

MICRO-PRIVATISATION: DISTILLING EFFICIENCY AND WELFARE IN DELIVERY OF PUBLIC SERVICES

- Rudresh Mandal and Hardik Subedi*

ABSTRACT

This paper argues for the implementation of a model of micro-privatisation, as an extension of mere privatisation, involving community participation in the delivery of public services. Part I of this paper traces the nature of the right to public services, locating its roots in the concept of a citizens charter and glances at the existent legal regime vis-à-vis public services in India. Part II goes on to highlight the crisis in the contemporary system of delivery of public services in India, especially in the rural areas. With this contextualisation, Part III analyses the feasibility of privatisation of delivery of public services, observing the flaws inherent in the process and noting that privatisation may not be the panacea it is often assumed to be. Finally, Part IV advocates for the delivery of public services through a paradigm of micro-privatisation, combining ideals of welfare and efficiency, thus emerging as a best practice for the enforcement of the right to public services. This essay concludes on a note of optimism, hoping for the implementation of a model of micro-privatisation to realise the true value of the human right to public services.

INTRODUCTION

The advent of the modern welfare state seems to have triggered widespread debate on the role of the state in ushering in social and economic development policies.¹ The study of political economy hinges on the modalities involved in the shaping of such development centric policy.² While past inquiries into state behaviour have ostensibly limited themselves to industrial policy, contemporary studies recognize that the establishment of a model of governance focused on the production and provision of public services only fosters the process of holistic development. The role of the State begins, at the very least, in the provision of those services such as national defence and education

* Both the Authors are 3rd year students pursuing their B.A. LL.B (Hons) at NALSAR University of Law, Hyderabad. Corresponding author may be reached at rudreshm97@gmail.com.

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¹ Edwin Jones, 'Role of the State in Public Enterprise' [1981] 30 Social and Economic Studies 17, 18.

² Merilee Grindle, 'In Quest of the Political: The Political Economy of Development Policy Making', Centre For International Development at Harvard University (June 1999), <<https://www.hks.harvard.edu/content/download/69242/1249778/version/1/file/017.pdf>> accessed on 10 June 2017.

and extends beyond mere public goods. It is this very provision which embodies the interaction between the citizenry and the bureaucracy. The State is today expected to supervise a host of public activity revolving around maximisation of welfare; confirming individual legal identity, medical care, administration of trade and commerce and so on.³ However, the question of what is expected of the state is necessarily a function of the interaction between the State and its subjects.⁴ Consequently, the answer to the said question naturally varies from one country to another. Thus, the efficacy of the public service delivery mechanism of a particular State has to be examined on a contextual basis.

Notwithstanding these pervasive expectations, welfare regimes the world over (especially in less developed and developing states) have continually struggled to ensure the delivery of public services to their subjects in accordance with principles of fairness and efficiency in public administration. The inequitable supply of public services in India has brought us to a point in time wherein a departure from prevalent standards of service delivery is required.⁵ While the swimming pools of the wealthy in south Mumbai benefit from the municipal system's water, the poverty-stricken in the slums of Dharavi are bereft of water to consume or wash their clothes.

Parallel to the evolution of the industrial growth-centric state, this failure of extant governance models ushered in three cycles of reform in the past few decades, contributing to the alteration of the nature of governance in India. Transformations in social dynamics in the late 19th and early 20th century required the paternalistic State to establish an extensive bureaucracy to supervise the provision of public services. The latter half of the 20th century, accompanied by decolonisation and late industrialisation was witness to identical programmes being pursued in post-colonial India. However, with gradual awareness of community and individual rights, *'public administration and service delivery demanded a new strategy, which emerged under the monikers of the new public management and neo-liberalism.'*⁶ Thus emerged the introduction of the private sector into the public realm – to facilitate the production and delivery of public services in what was hoped would foster greater efficiency and financial performance. Privatisation of the delivery of public services is however not a guarantee of positive outcome⁷, and thus micro-privatisation – a process which

³Jennifer Bussell, *Corruption And Reform In India: Public Services In The Digital Age* (CUP 2012) 7 (hereinafter BUSSELL).

