Strengthening public accountability: Lessons from implementing social audits in Andhra Pradesh

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Abstract

In recent months, public discourse in India has been dominated by a heated debate on how to address the endemic corruption in India's public institutions. The agitation for the Lok Pal bill and the ensuing discussions has brought the role of anti-corruption institutions and accountability mechanisms to the heart of this debate. As potential solutions begin to emerge, it is important to reflect on current experience and take stock of lessons learned from India's on-going efforts to build accountability systems and to address corruption. The key to designing an effective solution will lie in understanding the conditions under which solutions can work as well and the challenges they are likely to face.

This paper is an effort to contribute to this debate through an analysis of the experience of implementing one such accountability mechanism – social audits in the state of Andhra Pradesh (A.P). Using Government Reported data on social audits and data collected through interviews with key government officials, this paper examines the accountability effects of regular, reliable institutionalized social audits in the state.

Strengthening public accountability: Lessons from implementing social audits in Andhra Pradesh

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In recent months, public discourse in India has been dominated by a heated debate on how to address the endemic corruption in India's public institutions. The agitiation for the Lok Pal bill and the ensuing discussions have brought the role of anti-corruption institutions and accountability mechanisms to the heart of this debate. As potential solutions begin to emerge, it is imporant to reflect on current experience and take stock of lessons learned from India's on-going efforts to build accountability systems and to address corruption. The key to designing an effective solution will be understanding the conditions under which solutions can work as well and the challenges they are likely to face.

This paper is an effort to contribute to this debate through an analysis of the experience of implementing one such accountability mechanism – social audits in the state of Andhra Pradesh (A.P). Pioneered by the Mazdoor Kisan Shakti Sangathan (MKSS) in Rajasthan in the mid 1990s, a social audit is a process by which citizens' review and monitor government actions on the ground and use the findings from the review to place accountability demands on the government through the mechanism of a public hearing. In 2005, the Indian Parliament passed the National Rural Employment Guarantee Act (since

renamed the Mahatma Gandhi National Rural Employment Guarantee Act or MGNREGA) and included within it a madatory provision for conducting social audits in the gram sabha at least once every six months. Social audits in MGNREGA are rooted in the MKSS experience and conceptualized as a 'continuous process through which potential beneficiaris and other stakeholders of an activity or project are involved at every stage: from planning to the implementation, monitoring and evaluation.' Social audits in this definition are seen as a means of promoting transparency, participation, consutlation, accountability and redressal.[2]

This mandatory provision for social audits has acted as a catalyst for conducting audits in MGNREGA. These audits have taken different forms. In some states like Rajasthan the impetus has come largely from civil society and in others, like Orissa, the government has sought collaborations with civil society to undertake audits. However, most of these efforts have been sporadic, one-time affairs with little or no follow up. Andhra Pradesh is the only state that has taken steps to *institutionalize* the social audit process for MGNREGA and undertake regular social audits through the government machinery. Since 2006, 1,736 social audits have been conducted by a government led team of social auditors.[3] Beneficaries of MGNREGA have responded enthusiastically to the social audit process and attendance at social audit public hearings has ranged anywhere between 200-800 people.

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[2] MGNREGA operational guidelines are available at: www.nrega.nic.in
[3] Data from Rapid Social Audit Report, as of March 31, 2011.

The A.P. experiment provides an opportunity to examine the process of conducting social audits at scale and to evaluate the effects of these audits on accountability.[4]

This paper uses government reported data on social audits as well data collected from interviews with key government officials in A.P. to analyze the accountability effects of social audits in the state.[5] Our analysis draws on the conceptual distinction between answerability and enforcement (or grievance redressal), to examine the strengths and limitations of social audits. By enforcement or grievance redressal effects we specifically mean the extent to which social audits have resulted in actual follow up of issues reported and decisions taken during the audit process.

Our analysis suggests that while social audits have been effective in ensuring answerability, they have been less effective in ensuring enforcement– despite a well defined institutional structure for grievance redressal. We find that effective enforcement on social audit findings is constrained by the design of the administrative system, characterized by complex hierarchies and overlapping lines of reporting, which makes it difficult for a single agency to effectively enforce decisions taken.

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[4] This paper is the first part of a larger study on the effects of social audits in Andhra Pradesh. The focus of this paper is on the government's perception of the audits and on analysis of the effects of the audit through government data. The larger study will be based on qualitiative field work to assess people's perceptions of the effects of social audits.

