

# Accountability in Government

Meenakshi Gupta

“Just as it is impossible to know when a fish moving in water is drinking it, so it is impossible to find out when government servants, in charge of undertakings, misappropriate money.”

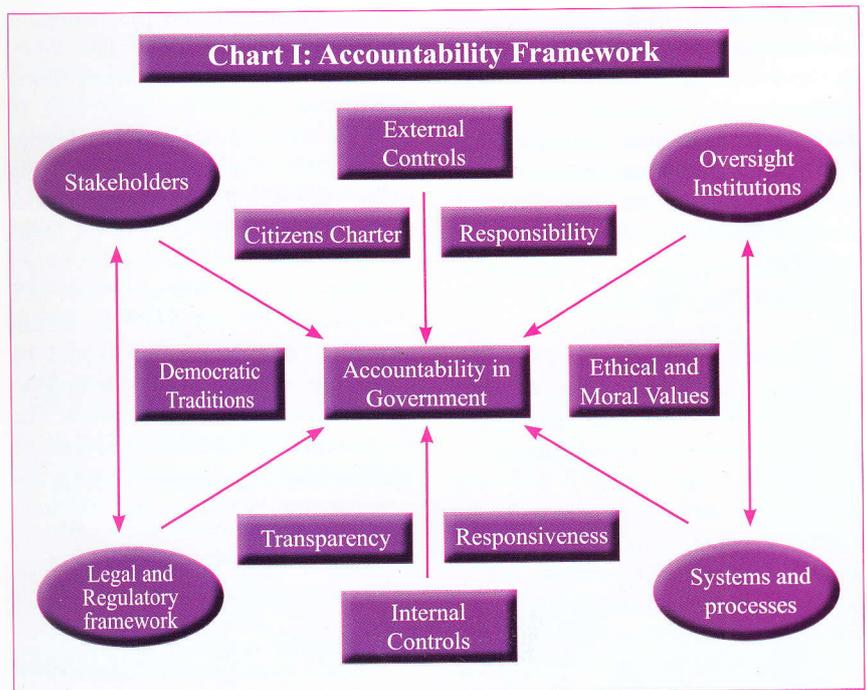
-Kautilya's Arthashastra

**T**he recent emphasis on revolutionised democracy seeking increased accountability from the government has brought into focus its need and importance in Governance and governmental functioning. Accountability mechanisms—in functioning of the State—has been engaging attention of the civil society, academicians and lawmakers in general and international financial institutions and donors in particular. It is in this context that accountability institutions assume importance and form the core of any good governance mechanism helping in bridging the gap between the stakeholders and the decision makers. In order to appreciate the concept of accountability in governance, it is imperative that concept of accountability be discussed as the first step. The questions pertaining to who is accountable to whom and for what, are required to be addressed as discussed in section I of the paper. Section II examines the institutional mechanisms that exist in India to ensure accountability fixating responsibilities on concerned authorities while Section III is conclusion with a way forward.

## Section I: Accountability

The accountability to the citizens is a fundamental principle of democratic governance. Accountability refers to the process as well as norms that make decision maker answerable to ones for whom decisions are taken i.e. the decision maker and the beneficiary. It is not limited to accountability to seniors in hierarchy only as part of chain of command but also the stakeholders including citizens and

civil society. It may stem out of legal requirement or may be determined by moral and ethical framework of the organisation. Accountability has an answerability component to justify the action and an enforcement component that is to take action in cases where act of omission or commission is established. It provides for remedial measures including punishment in case of deviations from norms. Accountability helps in improving



The author is a member of Indian Audit and Accounts Service, 1984 batch, currently serving as Deputy CAG in the office of Comptroller and Auditor General, New Delhi. Email: meenakshig9@hotmail.com

public confidence in government performance. Strong accountability is not a panacea for everything as the governments today operate in a very complex environment with stakeholders consisting of different interest groups, competing demands on limited resources and complex legal requirements for example relating to environment. However, accountability mechanism certainly encourages responsible governance. It facilitates a feedback mechanism between the Government and its citizens.

There is external accountability that is between the Government and the citizens which is established through the elections. Internal accountability mechanisms refer to systems of checks and balances and oversight mechanisms. The framers of the Indian Constitution, while adhering to the principle of separation of powers between Legislature, Judiciary and Executive also provided for appropriate checks and balances for administrative objectivity and accountability.

