



Citizen-Centered Approaches  
to State and Market



# Understanding State Level Transformation in India: The Case of Karnataka

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## *I. Introduction*

Karnataka is a rich and complex case study of both impressive developmental progress and difficult governance regression. It has at once leapfrogged many of the traditional and often ineffective solutions to problems of state and market-building- which among other results has doubled per capita income in the last ten years- while at the same time it continues to suffer from entrenched and self-interested policymaking, which has led it to be labeled recently as “the most corrupt state in India”. Where progress has been made in Karnataka it is not as yet always coordinated to a sufficient degree, or on a large enough scale to truly consolidate equitable growth and the transition from poverty to prosperity for the whole population. Equally, the changes taking place are disrupting traditional ways of life and altering relationships, leaving gaps in understanding and leading to improvised rather than planned responses. What is remarkable about the transition in Karnataka, perhaps, is the fact that while specific dynamics in the state have been the subject of considerable study, these writings tend to have been narrowly focused, without consideration of the state, market and civil society holistically. More expansive analysis of this sort is hugely important because Karnataka’s cosmopolitan population of nearly 53 million- almost double the size of Malaysia- makes it a central pivot both within India but also as a stakeholder in the broader processes of global development and governance.<sup>1</sup>

There are significant assets on which Karnataka can build- economically, the state has leveraged the liberalization reforms of the early 1990s, put in place detailed sectoral strategies and developed a skilled population base, all of which have supported a technology boom. In accountability terms, innovative e-governance approaches underpin some important systemic improvements across sectors as diverse as health and land registration, while the tradition of decentralization in the state has allowed for more accountable decision-making, particularly in rural areas. And in terms of civil society, Karnataka has begun to generate social accountability through some pioneering citizen-led programs that in small but important ways are working to overcome the tragedy of the commons and build on areas of cooperation rather than areas of contestation.

That is not to suggest, however, that Karnataka does not face continued and significant challenges. The language of the state remains economic, not social, and the progress made is being undermined by continued regional and economic disparities. Patronage politics is now hollowing out state institutions and creating a vicious downward cycle of misgovernance through moneyed politics; a lack of coordination prevents coherence between key agencies and government bodies; and the state as a whole remains unable to deal with critical issues such as natural resource management, urbanization, water management and environmental degradation. There is a sense in Karnataka, therefore, that opportunities are being lost- that the rich history of progressive thought, and the vision and actions in the 1980s and 1990s- which have allowed the state to become what it is, may not be enough to prevent the reversal of the impressive gains to date.

Karnataka is at something of a turning point- while governance at the state level seems to be reaching its nadir in many ways, this is also generating such anger among the population at their lot that it may spur more of the kind of citizen, and potentially political, engagement which could catalyze necessary change. The diversity of the state and the sheer number of different groups, people and interests has made it difficult to enact systemic reform beyond the economic sphere to date. But the people of Karnataka

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<sup>1</sup> If it were a country, Karnataka would be the 23<sup>rd</sup> biggest in population terms, in the world.

demonstrate an impressive understanding of these issues and an impressive resilience to the challenges that are emerging. Moving forwards, they will also need to harness their significant resources, imagination and skills to forge the accountable government, vibrant market and engaged civil society they deserve.

## **II. Background**

The southern area of the state now known as Karnataka was the Kingdom of Mysore during the British colonial period, and after independence, the Maharaja of Mysore allowed for accession to India. Mysore became the rump of the new state after 1956, through the merger of five Kannada-speaking territories from the adjoining states of Madras, Hyderabad and Bombay.<sup>2</sup> Mysore had a reputation for tolerance, efforts to diffuse conflict among its people and deliberative decision-making. The Mysore Representative Assembly was established in 1881, for example, as a forum to allow citizens to air their differences, and it functioned as a mechanism for increasing political awareness, particularly among lower castes of Indian society. In 1919, through a progressive approach at the time, “backward classes” (such as *vokkaligas* and *lingayats*) were given legal recognition and access to state services and opportunities, which has allowed them subsequently to become important stakeholders in the state.<sup>3</sup> As a result, these groups have played a role in the contestation for political power, which in turn has precipitated power-sharing within political structures that have generally supported stable governance and policy continuity.

At the same time, caste has arguably “begun to signify difference rather than hierarchy”.<sup>4</sup> The people of the state are intricately tied to the land, and early efforts to ensure land-ownership allowed for less alienation from government by the citizens, and a less combustible socio-political environment than in many other Indian states of the period. In the district of Uttar Kanada, Brahmins till the land themselves for example- perhaps the only place in India where this is the case. During British rule, Karnataka was the only region of South India where alienated social groups did not go through mass conversions; over time, Muslim-Hindu tensions have been minimal; and the proportion of Scheduled Tribes in the state is very small, suggesting greater cohesion.<sup>5</sup> Manor argues that Karnataka’s political system has generated stability given this balance between groups, which has in turn led to gradual change and not extremes of action or inaction. Institutions have developed in which individual power has been circumscribed, policies have been relatively well-crafted, and because of efforts to attract the support of a broad social base, policy continuity has been strong (unlike in states such as Uttar Pradesh, for example).<sup>6</sup> Conflicts in Karnataka were managed traditionally through a politics of accommodation, whereby political power and resources has been shared, even between political rivals. The political landscape has been based on “rainbow coalitions” with governments from the 1970s to 2000s providing leaders from diverse social groups.<sup>7</sup> Thus, Karnataka can be viewed as a more “cohesive society” than those found elsewhere, despite its hierarchies, injustices and inequalities.

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<sup>2</sup> The state was originally known as Mysore and was renamed as Karnataka in 1973. The state covers an area of 74,122 sq mi (191,976 km<sup>2</sup>), or 5.83% of the total geographical area of India.

<sup>3</sup> Kadekodi, G. Kanbur, R. and Rao, V. “Governance and the “Karnataka Model of Development”” *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.650

<sup>4</sup> Kadekodi, G. Kanbur, R. and Rao, V. “Governance and the “Karnataka Model of Development”” *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.650

<sup>5</sup> Manor, J. “Karnataka: Caste, Class Dominance and Politics in a Cohesive Society” in Frankel, F. and Rao, M.S.A. (eds) *Dominance and State Power in Modern India: Decline of a Social Order* (New Delhi: Oxford University Press, 1989) Volume 1, p.322

<sup>6</sup> Manor, J. ‘Change in Karnataka over the Last Generation: Villages and the Wider Context’ *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.653

<sup>7</sup> Manor, J. “Explaining Political Trajectories in Andhra Pradesh and Karnataka’ in Jenkins, R (ed) *Regional Reflections: Comparing Politics Across Indian States* (New Delhi: Oxford University Press, 2004).

Strategically positioned in southern India with significant access to the Arabian Sea, the state now known as Karnataka has been a hub for trade since the 16<sup>th</sup> century.<sup>8</sup> The people of the state demonstrated an early commitment to core liberal values including an openness to new ideas and technologies, which can also to some degree explain the basis for the progress that state has made today. It has also had an enduring reputation for research, engineering and industry since the time of Maharaja, and during the 20<sup>th</sup> century Karnataka pioneered a model of government-led public sector industrialization- some of India's largest public sector undertakings such as Bharat Heavy Electricals Ltd, Hindustan Machine Tools and Hindustan Aeronautics Ltd all located in Karnataka. This gave the state a head-start in terms of investment in the development of the industrial and aeronautics sectors. The economic liberalization of the early 1990s across the country more broadly allowed for privatization, inflows of equity, enhanced international trade, deregulation, and tax reform. In Karnataka, these reforms began to limit the role of the state, and policies were put in place to support movement away from direct production of goods and services.<sup>9</sup> As a result, Karnataka, which had traditionally exported commodities such as coffee, spices, silk, and cashew nuts, began to shift in addition towards alternative sectors higher up the value chain, including garments, leather goods, chemicals, and of course, IT software and biotechnology. This provided the narrative that has underpinned popular perceptions of Karnataka's transformation, with Bangalore as the 'Silicon Valley of India'. Today, a new multinational company sets up in Bangalore every two weeks.<sup>10</sup>

### **III. The Transition in Karnataka**

India could best be characterized as a "state-nation" rather than a "nation-state", given the multicultural and multinational character of the country.<sup>11</sup> Post-colonialism, India's federal structure has allowed for the consolidation and legitimization of the idea of India itself by bridging socio-cultural and linguistic divisions with a series of phases beginning with Nehru's efforts to operationalize federalism in the 1960s through to the economic liberalization of the early 1990s.<sup>12</sup> The movement away from the top-down highly centralized command economy alleviated some of the state-center tensions, and shifted India away from the center-dominated development model to a more competitive state-centered free market exchange. As Lawrence Saez has pointed out, "the most significant transformation of India's federal system is exemplified by the gradual shift from inter-governmental cooperation between the central government and the states towards inter-jurisdictional competition among the states."<sup>13</sup> Under this new economic order, states have to some degree become stakeholders rather than clients dependent on handouts and the acquiescence of a central authority. While the forms and functions of government should not be confused, India's federal structure does provide a useful basis for understanding institutional reform, economic development and governance changes at the sub-national level, as India's states function under a common constitutional framework but tend to demonstrate significant differences in terms of outcomes.

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<sup>8</sup> Karnataka has a population of 52.9 million (Census 2001) and an area of 191,791 square kilometers (5.8% of India's total land area). Karnataka is bordered to the north by Maharashtra, Andhra Pradesh to the East, Tamil Nadu to the South East, Kerala in the South West. The Arabian Sea to the West and Goa to the North West.

