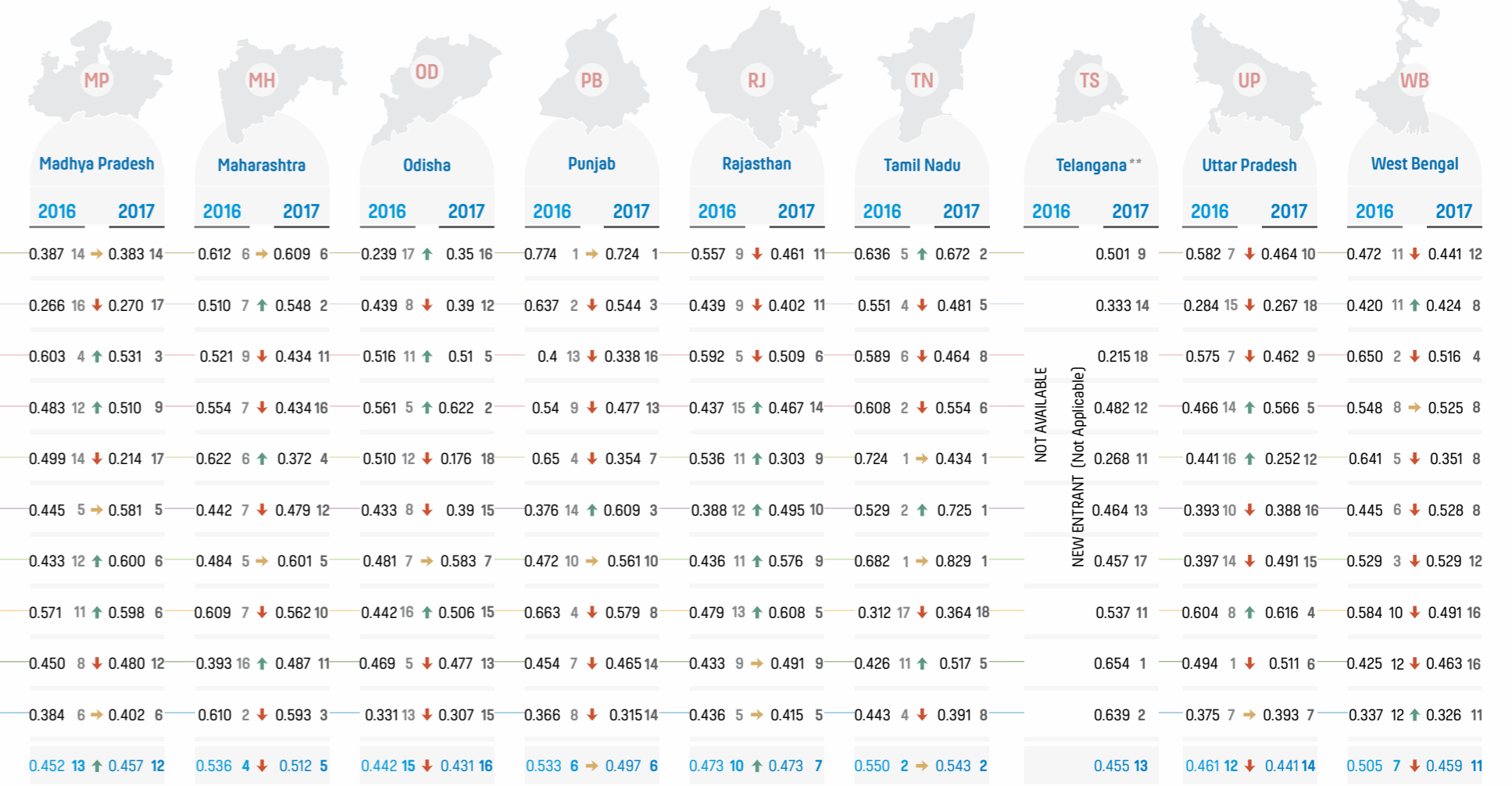
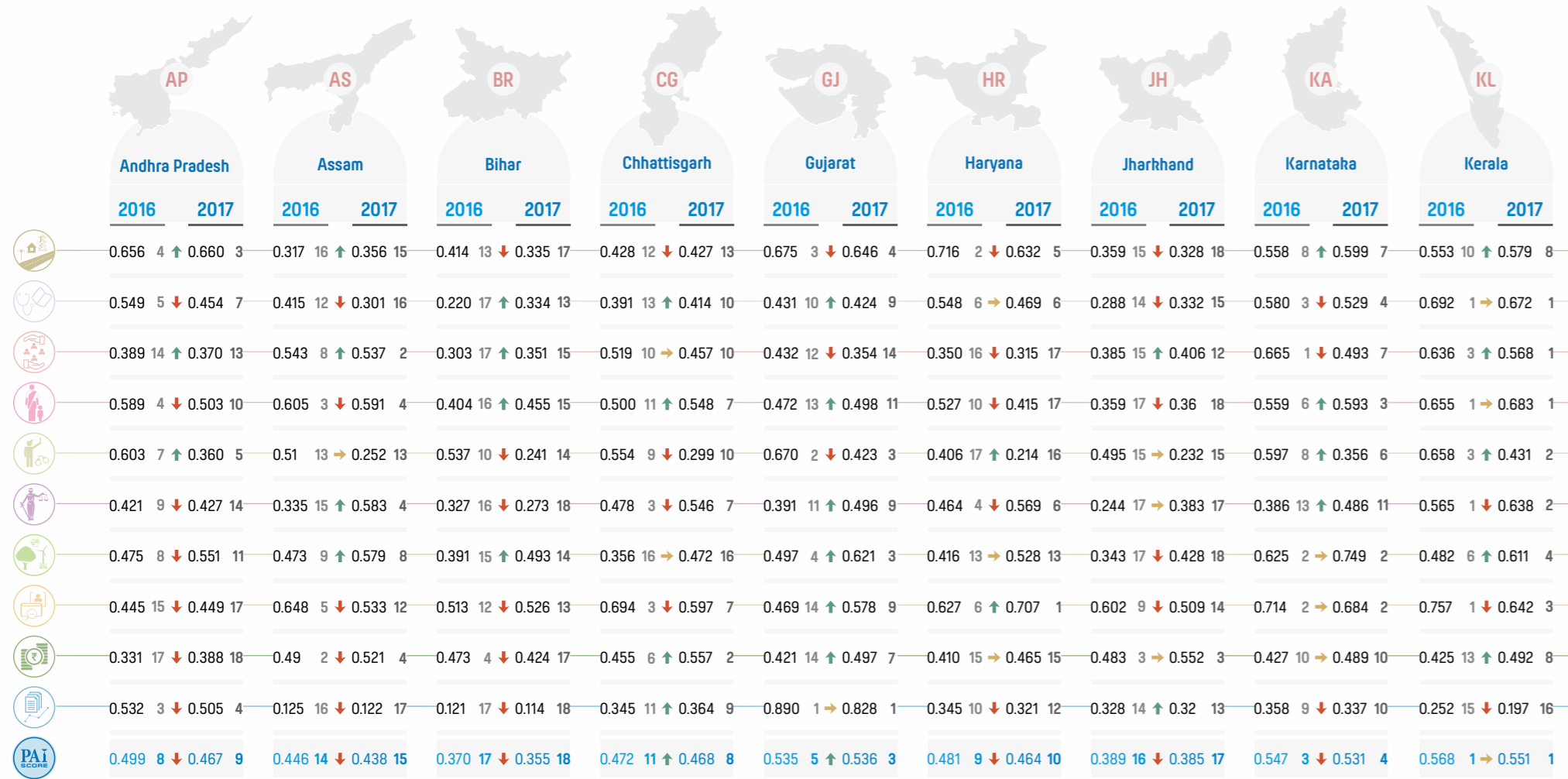
ANNEXURE : PAI - THEME WISE STATE RANKING