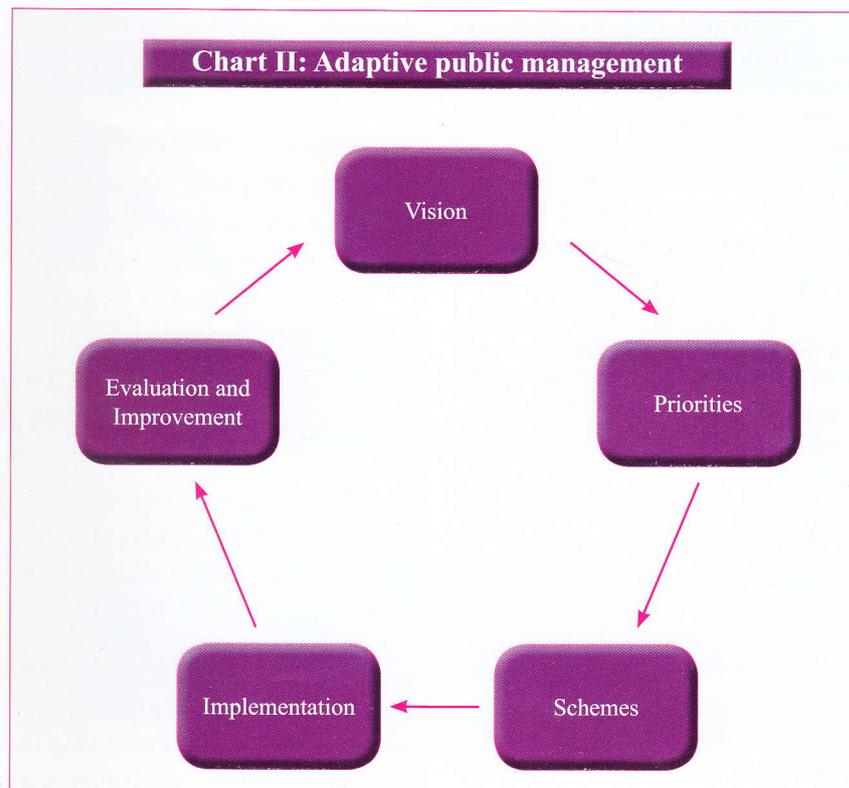
The accountability could be financial, administrative, legal or professional. The basic questions that are required to be addressed are:

1. Who is accountable to whom?
2. And for what?

As is evident from Chart I, there is an overarching framework governing the accountability consisting of legal and regulatory framework and systems and processes with democratic traditions and moral and ethical values being the guiding principles. The ultimate accountability to stakeholders, the citizens is to be ensured through a transparent, responsive and responsible administration which is subject to scrutiny by the oversight institutions.

#### Who is Accountable to Whom?

The concept of accountability is not new. Aristotle wrote, "Some officials handle large sums of money: it is therefore necessary to have other



officials to receive and examine the accounts."

First and foremost, stakeholder in any case would be the citizens. As the electorate, they have right to seek accountability of the elected representatives, what is referred to as external accountability. Internal accountability mechanisms refer to systems of checks and balances and incentives on one hand and oversight mechanisms coupled with expectations of the stakeholders to be met on the other.

The citizens are the tax payers. They have a right to know how the money paid by them has been expended by the Government. Was it used for appropriate purposes and efficiently? Did it benefit the target group? What were the outcomes? Did the government functionaries entrusted with the collection of taxes and implementing the schemes of the government follow the prescribed norms? So the accountability to the citizens is most critical in order to ensure sustenance of public trust and

confidence in the existing democratic systems.

The Chart II indicates accountability as an ongoing process. The stakeholders directly or indirectly participate in framing the vision and indicating the priorities. The schemes are framed and implemented by the government. The results of evaluation help in improving the system. At the same time, they empower the stakeholder to seek justification from the decision makers who in turn is obligated to provide necessary explanation. There are checks and balances and incentives in the system on one hand and expectations of the stakeholders to be met on the other.

#### Accountability For What?

Accountability is essentially an obligation to give an account of the actions taken or the decisions made by the person in authority to the stakeholders who are impacted by those decisions. While on one hand, it necessitates transparency in decision-making on the other it also presupposes that the accurate and reliable

information and data is maintained by the government agency and is available in public domain for public scrutiny. In absence of information and facts neither the grievance of the citizens could be appreciated nor could the responsibility be imposed for act of omission or commission.

The government functionaries are expected to take decisions within the administrative framework provided for the same in the form of General Financial Rules (GFR), Delegation of Financial Power Rules (DFPR), Manual of Purchase of Goods and Services etc. Therefore, any deviation would have to be seen by the oversight agencies with reference to this framework. However, in order for accountability mechanism to be really effective, it also needs to be ensured that the framework itself is robust. A weak administrative framework would lead to weak accountability mechanism.