⁴See generally Michael Lipsky, *Street-Level Bureaucracy: The Dilemmas of The Individual In Public Service* (Russell Sage Foundation 1983).

⁵Karthik Muralidharan, 'Public Service Delivery in India: Challenges and Opportunities' Centre for the Advanced Study of India (Sept. 2007) <cas.i.sas.upenn.edu/iit/muralidharan> accessed on 14 June 2017.

⁶Bussell (n 3) at 8.

⁷Teresa Curristine *et al*, 'Improving Public Sector Efficiency: Challenges and Opportunities' [2007] 7 OECD Journal on Budgeting 1, 10; Nicholas Henry, *Public Administration and Public Affairs* (PHI Learning Pvt. Ltd. 2016) 376.

ensures the improvement of the quality, scope and reach of service with no additional cost to the exchequer ought to be thoroughly considered and implemented.⁸

THE RIGHT TO PUBLIC SERVICES: MANIFESTATIONS OF THE CITIZENS CHARTER

The idea of a document defining the scope and quality of services to be delivered to the public by the State, and their rights to such services, ostensibly manifested itself in the form of a citizens charter.⁹ The citizens charter, conceptualised by the British administration in 1991 to limit the State¹⁰, formed an integral part of the ongoing Indian democratic revolution wherein the populace of the contemporary, modern Indian democracy renegotiate their relationships with the Government. Reimagining the citizen as a consumer¹¹ (an economic entity), in 1997, a chief minister's conference culminated in a clarion call to both the Central and State administration to devise a citizens charter to streamline and effectuate delivery of public services. Following the President's address to the House in 2009 to strengthen the public services delivery mechanism, in 2011, the Parliament, in its Sense of the House Resolution voiced its approval to the implementation of the concept of a citizens charter.¹² The very notion of a citizens charter is predicated upon the understanding that the Government will not only acknowledge the citizen's demands, but also anticipate them.¹³

In recognising the concept of a citizens charter, and endeavouring to recapture the dwindling faith of the Indian middle class in the administrative setup, the Madhya Pradesh Government became the first of a series of a state to enact Right to Public Services legislations.¹⁴ Not to be left behind, the Central Government too tabled the Citizen's Charter and Grievance Redressal Bill 2011, or the The Right of Citizens for Time Bound Delivery of Goods and Services and Redressal of their

⁸Malcolm Harper, *Public Service Through Private Enterprise: Micro-Privatisation for Improved Delivery*, (Vistar Publications 2000) 13 (*hereinafter* HARPER)

⁹ Samuel Paul, 'India's Citizen's Charters: In Search of a Champion' [Feb 2008], 43 *Economic & Political Weekly* 67, 67-68.

¹⁰ Anthony Banrett, 'Commentary: Citizen's Charters' [Oct 1994] 142 *RSA Journal* 7,7.

¹¹ Anne Barron & Colin Scott, 'The Citizen's Charter Programme' [July 1992] 4 *The Modern Law Review* 526, 527.

¹²Harsimran Kalra & Pallavi Bedi, 'Legislative Brief: The Right of Citizens for Time Bound Delivery of Goods and Services and Redressal of their Grievances Bill', 2011 (Sept 2012), PRS Legislative Research <<http://www.prsindia.org/uploads/media/Citizen%20charter/Legislative%20Brief%20Citizens%20Charter%2027%20Sep.pdf>> accessed 14 June 2017.

¹³ 'Citizen's Charters- A Handbook', Centre For Good Governance (2008) <<https://www.cgg.gov.in/publicationdownloads2a/Citizen%20Charter%20Handbook.pdf>> accessed 22 June 2017.

¹⁴ Ashok Kumar Sircar, 'The Right-to-Public-Services Laws' [May 2012] 47 *Economic & Political Weekly* 23, 23.