Note: Index values rounded to third-decimal for display. Ranking based on fourth-decimal. Eg: Index value 0.416 is displayed for both J&K #20 [0.4164] and MZ #21[0.4156]

ANNEXURE : PAI - HOW EACH STATE FARES ?

Large States (more than 2 crores population)



NOT AVAILABLE
NEW ENTRANT (Not Applicable)

*Notes: Small and Large states have been ranked separately. All the above rankings are the rankings among all the Large states.
: Decimal numbers indicate the index value and the corresponding number indicates the rank.
KEY: No change in Ranks → | Improvement in Ranks ↑ | Deterioration of Ranks ↓

**Note: Telangana was not included in PAI 2016, since data was not available. Hence, comparison of ranks is not possible since Telangana is a new entrant in PAI 2017.

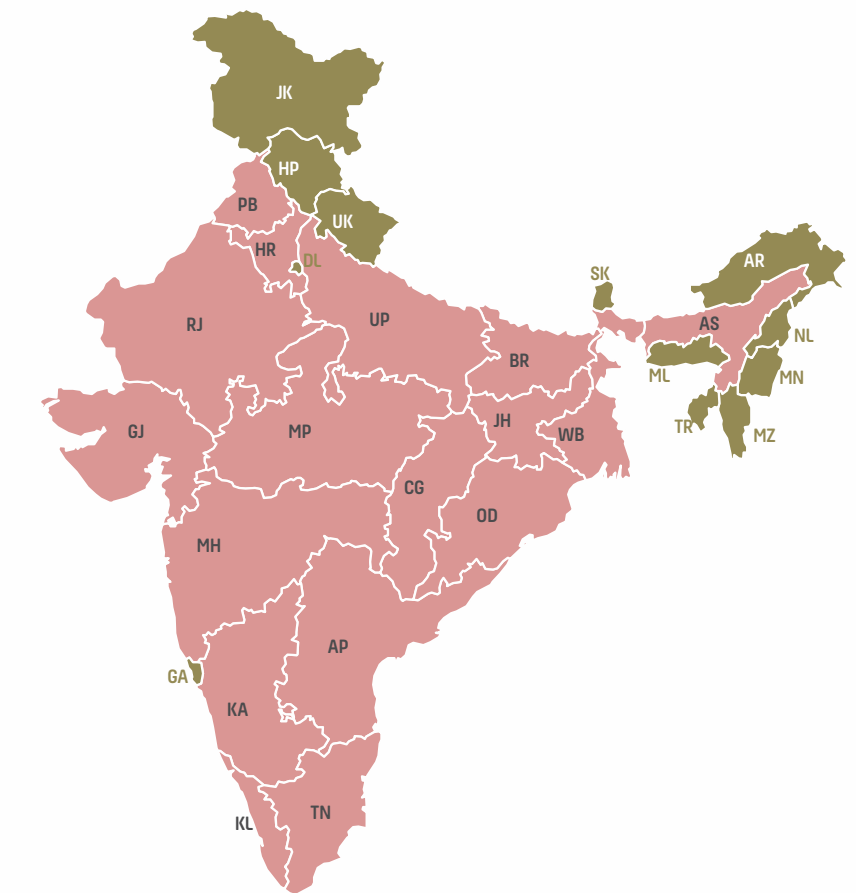
THEME # 1 ESSENTIAL INFRASTRUCTURE
THEME # 2 SUPPORT TO HUMAN DEVELOPMENT
THEME # 3 SOCIAL PROTECTION
THEME # 4 WOMEN AND CHILDREN
THEME # 5 CRIME, LAW & ORDER
THEME # 6 DELIVERY OF JUSTICE
THEME # 7 ENVIRONMENT
THEME # 8 TRANSPARENCY AND ACCOUNTABILITY
THEME # 9 FISCAL MANAGEMENT
THEME # 10 ECONOMIC FREEDOM
AGGREGATED INDEX PAI SCORE

ANNEXURE : PAI - HOW EACH STATE FARES ?

Small States (less than 2 crores population)



	AR		DL		GA		HP		JK		MN		ML		MZ		NL		SK		TR		UK	
	Arunachal Pradesh		Delhi		Goa		Himachal Pradesh		Jammu & Kashmir		Manipur		Meghalaya		Mizoram		Nagaland		Sikkim		Tripura		Uttarakhand	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
	0.476	0.439	0.812	0.725	0.721	0.757	0.714	0.663	0.537	0.416	0.352	0.300	0.366	0.326	0.470	0.416	0.344	0.41	0.608	0.544	0.356	0.361	0.613	0.631
	0.492	0.472	0.539	0.493	0.643	0.545	0.724	0.598	0.511	0.400	0.746	0.390	0.573	0.607	0.727	0.622	0.591	0.534	0.770	0.546	0.565	0.473	0.583	0.520
	0.603	0.369	0.521	0.391	0.469	0.468	0.600	0.536	0.642	0.624	0.559	0.486	0.562	0.493	0.795	0.578	0.572	0.544	0.672	0.496	0.468	0.586	0.567	0.502
	0.619	0.618	0.486	0.408	0.503	0.436	0.610	0.634	0.506	0.376	0.723	0.629	0.55	0.587	0.700	0.652	0.623	0.698	0.640	0.656	0.606	0.688	0.546	0.566
	0.635	0.355	0.415	0.200	0.614	0.409	0.653	0.418	0.654	0.439	0.795	0.430	0.595	0.347	0.674	0.337	0.682	0.470	0.645	0.403	0.554	0.246	0.632	0.357
	0.597	0.392	0.551	0.467	0.468	0.552	0.459	0.661	0.525	0.445	0.442	0.576	0.727	0.226	0.486	0.624	0.477	0.426	0.414	0.632	0.625	0.779	0.497	0.580
	0.720	0.832	0.341	0.458	0.377	0.489	0.497	0.612	0.462	0.575	0.442	0.558	0.445	0.558	0.641	0.770	0.570	0.700	0.527	0.640	0.448	0.567	0.331	0.443
	0.087	0.330	0.646	0.541	0.545	0.501	0.674	0.604	0.416	0.481	0.350	0.390	0.436	0.341	0.513	0.500	0.224	0.352	0.249	0.396	0.418	0.378	0.423	0.559
	0.538	0.522	0.567	0.544	0.506	0.577	0.248	0.451	0.472	0.531	0.554	0.417	0.557	0.451	0.347	0.337	0.419	0.378	0.517	0.505	0.435	0.436	0.423	0.503
	0.111	0.060	0.201	0.199	0.226	0.188	0.210	0.174	0.157	0.118	0.034	0.065	0.031	0.032	0.075	0.057	0.089	0.087	0.034	0.039	0.055	0.058	0.172	0.132
	0.488	0.439	0.508	0.443	0.507	0.492	0.539	0.535	0.488	0.440	0.500	0.446	0.484	0.375	0.543	0.489	0.459	0.460	0.508	0.486	0.453	0.457	0.479	0.479






