

# Inclusive Development through e-Governance: Political Economy of e-Government Projects in Andhra Pradesh, Tamil Nadu, and Kerala in India

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# Overview

- Research Questions
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# Research Questions

- Can e-Gov projects aim at inclusive development focusing on the traditionally marginalized communities and social groups?
- What are the institutional and political economy factors that might be associated with the nature, scope, and success of such projects?

# Research Methodology

- Five flagship e-Gov projects in three southern Indian states: two in Andhra Pradesh (AP), one in Tamil Nadu (TN), and two in Kerala
- Comparative multiple case study approach using cross-case comparative analysis
- Data from both primary and secondary sources
- Primary sources: Interviews with senior govt. officials, firms (in all three states), kiosk owners and operators (in TN)

# Current Literature

- Analyzes success or failure in terms of project specific or context specific factors, such as critical success and critical failure factors (Heeks & Bhatnagar, 1999), 'design-actuality' (Heeks, 2002) or 'design-reality' gaps (2003a), and long term sustainability along multiple dimensions (Kumar & Best, 2006).
- Does not focus on the institutional and political economy factors behind the design and implementation of such projects.
- These include the institutional processes, the class character of the state, and bargaining by dominant class coalitions that might be associated with state actions

# Analytical Framework

- Project and context specific analysis to determine sustainability and inclusiveness of the projects
- Main analytical framework: Political economy of development in India in the post-reform (after 1991) period
- Main argument: State actions in India can be understood as a result of bargaining by a few dominant classes: rich farmers, industrialists, bureaucrats, white-collar workers, etc. (Bardhan, 1984, 1998; Byres, 1994; Chaudhuri, 1995; Datta-Chaudhuri, 1990)
- Traditionally marginalized communities had little bargaining power

# Analytical Framework – Contd.

- Actions of the state are mediated by institutional arrangements, cultural norms and prevailing patterns of social and political behavior (Fountain, 2001).
- We may expect the institutional processes and existing social and political norms in these states to affect how they conceptualized, formulated, and implemented these projects.
- Existing social and political norms and patterns of political behavior in various states in India have been historically significantly influenced by the class character of the state, and bargaining by dominant class coalitions

# Analytical Framework – Contd.

- Class character of the state can be seen in almost all Indian states
- Kerala: the state relatively autonomous of the dominant class coalitions (Cairo, 2001; Dre`ze & Sen, 1995)
- Kerala politics marked by mobilization and organization of traditionally marginalized castes due to many caste and social movements during the pre-independence era (Cairo, 2001; Desai, 2001).
- Empowerment of these groups exerted pressures on the state for distributing the economic and social benefits widely (Cairo 2001).

# Three Case Study Areas



# Description of the Projects

- eSeva (AP): Multiple government services at a single counter
- Computer-aided Administration of Registration Department (CARD) (AP): Computerized the land registration process
- Sustainable Access in Rural India (SARI) (TN): Computer and internet kiosks in rural communities, provided email, browsing, voice chat, and e-gov services. Majority of the kiosks run by self-employed entrepreneurs closed down after 2-3 years due to financial unviability
- Akshaya (Kerala): Provides e-literacy to every household in the state
- Information Kerala Mission (IKM): Aims at implementing e-governance in all the urban and rural local bodies

# eSeva in Andhra Pradesh

- *eSeva in AP*: Launched in 1999, provides G2C and B2C services, 46 service centers located in Hyderabad and Secunderabad, recently being expanded to 20 other districts, uses a PPP model, provides both central and state government services (66 in total)
- Project driven initially by the Chief Minister himself.
- Financial viability with cost recovery thru user fees.
- Successful project and very popular
- Limited reach in rural areas

# CARD in Andhra Pradesh

- CARD in AP: Launched in 1998, aims at computerizing the Registration Department, covers all 387 sub-registrar offices, registration of deeds, encumbrance certificates, etc. on a nominal fee per service basis
- Significantly reduced the time taken, also financially viable
- Like eSeva, this project was also driven by the CM