The Right to Information Act, 2004 has introduced a huge element of transparency in the decision-making in the government as well as access to information. Similarly, digitisation of various services to the citizens has not only facilitated faster delivery of

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services but also provided a clear trail of transactions for any analysis by an oversight agency.

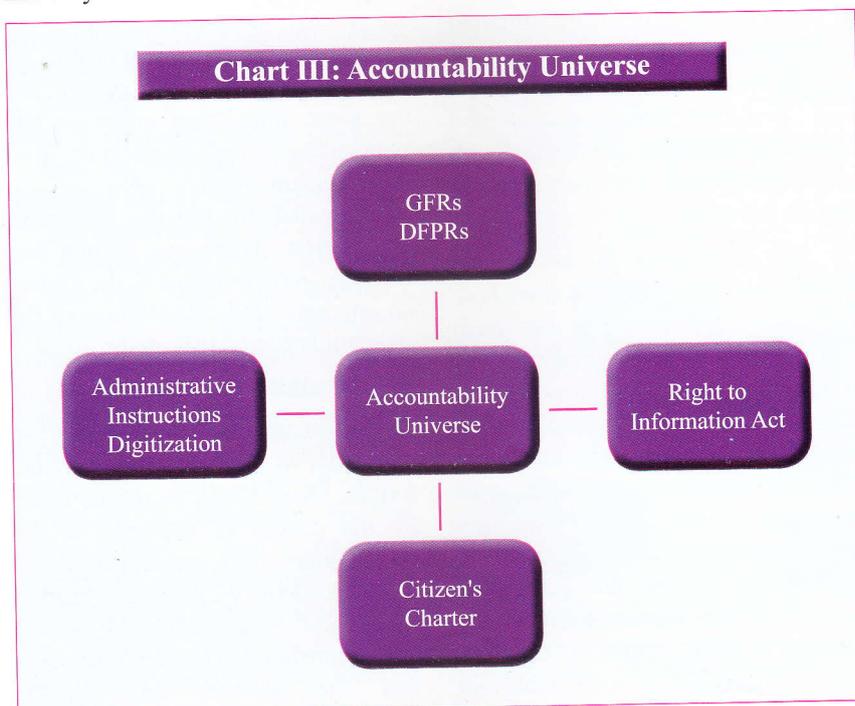
The Citizen's Charter also clearly spelt out the responsibilities of various agencies of the government. By laying down the timelines for rendering the specific services they proactively make themselves accountable to the citizens. For example, the Citizen's Charter of the Central Board of Direct Taxes (CBDT) provides for *inter-alia* service delivery standards which include the specified timelines for issue of refunds or redressal of grievances. In the budget speech in

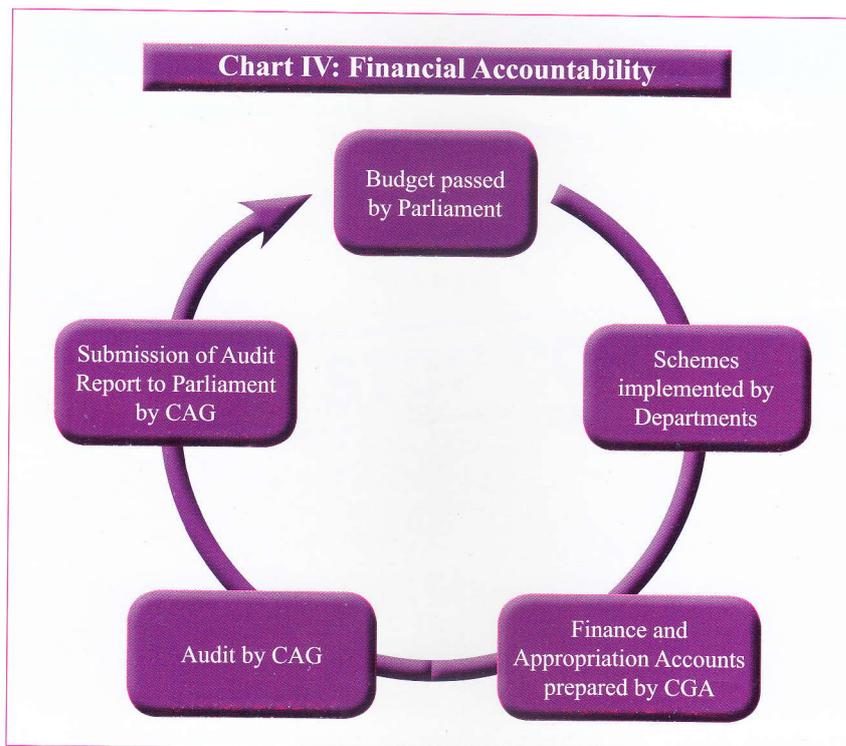
February 2020, the Finance Minister announced insertion of new section 119 A in the Income Tax Act namely, "Taxpayers' Charter". This would provide the much needed legal backing to Citizen's Charter in India as it would follow the model of governmental accountability in the form of a vision being strengthened through legal status to a priority area of service delivery. Following this new approach would help establish a precedent for Citizen's Charters in other governmental agencies thereby improving not only their credibility but also efficiencies for governmental functioning.