<sup>9</sup> As Pramod Mahajan, a former IT Minister once pointed out, India is the leader in IT and beauty contests "two areas that the government has stayed out of." Kapur, D. "The Causes and Consequences of India's IT Boom." *India Review* 1, (2002), p.94

<sup>10</sup> Discussions in Karnataka, October 2010

<sup>11</sup> Linz, L. Stepan, A. and Yadaz, Y. "Nation State" Or "State Nation"? Comparative Reflections and Spanish, Belgian and Indian Data," in *Delhi Conference* (2003).

<sup>12</sup> Mitra, S.K. "Federalism's Success," in *The State of India's Democracy*, ed. Ganguly, S. Diamond, L. and Plattner, M. (Oxford: Oxford University Press, 2007).

<sup>13</sup> Lawrence Saez, "Federalism without a Center: The Impact of Political and Economic Reforms on India's Federal System," Sage (2002), p 215.

In this regard, Karnataka is a valuable case study, because as a state it demonstrates both what is possible in terms of economic modernization and development; the extent to which poor governance can undermine reform efforts; and the means by which progress can be made through innovative approaches to state-business-society relations and civil society-driven change, even in a difficult policy environment.<sup>14</sup> When asking what it is that is unique about Karnataka specifically, analysis of the socio-economic and political development of the state today seems to indicate that several key issues are important: i) market-building; ii) efforts to improve transparency and accountability iii) the emergence of a plutocracy; and iv) citizenship and civil-society. While this is by nature a selective study, when viewed as a whole, these areas provide something of a framework within which we can understand changes in Karnataka and seek to draw principles- not as a normative or prescriptive process for other Indian states or developing countries, but rather as a set of reference points from which further thinking may be possible.

### ***Market-Building- The Growth of the Private Sector***

The economic landscape of Karnataka has been transformed over the course of the last twenty years. The story of the state since India began the process of economic liberalization is often understood as one of rapid private sector development, particularly in the fields of IT, biotechnology, manufacturing and industry. While the general perception is of de-regulation and the removal of the state from economic activities, in practice the role of the state changed rather than diminished- it shifted in many areas from the role as a direct producer to the role of regulator and partner for the private sector, in three key areas: policy-setting; strategy development; and human capital creation. Some of these changes came about not through coherent policies but rather through important strategic decisions by individuals. In other cases the private sector has also had to work around- rather than in partnership with- the state but this does not detract from the impressive market-building that has taken place in Karnataka.

### ***Partnership with the State***

The Government of Karnataka has put in place a wide range of fiscal and policy incentives to attract investment including investment promotion subsidies, tax breaks and fee exemptions, subsidies, and interest free loans.<sup>15</sup> In addition, the state has moved to streamline processes related to business set-up, investment, and development. The Karnataka *Udyog Mitra*, a state government organization within the Commerce & Industries Department is the nodal agency and single contact point for investors Karnataka, and functions as a single-window clearing house for investment proposals and a monitoring agency for implementation of approved projects. The District Level Single Window Clearance Committees generally known as DLSWCC and the State High Level Clearance Committee (SHLCC) convened by *Udyog Mitra* periodically review new investment proposals and issue in principle clearances for new projects.<sup>16</sup> Twenty nine Special Economic Zones (SEZs) (out of a total of 98 in India as a whole)<sup>17</sup> have also now been set up across sectors including pharmaceuticals and biotechnology, IT/ITes, engineering, food processing, electronics, textiles and apparel, and petrochemicals.<sup>18</sup> This has allowed for a clustering effect, and for the growth of hubs centered around specific industries (Electronic City for IT, for example or Peenya Industrial Estate for machine tools). The state has also sought to develop Public Private Partnerships (PPPs) for private sector delivery of public services, implementing 97 PPPs (almost a quarter of the total

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<sup>14</sup> Indeed, Karnataka has long been a site for world-class contributions by social scientists towards understanding of the development process. See, for example anthropologists, economists and sociologists such as T Scarlett Epstein, VKRV Rao and MN Srinivas.

<sup>15</sup> Government of Karnataka, Department of Industries and Commerce *Karnataka Industrial Policy 2009-14* (December 2009)

<sup>16</sup> See <http://www.kumbangalore.com/>

<sup>17</sup> Data from [www.sezindia.nic.in](http://www.sezindia.nic.in)

<sup>18</sup> [www.sezindia.nic.in](http://www.sezindia.nic.in)

in India).<sup>19</sup> PPPs are now supporting rail, air and road link developments (including Bangalore International Airport and a Build-Operate and Transfer project for the construction of a ring road around Bangalore city).<sup>20</sup>

A second key element that has supported economic growth in Karnataka is the well-structured set of diverse and sector-specific policies for critical sectors such as biotechnology, IT, business process outsourcing and textiles.<sup>21</sup> Karnataka was the first Indian state to lay out sectoral plans in this way- with concrete targets, benchmarks, costs and intended results, and the range of these vertical and horizontal strategies in different industries in Karnataka is impressive. They provide an important basis upon which decisions can be made and progress judged.<sup>22</sup> The strategies are ambitious- the Industrial and IT policies for example, aim to provide over 1 million jobs each by 2014; the new tourism policy aims to make tourism the state's largest economic activity; and the Textile Policy seeks to attract investments of over \$2.4 billion over the 2008-2013 period.<sup>23</sup> Karnataka as a whole is targeting 9% annual growth in the 11<sup>th</sup> Five-Year Plan period (2007-12). While implementation of goals can be problematic, the strategies themselves demonstrate an honest appreciation of the problems that Karnataka continues to face and provide direction for the state moving forwards.<sup>24</sup> An important problem is the lack of equitable economic growth across different regions of the state, and as a result government agencies are working towards supporting development and infrastructure in a more spatially sensitive manner. The Karnataka Industrial Area Development Board (KIADB) is planning to develop 11 new textile parks across several districts, for example,<sup>25</sup> and the Karnataka State Industrial Investment Development Corporation has promoted over 135 state-up ventures across the state through equity participation and debt provision to industries such as steel, cement, textiles, aerospace and telecoms.<sup>26</sup>

Finally, in terms of human capital, Karnataka has managed to generate or attract significant skills and knowledge to support development. In 1918, the Miller Commission stated that the population of Mysore,

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<sup>19</sup> 460 in India as a whole- data from [www.pppindiadatabases.com](http://www.pppindiadatabases.com)

<sup>20</sup> Karnataka has focused on the infrastructure that has allowed for economic growth and facilitated public-private interactions and cluster development. The state has five airports, one major (New Mangalore) and ten minor sea ports. Fourteen national highways connect Karnataka to neighboring states, and 114 state highways provide a network within the state, along with 3,172 kms of railways. In 2008, less than 1% of citizens were not connected to a nearby road. The state is entirely networked via optic-fibre cables through the state owned Bharat Sanchar Nigam Limited (BSNL) and private entities including Bharti, Reliance, VSNL and Tata Tele Services. It has excellent telecoms infrastructure with 140 out of 170 towns connected by OFC network and with investments from companies including Siemens, Philips and Nokia. See IBEF *Karnataka* (April 2010). The absence of predictable power continues to hinder development, however, despite the fact that electricity generation in the state has almost doubled in the past ten years from 4987 MWs in 2001 to 8379 MWs in September 2010.

<sup>21</sup> India Brand Equity Foundation, *Karnataka* (April 2010), p.5

<sup>22</sup> The 11<sup>th</sup> Five-Year Plan, for example, provides detailed analysis of critical trends such as regional disparities, demographic issues, social indicators, and economic growth; and in-depth evaluation of sectoral specific issues including supply-chains, research, product linkages, and infrastructural connections.

<sup>23</sup> See Government of Karnataka, Industrial Policy; the Government of Karnataka IT policy; the Government of Karnataka Tourism Policy 2009-14 (Karnataka was the first state to develop a tourism policy in 1992); and the Government of Karnataka Textile Policy 2008-13.

<sup>24</sup> See for example the summary document: Two-Day National Seminar on "11th Five Year Plan of Karnataka: Perspectives" on 4th-5th May 2007, available at: <http://www.karunadu.gov.in/spb/pages/seminars.aspx>

<sup>25</sup> The state textile plan indicates that Karnataka expects to attract investment of \$2.4 billion over 5 years, the creation of 500,000 jobs and doubling of exports in the sector over 5 years, with the acquiring land for apparel and textile parks across a number of districts. See Government of Karnataka. Department of Handlooms and Textiles. *Karnataka Textile Policy, 2008-13* (2008)

<sup>26</sup> India Brand Equity Foundation, *Karnataka* (April 2010), p.41. A recent Global Investors Meet (GIM) organized by the Government of Karnataka generated about 350 MOUs with a potential value of Rs 4 lakh crore (Rs 4 billion), generating 865,000 jobs across various sectors. It remains to be seen, however, how many of these projects will be implemented in practice.

except the Brahmins and Christians, was largely backward. As a result, the government of the principality put in place a policy of positive discrimination and the mathas of various communities began to invest heavily in education. A large number of well-educated citizens from all religious and caste groups emerged as a result, and was capitalized upon through the establishment of world class management, business and law schools such as the Indian Institute of Management, the National Institute of Technology and the National Law School of India University. Karnataka now has 741 ITIs and ITCs, more than any other state in India.<sup>27</sup> In 1905, the government of Mysore provided a land grant and government subsidy to J.N. Tata to locate the Indian Institute of Science (IISc) in Bangalore, and from an early stage the IISc began to produce a large pool of skilled graduates for industry, research and technology. It is now consistently ranked as the best engineering school in India.<sup>28</sup>

There are now 184 engineering colleges, 286 polytechnics, 629 industrial training institutes and 587 job oriented course centres in Karnataka,<sup>29</sup> and it has the largest number of medical colleges in the country (which has established the state as a hub for medical tourism). The state has subsequently developed a significant network of public and private colleges (it was the first state in India to bring in private sector higher education and the majority of these institutions are now privately run), and now has 11 universities, 133 medical colleges and 144 engineering colleges. Other large private sector actors in the state, such as Infosys, have also developed their own impressive training programs for employees. These schools and programs laid the basis for several generations of well-trained, English speaking managers, entrepreneurs, engineers and healthcare professionals and created an atmosphere conducive to technological innovation.<sup>30</sup> Many have emigrated to other high-skilled technology hubs such as Silicon Valley, but equally, increasing numbers are returning to Bangalore and other cities in southern India bringing back valuable skills and experience. Karnataka has the added benefit of perhaps the most comfortable climate in India and a time-zone that complements US working hours- allowing for round-the-clock project work with North American counterparts.