[5] Our data set consists of all social audit data recorded for between 3 rounds of social audits in 13 districts of the state as of March 31, 2011. These districts are the first set of districts where MGNREGA was implemented in 2006 (MGNREGA was first implemented in the country's poorest districts. In 2008, the Government of India expanded the scheme to cover all rural districts in the country) and thus have experienced the most number of social audits. Interviews were conducted with key Government of Andhra Pradesh social audit stakeholders and MGNREGA functionaries. Interviews were also conducted with frontline implementing officers in 4 Mandals of Medak district. Medak was selected because it was one of the first four districts in A.P. where the social audit was rolled out in 2006.

The A.P. experience has wider implications for the current debate on accountability and anti-corruption institutions in India. The focus of much of the current debate has been on introducing new institutions and safegaurds against corruption. This paper demonstrates that there is no single magic bullet to solving this problem as an effective enforcement mechanisms requires that institutional incentives are aligned such that actors respond to rewards and sanctions. Soultions to corruption thus need a holistic approach one that addresses the larger question of administrative reforms.

I. Unpacking Transparency and Accountability

The notion of accountability can broadly be defined as the ability of one actor to demand an explanation or justification of another and to reward or punish that second actor on the basis of its performance or its explanation (Rubin 2005).[6] It is a relational concept that concerns the relationship, as Schedler (1999) describes, between power-holders (account providers) and delegators (account-demanders). Public accountability in modern democracies is operationalized when citizens elect a government and delegate them with the power to govern them. The government on its part is obliged to perform its duties in a manner that keeps the citizens' interest at heart.

Implicit in these definitions of public accountability is an important analytical distinction between two elements of accountability: *Answerability* and *Enforcement*. Answerability

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[6] Accountability has been defined in various ways by many political theorists. This particular definition has been drawn from Rubin, E (2005), 'The Myth of Accountability'.

refers to the obligation of public officials to inform citizens and justify their actions. Accountability as answerability aims at creating transparency and it involves both the right to receive information and the corresponding obligation of accountable actors to release all necessary details (Schedler 1999). Moreover, accountability as answerability implies the right to receive an explanation and the corresponding duty to justify one's actions. In Schedler's conceptualization, the answerability dimension of accountability establishes a dialogic relationship where accountable actors and account demanders engage in public debate.[7]

Enforcement refers to the sanctions that could be imposed if actions or the justification for actions invoked through the answerability dimension of accountability are found to be unsatisfactory. Enforcement implies that accounting actors are not just answerable for their behavior but also bear the consequences of it. Schedler (1999) argues that exercises of accountability which, expose misdeeds but do not impose consequences are weak and could be regarded as 'acts of window dressing rather than real restraints on power.' Realizing the enforcement dimension of accountability poses a practical challenge: that of designing institutions that align incentives such that actors respond to a system of sanctions and rewards.

Public accountability is thus realized through the coming together of these two core elements of accountability. However, the nature of this relationship between these elements is an open analytical question. Schedler argues that in principle, it is possible to

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[7] Schedler (1999)

find instances where accountability is realized by invoking one or the other of these dimensions without diminishing the idea of accountability. In this paper, we examine the accountability effects of social audits through this lens of answerability and enforcement and explore the relationship between these elements on the ability of social audits to ensure accountability.

2. Social Audits in Andhra Pradesh: Evolution, management structure and implementation process

2.1 Evolution of social audits

To understand the evolution of social audits in Andhra Pradesh, it is important to examine the political context in which it unfolded. In 2004, the Congress party led by the late YS Rajashekhar Reddy (YSR) rode to power in the state on the back of an election campaign that promised improvements in welfare programs. The campaign was the Congress party's response to the prevailing agrarian crisis in the state which linked the resolution of this crisis to the provision of social welfare schemes to distressed farmers and poor households.[8] The Congress victory was credited to this campaign. Implementing social welfare schemes was thus a political priority for the newly elected YSR government.

The A.P. electoral narrative found resonance in the National Congress campaign for the 2004 general elections. The Congress party drew on the agrarian crisis to create a counter

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[8] For a detailed analysis on the A.P. 2004 elections see: Srinivasulu, K. (2004)

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narrative against the incumbent National Democratic Alliance's *India Shining* campaign.[9] Improved social policy programs lay at the heart of this campaign. On gaining power in New Delhi, the United Progressive Alliance (UPA) government led by the Congress party set upon the task of making good on its promise. The MGNREGA was the party's flagship effort in this direction. To build on its electoral gains, the Congress strategically chose to launch the MGNREGA in the districts of Anantapur, A.P. thus putting the spotlight on the state.