Grievances Bill, 2011 in Parliament.¹⁵ However, with the Opposition alleging that the Bill was in contravention of the Constitution's federal spirit¹⁶, and that it only leads to duplication of work (since a handful of States had already enacted their respective public service legislations), the Citizens Charter Bill ultimately lapsed.¹⁷ These rights-based legislations enacted by a number of States possess a number of similarities - the Indian citizen is provided with a legally justiciable environment, for which he/she may hold the State accountable. This accountability manifests itself at two levels- first, within the internal machineries of the administrative system, and second to the citizenry. With the States guaranteeing the delivery of a spectrum of public services in a time-bound manner¹⁸, and punishing those guilty of erring in their duty to deliver services, the Indian political set-up has renewed its pledge to achieving welfare-centric goals.¹⁹

However, with deficiencies inherent in the legislations, such as the need for an overarching legislation to define the services on offer and the need to preserve local democracy by empowering local government to assist in the delivery of public services, the degree to which the statutes deliver on their resonant promises is still to be seen.

THE CRISIS IN INDIAN PUBLIC SERVICES: ENDEMIC TO THE ADMINISTRATIVE SYSTEM

Mudhol in Karnataka has one primary school with three class- rooms. But the contractor has locked up two rooms for which his payments have not been made. All children from classes 1 to 4 sit in the same room or in the narrow corridor outside. Inhabitants of remote villages find that their schools have an inadequate number of teachers to handle the classes, as in Sankal in Vadodara, Gujarat or very irregular teachers as in Elumyuo, Nagaland'.²⁰

Sound principles of good governance underlying management of the public sector and the delivery of public services accelerate the path towards socio-economic development and foster social equity. Of all the sections of the population, the disadvantaged- the poor, elderly and women stand to gain the most from a sound public services system. A host of developing countries, including India, however have emerged as victims of dysfunctional and deficient systems of governance.

¹⁵ Headlines Today Bureau, 'Centre introduces Citizens' Charter Bill in Lok Sabha' *India Today* (New Delhi 20 Dec 2011) <indiatoday.intoday.in/story/citizens-charter-bill-parliament/1/165022.html> accessed 24 June 2017.

¹⁶ Smita Gupta, 'Nod for Bill to make services time-bound' *The Hindu* (New Delhi 7 Mar 2013).

¹⁷ PTI, '20 states/UTs have enacted public services Act: Centre to High Court' *Financial Express* (New Delhi 20 Sept 2016).

¹⁸ K. Venkataramanan, 'Guaranteeing time-bound services' *The Hindu* (16 June 2017).

¹⁹ *Id.*

²⁰ Samuel Paul *et al.*, 'State of India's Public Services: Benchmarks for the States' [Mar 2004] 39 *Economic & Political Weekly* 920, 929 (*hereinafter* PAUL).

Marred by inefficient allocation of scarce resources, disorganized mechanisms of revenue collection, rent seeking and malfeasance²¹, India's public service delivery system continues to hamper the statutory rights of the citizenry, especially those residing in rural areas. The small, poor citizen in the Indian village is plagued by problems of access to basic public services- potable water, electricity, quality education and sanitation. Characterised by a dearth of public schools (moreover, those which have been established are mismanaged and lack adequate quality staff), widespread power outages, polluted water sources, if any and underdeveloped transport and communication facilities, the Indian public services system is at a point of grave crisis, especially in rural areas.²²

With rising expectations of the citizenry of a life marked by adequate public services, the burden on the shoulders of the State feels heavier every passing day. However, '*structural adjustment and liberalization are rolling back the frontiers of Government*', and while resources continue to decrease, expectations only increase. The crisis in public services exacts a toll on the '*smaller, poorer user*' in the villages and slums of India to the greatest extent.²³For instance, 68% of households in Indian cities benefit from smooth access to water sources, as compared to 50% in the villages.²⁴However, while the percentages of households enjoying access to water sources have definitely increased, the quality of water continues to pose a major problem to consumers. The United Nations in its World Water Development Report- Water for People, Water for Life revealed that the quality of water in India ranked a shocking 120th out of 122 countries surveyed.²⁵With regard to health care services too, only 40-41% of citizens reported enjoying access to public medical facilities. However, as one ventures deeper into the rural hinterland, the incidence of such services only declines; pregnant women in Sankal, a remote village in Gujarat require to travel 13 kilometres to avail of public health services.²⁶ Their plight is only a microscopic representation of the general plight of villagers in India who suffer from the gross under-development of healthcare facilities. While the wealthy neighbourhoods may suffer from power cuts from an hour every day, the slums and villages on the other hand may only enjoy an hour of electricity every day. Further, notwithstanding the fact that the poor require

²¹Anwar Shah, *Public Services Delivery* (World Bank 2005) ix.