## Section II: The Institutional Mechanisms

Existence of strong and independent accountability institutions is a necessary condition for good governance. These institutions can detect the violations and deviations from prescribed norms as well as the instances of poor administration. They can indicate the abuse of power and unconstitutional conduct. The institutional mechanisms in context of the Government to ensure accountability may emanate out of Constitutional provisions, Legislative Framework and administrative arrangements.

External accountability between the Government and the citizens is established through the elections. Internal accountability mechanisms refer to systems of checks and balances and oversight mechanisms. The framers of the Indian Constitution, while adhering to the principle of separation of powers between Legislature, Judiciary and Executive also provided for appropriate checks and balances for administrative objectivity and accountability. The institutions of horizontal accountability in Indian context include the institutions of Comptroller and Auditor General (CAG), the Election Commission, the Vigilance Commission, the Central





Information Commission and the Ombudsman. In addition, there are a large number of Regulatory bodies including SEBI, TRAI, CERC, CPCB etc. While the institution of CAG and Election Commission derive their mandate from the Constitution, others draw their mandate from the respective Acts governing them.

Financial accountability is rather critical for overall functioning of the government. The budget is passed by the Parliament allocating specific sums of money to different ministries and departments to implement the schemes and projects. The Executive has full authority and freedom to formulate, design, and implement the schemes and projects for development and welfare of the citizens of the country. In order to ensure accountability of the executive to the legislature, the framers of the constitution created an independent oversight agency namely CAG of India as per Article 148 of the Constitution of India. Further, accounting for the expenditure incurred by the ministries and departments is done by the office of Controller General of Accounts (Ministry of Finance). The Finance

and Appropriation Accounts prepared by them are audited by the CAG of India who submits a report thereof to the Parliament in terms of Article 151 of the Constitution. This completes the financial accountability loop.

The role of CAG is not limited to financial audit of accounts. In addition, CAG of India conducts Compliance Audit and Performance Audit. The focus of Compliance Audit is on examination of rules, regulations, orders and instructions for their legality, adequacy, transparency, propriety, prudence and effectiveness. Performance audit is an independent assessment or examination of the extent to which an organisation, program or scheme operates economically, efficiently and effectively. Thus, the audit conducted by the CAG of India covers almost all aspects of accountability.

The CAG of India is an independent constitutional authority who is neither part of Executive, nor of the Legislature. Further, his independence is ensured through Constitutional and legislative provisions. Independence of the

authority entrusted with the task of oversight helps in efficient discharge of his functions as part of the accountability mechanism.

### Section III: Conclusion and Way Forward

Accountability is a necessary condition for good governance though not necessarily a sufficient condition. It is governed by the principles of democratic traditions and moral and ethical values of the society as well as legal and regulatory and administrative framework. As mentioned above, it has two elements namely, answerability and enforcement. The concept of accountability should not be limited to a fault finding perspective or blame game but should encompass the larger perspective of correcting and improving the systems. Of course, responsibilities must be fixed for violation of norms, deviation from processes etc., and acts of deliberate omission and commission should not go unnoticed and unpunished. However, the focus should be on identification of systemic errors/failures and suggesting improvements thereof. It also needs to be recognised that in a scenario of collective decision-making, it becomes a case of collective responsibility and accountability. The accountability mechanisms also need to keep pace with developments of modern government structures particularly in the era of digitisation.

There is also a need to sensitise the functionaries towards their responsibilities and duties in context of the accountability frameworks. For better transparency, not only there should be a Citizen's Charter but also well-defined Standard Operating Procedures (SoPs) for performing a job. Element of discretion needs to be minimised for ensuring responsiveness, transparency, and accountability.

*The views of the author are personal.* □