The results of these approaches have been impressive and have spurred a virtuous circle of growth and development. Per capita income in Karnataka has almost doubled in the last ten years.<sup>31</sup> Between 2001 and 2010, the GSDP of the state grew at an average of 12.5% per annum, with periods in which growth across some sectors was much higher.<sup>32</sup> FDI inflows totaled US\$6.4 billion over the 2000-10 period.<sup>33</sup> The state has become a hub for knowledge-based industries- two of India's biggest software firms, Infosys and Wipro, are headquartered in Bangalore, along with other major companies including Genpact,

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<sup>27</sup> For every million people in Karnataka aged 15 to 19, the state has created about 13,000 places in ITI/ITCs (the remainder of the country has created a little over 5,000 places per million). See: <http://info.worldbank.org/etools/docs/library/235724/skills%20development%20in%20india%20the%20vocational%20education%20and%20training%20system.pdf>

<sup>28</sup> The development of human capital has deep roots in Karnataka. The maharaja of what was then Mysore, Krishnaraja Wadiyar instituted several initiatives to improve the standard of higher education in the state. On IISc rankings, see, for example: <http://www.ias.ac.in/currsci/aug102009/304.pdf>

<sup>29</sup> See the Department of Technical Education: <http://dte.kar.nic.in/institution.htm> and the World Bank Karnataka education case study: <http://info.worldbank.org/etools/docs/library/252190/KARNATAKA%20Case%20Study.pdf>

<sup>30</sup> Kadekodi, G. Kanbur, R. and Rao, V. "Governance and the "Karnataka Model of Development"" *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.649 The compromise forged by Nehru in the 1950s, to allow English, rather than Hindi to become the official Indian language, should not be underestimated given the distinct economic advantages this has provided subsequently.

<sup>31</sup> Karnataka has also had a lower birth rate than average in India, which has increased per capita income- 19.9 per 1,000 of the population (as opposed to 23.3 in India as a whole). Central Bureau of Health Intelligence, 2007

<sup>32</sup> The industrial growth rate was 11.8% per annum and the service sector growth rate was 10% between 1993-1999 for example. Kalirajan, K. Shand, R. and Bhide, S. *Strategies for Achieving Sustained High Economic Growth: The Case of Indian States* (New Delhi: Sage, 2010), p.159. Exports increased almost 30% in the three years between 2004-07 to \$23.4 billion. See: *Economic Survey of Karnataka, 2008-09*

<sup>33</sup> Department of Industrial Policy and Promotion: <http://dipp.nic.in/>

Accenture, HCL Technologies, Cisco, IBM, HP and Intel. It is home to over 87 Global Fortune 500 companies, with over 150 multinational corporations and more than 100 R&D centers. The biotech sector alone is a US\$2.64 billion industry in the state (2008-9) and includes over 180 companies including world-class firms such as Accelrys Inc, Advanta India and AstraZeneca.

### ***Improving Transparency and Delivery***

These economic changes were accompanied and catalyzed in the 1990s, by a series of reforms that allowed for a more systematic and effective approach to development in the state.<sup>34</sup> Revenues were increased through a focus on the responsibilities of citizenship (with, for example, more systematic collection of user fees such as parking fees on roads); development was enhanced through a realization that the human and financial assets generated by the technology boom in the state could be used to support governance outcomes (see the BATF below); and goals were set with reference to successful developmental paradigms such as Singapore, rather than other less developed Indian states.

### ***Bootstrapping Through Technology***

Indeed, the significant engineering and technological capacity in Karnataka provided a platform upon which some interesting e-governance initiatives has developed based on partnerships between the public and private sectors. The state has put in place a strategy to improve service delivery through the use of technology,<sup>35</sup> and an e-governance secretariat to develop and implement IT solutions within government departments. The secretariat works in conjunction with the National Informatics Center (NIC), a Union government agency, and business partners- with the state government establishing the network, systems and legal framework, and the IT companies providing service delivery. Notable successes in this regard include the *Khajane* (treasury) system, for example, put in place to streamline government payments and accounts and integrate them with budget operations.<sup>36</sup> Previously, treasury operations were manual (allowing for significant mistakes, duplication and fraudulent behavior) and checks and challans (delivery notes) could take up to 45 days to be audited, seriously delaying payroll and budgeting processes. The *Khajane*, Oracle-based system connects all the state treasuries to a central server at the state secretariat through a satellite-based VSAT system which allows all transactions to take place online (including payments, receipts, deposits, pensions and so on). An online workflow process is now used for bill checking, approval and system validation and the payment approval process has been reduced from 2-3 days to 10 minutes. These changes have allowed for the consolidation of data, improved checks and balances, coordinated and accurate reporting, more effective budget processes, streamlined accounting and auditing, and improved oversight.<sup>37</sup>

Karnataka has also developed an innovative Citizen Centres Project, *Nemmadi* (“comfort” or “relief”). *Nemmadi* aims to provide a single access point for government services (including renewal of trade licenses, issuance of building licenses, birth and death certificates and so on) through 800 citizen centers throughout the state based on standardized software and shared networks.<sup>38</sup> Again, the centers are run by third parties through a PPP arrangement, whereby the government puts in place the network, systems,

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<sup>34</sup> Particularly under the Krishna government (1999- 2004). While it has been argued by commentators such as Narendar Pani that Krishna was a modernizer rather than a reformer, his administration did put in place a series of changes- based on Krishna’s credibility within his own party- that proved important. Pani, N. “Icons and Reform Politics in India: The Case of S.M. Krishna” *Asian Survey Vol, XLVI, No.2* (March/April 2006), p.245-7

<sup>35</sup> Government of Karnataka, *E-Governance Strategy* (2002)

<sup>36</sup> *Khajane* is administered by the Department of Treasuries, Treasury Network Management Centre; the network hardware is managed by Software Technology Parks of India (STPI), a Government of India enterprise; and CMC Ltd (formerly a Government of India organization) was responsible for system design, software development and maintenance of documentation.

<sup>37</sup> International Records Management Trust. *India, Karnataka State Case Study* (June 2007) p.14-17

<sup>38</sup> 5000 centers are planned by 2012. Some services are now also available online.

standards and so on, while the services within the centers themselves are run by private sector entities. Previously, citizens would often have to travel for days to reach manual centers which through a combination of mismanagement, disorganization and lack of capacity, would not have the ability to provide services efficiently. As a result of *Nemmadi*, transaction times have been reduced from several weeks to the same-day, records management processes have improved significantly, and transparency has increased, as complaints are logged, posted online and assigned to individual officials.<sup>39</sup>

That is not to suggest that significant problems do not remain in the realms in which these technology-related solutions have been deployed- some systems are still only partially implemented; departmental audits are often delayed; international standards and guidelines for records management are often not adhered to; significant portions of the processes remain manual rather than electronic (and where they do exist, electronic systems are often not used); and it is difficult to recruit and train well-qualified staff to support functionality.<sup>40</sup> It is to point out, however, that government planning has to some degree overcome the coordination issues that arose previously through decentralized ICT initiatives across a variety of sectors, and that certain e-governance and “e-information” initiatives are improving transparency and the interactions of citizens with the state. As discretionary powers are drawn away from mid-level bureaucratic functionaries, and government is placed closer to the population for which decisions are being made, accountability is increasing.

### *Rural Governance and Service Delivery*

While rural Karnatakans are divided by jati (caste) and a variety of sub-caste differences, and by factions born of politicized, patron-client relationships and networks, Karnataka has traditionally demonstrated a more equitable agrarian order than many other Indian states, as described above, which has provided a basis for more flexible social structures than elsewhere. The state also has a long history of decentralized governance in rural areas- in 1959 the Village Panchayats and Districts Boards Act created a three-tier Panchayati Raj structure, with Panchayats, Taluk Development Boards and District Development Councils. Further legislation adapted the system in 1983, which subsequently provided the model for devolution to the local level across India as a whole through the 73<sup>rd</sup> Amendment of the Indian constitution.<sup>41</sup> This change, dating from 1992, provides for the current three-tier system of Zilla Panchayats (district level), Taluk Panchayats (block level) and Grama Panchayats (village level) collectively known as the Panchayati Raj Institutions (PRIs).<sup>42</sup> While the PRI system generally allowed for democratic rather than administrative decentralization, but twenty-nine state functions were devolved to Grama Panchayats through this system, with the associated budgetary allocations and fiscal responsibilities to support them.