*Notes: Small and Large states have been ranked separately. All the above rankings are the rankings among all the Large states.
: Decimal numbers indicate the index value and the corresponding number indicates the rank.

KEY: No change in Ranks → | Improvement in Ranks ↑ | Deterioration of Ranks ↓

THEME # 1 ESSENTIAL INFRASTRUCTURE |
 THEME # 2 SUPPORT TO HUMAN DEVELOPMENT |
 THEME # 3 SOCIAL PROTECTION |
 THEME # 4 WOMEN AND CHILDREN |
 THEME # 5 CRIME, LAW & ORDER |
 THEME # 6 DELIVERY OF JUSTICE |
 THEME # 7 ENVIRONMENT |
 THEME # 8 TRANSPARENCY AND ACCOUNTABILITY |
 THEME # 9 FISCAL MANAGEMENT |
 THEME # 10 ECONOMIC FREEDOM |
 AGGREGATED INDEX PAI SCORE

Theme	Theme Weightage [%]	Focus Subjects	Focus Subjects Weightage	Indicators	Indicator Weightage	Overall Weightage	Methodology used	Source	Years	PAI study [theme icons]			
I Essential Infrastructure	10	A Power	25	1	Transmission & Distribution Losses	50	1.25%	Latest data point	Lok Sabha Unstarred Question No. 256_ Answered in the Lok Sabha on 17.11.2016	2014-15			
				2	Per Capita Consumption of Power	20	0.50%	Latest data point	Lok Sabha Unstarred Question No. 256_ Answered in the Lok Sabha on 17.11.2016	2015-16			
				3	Households electrified as a % of total Households	30	0.75%	Latest data point	Census 2011	2011			
				4	% of Households with access to safe drinking water	50	1.25%	Latest data point	Planning Commission Report	2011			
		B Water	25	5	Total Irrigated Area vs Total Agricultural Area	20	0.50%	Latest data point	Land Use Statistics- Directorate of Economics and Statistics, Dept of Agriculture & Co- operation, Ministry of Agriculture	2013-14			
				6	Existence of Water Regulatory Commission	15	0.38%	Latest data point	Respective State Websites	2016			
		C Roads and Communication	25	7	Existence of Ground Water Regulation Act	15	0.38%	Latest data point	Information as available in the public domain	2016			
				8	Surface Roads as a % of total Roads	40	1.00%	Latest data point	Basic Road Statistics of India 2013-14 & 2014-15 - Ministry of Road Transport and Highways	2015			
		D Housing	25	9	25	9	Road Density per 1000 Population	30	0.75%	Latest data point		Basic Road Statistics of India 2013-14 & 2014-15 - Ministry of Road Transport and Highways	2015
						10	Households having access to Laptops with internet	10	0.25%	Latest data point		Census 2011	2011
				11	20	11	Total Bus Fleet and Buses in Public Sector (SRTUs)	20	0.50%	Latest data point		Road Transport Year Book (2012-13) - Ministry of Road Transport and Highways	2013
						12	No. of Kutcha Houses as a % of total Households	50	1.25%	Latest data point		Socio-Economic Caste Census	2011
				13	20	13	Slum Population as a % of total Urban population	20	0.50%	Latest data point		Health & Family Welfare Statistics 2013 - Ministry of Health & Family Welfare - Gol	2011
						14	% of households with toilets inside premises	30	0.75%	Latest data point		Health & Family Welfare Statistics 2013 - Ministry of Health & Family Welfare - Gol	2011
II Support to Human Development	10	A Education	50	15	Educational Development Index	30	1.50%	Average, CAGR	DISE Flash Statistics - MHRD - Gol	2012-13, 2013-14, 2014-15			
				16	ASER Learning Levels	30	1.50%	Latest data point	ASER Report - PRATHAM	2016			
				17	No. of Higher Education Colleges per 1 Lakh Population	10	0.50%	Average	All India Survey of Higher Education Report - MHRD - Gol	2012-13, 2013-14, 2014-15			
				18	Educational Expenditure as a % of GSDP	15	0.75%	Latest data point	Analysis of Budgeted Expenditure on Education - MHRD - Gol	2013-14			
				19	% SC Enrolment out of total SC target population	7.5	0.38%	Latest data point	DISE Flash Statistics - MHRD - Gol	2014-15			
				20	% ST Enrolment out of total ST target population	7.5	0.38%	Latest data point	DISE Flash Statistics - MHRD - Gol	2014-15			
		B Health	50	21	IMR	20	1.00%	Average	Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2011, 2012, 2013			
				22	Average Population served per hospital bed	15	0.75%	Latest data point	National Health Profile 2015 - Ministry of Health & Family Welfare - Gol	2015			
				23	Full Immunization	25	1.25%	Latest data point	Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2012-13			
				24	Health Expenditure as a % of GSDP	15	0.75%	Average	A study of Budgets - Reserve Bank of India	2013-14, 2014-15, 2015-16			
				25	Life Expectancy	10	0.50%	Latest data point	Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2011-15			
				26	Average population served per Government allopathic doctor	15	0.75%	Latest data point	National Health Profile 2015 - Ministry of Health & Family Welfare - Gol	2015			
III Social Protection	10	A Public Distribution System	25	27	Allocation and off take of grain under PDS	100	2.50%	Average	Department of Food and Public Distribution - Ministry of Consumer Affairs, Food & Public Distribution - Gol	2011-12, 2012-13, 2013-14			
				B Social Justice and Empowerment	25	28	% of Pension beneficiaries of the total population above 60	25	0.63%	Latest data point		National Social Assistance Programme	2016
		29	% of Households with no land			25	0.63%	Latest data point	Socio-Economic Caste Census	2011			
		30	Incidence of crime against SC/ST			25	0.63%	Average, CAGR	National Crime Record Bureau	2013, 2014, 2015			
		C Minority welfare	25	31	Titles distributed under the Scheduled Tribes and other Traditional Forest Dwellers Act	25	0.63%	Latest data point	Ministry of Tribal Affairs - Gol	2016			
				32	No. of Minority Children given pre metric scholarship	60	1.50%	Latest data point	Ministry of Tribal Affairs - Gol	2014-15			
		D Employment	25	33	% Muslim Enrolment out of total Muslim target population	40	1.00%	Latest data point	DISE Flash Statistics - MHRD - Gol	2014-15			
				34	Unemployment Rate	30	0.75%	Latest data point	NSS 68th round	2011-12			
				35	No. of State Government Employees	40	1.00%	Latest data point	Open Government Data (OGD) Platform India	2012			
				36	Average days of employment provided per household	15	0.38%	Latest data point	Ministry of Rural Development - Gol	2016-17			
		37	Average wage rate per day per person	15	0.38%	Latest data point	Ministry of Rural Development - Gol	2016-17					