²²Harper (n 8) at 14.

²³*Id.* at 15.

²⁴Paul (n 20).

²⁵The United Nations, *World Water Development Report* (2003), <www.un.org/esa/sustdev/publications/WWDR_english_129556e.pdf> accessed on 24 June 2017.

²⁶Paul (n 20).

pension and social security the most, they find themselves beyond the boundaries of the distribution system, with resources being allocated to those who in fact do not really need them.²⁷

The foremost reason for the deplorable nature of the public service mechanism, especially in the rural areas is the additional cost of reaching the small, poor user. The cost of delivering such services to those living in the villages exceeds the urban residents since the entire combination of promotion, distribution and marketing is far more expensive in the former case.²⁸ With the service distribution mechanism preventing the poor consumer from paying more than the rich, the poor thus bears the brunt and is left bereft of any service whatsoever.

The distress in the public delivery system of the rural areas is only exacerbated by the vast cultural and economic distance between the rural Indian and the Government officer tasked with ensuring effective delivery of the mandated services. With communication between both parties being underscored by confrontational tones, the villager and the slum dweller identifies the State official only as an instrument of despotism and autocracy, with the latter perceiving the villager as an object of charity.²⁹ Thus the very basis of delivery of public service delivery is flawed, and requires a re-imagination of the local relationship between the aforesaid parties.

PRIVATISATION AS A PANACEA: A MYTH DILUTING THE ‘WELFARE’ STATE

An oft propounded solution to the dismal state of public services is that of privatisation of the production and delivery mechanisms. Privatisation facilitates advancement of the project of increasing access to public services if it culminates in the decrease of expenses, improved pricing structures and greater efficiency.³⁰ However, in order to ensure the citizenry reap the benefits of privatization, it is imperative that there be a policy framework in place dealing with design and regulation of the market.³¹ Notwithstanding popular beliefs regarding privatisation as a panacea to resolving the crisis in public services, the available data portrays a different picture with regard to systemic improvements arising out of traditional privatisation.

Contrary to notions of improved efficiency of the private sector with regard to delivery of public services, David Parker in his study titled ‘The Performance of British Airports Authority

²⁷See generally Samuel Paul *et al*, *Who Benefits From India's Public Services: A People's Audit of Five Basic Services* (Academic Foundation 2006).

²⁸Harper (n 8) at 17.

²⁹*Id* at 16.

³⁰Jens Blom-Hansen, 'Is Private Delivery of Public Services Really Cheaper? Evidence from Public Road Maintenance in Denmark', [June 2003] 114 *Public Choice* 419, 419-420.

³¹Penelope Brook & Timothy Irwin, *Infrastructure For Poor People: Public Policy For Private Provision* (The World Bank 2003) v.

Before and After Privatisation' concluded that privatisation of the BAA had no discernible effect on technical efficiency of the same.³² Similarly, attempted privatisation of the water supply services in Latur, for example proved to be largely unsuccessful as prices were increased with no corresponding increase in quality, forcing the Maharashtra Government to reclaim the supply of water.³³ In the healthcare sector, private medical facilities in rural areas are limited to ante-natal care and family planning programmes, while crucial facilities for labour and delivery are conspicuous by their absence. Coupled with the attendant fear of private entities assuming characteristics of a monopolist vis-à-vis delivery of public services, and with no guarantees of improved financial performance, privatization of the public service system is not necessarily the panacea to the prevalent ills in the system.³⁴ In less developed and developing countries like India, the dangers of privatization are only magnified by the influence the private sector exercises on the State- manifesting itself in gross violation of regulations and laws.