The PRIs are not yet functioning as the 73<sup>rd</sup> amendment might have envisioned- there are infrequent Grama Sabha meetings, for example, and the system has “devolved” corruption and politicization as well as decision-making. It would be short-sighted, however, to let ongoing problems prevent analysis of what has worked as part of the process of devolution. In 2010, Karnataka was ranked 1<sup>st</sup> for administrative

<sup>39</sup> International Records Management Trust. *India, Karnataka State Case Study* (June 2007) p.24

<sup>40</sup> International Records Management Trust. *India, Karnataka State Case Study* (June 2007) p.28-9. This is partly because opportunities and remuneration are a great deal higher in the private sector

<sup>41</sup> Kadekodi, G. Kanbur, R. and Rao, V. “Governance and the “Karnataka Model of Development”” *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.649. The PRI reforms can be traced back as far as Krishnaraja Wadiyar’s local government reforms at the beginning of the 20<sup>th</sup> century, which created 8 district and 77 taluk boards; the subsequent Mysore Local Boards and Village Panchayat Act of 1918 which provided for the election of half of the representatives in district boards and two-thirds of representatives on taluk boards; and the reforms of 1926 which abolished taluk boards and replaced them with village panchayats and district boards with devolved power and revenue raising authorities.

<sup>42</sup> Karnataka now has 29 zilla panchayats, 175 taluk panchayats and 5,652 gram panchayats. A grama panchayat represents a group of villages with a population of 5-7,000 people, with one representative for every 400 people.

performance of panchayats by the Government of India, and the state is now ranked highly in terms of the functions, finances and functionaries through the NCAER Devolution Index.<sup>43</sup> Grama Panchayats are democratically elected every 5 years, with quotas for certain groups (including women)<sup>44</sup>; information flows among and between the different levels of panchayats has increased, leading to improved upward and downward accountability;<sup>45</sup> participatory mechanisms have allowed for better consultation on community priorities; and service delivery has in many cases improved as a result of more direct accountability and transparency. Karnataka also recently implemented a provision for development officers to be seconded to all Grama Panchayats to assist with management and implementation. In the village of Tadas, for example, this has had important effects- priorities are now set through biannual meetings, revenue collection has quadrupled, services (particularly health) have improved and coordination with the other levels of government has become more effective.<sup>46</sup> Indeed, the generous empowerment and funding of panchayats has allowed for “significant correctives” of corruption- while the number of people involved with corruption has increased (due to the large increase in the number of elected offices) the overall level of corruption may have decreased. In the 1980s up to 40% of development funds from the state government were stolen by sub-district officials, but since the devolution process to panchayats, which significantly increased the ability of citizens to monitor funds, the estimated level of funds stolen is just 5%.<sup>47</sup>

Recently, Janaspandana programs have also been initiated through which every last Saturday of the month is devoted to open and public reviews of all development programs at the hobli (cluster of villages) level. Moreover, the PRI system seems to have meshed with other non-governmental actors at the local level. There are some hugely impressive public-private partnerships, in rural Karnataka for example. Through a collaboration between the state and a private-sector ambulance company, even populations in the most remote areas can call a toll-free number at any time and an ambulance will arrive within fifteen minutes to take them to the nearest hospital, free of charge.<sup>48</sup> While the extent of implementation of these programs is again mixed, there are rural areas where they have allowed grievances of villagers to be aired and addressed.<sup>49</sup> The Grama Panchayats also seem to coexist relatively well with traditional governance structures (customary village councils) at the village level.<sup>50</sup> These councils now tend to focus, through an informal division of labor, on those services and activities that the Grama Panchayat does not perform at the village level, including: religious activities, dispute resolution, social services and support to the

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<sup>43</sup> Discussions in Karnataka, October, 2010. On the NCAER Index Karnataka ranks 5<sup>th</sup>, behind Madhya Pradesh, West Bengal, Tamil Nadu and Kerala. See Government of India, *Commission on Center-State Relations Report Volume IV- Local Self Governments and Decentralized Governance* (March 2010), p.46

<sup>44</sup> While the participation of women is often tentative in their first term as part of these bodies (with husbands often sitting behind them in meetings and indirectly influencing decisions) experience demonstrates that during the second term, women become increasingly vocal and independent. Discussions in Karnataka, October 2010

<sup>45</sup> Crook, R. and Manor, J. *Democracy and Decentralization in South Asia and West Africa: Participation, Accountability and Performance* (Cambridge: Cambridge University Press, 1998) Chapter 2.

<sup>46</sup> Discussions in Karnataka, October 2010. Programs such as the National Rural Employment Guarantee Scheme (NREGS) have also provided an important and secure source of income to rural Karnatakans, particularly in the agricultural off-season and given the high dependence on agriculture in rural areas, meaning vulnerability to climatic changes and fluctuating agricultural prices. The NREGS in Karnataka, however, has not been implemented particularly well- a recent report by the National Council of Applied Economic Research and the Public Interest Foundation (PIF) found Karnataka last among Indian states in terms of transparency, vigilance and social audit of the scheme. There are also issues with the NREGS model in itself, as it cannot fundamentally change the poverty dynamics in rural India.

<sup>47</sup> Manor, J. ‘Change in Karnataka over the Last Generation: Villages and the Wider Context’ *Economic and Political Weekly*, February 24<sup>th</sup>, 2007, p.657. While these figures are from 2007, and corruption may have increased over the course of the last three years, the panchayat system does seem to have improved the transparency of governance at local levels.

<sup>48</sup> Discussions in Karnataka, October 2010. A number of villages attested to the efficiency of this program.

<sup>49</sup> Discussions in Karnataka, October 2010.

<sup>50</sup> CVCs have no constitutionally mandated role, but interact with the grama panchayats on an informal basis.

disadvantaged, and small-scale development activities (through use of local initiative, resources, labor and land).<sup>51</sup>

### *The Bhoomi Program*

Land reforms in Karnataka during the 1970s stipulated the use of a document called a Record of Rights, Tenancy and Cultivation (RTC) for rural citizens, to indicate their relationship to the land on which they work, and to provide a means by which to obtain loans and government benefits.<sup>52</sup> Initially, the process of issuing RTCs was manual, ineffective, untransparent and corrupt. In the 1990s, therefore, land records were computerized for the entire state of Karnataka (20 million plots of land), including information about the land itself (shape, size and so on) and the legal rights, liabilities, taxation, and charges that pertained to the land.<sup>53</sup> This was a hugely difficult process, given entrenched institutional inertia and corrupt interests, but has subsequently proven catalytic. In 2002, the Government of Karnataka put in place an electronic land registration system (in partnership with the Union government) called *Bhoomi*, to allow villagers to obtain RTCs quickly and easily through computer kiosks in every sub-district. The kiosks are based on software with built-in authentication, validation, security, accountability processes and automatic transaction update software; each one is manned by trained staff; and fees for the RTCs are minimal- Rs 15 (around US\$ 0.30), which cover the running costs of the system.

The system has created a cadastral map of Karnataka linked to *Bhoomi* records with survey numbers to allow for visualization of properties, with computerized land kiosks found at the sub-divisional (taluk) and village cluster levels (hobli). The effects have been impressive- *Bhoomi* has reduced the time taken for land registration transactions by almost five times and increased accountability- 66% of users reported having to pay frequent bribes under the manual system, as opposed to 3% under the *Bhoomi* system.<sup>54</sup> New technologies- such as cell phones- are now being used to collect, upload and access data within the system, and *Bhoomi* is also being connected to banks so loan applications, for example, can be linked to *Bhoomi* data on land registration and ownership.<sup>55</sup> The database now contains information on over 20 million land plots owned by more than 6.7 million farmers in over 176 sub-districts of Karnataka, and is being adopted as official Indian government policy for all states.<sup>56</sup> The way the *Bhoomi* system was put in place is also instructive in terms of business process reengineering and change management. The government showed a distinct willingness to phase reforms in over time to ensure take-up, and to learn from mistakes (the initial system did not include a process to update records in the system, for example). The system itself has led to important changes to the structure and delivery of services. The Land Revenue Act was amended to facilitate PPPs for establishing and maintaining kiosks, and the Karnataka Department of Revenue and the Department of Survey Settlement and Land Records have been merged to facilitate interaction.<sup>57</sup>

### *The Karnataka Yeshaswini Health Insurance Scheme*

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<sup>51</sup> Gaps still exist in practice between traditional and more modern governance structures and effectiveness of these institutions varies across contexts of course, but it is important to note that useful collaboration is taking place.

<sup>52</sup> See De Soto, H. *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* for a coherent argument as to the importance of property rights for underpinning a market economy.

<sup>53</sup> See Public Affairs Center. *A Report Card on Bhoomi Kiosks* (Bangalore, Public Affairs Center, 2004)

<sup>54</sup> This has reduced petty corruption by around Rs 895 million per annum. See Public Affairs Center. *A Report Card on Bhoomi Kiosks* (Bangalore, Public Affairs Center, 2004) and Chawla, R. and Bhatnagar, S. *Online Delivery of Land Titles to Rural Farmers in Karnataka, India* (World Bank, 2004) p.14

<sup>55</sup> International Records Management Trust. *India, Karnataka State Case Study* (June 2007) p.23

<sup>56</sup> Rajasekhar, P.V. "Bhoomi: An e-Conveyance System for Karnataka State" *GIM International* November 2006, Volume 20, Issue 11.