SI#	Theme	Theme Weightage [%]	Focus Subjects	Focus Subjects Weightage	Indicators	Indicator Weightage	Overall Weightage	Methodology used	Source	Years	PAI study [theme icons]
IV	Women and Children	10	A	Child	38	10	0.60%	Latest data point	National Crime Record Bureau	2015	
					39	25	1.50%	Latest data point, Growth Rate	National Commission for Protection of Child Rights	2001, 2011	
					40	30	1.80%	Latest data point	Ministry of Women and Child Development - Gol	2014	
					41	10	0.60%	Latest data point, Growth Rate	Census 2011	2001, 2011	
			B	Women	42	25	1.50%	Latest data point	NFHS 4, DLHS 4	2012-13	
					43	25	1.00%	Latest data point	NSS 68th Round	2011-12	
					44	25	1.00%	Latest data point	Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2012-13	
					45	25	1.00%	Latest data point	Census 2011	2011	
46	25	1.00%	Latest data point	Ministry of Women and Child Development - Gol	2015						
V	Crime, Law & Order	10	A	Violent Crimes	47	33.33	1.67%	Average, CAGR	National Crime Record Bureau	2013, 2014, 2015	
					48	33.33	1.67%	Average, CAGR	National Crime Record Bureau	2013, 2014, 2015	
					49	33.33	1.67%	Average	National Crime Record Bureau	2013, 2014, 2015	
			B	Atrocities	50	50	1.00%	Average	National Crime Record Bureau	2013, 2014, 2015	
					51	50	1.00%	Average	National Crime Record Bureau	2013, 2014, 2015	
			C	Policing	52	70	2.10%	Average, CAGR	National Crime Record Bureau, Lok Sabha Unstarred Question No. 2671, 1509	2013, 2014, 2015	
					53	30	0.90%	Latest data point	Bureau of Police Research & Development	2015	
VI	Delivery of Justice	10	A	Pendency of Cases	54	40	1.33%	CAGR. Latest data point	Court news, Supreme Court of India	2014, 2015, 2016	
					55	60	2.00%	CAGR. Latest data point	Court news, Supreme Court of India	2014, 2015, 2016	
			B	Vacancies of Presiding Officers	56	40	1.33%	CAGR. Latest data point	Court news, Supreme Court of India	2014, 2015, 2016	
					57	60	2.00%	CAGR. Latest data point	Court news, Supreme Court of India	2014, 2015, 2016	
			C	Under trials	58	100	3.33%	Latest data point	National Crime Record Bureau	2015	
VII	Environment	10	A	Pollution & Environmental Violations	59	25	1.25%	Average, CAGR	National Ambient Air Quality Status & Trends in India - Central Pollution Control Board - Ministry of Environment & Forest	2010, 2012	
					60	25	1.25%	Average, CAGR	National Ambient Air Quality Status & Trends in India - Central Pollution Control Board - Ministry of Environment & Forest	2010, 2012	
					61	25	1.25%	Average, CAGR	National Ambient Air Quality Status & Trends in India - Central Pollution Control Board - Ministry of Environment & Forest	2010, 2012	
					62	25	1.25%	Latest data point	National Crime Record Bureau	2015	
			B	Forest Cover	63	100	2.00%	CAGR	India State of Forest Report - Forest Survey of India	2011, 2013, 2015	
			C	Renewable Energy	64	100	3.00%	Latest data point	Central Electricity Authority	2016	

SI#	Theme	Theme Weightage (%)	Focus Subjects	Focus Subjects Weightage	Indicators	Indicator Weightage	Overall Weightage	Methodology used	Source	Years	PAI study (theme icons)	
VIII	Transparency and Accountability	10	A	Transparency	65	Adherence to Section 4 RTI	33.33	1.67%	Latest data point	Respective State Websites (State Information Commissions)	2016	
					66	RTPS Act legislated or not	33.33	1.67%	Latest data point	Respective State Websites, Transparency International India	2016	
					67	No. of Services provided under e-Governance plan	33.33	1.67%	Latest data point	National E-governance website	2015	
			B	Public Accountability	68	Lok Ayukt: Constituted / Bill passed, Individual Websites and Chairpersons' appointment	20	1.00%	Latest data point	Respective State Websites	2016	
					69	No. of ACB cases disposed as a % of total cases registered	20	1.00%	CAGR. Latest data point	National Crime Records Bureau	2013, 2014, 2015	
					70	Social Audit under NREGA: % of GPs covered	10	0.50%	Latest data point	Social Audit Report, Ministry of Rural Development	2016-17	
					71	Panchayat Devolution Index Score	20	1.00%	Latest data point	Report on devolution - Ministry of Panchayati Raj	2015-16	
					72	State wise number of NGOs (Role of civil society organisations)	10	0.50%	Latest data point	NITI Aayog	2016	
					73	Criminal Records of MLAs	20	1.00%	Latest data point	MyNeta	2016	
IX	Fiscal Management	10	A	FRBM Indicators	74	Revenue Surplus / Deficit (% of GSDP)	33.33	1.67%	Average, Growth Rate	A study of Budgets - Reserve Bank of India	2013-14, 2014-15, 2015-16	
					75	Fiscal Surplus / Deficit (% of GSDP)	33.33	1.67%	Average, Growth Rate	A study of Budgets - Reserve Bank of India	2013-14, 2014-15, 2015-16	
					76	Debt Burden (% of GSDP)	33.33	1.67%	Average, CAGR	A study of Budgets - Reserve Bank of India	2013, 2014, 2015	
			B	Resource Generation & Development Expenditure	77	Per Capita Development Expenditure	33.33	1.67%	Average, CAGR	A study of Budgets - Reserve Bank of India	2013-14, 2014-15, 2015-16	
					78	States own tax revenue growth	33.33	1.67%	Average, CAGR	A study of Budgets - Reserve Bank of India	2013-14, 2014-15, 2015-16	
					79	Tax GDP Ratio	33.33	1.67%	Latest data point	A study of Budgets - Reserve Bank of India	2015-16	
X	Economic Freedom	10	A	Economic Freedom	80	No. of Industrial Entrepreneurs Memorandum filed	33.33	3.33%	Average	Department of Industrial Policy & Promotion - Ministry of Commerce & Industry	2013,2014,2015	
					81	Ease of Doing Business	33.33	3.33%	Latest data point	Department of Industrial Policy & Promotion Report on Ease of Doing Business	2015	
					82	Value of MSMEs assets (% of GSDP)	33.33	3.33%	Latest data point	Ministry of Micro, Small & Medium Enterprises	2014-15	