The Living Standard Measurement Survey (LSMS) of the World Bank which focuses on socio-economic data of households speaks volumes about the access of basic infrastructural services and its direct correlation with the income level and location: urban or rural. The survey discovered that the penetration of basic amenities like electricity had surprising disparity in terms of the rural-urban divide with the urban access being in 89% of the household as compared to 49% in the rural areas.³⁵ Similarly, in-house water taps had 59% urban penetration as compared to 12% rural penetration. The data portraying disproportionate access to infrastructural services reveals another layer of variables determining the access to these services: even among the rural region, the relatively well-off households are the ones accounting for a larger percentage of the population having access to these services.³⁶ Therefore, it is adequately clear that there are inevitably certain areas and communities to whom the catering of services has been largely ineffective by the government and large privatised entities.

However, given the failure of the State system in delivering public services to the populace through both official and unofficial networks, some degree of intervention of the private sector to

³² David Parker, 'The Performance of BAA Before and After Privatisation' [1988] 33 *Journal of Transport Economics and Policy* 133,133.

³³Shalini Nair, 'Privatisation of urban water supply: The muddy picture' (*The Indian Express*, December 25, 2015)<<http://indianexpress.com/article/explained/privatisation-of-urban-water-supply-the-muddy-picture/>> accessed on 24 June 2017.

³⁴Douglas Henley, *Public Sector Accounting And Financial Control*(3rd Edition, Van Nostrand Reinhold International 1993)472; Harper (n 8) at 19.

³⁵ Kristin Komives et al, 'Infrastructure Coverage and the Poor: A Global Perspective' in Penelope J. Brook and Timothy C. Irwin (eds), *Infrastructure for Poor People: Public Policy for Private Provision* (World Bank 2003).

³⁶*Id.*

fill the void is essential. There is no disputing that macro-level factors such as political stability and vision, transparency in service delivery, sustaining reforms through political consensus are pivotal in ensuring effective delivery of public services.³⁷ This conducive framework, however, is more often than not relegated to the status of a mere ideal. Hence, in the partial or complete non-fulfilment of these pre-requisites, the tax-payers are compelled to see their money go to no effective use. Needless to say, those who are in dire need of the State's resources are the ones who live on the margins and who find it difficult to afford these services. However, paradoxically, the pervasive ineffectiveness in delivery of public service results in a grossly inequitable supply of essential services with the provision of services in urban areas inhabited by the affluent and with no presence of the welfare-State in the rural, remote and inaccessible areas.³⁸ Therefore, a paradigm shift vis-à-vis the method of delivery of public services is required so as to ensure that the services are delivered in fact to the 'public' justifying its character and need.

As said earlier, the ineffectiveness of the public sector in producing and distributing public services had lead to privatization emerging as a plausible solution. The involvement of private sector however, is considered to be a panacea to resolve all the difficulties that a State-run enterprise is fraught with. The manner in which a public sector enterprise is managed by a private entity is often in contradistinction to the conventional way of running the same by the Government. However, merely de-nationalising the industry and involving a large private entity, underpinned with hopes of a radical improvement in efficiency and outreach might also mire the enterprise and effectiveness of delivery of public service in a similar problem wherein the smaller, poorer user in the village is victimised.³⁹ The erstwhile monopoly that was (mis)managed by the public sector now becomes a private monopoly devoid of benign welfarist intentions. Instead, it operates as a profit-maximising monopolist jeopardising its welfarist relevance and need. Therefore, as welfare economics would postulate, de-nationalisation of an industry by involving a singular private entity merely results in a loss of welfare and is in no way a solution to the loss of welfare when the nature of the enterprise was public.⁴⁰

³⁷World Bank Report 'Reforming Public Services in India: Drawing Lessons from Success', (Report no. 35041 2006), <http://documents.worldbank.org/curated/en/963631468268192259/India-Reforming-public-services-in-India-drawing-lessons-from-success>> accessed on 26 June 2017.

³⁸ Harper, (n 8) at 13 .

³⁹ J. A. Kay and D. J. Thompson, 'Privatisation: A Policy in Search of a Rationale', (Mar., 1986), 96 *The Economic Journal*, 18.

⁴⁰ N. Gregory Mankiw, *Principles of Economics*, (6th Ed., Cengage Learning 2012) 313.