<sup>57</sup> Rajasekhar, P.V. "Bhoomi: An e-Conveyance System for Karnataka State" *GIM International* November 2006, Volume 20, Issue 11.

A further instructive example of effective rural service delivery in Karnataka through innovative public-private partnerships is the Yeshaswini Health Insurance Scheme. The state has many hospitals and medical colleges but in the early 2000s bed occupancy rate was as low as 35% and a large number of people were dying without proper treatment because of healthcare costs, particularly in rural areas.<sup>58</sup> In 2003, the Narayana Hrudayala Foundation and the Government of Karnataka developed a self-funded program that offers free consultations, and discounted diagnostics and operations for an annual insurance payment of Rs 140 (approximately US\$3) to the users, with the government offsetting the other insurance costs.<sup>59</sup> This covers Rs 2.00 lakh of benefits per member (Rs 200,000 or about US\$450). Farmers' cooperatives collect the premiums (which can even be made in-kind)<sup>60</sup>, usually paying the entire amount for their members in full and then deducting contributions from annual dues to ensure affordability for individuals and reduce administration costs. The premiums are then deposited in the Yeshaswini Trust accounts at banks around Karnataka. An external third party is brought in by the Trust for daily management of the program, and to ensure effective coordination with hospitals. The hospitals themselves often have to treat the target group in any case at rates less than those provided through Yeshaswini, so find it economical to join the program. Members are given identity cards which allow them to use any of the more than 150 hospitals that have signed up to the scheme.

The farmers' cooperatives have provided a strong distribution network for Yeshaswini and the reputation of the hospitals that have come into the program have increased its attractiveness to members. Overall, the effects of the program have been transformative- it has provided affordable healthcare, allowed for higher utilization of hospital facilities, reduced debt in rural areas and increased awareness of treatable conditions among farmers across the state. In the first year, the program covered 1.7 million people; 2.5 million people by the end of 2004; and over 3 million by mid-2010. As a result, Yeshaswini is now the largest self-funded healthcare scheme in the world.<sup>61</sup> With 18 months it had allowed for more than 22,000 operations for farmers and by August 2010 the total had reached over 200,000.<sup>62</sup> This kind of public-private cooperative scheme is rapidly becoming a model in other states for healthcare delivery, for more comprehensive insurance provision in Karnataka (covering inpatient treatment for example) and for other groups of citizens that can mobilize collectively (such as teachers).<sup>63</sup>

### ***The Emergence of a Plutocracy***

In economic, governance and service, delivery terms, therefore, Karnataka has made some important progress and implemented some pioneering models, particularly in terms of public-private implementation mechanisms. As a result of economic growth the fiscal position of the state has also improved with increased revenues- aggregate tax receipts increased at 13.4% per annum in the 1991-2007

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<sup>58</sup> See: Radermacher, R et al. "Yeshaswini Trust, Karnataka" *CGAP Working Group on Microinsurance, Good and Bad Practices, Case Study No.20* (ILO: November 2005)

<sup>59</sup> The premium began at Rs60, and was recently raised from Rs 120 to Rs 140. There is a 15% discount if 5 or more members of one family are enrolled. The program covers over 1,700 different types of operation including operations of the stomach, gallbladder, uterus, eyes, heart & brain. See: <http://www.narayanahospitals.com/yeshaswini.html>

<sup>60</sup> In the small village of Mangsandra, for example, in which dairy is an important activity, farmers can bring milk to the cooperative, which then sells it at market-prices and uses the proceeds as contributions to *Yeshaswini*.

<sup>61</sup> The size of the group is important as the insurance pot needs to be big enough to offset the strong effects of adverse selection.

<sup>62</sup> Singh, J. "Heart Surgery for Rs5 a month" in *The Tribune* (August 2<sup>nd</sup>, 2005) available at: <http://www.tribuneindia.com/2005/20050802/edit.htm#6> and <http://www.yeshaswini.org/html/statistics.htm>

<sup>63</sup> Harvard University, the Rockefeller Foundation and the World Bank are also examining the program to assess replicability.

period- and rules were put in place to ensure fiscal responsibility.<sup>64</sup> Karnataka had by relative standards a system that created professional bureaucracy and administration based on technical capacity to carry out tasks within ministries; and politically, after the Congress Party lost its dominance at the ballot box in 1983, voters were provided with a genuine choice between political alternatives, forcing leaders to engage to some degree in accommodative policymaking.<sup>65</sup>

*The Privatization of Politics and the Politicization of the Private Sector*

At the same time, however, with liberalization and the technology boom in the 1980s money flooded into the state and precipitated some pernicious changes in state-society relations. The quality of leadership deteriorated as politics increasingly become a struggle over expanding resources at the state level, while at the same time becoming more local and personal at local levels, with leaders moving to ensure spoils for those voters that supported them.<sup>66</sup> As a result, political leaders were expected to generate massive wealth to allow for patronage, and this in turn led to further corruption.<sup>67</sup> Since the election of 2004, in which the reformist administration of S.M. Krishna lost power, none of the Baharatiya Janata Party (BJP), Congress or Janata Dal Secular [JD (S)] parties have been able to secure a majority of seats at the state level, which has led to unstable governments and uneasy alliances. The struggle for power has not manifested itself in efforts to win popular support through coherent programs or legislation (the Karnataka Legislative Assembly passed less than 30 statutes and no significant policy reform from June 2008 to November 2009 for example)<sup>68</sup>, but rather in the capture of resources and efforts to build financial bases among interest groups. Over time, while streamlining of the state reduced the opportunity for graft within government systems to some degree- as functions were taken on by the private sector- new ways were found by politicians to work the system in their favor.<sup>69</sup> Simultaneously, China's rapid growth increased demand for natural resources such as iron ore- found in large quantities in north-eastern Karnataka close to the border with Andhra Pradesh.<sup>70</sup> The confluence of demand for this ore, matched with poor oversight, ruthless and well-connected families, and corrupt political connections has now created a situation in the area in which the rule of the gun has to some degree replaced the rule of law, and powerful, illicit interests threaten the stability of the state.<sup>71</sup>

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<sup>64</sup> The Government of Karnataka committed to the Fiscal Responsibility Act of 2002 (the first Indian state to do so), which mandated the state to reach a zero revenue deficit and to contain the fiscal deficit to below 3% by 2006. This was achieved in 2004-5.

<sup>65</sup> See Raghavan, E. and Manor, J. *Broadening and Deepening Democracy: Political Innovation in Karnataka* (New Delhi: Routledge, 2009)

<sup>66</sup> The Westminster style systems within Indian states provide significant powers to Chief Ministers which is an advantage when good leadership is in place, but a significant drawback when this is not the case, of course. Under the X administrations from X to X, many of the reforms put in place under Krishna slowed or were reversed.

<sup>67</sup> As a result, and perversely, politicians are known to exaggerate and flaunt their wealth to the Electoral Commission and voters.

<sup>68</sup> Narasappa, H. and Vasavi, A.R. "Reviewing the Performance of the Government of Karnataka" *Economic and Political Weekly Vol XLV, No.11* (March 13<sup>th</sup>, 2010), p.17

<sup>69</sup> Various stakeholders in Bangalore mentioned the process by which land around capital expenditure projects in Karnataka is notified for acquisition (by those with knowledge of the process) and then de-notified for implementation of the project itself. Thus politicians have bought land around areas which they knew the government would then buy back from them selectively and at inflated prices. The winding airport road from the new Bangalore International Airport- which connects different plots of de-notified land- is an excellent example.

<sup>70</sup> Estimates in 2008 indicated that that around 1,000 million tons of iron ore reserves of all grades could be found around Bellary in north-eastern Karnataka. If mined legally, this ore would take around 30 years to mine, but at the current pace, will be depleted within six years. See Simha, V. "The Hell Diggers" in *Tehelka Magazine, Vol 7, Issue 13*, (April 03, 2010): [http://www.tehelka.com/story\\_main44.asp?filename=Ne030410coverstory.asp](http://www.tehelka.com/story_main44.asp?filename=Ne030410coverstory.asp)

<sup>71</sup> Powerful mining interests linked to illegal extraction of iron-ore almost brought down the Chief Minister in Andhra Pradesh recently- see Simha, V. "The Hell Diggers" in *Tehelka Magazine, Vol 7, Issue 13*, (April 03, 2010): [http://www.tehelka.com/story\\_main44.asp?filename=Ne030410coverstory.asp](http://www.tehelka.com/story_main44.asp?filename=Ne030410coverstory.asp)

The issue is not that rules do not exist in Karnataka- the legal basis for actions is in fact relatively well-developed and understood- the problem is that the rules of the game do not accord with formal rules. For every law there are means and ways to operate around that law, largely without fear of prosecution. As a result, there is now a consensus in Karnataka that governance processes have become corrupt, often criminalized, and deeply intertwined with plutocratic political networks through which the interests of those in power are supported at the expense of the public good.<sup>72</sup> As one commentator pointed out: “this is a government for private interests, not a government for public representation”.<sup>73</sup> Accordingly, government systems often suffer from a lack of transparency and accountability; bodies tasked with ensuring equity and adherence to the rule of law (such as the state Human Rights Commission) are hampered by lack of support and funding; and the huge expansion of state infrastructure provides significant opportunity for corruption within the private sector.<sup>74</sup> As Narendar Pani pointed out recently in *Outlook* magazine, there is: “widespread acceptance of corruption. Politicians don’t just buy votes; ordinary citizens think nothing of selling their votes. This large and growing gap between the legal and the morally acceptable has entrenched corruption deeply in the state.”<sup>75</sup> Patronage and politics have now become so intricately entwined that it is extremely difficult to enforce the law. The Ombudsman (*Lokayukta*) was set up in 1985 as an autonomous body to investigate complaints of corruption, and was given extensive powers to carry out investigations. The current *Lokayukta*, Santosh Hegde, has worked hard to fight against the culture of corruption and improve transparency- he ensured, for example, that all officials now submit asset and liability statements under the Prevention of Corruption Act of 1988.<sup>76</sup> At the same time, however, he does not have the tools to ensure prosecution of individuals guilty of corruption due to weak legal and criminal justice systems.<sup>77</sup>