PAI score

Aggregated Ranking

100.00%



Theme Weightage (%)	Focus Subjects	Focus Subjects Weightage	Indicators	Indicator Weightage	Overall Weightage	Methodology used	Source	Years		
100	A	Economic	33.33	1	% of people below the poverty line (BPL)	33.33	11.11%	Latest data point	Planning Commission Report	2011-12
				2	Per Capita Income (PCI)	33.33	11.11%	Latest data point	Directorate of Economics & Statistics of respective State Governments, and for All-India -- Central Statistics Office	2014-15
				3	BPL income vs PCI	33.33	11.11%	Latest data point	Rangarajan Report on Poverty, Directorate of Economics & Statistics of respective State Governments, and for All-India -- Central Statistics Office	2014-16
B	Social	33.33	4	Homeless Population	5.88	1.96%	Latest data point	Socio-Economic Caste Census	2011	
			5	% of households with Kuccha House	5.88	1.96%	Latest data point	Socio-Economic Caste Census	2011	
			6	Agricultural Labourers	5.88	1.96%	Latest data point	Census 2011	2011	
			7	Bonded labour	5.88	1.96%	Latest data point	Ministry of Labour & Employment_Gol	2015	
			8	Households using firewood	5.88	1.96%	Latest data point	Census 2011	2011	
			9	Households with no electricity	5.88	1.96%	Latest data point	Census 2011	2011	
			10	Households without the identified assets	5.88	1.96%	Latest data point	Census 2011	2011	
			11	Households with no latrine inside premises	5.88	1.96%	Latest data point	Census 2011	2011	
			12	Girls married below the age of consent	5.88	1.96%	Latest data point	Census 2011	2011	
			13	Nutritional Status of children	5.88	1.96%	Latest data point	NFHS 4, Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2015-16, 2012-13	
			14	Retention rate of all children at secondary level.	5.88	1.96%	Latest data point	DISE Flash Statistics - MHRD - Gol	2015-16	
			15	Enrolment of all students of all categories Vs. Enrolment of SC category (Secondary level)	5.88	1.96%	Latest data point	DISE Flash Statistics - MHRD - Gol	2015-16	
			16	Enrolment of all students of all categories Vs. Enrolment of ST category (Secondary level)	5.88	1.96%	Latest data point	DISE Flash Statistics - MHRD - Gol	2015-16	
			17	Manual Scavengers	5.88	1.96%	Latest data point	Socio-Economic Caste Census	2011	
			18	Pension given to disabled population (Indira Gandhi National Disability Pension Scheme)	5.88	1.96%	Latest data point	National Social Assistance Programme	2016	
			19	Farmers' Suicide	5.88	1.96%	Latest data point	National Crime Records Bureau	2014	
			20	Rural Indebtedness	5.88	1.96%	Latest data point	Agricultural Statistics at a Glance 2014-Department of Agriculture & Cooperation-Gol	2014	
C	Gender	33.33	21	Total Fertility Rate	20	6.67%	Latest data point	NFHS 4, Health & Family Welfare Statistics 2015 - Ministry of Health & Family Welfare - Gol	2015-16, 2013	
			22	Girls out of school (Drop out rates in upper primary level)	20	6.67%	Latest data point	DISE Flash Statistics - MHRD - Gol	2013-14	
			23	Women entrepreneurs in India (SSI sector)	20	6.67%	Latest data point	Ministry of Micro, Small & Medium Enterprises	2016	
			24	Crimes against women	20	6.67%	Latest data point	National Crime Records Bureau	2015	
			25	Women pensioners under social security schemes (Indira Gandhi National Widow Pension Scheme)	20	6.67%	Latest data point	National Social Assistance Programme	2016	

ANNEXURE : LIST OF THEMES, FOCUS SUBJECTS, INDICATORS AND WEIGHTAGES

Public Affairs Index 2017 : Notes / Adjustments in Data

Indicator	Adjustments Done
Road Density per 1000 population	Road Density for the year 2015 was not available. So road density was computed for every state by dividing the Total Road Length (2015) by the Total Population (2011).
ASER Learning Levels	Data for Delhi & Goa was not available. Thus the country's average was assigned to them.
Life Expectancy	Data for Goa was not available. So no value was assigned to it.
Percentage of titles distributed over number of claims received under the Scheduled Tribes and Other Traditional Forest Dwellers Act	States like Delhi, Haryana and Punjab were not mentioned anywhere in the list of titles distributed as per the Ministry of Tribal Affairs. Hence, they were marked zero.
% of Malnourished children	Data for Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttar Pradesh and West Bengal has been taken from NFHS 4 (2015-16). For rest of the states, 2012-13 data was considered from MOHFW.
Institutional Delivery	Data for Gujarat was taken from NFHS 4 (2015-16). For rest of the states, 2012-13 data was considered from MOHFW. Data for Delhi and Jammu & Kashmir was not available. So no values were assigned to them.
Pendency in High Courts	In cases where two or more states share High Courts, common data has been used for the states concerned.
Vacancy in High Courts	In cases where two or more states share High Courts, common data has been used for the states concerned.
Suspended Particulate Matter	Data for Arunachal Pradesh, Manipur, Sikkim and Tripura was not available. So, an average of the other north eastern states was assigned to them.
SO2 Emissions	Data for Arunachal Pradesh, Manipur, Sikkim and Tripura was not available. So, an average of the other north eastern states was assigned to them.
NO2 Emissions	Data for Arunachal Pradesh, Manipur, Sikkim and Tripura was not available. So, an average of the other north eastern states was assigned to them.
Social Audit under NREGA	Data for Delhi was not available. Hence, no value was assigned to it.
Panchayat Devolution Index	Data for Delhi, Goa, Meghalaya, Mizoram and Nagaland was not available. Hence, no values were assigned to them.
Criminal records of MLAs	Data for serious criminal cases were considered.
Revenue Surplus / Deficit (% of GSDP)	GSDP data for Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Rajasthan and Tripura for 2015-16 has not been published. Hence, previous year's values have been considered.
Fiscal Surplus / Deficit (% of GSDP)	GSDP data for Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Rajasthan and Tripura for 2015-16 has not been published. Hence, previous year's values have been considered.
Debt Burden (% of GSDP)	GSDP data for Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Rajasthan and Tripura for 2015-16 has not been published. Hence, previous year's values have been considered.
Per Capita Development Expenditure	GSDP data for Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Rajasthan and Tripura for 2015-16 has not been published. Hence, previous year's values have been considered.
States own tax revenue growth	GSDP data for Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Rajasthan and Tripura for 2015-16 has not been published. Hence, previous year's values have been considered.
Ease of doing business	Data for Manipur was not available. So, an average of all the other north eastern states was assigned to it.