However, the conundrum posed by a monopoly may be solved if the process of privatization is broadened to encompass not only mere de-nationalisation but also liberalisation. Including the process of deregulation in the entry of private sector in the field of enterprises dominated by the public sector, liberalisation undoubtedly fosters competition, encourages and even compels development of productive efficiency in the operating business.⁴¹ Nonetheless, the question still persists— can production in lower cost and increasing profit an undertaking be accepted as a marker of success in the arena of delivery of public service? Increasing the number of profit maximizing public service providers again will not resolve this quandary, as they would be unwilling to extend the services in the areas where the demand⁴² would be relatively lower and costs of supply higher. Therefore, the paradox that arises within the model of privatization with its attendant consequences is how the areas where the need of a product is felt and required the most is the one that is the least catered to.

The widespread appreciation towards privatization also stems from the unsuitable yardstick that is utilised in measuring the success of the enterprises engaged in public service delivery. The discourse around privatisation and the consequent appraisal of a privatised entity customarily revolves around the impact it has in a single bottom line— profit.⁴³ This utilitarian approach shifts the focus to a chase for larger numbers rather than on the realisation of the right to public services through actual delivery of goods and services. Thus the enterprises are rendered futile and will inevitably (and undesirably) fail in safeguarding the needs of the intended beneficiaries of the system. For instance, a privatised entity engaged in supply of water might see an increment in its revenue and profit through an increase in subscribers in the urban areas due to effective delivery of water in the cities. The profits of this organisation are further augmented when no attempt is made to invest in the areas characterized by difficult terrain and inhabited by people less in number or the ones that cannot afford the services at the offer price. Therefore, a false measure of success bolsters the argument for privatization through denationalization or liberalization.

⁴¹ Paul Starr, "The Meaning of Privatization,"(1988) 6 Yale Law and Policy Review, 7.

⁴²Demand is defined as the willingness to buy a product or service coupled with the ability to pay for it. Hence, willingness to buy/get a product or service would not be a demand in economic terms. Therefore, technically, a business would not see the 'need' of people residing in impoverished communities as demand.

⁴³ John B. Goodman and Gary W. Loveman, 'Does Privatization Serve the Public Interest?' (November- December 1991) HBR <<https://hbr.org/1991/11/does-privatization-serve-the-public-interest>> accessed on 26 June 2017.

MICRO-PRIVATISATION: TAKING SUFFERING SERIOUSLY

As Upendra Baxi has remarked, “..*human rights have a future only when human suffering is taken seriously*”⁴⁴. The statutorily guaranteed right to public services loses relevance when the hardships of the beneficiaries, exacerbated by the absence of the basic provisions that are ideally to be ensured by the Government are not attended to with the requisite seriousness. Hence, this calls for a radical transformation in the way the success of these enterprises is perceived and the extant models of privatization: from a utilitarian view to a qualitative human(e) view. An ends-based approach should be adopted to measure the efficacy of privatization on the basis of benefits and freedoms that the people are actually able to enjoy on account of privatisation. The idea of micro-privatisation can be a model worth exploring as a possible ends based approach in the discourse of delivery of public services.

Micro-privatisation is a process distinct from the traditional method of privatization where the ownership and control of large public enterprise is transferred to a large private enterprise. Instead, it involves a multitude of processes in which a part of the public enterprise is operated by a small firm, usually with the participation of the local groups consisting of beneficiaries of the service.⁴⁵ The partial contracting out of the cleaning services of selected roads of Hyderabad by the Municipal Corporation is an example of the government initiated micro-privatisation. Similar initiatives may also very well be taken by local groups independent of the state or government authority. It is not necessary for the State to take the initiative of inviting private parties for denationalizing or liberalizing the industry. For instance, the efforts of Sreema Mahila Samiti in improving the quality of education and infrastructure of primary school in the Nadir district of West Bengal has set a precedent of an independent private group creating a positive impact on the delivery of public services.⁴⁶ The innovative idea led to radical improvement in a local school named Baranbaria Krishak Samaj Vidyalaya contributing to the elevation of overall quality of education along with infrastructural development.

While the demand for a particular service has increased, the surfacing of *management and workforce difficulties* lead to a situation wherein the public administrators on the ground are reluctant to enforce a corresponding extension in the services. Further, as stated earlier, due to budget

⁴⁴Upendra Baxi, ‘Constitutionalism as a Site of State Formative Practices’ (2000) 21 Cardozo Law Review 1183.