#### *Urban Governance- An Example of Past Possibilities and Current Realities*

Urban governance provides an interesting microcosm of these larger areas of progress and regression. In the late 1990s, the city of Bangalore (Bengaluru) experienced significant improvements in municipal service delivery through a network-building approach. A key vehicle for this was the Bangalore Agenda Task Force (BATF), headed by Nandan Nilakeni, CEO of Infosys. The BATF sought to create networks and to allow for synergies in addressing reform and service delivery issues, and kept regular surveys of citizens to understand changing perceptions.<sup>78</sup> The Task Force was based on a series of effective design principles including: i) direct reporting to the Chief Minister, providing a technical space of operation; ii) a problem solving approach based on collaboration between state, market and civil society actors; iii) the provision of seed funding (donated by BATF members) to support innovative projects; and iv) a focus on adapting private sector practices to government processes, working within government agencies rather

<sup>72</sup> Discussions around Karnataka, October 2010. The press has highlighted clearly how this corruption has manifested itself. See for example Srinivasaraju, S. “Muck.Gov.Ka” in *Outlook* magazine (October 25<sup>th</sup>, 2010) available at: <http://www.outlookindia.com/article.aspx?267506>

<sup>73</sup> Discussions in Karnataka, October 2010

<sup>74</sup> The NGO, DAKSH, for example, stated in a recent report that: “There is a serious lack of accountability within the government. Our own request for information regarding the functioning of the government revealed that key departments do not have updated information on various administrative aspects”. “Reviewing the Performance of the Government of Karnataka” *Economic and Political Weekly* (March 13<sup>th</sup>, 2010)

<sup>75</sup> Pani, N. “Denotifying Morality” in *Outlook* 25<sup>th</sup> October 2010

<sup>76</sup> Interview with the Lokayukta in Bangalore, October 2010

<sup>77</sup> Hedge recently launched an operation that proved the extent of illegal iron ore mining in Bellary, but the evidence was dismissed by the Chief Minister of Karnataka. Interview with the Lokayukta in Bangalore, October, 2010. Hedge tendered his resignation shortly afterwards but was later persuaded to stay in the job. See also Hedge’s “First Person Account” in *Tehelka Magazine*, Vol 7, Issue 27, ( July 10, 2010):

[http://www.tehelka.com/story\\_main45.asp?filename=Ne100710firstperson.asp](http://www.tehelka.com/story_main45.asp?filename=Ne100710firstperson.asp)

<sup>78</sup> See for example, Manor, J. “Successful Governance Reforms in Two Indian States: Karnataka and Andhra Pradesh” *Commonwealth and Comparative Politics* Vol. 45, No.4 (November 2007).

than creating parallel systems.<sup>79</sup> Agency members provided new thinking on processes and rules, resources and ideas to bureaucrats, and a platform for leveraging contacts and networks. The existence of the Task Force created pressure for change on government agencies, but at the same time, officials were free to reject proposals in order to ensure government ownership of any initiatives that were taken forward.

As a result, many agencies signed citizen charters to inform users, set standards and act as reporting mechanisms. Government began to interface more readily and systematically with citizens groups and NGOs through a collaborative platform called “Swabhimana” (self-respect).<sup>80</sup> In turn, civil society groups grew and provided a more concerted voice in response to the problems faced in the city. Progress was rapid- simple self-property tax assessments were introduced, which reduced corruption by over US\$2 million a year; fund-based accounting was put in place;<sup>81</sup> and municipal accounts were disclosed on a quarterly basis. Slums were connected to power and water supplies through formal processes; bus-shelters were built by private companies in exchange for advertising rights; and the transport authority leased buses from the private sector through a revenue-sharing program. In this way, a combination of high-level political support and networks between policymakers, the private sector, service-providers and civil society allowed for accountability to users and improved functionality at the municipal level.<sup>82</sup>

Despite the progress made by the BATF, municipal governance in Bangalore has stalled because local policy and service delivery bodies are overwhelmed. Urbanization is increasingly rapidly in Bangalore- the number of vehicles in the city doubles every five years- and this trend will only continue.<sup>83</sup> Equally, the state government continues to exercise considerable control over urban bodies, most of which are administratively and financially weak; the local governance organization Bruhat Bangalore Mahanagra Palike (BBLP) remains untransparent in its processes and actions; and District Planning Committees- the institutions for decentralized planning- have in certain cases been formally created, but are often dysfunctional or entirely non-functional.<sup>84</sup> Ward committees are often hampered by poor nomination processes for candidates, confusing mandates and limited participation.<sup>85</sup> At the same time, commitment to the BATF at the highest political levels was critical, and with the change of administration at the state level, the Task Force was dissolved and the commitment to reform within the government began to dissipate.<sup>86</sup> As a result, service delivery in many areas has declined, corruption has increased, living standards have stagnated and development activities are largely ad-hoc, unplanned and uncoordinated.<sup>87</sup>

Where the BATF worked with identified civic stakeholders such as the Bangalore City Corporation (BCC), Bangalore Development Authority (BDA) and the Bangalore Metropolitan Transport Corporation (BMTTC) among others, agencies active at the municipal governance level in Bangalore now work in stovepipes with little or no communication channels or joint planning and reporting. The new *Plan Bengaluru 2020* is candid about the problems the city now faces, citing the decline from: “a vibrant

<sup>79</sup> Discussion with former BATF member, Bangalore, October 2010

<sup>80</sup> Balakrishnan, S. “Making Service Delivery Reforms Work: The Bangalore Experience” in Chand, V. *Reinventing Public Service Delivery in India* (Washington, DC: World Bank, 2006), p.167

<sup>81</sup> Manor, J. “Successful Governance Reforms in Two Indian States: Karnataka and Andhra Pradesh” *Commonwealth and Comparative Politics Vol. 45, No.4* (November 2007), p.423

<sup>82</sup> Balakrishnan, S. “Making Service Delivery Reforms Work: The Bangalore Experience” in Chand, V. *Reinventing Public Service Delivery in India* (Washington, DC: World Bank, 2006), p.157

<sup>83</sup> There is significant nostalgia among the people of the Bangalore for the green, tree-lined city of the past.

<sup>84</sup> Discussions in Karnataka, October 2010. The Bangalore Planning Committee has not yet been set up almost 20 years after the 74<sup>th</sup> amendment to the Indian constitution that legally established it.

<sup>85</sup> Ramanathan, R. ‘Federalism, Urban Decentralization and Citizen Participation’ *Economic and Political Weekly* (February 24<sup>th</sup>, 2007) p.674

<sup>86</sup> Discussions in Karnataka, October 2010.

<sup>87</sup> Bangalore for example, has grown from a city of 1.2 million in 1961 to over 6 million people today, a fact that is demonstrably evident by the visible overcrowding of the city.

metropolis to a city that is creaking and groaning under the weight of its own growth” with flawed contracting, poor planning, lack of service delivery and citizen engagement, unsustainable approaches and inadequate communication.<sup>88</sup> Where national plans are in place to support urban development, such as the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), projects have often been developed without the necessary safeguards or transparency of implementation.<sup>89</sup> While there are pockets in which progress is being made and imaginative approaches to traditional problems are being put in place<sup>90</sup> - there is a general sense of resignation among the population to inefficiency and mismanagement as the problems the city produces overwhelms the ability of the government to deal with them.

### ***The Role of Civil Society***

A central issue in Karnataka, therefore, is not that the necessary governance rules and laws themselves are absent, or that private sector growth has not taken place, but rather that it has become too easy or profitable to work around existing rules to support individual rather than collective goals. A series of important laws, however, have provided the basis upon which civil society groups in Karnataka are now able to generate a modicum of “social accountability” and hold public officials to account.<sup>91</sup> The most important of these is the Right to Information (RTI) Act, passed in 2005, which seeks to promote openness and encourage citizen engagement with their institutions of government. The citizens of Karnataka can now request information from a “public authority” (a body of Government or “instrumentality of State”) which is required to reply within thirty days.<sup>92</sup> While the act is national in scope, of course, in Karnataka, civil society has been able to mobilize behind it and use the rules as resources to demand change. Neighborhood organizations have come together to demand information on service provision, for example, and multiply and improve interactions with elected officials.<sup>93</sup> At present, the RTI system provides “pull” access (information is provided when citizens ask for it) but the state is moving towards “push access” through which audited state and local body plans and budgets, department monitoring and evaluation reports, project implementation information and citizen charters specifying minimum levels of service will be made available automatically.<sup>94</sup> This is allowing for the development of a better understanding among the people of the state of the functions and workings of government, and the levels at which state functions should be performed as part of a decentralized system.<sup>95</sup>

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<sup>88</sup> Government of Karnataka, Agenda for Bengaluru Infrastructure and Development Task Force (ABIDe) *Plan Bengaluru 2020: Bringing Back a Bengaluru of Kempe Gowda’s Dreams* (January 2010). The plan itself does provide solutions for these problems, and annual city report cards to allow for citizen evaluation of progress, but there are no set targets or timeframes outlined in the document.