*Note: 3rd January was the last date of data collection.

Inequality: Notes / Adjustments in Data

Indicator	Adjustments Done
Per capita Income	Per capita NSDP at constant price was not available for West Bengal. Hence, Per capita NSDP at current price was considered.
BPL income vs. PCI	<p>The gap was calculated by taking the standard threshold level of BPL income and the PCI. The threshold level of BPL income (which is common for all states) was calculated by taking the monthly per capita expenditure in rural and urban areas as per the Rangarajan Report on Poverty (2014), estimated at Rs 972 and Rs 1407 respectively. These monthly figures were converted into annual figures and then weightages were applied on the basis of rural-urban population share (69:31) on a country-wide average.</p> <p>The standard threshold level of BPL income has been estimated at Rs 13282 (as in 2014).</p> <p>The Per Capita income has been taken for each state from CSO for the year 2014-15. The gap between the two is the basis for the estimation of the unequal income distribution: higher the gap, greater the inequality.</p>
Nutritional Status of children	Data for Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttar Pradesh and West Bengal has been taken from NFHS 4 (2015-16). For rest of the states, 2012-13 data has been considered from MOHFW (2015).
Retention rate (secondary level)	Data for Delhi, Haryana, Punjab and Kerala not available in DISE. Thus the country's average was assigned to it.
Enrolment of all students of all categories Vs. Enrolment of SC category (Secondary level)	Data for age wise SC population in the states of Arunachal Pradesh & Nagaland was not available in Census. For states of Manipur & Meghalaya, the enrolment data exceeded the target population. So, no values were assigned to these states.
Enrolment of all students of all categories Vs. Enrolment of ST category (Secondary level)	Data for age wise ST Population in the states of Delhi, Haryana and Punjab was not available in Census. So, no values were assigned to these states.
Farmers' Suicide	Data was not available for the states of Delhi and Goa. So, no values were assigned to these states.
Rural Indebtedness	Data was not available for the states of Delhi and Goa. So, no values were assigned to these states.
Total Fertility Rate	Data of Goa, Manipur, Meghalaya, Tripura, Telangana, Sikkim, and Uttarakhand was taken from NFHS 4 (2015-16). Data for Arunachal Pradesh, Mizoram & Nagaland was available for the year 2005-07. Data of other states were taken from MOHFW (2015).

*Note: 3rd January was the last date of data collection.

PAI 2016 MEDIA COVERAGE

The release of the first ever Public Affairs Index (PAI) in Bangalore in March 2016 resulted in widespread media coverage both nationally as well as internationally. PAI garnered wide media interest across the country with both newspapers and news websites giving enough space to the Index for both debate and reviews. Here is just a small glimpse of the wide range of media coverage that the Index gathered last year.



"PAI is an attempt to bring states which are culturally, economically and socially diverse into a common data-driven framework, to facilitate an inter-state comparison." -Deccan Herald

PAI 2016 MEDIA COVERAGE

"Three southern states, led by Kerala, have emerged at the top of the rankings of 29 Indian states in a new good governance index for the country released by Public Affairs Centre"-The Indian Express



"Mizoram has emerged first among the 12 small states of the country in a new good governance index released by the Public Affairs Centre, an NGO dedicated to improving the quality of governance in India."- The Telegraph



PAC PUBLICATIONS

A Study of the Effectiveness of its Monitoring Mechanisms



A Life and Its Lessons: Memoirs
Samuel Paul

Samuel Paul, well-known scholar, institution-builder and social activist, tells his life story and distills the lessons of experience learnt from a wide range of institutions, both national and international, with which he was associated. In a long and distinguished career, he has been the Director of the Indian Institute of Management, Ahmedabad, adviser to the United Nations, ILO and the World Bank, founder and first chairperson of Public Affairs Centre, Bangalore, author of 'citizen report cards' and other pioneering tools of social accountability. His reflections on the success and sustainability of institutions offer important insights of relevance to practitioners, scholars and students alike. The story is told in a lucid style, with candour, wit and sensitivity to the great social challenges of our time.

A Green Manifesto for Environmental Governance – A people-centred tool and approach



PAC Environmental Governance Group

Environmental Governance Group (EnGG) believes that integrating the concerns of the common person in an organic fashion through 'Community-centred Governance' is the best way to address the issues arising from the impact of climate change.

In the backdrop of the legislative elections in the southern Indian state of Tamil Nadu, Public Affairs Centre initiated the process of developing a Green Manifesto for Tamil Nadu.

Following a chain of consultations with various stakeholders, a Green Manifesto was drafted and released simultaneously in various parts of the state, including Chennai, Ramanathapuram, Tiruchirappalli, Salem and other districts. The process is amply described in this publication.

Contribution of the Urban Poor – A Pilot Study from Chennai and Bengaluru, India

Kala Seetharam Sreedhar • A. Venugopala Reddy



Policy makers view the urban poor as a burden on public services and infrastructure. Here, we report evidence for their contribution to the city economy in Bengaluru and Chennai. We gather the data through large primary surveys of poor households and informal enterprises in low income areas of each of the two cities.

In both Bengaluru and Chennai we find that, gender, and the salary status of the respondent have a significant impact on their income.

Overall, we find that Bengaluru's slums which contain about 9-11 percent of the city's population, contribute anywhere from 3 percent to 3.5 percent of the city's economy. In Chennai, slums which contain 19 percent of the city's population, contribute to 14 percent of the city's economy. We summarize several reasons for the different findings across the two Indian cities.



The Public Affairs Index (PAI) is an attempt to bring together the states of India which are culturally, economically and socially diverse, into a common data-driven framework, to facilitate an interstate comparison. A well-framed methodology backed by statistical data from government sources, have been included in the study to provide insights into the subject.

Public Distribution System in Karnataka



Citizen Voices in Environmental Governance – Proceedings of the Colloquium, organised by the Environmental Governance Group, PAC

Bolstered by the 15 experience with harvesting citizen opinion through Climate Change Score Cards in the Gulf of Mannar, and representing these to those in governance through a series of structured meetings, PAC has been encouraged to share this experience and locate it within other similar efforts in the context of this Colloquium. This brief meeting evoked a lot of interest from a wide range of actors in this sector and provided the much-needed kick-start to formalize spaces within policy formulation procedures for citizen voice and expression. More important, it created the common ground among diverse stakeholders and practitioners to take forward a few of these ideas to fruition.