⁴⁵ Cuts Institute for Regulation and Competition, ‘Introducing Competition in the Indian Electricity: Is Micro-privatisation a possible way?’ <<http://www.circ.in/pdf/Introducing%20Competition%20in%20the%20Indian%20Electricity%20Is%20Micro.pdf>> accessed on 26 June 2017.

⁴⁶See Sreema Mahila Samiti <<http://sreema.org/about.php>> accessed on 26 June 2017.

constraints, it becomes difficult for public enterprises to provide services in remote areas thus limiting the *social and physical reach of a service*. That the public entity has been incurring losses for several years, thereby negatively impacting the budget of the government, *a lack of finance* has not helped the cause of delivery of public services. These are among the common reasons why the delivery of a public service is privatized.⁴⁷ As discussed earlier, privatizing an entity might not ensure that the problem is solved. On the other hand, the same problem may be perpetuated even in the privatized form of the service providing entity. Therefore, this calls for an entity that combines the social-welfarist ideal with the efficiency of a private sector. Distilling these qualities with the perspective of the ‘grass root’ in mind, micro-privatisation has appeared in the horizon of discourse of effective public service delivery.

The idea of micro-privatisation, however, is not a new one. It has not been appreciated enough as a possible solution in tailoring services to a vast majority of people spread across remote areas to which mega projects might not usually cater. To substantiate, the case study on the historical evolution and decline of water harvesting systems through the pre-modern and modern India is an apt example. If historical evidences are to be considered, the indigenous systems of water harvesting were adopted as early as in the days of Indus Valley Civilization. There is evidence that the residents of Dholavira, one of the sites of the Indus Valley Civilization, had adopted the systems of rain water harvesting to survive near the water source offering saline and brackish water.⁴⁸ Put succinctly, rain water harvesting was entrenched into the then lifestyle of Indus Valley. However, the communal practice of rain water harvesting suffered discontinuity in the later stages specifically when the decentralised nature of fending water was scrapped for a bureaucratic mega irrigation and water distribution project after the advent of British Rule.⁴⁹ The point nonetheless to be noted is that the past way of life can also show the way forward in tackling the contemporary problems of water scarcity (or mismanagement). UNDP’s Human Development Report of 2006 speaks of the enormity of potential that rainwater harvesting can have by providing 100 litres of water a day per person just by capturing the rain from 1-2 percent of Indian land.⁵⁰ The mega-projects in water service delivery have been ineffective in providing service to the ones in remote areas. Hence,

⁴⁷Harper (n 8) at 325.

⁴⁸Catherine Gautier, *Oil, Water, and Climate: An Introduction* (CUP 2008), 274.

⁴⁹Human Development Report, *Community-led Alternatives to Water Management: India Case Study* (UNDP 2006), <http://hdr.undp.org/sites/default/files/narain_sunita.pdf> accessed on 27 June 2017.

⁵⁰*Id.*

decentralization of resource governance to the community-led projects can be a better option to ensure timely and effective delivery of public service.

A model of micro-privatisation, if implemented sincerely, would facilitate realization of the right to public services enumerated under the various state legislations and more importantly, expedite realization of the same with greater efficiency than envisaged by the statute. By utilizing local community at the grass-root level, micro-privatisation projects could bypass the need to apply to the Designated Officer and later appeal to the Appellate Authority and finally the Revisional Authority designated under the statutes, since the delivery of public services would assume a near perfect status.

CONCLUSION

Enforcing the right to public services at the grass-root level is an activity shrouded by layers of obstacles- from difficulties in physically providing the service to the remotest of localities, to red tape, increased costs of supply in rural areas and other associated factors. While privatization does encapsulate notions of efficiency in delivery of public services, it often excludes ideals of equitable distribution underlying the concept of a welfare state. Malcolm Harper's model of micro-privatisation, accompanied by an ends-based approach to viewing the success of the concerned service providing entities could go a long way in meeting the needs of India's neediest. Distilling the best practices from models of efficiency and models of welfare, thus combining welfare with efficiency, micro-privatisation offers a sustainable and cost-effective solution to resolving the extant crisis in India's public services.