<sup>89</sup> Narasappa, H. and Vasavi, A.R. “Reviewing the Performance of the Government of Karnataka” *Economic and Political Weekly Vol XLV, No.11* (March 13<sup>th</sup>, 2010), p.19

<sup>90</sup> The City Connect Platform, for example, seeks to bring the private sector and civil society back into urban planning and governance processes through joint identification and implementation of critical projects. ABIDe- the Agenda for Bengaluru Infrastructure and Development Task Force, has also been set up by the Chief Minister Yeddyurappa to address urban issues in Bangalore. See: <http://www.abidebengaluru.in/> A new Bangalore Regional Governance Bill should provide the basis for better coordination between urban governance bodies, if passed.

<sup>91</sup> See Tsai, L. *Accountability without Democracy: How Solidarity Groups Provide Public Goods in Rural China* (Cambridge: Cambridge University Press, 2007). Other important legislation in this regard at the national level includes that covering Public Interest Litigation (PIL) through which a citizen or a civil society group can approach the Supreme Court to seek legal remedy in cases where public interest is at stake. In Karnataka, the Karnataka Transparency in Public Procurement Act (KTPPA), passed in 1999 to provide transparency in the public procurement of goods and services, is also important.

<sup>92</sup> See <http://rti.gov.in/>

<sup>93</sup> Discussions in Karnataka, October 2010

<sup>94</sup> Government of Karnataka. *11<sup>th</sup> Five Year Plan (2007-12)*, p.144

<sup>95</sup> Civil society efforts in Karnataka have also been supported by a press that has matured and developed the ability to carry-out investigative reporting rather than merely highlighting local concerns. The media is also moving beyond its traditional role, though sponsoring forums for citizens to raise concerns about the problems they face, for

### *Citizen Report Cards*

This trend can be seen in Bangalore, which has now become famous for the “Report Cards” process that has to some degree provided the stimulus around which state functions have been identified and evaluated, and civil-society has flourished in the city.<sup>96</sup> In the early 1990s, a group of concerned citizens in Bangalore initiated an experiment to produce a report card on public services. Using the twin concepts of measurement and benchmarking, the team created report cards to provide objective and credible citizen feedback on issues related to the delivery of public services focusing on issues such as quality, reliability, corruption and satisfaction. Through careful dissemination activities and interaction with the media, the results of the report card process were widely discussed and created significant bottom-up pressure on policymakers to explain performance and to interact with citizens on issues that affected their lives.

The Public Affairs Center (PAC) grew out of this process, and refined the report card methodology to ensure objective, quantifiable responses to questions to produce effective, measurable results. Over the course of the past several decades the group has carried out a series of report card processes across a variety of public domains in Bangalore- including health services, pensions, drinking water and sanitation facilities and land sales- gathering, measuring and publicizing citizen perspectives. This process has: i) allowed for transparent inter-agency comparison, generating competition among public bodies; ii) provided a lever that reform minded decision-makers have been able to use to precipitate change within their organizations; and iii) provided the basis for civil society campaigns for reform. This is hugely important because one of the functions of citizenship is to hold the state to account for the use of public resources, and the report cards have provided a medium through which previously un-transparent and corrupt processes have been opened up to public scrutiny, evaluation and accountability.

More recently, the Government of Karnataka, after initial distaste for the report card process, has realized the value of understanding citizen perceptions of public services and now commissions the PAC to carry out the process across state functions independently, through a fund set up by the Central Planning Commission. The most recent PAC report card was explicitly requested by the Director General of Police and focused on the culture of the police force in Karnataka (with analysis not only of perceptions of the police by citizens, but also through extensive interviews with the police themselves).<sup>97</sup> The findings and suggestions of the report card, including on issues of police responsiveness, mistrust, poor follow-up to complaints, corruption, hierarchies and work culture were accepted and initiated by the police chief within a month, and implementation of the relevant changes has begun.<sup>98</sup> The demonstrated success of the report card process has led the Union government to agree to roll-out of similar programs in ten other Indian states.

### *Bottom-Up Demand and Supply*

That is not to suggest that the report card process in itself can effect wholesale governance changes in Karnataka, but it does demonstrate that when a citizenship or user-perspective is garnered and fed-into the policymaking process it can lead to positive outcomes. The growth of industries such as IT has brought a mass of young, well-educated Indians to Karnataka which is now beginning to translate into more concerted demand for improved services and governance and support for civil society groups that have sought to address these issues. As a result of the failure of the state to provide the services expected of it

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example. At the same time, the media can also be increasingly influenced (or owned) by interest groups which do not necessarily have the interests of the citizenry more broadly as their primary concern.

<sup>96</sup> Balakrishnan, S. “Making Service Delivery Reforms Work: The Bangalore Experience” in Chand, V. *Reinventing Public Service Delivery in India* (Washington, DC: World Bank, 2006), p.179

<sup>97</sup> See Public Affairs Center. *Police Work Culture in Karnataka: A Bottom-Up Assessment* (August 2010)

<sup>98</sup> Interview with Samuel Paul, Bangalore, October 2010.

in many instances, civil society in Karnataka is now stepping in to understand and measure the problems citizens face, and to some degree provide solutions. In rural areas, there are hundreds of small, local NGOs working across the state on issues of service delivery and development. In urban areas, *Janaagraha* (or “moral force of the people”), for example, seeks to support participatory democracy and solutions to urban problems, and has led innovative campaigns to improve city governance through, for example, a “ward vision” campaign, which mobilized citizens to analyze tax receipts which in turn led to bottom-up plans for “Ward Revenue Enhancement with Citizen Participation” (RECI-P).<sup>99</sup> Ramesh Ramanathan points out that over 1 million citizens participated in only the first few years of *Janaagraha*’s activities- without formal sanction and with this representing the efforts of only one NGO in Bangalore.<sup>100</sup> *Janaagraha* has also set up the innovative website [www.ipaidabribe.com](http://www.ipaidabribe.com) through which citizens can document publicly the nature, number, pattern, types, location, frequency and value of corrupt acts to provide a snapshot of bribes occurring across Karnataka. Users can also document the acts of honest public officials. The group then uses this evidence to support arguments for improving governance systems and procedures, and tightening law enforcement.<sup>101</sup> Other well-regarded groups such as DAKSH and the Citizens’ Voluntary Initiative for the City of Bangalore (CIVIC), or the Deshpande Foundation in Hubli are working to further understand governance dynamics in the state and support collaborative solutions to shared problems, while hundreds of issue-based groups now exist focusing on issues ranging from genetically modified foods to power supply.

It would be a mistake to directly translate the impressive work of disparate and often small organizations outside the government as more than the sum of their parts- their current efforts are hugely important but not transformational on a strategic level as yet. However, there are dense formal and informal networks among NGOs in the state, such as the Federation of Voluntary Organizations for Rural Development in Karnataka (FEVORD-K), which allow these organizations to express solidarity, share experiences and expertise, and identify constraints to change.<sup>102</sup> Some of these groups are also collaborating with the government- both state and Union- to provide services which the local administration is not able to provide. In a hugely impressive system of procurement, production and distribution, for example, the Akshaya Patra organization, based in Hubli, is now providing nutrition-rich midday school meals to over 182,000 school children in Karnataka (at a cost of Rs 5 per meal) with the use of both government and private funding.<sup>103</sup> The organization has refined supply-chain management and service delivery through an environment of constant trial and error and innovative approaches to overcoming the constraints it has faced.<sup>104</sup>

This is important because it demonstrates a model in which the state can act as a regulator and funder of services, rather than a direct provider, while at the same time, the delivery of aid through parallel systems can be shifted towards government frameworks.<sup>105</sup> Again, this is not suggest that the efforts of several prominent, often middle-class NGOs in themselves can change the fortunes of Karnataka. Their work does reflect however, something of an emerging agenda of citizenship with the people of the state seeking

<sup>99</sup> Discussions in Karnataka, October 2010

<sup>100</sup> Ramanathan, R. “Federalism, Urban Decentralization and Citizen Participation” *Economic and Political Weekly* (February 24<sup>th</sup>, 2007) p.678

<sup>101</sup> See [www.ipaidabribe.com](http://www.ipaidabribe.com)

<sup>102</sup> Kudva, N. “Conceptualizing NGO-State Relations in Karnataka” in Kadekodi, G.K. Kanbur, R. and Rao, V. (eds) *Development in Karnataka: Challenges of Governance, Equity and Empowerment* (New Delhi: Academic Foundation, 2008), p.138

<sup>103</sup> See <http://www.akshayapatra.org/>

<sup>104</sup> Discussions in Karnataka, October 2010. See also, Harvard Business School. *Akshaya Patra: Feeding India’s School Children* (December 2007):

[http://www.akshayapatra.org/sites/default/files/images/harvard\\_business\\_school\\_study.pdf](http://www.akshayapatra.org/sites/default/files/images/harvard_business_school_study.pdf)

<sup>105</sup> A larger constructive discussion in Karnataka on what role civil society can play and which gaps non-state actors can fill would provide the basis for understanding how service delivery and development can best be supported over the longer-term, which may be with NGOs in the advocacy/oversight role rather than as direct service-providers.