Citizens Fighting Corruption – Results and Lessons of an Innovative Pilot Programme in India
Vinay Bhargava, Indira Sandhya, Alexander Varghese, Harish Pooviah (for CASG Team)

The Citizens Against Corruption (CAC) project on which this report is based is an innovative pilot project started in 2008 with support from the Department for International Development, UK through its global Governance and Transparency Fund. CAC is implemented in South Asia by a partnership of the Public Affairs Centre (PAC), Bangalore, India and the Partnership for Transparency Fund (PTF) – a US-based international NGO committed to helping citizens fight corruption.

This report shows that there is hope in curbing corruption. It presents efforts and results achieved by 14 grassroots Non-Government Organizations (NGOs) spanning four diverse states in India (Odisha, Karnataka, Rajasthan and Uttarakhand) in helping citizens engage to produce positive results to reduce corruption and improve service delivery.

The real heroes in the stories presented in this report are the citizen volunteers and the progressive public officials who worked hard and selflessly to make a difference in the lives of real people living in remote and poor areas.

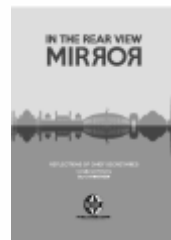


Improving Governance the Participatory Way

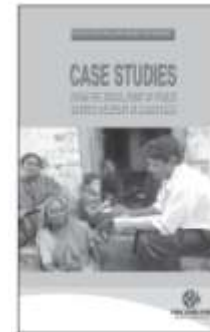
Meena Nav • K. Prabhakar • Prarthana Rao • Poojitha G.R.

This publication records the implementation of a successful initiative by Public Affairs Centre (PAC), in partnership with grassroots organizations like Centre for Advocacy and Research (CFAR), Society for People's Action for development (SPAD), and Association for Promoting Social Action (APSA) in creating an effective participatory citizen-provider engagement model which helped improve the quality of service delivery in selected Maternity Homes run by the Bruhat Bengaluru Mahanagara Palike (BBMP or Greater Bengaluru Municipal Corporation).

The initiative which began in the form of a study of the quality of services in these Maternity Homes by using well known Social Accountability Tools such as Citizen Report Cards (CRC), Budget Analysis and Community Score Cards (CSC), led to the formation of Maternity Home Monitoring Committees (MHMCs) in the catchment areas of three Maternity Homes. Phase II of the project attempts to replicate the model in more Maternity Homes and Referral Hospitals along with budget advocacy on better implementation of incentive schemes.



In this exciting collection of essays written by the top bureaucrats of the states of India, the Chief Secretaries who have held the reins of administration in their capable hands, we see a fascinating variety of experiences, good and bad, which have all helped to shape not only their individual personalities, but also the destinies of the states that they have administered. This volume represents the distillation of their practical experiences and reflective wisdom, and will be of immense interest to any informed citizen, academician and practitioner of administration.



Case Studies from the Social Audit of Public Service Delivery in Karnataka – M. Vivekananda, S. Sreedharan, Malavika Belavangala

In the social audit of public service delivery in Karnataka carried out by Public Affairs Centre (PAC) at the instance of the Department of Planning, Programme Monitoring and Statistics, Government of Karnataka, seven services were examined. The data for the audit were collected through a sample survey of users of the public services. In addition, a few case studies were also recorded to obtain the qualitative aspects of those services, after completing the survey. The case studies included in this book share the experiences and comments of all stakeholders pertaining to the services surveyed.

Citizen Monitoring and Audit of PMGSY Roads Pilot Phase II
CASG Team, PAC

Pilot Phase II study was conceived in the backdrop of experiences gained during Pilot Phase I, and was launched in November 2008 to field-test a set of instruments in Orissa and Karnataka for monitoring the quality of some of the ongoing PMGSY work, auditing the performance of completed roads under this scheme and gathering feedback from beneficiaries with regard to their awareness, problems faced, potential and actual benefits and level of satisfaction. Ten completed roads and eight ongoing road projects in Orissa and Karnataka were selected for study in this Phase.

This publication summarises PAC's experiences in Phases I and II, and is aimed at all who believe that citizen knowledge can be a valuable resource in the development and maintenance of public assets.