# SARI in Tamil Nadu

- Launched in November 2001, 78 computer and internet kiosks at its peak in June 2004
- Two sets of operators: A local NGO operated 42 kiosks, 36 owned and operated by local self-employed entrepreneurs.
- Services: computer education; email/voice mail/voice chat; e-gov services
- Performed well during the first 18 months; 10 entrepreneur operated kiosks achieved commercial viability, e-gov services also proved successful: saved time, money, and effort, and reduced corruption (Kumar and Best (2006))
- The project suffered sustainability failure after two years as initial champions left, key officials shifted, and technical support from n-Logue deteriorated, lower level bureaucracy opposed as it reduced rent-seeking opportunities

# Akshaya Project in Kerala

- Launched in 2002 on request from the village panchayat councils, provides computer literacy, e-Gov, G2C and B2C services
- 2662 e-centers in eight of the 14 districts in the state as of August 2009, out of which 2382 are in rural areas
- Plans to cover all the village panchayats with at least two centers, also provide one center within 2-3 kms. from every household.
- Stress on inclusive development: unlike in the other two states, Kerala made the local elected self-governing institutions as the key players in selecting the locations and the entrepreneurs, also monitor the delivery of services.

# IKM Project in Kerala

- Largest and most comprehensive local body computerization project in the country, aims to fully computerize and network all 1215 local self-governing institutions in the state. Implementation in progress in 609 of the 1215
- Inclusive development: Driven fully by the state with the objectives of building the capacity and empowering the lowest tier of government

# Role of the State - AP

- Both eSeva and CARD proved to be highly successful in achieving their objectives, also proved to be financially sustainable
- Both projects were driven by exceptional political commitment of the Chief Minister (“top driven”)
- Despite political commitment, the two flagship projects of the state remained confined to the urban centers mainly
- Only recent attempts to expand eSeva to rural areas, CARD beneficial to only those who deal in property transactions
- Not really aimed at inclusive development by reaching out to the socially and economically marginalized sections

# Role of the State - TN

- SARI project had strong institutional and financial support from key international educational institutions and state Govt.
- Govt. and the district officials failed to show sustained commitment towards the project
- Project also not successful in reaching out to the socially and economically marginalized communities (some efforts were made by the NGO), did not involve the local self-governing institutions
- Suffered failure along the political/institutional and social sustainability dimensions.

# Role of the State - Kerala

- Akshaya Project: Govt. showed exceptional commitment in taking it to the rural masses and in involving the locally elected bodies
- Focused specifically on reaching out to the socially and economically marginalized by locating the kiosks within easy reach of every household. Local elected bodies played key role, making the project socially inclusive
- IKM: also showed outstanding political commitment of the state in empowering the local elected bodies

# Cross-case Comparative Analysis

Project	Financial/Economic Sustainability	Social/Cultural Sustainability and Inclusiveness	Technical Sustainability	Political/Institutional Sustainability	Environmental Sustainability
eSeva in Andhra Pradesh	Yes	Limited	Yes	Yes	Yes
CARD in Andhra Pradesh	Yes	Yes	Yes	Yes	Yes
SARI in Tamil Nadu	Limited	Limited	Yes	No	Yes
Akshaya in Kerala	Yes	Yes	Yes	Yes	Yes
IKM in Kerala	Yes	Yes	Yes	Yes	Yes

# Why Kerala was so Different?

- Political economy framework: Model of governance in Kerala relatively more autonomous of the dominant class interests, unlike in TN and AP
- One senior government official remarked: “the state cannot afford to be seen promoting the interests of the private capital in the IT industry as has been the case in Andhra Pradesh and Tamil Nadu. However, the working class character of the state has made it to really expand the reach of its e-government projects”
- This framework provides a convincing explanation for the state actions in Kerala, though the model itself does not emerge from this research (other PREs can be ruled out due to presence of TN and AP)

# Conclusions and Implications for e-Gov Projects in Developing Countries

- Ensuring social and political/institutional sustainability are crucial in making the e-Gov projects more inclusive
- Inclusive development through e-gov projects can expand the access of marginalized communities to such services and improve their welfare
- Involving the key stakeholders (users, local elected self-governing institutions) can make the projects socially and politically/institutionally sustainable in the long run

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# Thank You

Questions/Comments?