a stake in a fair system rather than outside it, and the capacity of the government to partner with non-state actors where feasible. The growth of a young, informed middle-class in urban centers, widespread disgust with the deep corruption within the state and among politicians further attests to a situation in which the population may perhaps be beginning to turn against narrow patronage systems through engagement with civil society groups. This may provide more expansive opportunities for partnerships and allow for the consolidation of the idea of the state as the agent and the people as the principal, rather than vice versa. As one stakeholder in Karnataka pointed out: “in 10-15 years, civil society in Karnataka will be able to exert system influence”.<sup>106</sup>

#### **IV. Principles**

It is important to recognize that Karnataka’s history, culture and developmental trajectory are idiosyncratic and are not representative of India as a whole- and the same could be said for all of India’s states, of course. One might consider, however, what the example of Karnataka- a state in which significant problems persist, but where huge progress has been made- can provide in terms of a framework for reform in other similar Indian or non-Indian contexts. A selection of key principles that it seems could be drawn from Karnataka’s experience include:

- i) *Recognize the Importance of Systems.* Development is far easier when reform-minded individuals can be relied upon and partnered with to generate positive change. Unfortunately at the highest levels in Karnataka today there is an absence of statesmanship which is not allowing this to happen. Moreover, many of the positive changes that are taking place are individually important, but are not collectively creating systemic change. This is making it difficult for citizens to address the very serious corruption and misgovernance they see on a daily basis. Where systemic approaches have been put in place- even in prescribed areas or on a small-scale- they have demonstrated the ability to improve governance through removing layers of bureaucracy and individual discretion. The Khajane and Nemmadi systems, for example, have significantly streamlined interactions between citizens and the state using new technologies, and as a result have circumscribed the potential for corruption.
- ii) *Understand the Political-Economy of Reform.* Change cannot only be desirable, but must also be feasible and credible. Aspirational goals without the governance machinery and tools for implementation to achieve them can actually prove counter-productive. In the context of Karnataka, the entrenched interests that have now developed cannot be challenged directly by reform-minded politicians as the stakes are simply too high and as a result, the incentive does not exist. This means that calls for large-scale change of the sort many people would like to see, may be misplaced. Incremental reform, however, through which shared interests can be developed in small-ways and incremental change can be made at the margins, is possible. The BATF, for example, met with significant success because it created win-win solutions to collective problems through generating ways forward that did not damage the interests of powerful groups that may oppose change.
- iii) *Combine Top-Down Supply with Bottom-Up Demand.* Politics and policymaking driven from above have historically and overwhelmingly characterized Indian governance processes, and this has led to- and continues to lead to- sub-optimal outcomes. A series of initiatives in Karnataka, however, indicate that when a popular demand for change at the bottom is understood and combined with effective design of mechanisms for the supply of positive reforms, significant progress can be made on difficult issues. The public and private sectors can come together- through programs like the Yeshaswini scheme for example- to effectively provide efficient services at very low cost to significant segments of the population. The citizen report cards

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<sup>106</sup> Discussions in Delhi, October 2010

process and the way in which the Government of Karnataka is now responding to the accountability that they are creating, is also indicative of this fact.

- iv) *Support a Balance between the State, Market and Civil Society.* The experience of Karnataka demonstrates clearly that some impressive gains can be made where the public and private sectors, or the public and civil society sectors come together to support shared goals with collaborative actions. The range of changes that have been put in place through hybrid approaches of this sort- from the pro-business economic environment regulated by the state, to the Bhoomi program for land registration- are the areas where Karnataka has been most successful over the past twenty years. Some truly pioneering models for the balance between the state, market and civil society have developed. While in many cases these models have emerged because of the weakness and dysfunction of the state, rather than its strength, is immaterial because the functions and role of the state will change continually. The key point is that an evolving dynamic between and among these three domains is always important to ensure balanced development.

## V. *Moving Forwards*

Despite the lessons that might be learned from Karnataka's progress, there is a sense that the momentum-based on strategic vision in areas such as education, and robust growth through careful support for the private sector- may be lost if changes are not made.<sup>107</sup> Politically, the outlook for Karnataka is not bright in the short to medium-term. As described above, the intersection of wealth (both legitimate and illegitimate) and politics is having an insidious effect on the fabric and machinery of governance. The BJP's influence has grown in the state over the past several years and with it, the narrow interests of the political (often *lingayat*) elite. At the same time, as in much of India, national political forces are fragmenting, generating greater competition for the spoils of power. While caste still plays a significant role in politics in Karnataka, social relations have also become more fluid particularly in rural areas, with traditional roles and "duties" holding less sway over what could be described as low-status groups.<sup>108</sup> Family- for so long the social unit of Indians- is becoming less important as individual interests become more central. This is generating further friction- which when combined with the plethora of other problems that the people of Karnataka face on a daily basis could generate negative forces in the future.

Moreover, in developmental terms, there is another critical issue, not touched upon above, which will prove central to Karnataka's development in the medium to long-term, and which is far removed from the high-tech business boom which so often dominates the narrative of the state for outsiders. Despite all the economic changes, agriculture still sustains around 63% of the population but the net irrigated area to net sown area ratio is just 28.3%.<sup>109</sup> That is to say, there is a significant inability of rural farmers to adequately utilize water to support increased agricultural productivity and efficiency in dry land areas. The shortage of water resources is already leading to conflict with neighboring states, and with climate change increasingly an issue, the effective use of water resources will be central to equitable and sustainable growth in the future.<sup>110</sup> At the same time, land holdings are diminishing in size through the division of farmland as it is passed from one generation to the next, as is the custom in the region. This is further eroding productivity and preventing the accumulation and use of capital for the necessary small

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<sup>107</sup> One stakeholder compared Karnataka with Bihar, which was previously one of the more progressive states in India, but now suffers from difficult socio-economic and governance problems.

<sup>108</sup> See Raghavan, E. and Manor, J. *Broadening and Deepening Democracy: Political Innovation in Karnataka* (New Delhi: Routledge, 2009), p.280. Also- discussions in Karnataka and Delhi, October 2010

<sup>109</sup> Compared to more than 40% at the national level Bhandari, L. and Kale, S. *Indian States at a Glance, 2008-9: Karnataka. Performance, Facts and Figures* (New Delhi: Indicus Analytics, 2009), p.17

<sup>110</sup> Urbanization is rapid, as mentioned previously, but one means by which to offset urbanization is, of course, to increase rural livelihoods and living standards.

and medium-size infrastructure (including irrigation systems) to support agricultural development, and therefore equity, in the longer-term.

This ties in with the political trends outlined above because resentment seems to be rising in poor, rural regions towards the ostentatious wealth and power that is now concentrated in urban areas. The balance between tradition and progress, and growth and equity, has not yet been struck. Indeed, one reason for the rhetorical (although not always practical) shift away from support for the Congress Party in recent elections has been the perception that the Krishna government favored urban rather than rural interests. The language of the state remains economic, but the problems it faces are social. Karnataka has simply not invested in social development in the same way as other states in southern India, such as Kerala and Tamil Nadu, which has not, therefore, provided the basis for the more equitable distribution of wealth or legitimate opportunities for citizens. Economic growth has created an increasingly engaged middle-class, however, who understand this dynamic and are beginning to work as part of civil society to address these issues. This segment of the population has not yet entered politics due to some degree with their distaste for the patronage systems that have become so central to policymaking. As their number and consciousness grows, however, we might expect to see changes in governance outcomes as a result.

## VI. *Conclusions*

The experience of Karnataka tends to mirror that of India as a whole to some extent. The sheer depth and breadth of differences among and between various groups and individuals, and the diversity of ideas and actions, is breathtaking. As a result, it is a very difficult place to understand, but one senses that individually, Indians are brilliant, but collectively do not quite always fulfill their shared potential. This is certainly the case in Karnataka, which has tended to “take one step backwards for every two forwards”.<sup>111</sup> The popular narrative of the transformation- centered on stock perceptions of Karnataka as the “Knowledge hub of Asia” and Bangalore as the “Silicon Valley of India” contain elements of truth but mask the true scale and scope of changes- both positive and negative- that have taken place over the course of the last twenty years. The wealth creation mentality obscures the social issues that remain in a society where technological change and development can only change the life chances of a limited amount of citizens.

Important and positive reforms have been put in place across the economic, governance and civil society spheres, ranging from one-stop shop investor agencies to rural healthcare delivery systems. In this sense Karnataka is an excellent example of what is possible. At the same time, the negative side of globalization- such as rapid urbanization and climate change- are making more systemic change increasingly difficult. Traditional ways of life in Karnataka- as depicted by Karanth in his famous novels- are being transformed, and as a result, the resilience of the political consensus in the state, so well-explained and documented by academics such as James Manor, is now under threat.<sup>112</sup> A new self-interested politics is emerging in which the public good is subordinate to personal gain. Importantly, however, the people of the state are conscious of the problems they face and are hugely imaginative in the means by which they can deal with those problems when given the freedom and support to do so. India in the second decade of the 21<sup>st</sup> century is a country in a hurry to fulfill its potential, provide prosperity and security for its people and mature on the global stage. There is scope for Karnataka to build on its own transformations and play a central role in these dynamics.

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<sup>111</sup> Discussions in Karnataka, October 2010

<sup>112</sup> See in particular: Raghavan, E. and Manor, J. *Deepening Democracy: Political Innovation in Karnataka* (London and New Delhi, Routledge, 2009).

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