PUBLIC AFFAIRS CENTRE
COMMITTED TO GOOD GOVERNANCE

For further details visit
www.pacindia.org

1. State of the Art as Art of the State: Evaluating e-governance Initiatives through citizen feedback (Ramesh Ramanathan, Suresh Balakrishnan), 2000.
2. Wanted: An Enabling Industrial Environment in Karnataka (Samuel Paul, Sheila Premkumar, Prasann Thatte), 2000.
3. Benchmarking Urban Services: The Second Report Card on Bangalore (Samuel Paul, Sita Sekhar), 2000.
4. Citizen's Audit of Public Services in Rural Tamil Nadu (Catalyst Trust, Public Affairs Centre), 2001.
5. Civic Engagement for Better Public Governance (Manjunath Sadashiva, Suresh Balakrishnan), 2002.
6. New Media and People's Empowerment: The Second Public Affairs Lecture (Dr. Mallika Sarabhai), 2002.
7. ABC... Of Voting: A Guide For Voting in Indian Elections (Public Affairs Centre), 2002.
8. Universal Elementary Education: A Way Forward for India. The Third Annual Public Affairs Lecture (Azim Premji), 2003.
9. A Report Card on Bhoomi Kiosks (Albert Lobo, Suresh Balakrishnan), 2004.
10. Towards User Report Cards on Irrigation Services (Suresh Balakrishnan, Albert Lobo), 2004.
11. BATF: A Partnership with Promise? The Fourth Annual Public Affairs Lecture (Nandan M. Nilekani), 2004.
12. Public Affairs Centre: A Retrospective, 1994 - 2000.
13. Holding a Mirror to the New Lok Sabha (Samuel Paul, M. Vivekananda), 2005.
14. Karnataka's Citizens' Charters: A Preliminary Assessment (Anuradha Rao), 2005.
15. Electoral Disclosure in Karnataka: A Reality Check (Samuel Paul, Poornima D.G., Anuradha Rao), 2005.
16. Spirituality & Universality: The Fifth Annual Public Affairs Lecture (Sri Sri Ravi Shankar), 2005.
17. Benchmarking India's Public Services: A comparison across the states (Samuel Paul, Suresh Balakrishnan, K. Gopakumar, Sita Sekhar, M. Vivekananda), 2005.
18. Setting a Benchmark: Citizen Report Card on Public Services in Bhubaneswar (Public Affairs Centre, Centre for Youth and Social Development), 2005.
19. Are They Being Served? Citizen Report Card on Public Services for the Poor in Peri-Urban Areas of Bangalore (Sita Sekhar, Meena Nair, Venugopala Reddy), 2005.
20. Holding the State to Account: Lessons of Bangalore's Citizen Report Cards (Samuel Paul), 2006.
21. Deepening Democracy: A Decade of Electoral Interventions by Civil Society Groups 1996-2006 (Public Affairs Centre), 2006.
22. Benchmarking Bangalore's Public Services: What the Third Citizen Report Card Reveals (Sita Sekhar, Manisha Shah), 2006.
23. Citizenship and Good Governance: The Sixth Annual Public Affairs Lecture (Sheila Dikshit), 2006.
24. Public Services in Hubli-Dharwad: A Citizen Report Card (Sita Sekhar, Meena Nair, Venugopala Reddy), 2007.
25. Greater Bangalore Governance Options (S. Krishna Kumar), 2007.
26. Assessment of Citizen Centres in Tamil Nadu (Sita Sekhar, Meena Nair, A. Venugopala Reddy, K. Prabhakar), 2007.
27. Public Services in Hubli-Dharwad: The Second Citizen Report Card (Sita Sekhar, Meena Nair, K. Prabhakar, Prarthana Rao), 2008.
28. Decentralised Service Delivery in Panchayats: A Pilot Citizens' Audit (Sita Sekhar, Meena Nair, A. Venugopala Reddy), 2008.
29. Public Services Provided by Gram Panchayats in Chattisgarh: A Citizen Report Card (Sita Sekhar, Meena Nair, K. Prabhakar), 2008.
30. Study of Sarva Shiksha Abhiyan Initiatives on Universalisation of Elementary Education in Karnataka with Special Reference to Concerns of Gender and Equity (Sita Sekhar, Meena Nair, K. Prabhakar, Prarthana Rao), 2009.
31. Services of Gram Panchayats in Koraput, Orissa: A Citizen Report Card (Sita Sekhar, Meena Nair, K. Prabhakar, Prarthana Rao), 2009.
32. A Mirror to the Police: A Bottom-Up Assessment of the Karnataka Police (Meena Nair, K. Prabhakar, Prarthana Rao), 2010.
33. Towards a Vibrant Knowledge Society: A Stakeholder Audit of the Karnataka Jnana Aayoga (Shweta Gaur, Nivedita Kashyap, Meena Nair, R. Suresh), 2011.
34. A Life and Its Lessons: Memoirs (Samuel Paul), 2012.
35. Citizen Monitoring and Audit of PMGSY Roads: Pilot Phase II (Public Affairs Centre), 2012.
36. Improving Governance the Participatory Way: A pilot study of maternal health services for urban poor in Bangalore (Meena Nair, K Prabhakar, Prarthana Rao, Poornima G. R.), 2012.
37. Case Studies from the Social Audit of Public Service Delivery in Karnataka (M. Vivekananda, S. Sreedharan, Malavika Belavangala), 2012.
38. Changing the Urban Face of Karnataka: Evidence from three urban development programmes (Kala S Sridhar, Venugopala Reddy, Pavan Srinath), 2012.
39. Citizen Voices in Environmental Governance – Proceedings of the Colloquium organised by the Environmental Governance Group Bangalore, 2012.
40. Social Audit of Public Service Delivery in Karnataka (M. Vivekananda, Dr. S. Sreedharan, Malavika Belavangala), 2012.
41. Transforming Karnataka into a Vibrant Knowledge Society (Satyajeet Nanda, Nivedita Kashyap, Meena Nair, R. Suresh), 2013.
42. A Green Manifesto for Environmental Governance – A people-centered tool and approach (PAC Environmental Governance Group), 2013.
43. India's Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS): Has it impacted poverty? (A working paper by Kala Seetharam Sridhar, A. Venugopala Reddy), 2013.
44. The Paradox of India's North-South Divide – Lessons from the States and the Regions (Samuel Paul, Kala Seetharam Sridhar), 2013.
45. Contribution of the Urban Poor: Pilot Studies from Chennai and Bengaluru, India (Kala Seetharam Sridhar and A. Venugopala Reddy), 2014.
46. Holding the State to Account: Citizen Monitoring in Action (Samuel Paul), Books for Change: 2002.
47. Who Benefits from India's Public Services? (Samuel Paul, Suresh Balakrishnan, K. Gopakumar, Sita Sekhar, M. Vivekananda), Academic Foundation: 2006.
48. State of Urban Services in India's Cities (Kala Seetharam Sridhar, A. Venugopala Reddy), Oxford University Press India: 2010.
49. State of Our Cities: Evidence from Karnataka (Samuel Paul, Kala Seetharam Sridhar, A. Venugopala Reddy, Pavan Srinath), Oxford University Press India: 2012.
50. Public Affairs Index, (Dr CK Mathew, Athreya Mukunthan, Vivek Divekar), 2016.
51. Assessment of BWSB services: Bangalore Water Supply and Sewerage Board - English & Kannada versions, (S Sreedharan, Poornima G R and Dr Meena Nair), 2016.
52. Can Farmers' adapt to Climate Change? (Arvind L Sha, J Jangal, R Suresh), 2016.
53. Assessing Double Injustice of Climate Change and Urbanisation on Water Security in Peri-Urban Areas (Arvind L Sha, J Jangal, Priyanka Agarwal), 2016.
54. In the Rear View Mirror: Reflections of Chief Secretaries (Dr. C K Mathew), 2017.

Public Affairs Index (PAI)

The Public Affairs Centre (PAC), Bangalore has been closely involved in matters related to the quality of governance and citizen engagement for over two decades now.

The Public Affairs Index (PAI) 2016 is a new product of PAC and was released in March last year and immediately achieved a rare significance by the scientific nature of the evidence-based study which scored and ranked the states of India on the basis of the levels and quality of their governance. Adopting a methodology that has been appreciated and accepted by development economists and statisticians, the study involved a close look at ten thematic areas of governance, further layered into twenty-five focus subjects and sixty-eight indicators.

In this, the second annual report in the on-going series of the Public Affairs Index, the PAI 2017 takes the study a step further: there is an additional focus subject and a total of eighty-two indicators, carefully identified so as to sharpen the lens of examination and to widen the areas under study. It is our contention that such a detailed and intensive examination of governance, which is also easily approachable by any informed citizen, perhaps does not exist in the annals of governance in the country.

Further, in a new feature, these annual PAI reports will henceforth also be paying close attention to an extra theme of special relevance for closer investigation. In the report at hand, the subject selected is Inequality, now attracting close attention the world over. In international, regional and national studies of development and growth, there is dismay that despite higher growth rates, both in developed and developing countries, the gap between the 1% and the 99% is only increasing. More and more of the higher percentiles of all societies are accumulating a larger share of the national wealth, while leaving the bottom of the pyramid increasingly deprived and impoverished. This is true not only in terms of economic disparities, but also in matters of gender bias and social discrimination: everywhere, it seems that the gap is indeed widening. PAI 2017 examines hard evidence covering 25 variables to dissect this phenomenon in the states of India and to make some sense out of contradictions so apparent in the mass of data.

It is our expectation that PAI 2017 will be at the forefront of national level studies of comparative governance in the states of India. It is anticipated to attain high levels of rigorous data analysis, free from dogma and biases, while also setting new standards in the excellence of its statistical examination. It should certainly attract the attention of developmental economists, concerned citizens, practical administrators as well as policy makers.