But Andhra Pradesh had a particularly dismal record when it came to implementing rural employment programs. A study by Deshingkar and Johnson (2003) for instance, found a clear nexus between local contractors and politicians – in five out of six cases Sarpanches, ward panches and their families doubled up as contractors. Given the focus on MGNREGA in A.P. and the large sums of money that were about to be unleashed, addressing the problem of corruption became a political necessity thus paving the way for anti-corruption innovation in the state.

The first step was to strengthen transparency and streamline processes by computerizing the entire implementation process of the MGNREGA. The Government of Andhra Pradesh (GOAP) partnered with Tata Consultancy Services to create an end-to-end Management Information System through which job cards, work estimates and payment orders could be issued and every transaction recorded. But GoAP was aware that this was only the first step. It recognized that tackling corruption required local monitoring and verification,

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[9] The *India Shining* campaign was the electoral plank for the incumbent National Democratic Alliance (NDA). The campaign was an effort to cash in on India's post liberalization growth by promoting the idea of a shining, growing India.

which the social audit process provided. Therefore, it set about the task of undertaking regular social audits in the state.

The social audit process was first piloted in March 2006 on the National Food for Work Program (the precursor to MGNREGA). These pilots provided the momentum necessary for the bureaucracy to crystalize the idea of institutionalizing social audits. The audits found their institutional home in the Strategy and Performance Innovation Unit (SPIU) of the rural development department.[10] The SPIU was headed by a Director (a state cadre officer), who was responsible for implementing social audits in the state. A social development specialist, a contractual position created to bring in social audit expertise, supported the SPIU director.

The focus in the early days was on designing a methodology for conducting audits and developing a trained cadre of auditors.[11] To give the process teeth and ensure compliance, the Department of Rural Development (RD) issued a number of Government Orders (GOs) detailing the non-negotiables of the social audit; mandating the presence of key government officials at the public hearing; and ensuring that all relevant records were given to the social auditors at the time of the audit.[12] Social audit champions were also careful to build coalitions of support both with local officials and the political system by organizing trainings and dialogues with relevant stakeholders.

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[10]This unit was set up through a DFID funded reform action plan aimed at institutionalizing governance reform in the state.

[11] For a detailed description of the steps involved in developing the social audit process see, Aiyar, Y. (2011)

[12] See Government Order 431 (guidelines on conduct of SA), Go 153 (financial guidelines), Go 171 (creation of posts for SA).

With the building blocks in place, the next challenge for social audit team was to insulate the audit from bureaucratic and political changes that are typical of any government program. In addition, the team faced a larger methodological question – can and should the government legitimately audit its own activities? These questions led to the decision to set up an independent society under RD. The Society for Social Audits Accountability and Transparency (SSAAT) was thus created in May 2009. The SSAAT has an independent board and is now entirely responsible for conducting social audits in the state.

2.2 The Management Structure for conducting social audits in A.P.

Figure 1 below details the management structure of the SSAAT. Many staff members including the SSAAT director have been drawn from activist groups and NGOs around the country. This has been important both in ensuring that the right kind of expertise is brought in (the current director is a member of the MKSS) and that objectivity is ensured.

Figure 1: Management Structure of SSAAT

Director	• Contract staff
Joint Director	• Government recruit
State Team Monitor (STM)	• Contract staff • 7 STMs, 1 per 3 districts (one has four)
State Resource Person (SRP)	• Contract staff • 60-80 SRPs, 2-4 per district
District Resource Person (DRP)	• Contract staff • 700 DRPs, 1 SRP to 10 DRPs
Village Social Auditor (VSA)	• Contract staff • 100,000 VSAs, 40-60 per district

The State Team Monitors (STMs) are responsible for the overall management of the social audit in a cluster of districts. This includes scheduling social audits, generating reports on social audits known as the Rapid Social audit Report (RSR), staffing, training and other human resource issues.

The State Resource Person (SRP) leads the social audit process in the district. Each SRP is supported by a team of 10 District Resource Persons (DRPs). The DRPs are responsible for managing the actual conduct of the social audit. This includes identifying the social auditors, training them, and interacting with the mandal level officials to organize logistics and the public hearings.

The social audit itself is undertaken by educated youth or Village Social Auditors (VSAs) recruited by the DRPs.[13] At present, the SSAAT has a resource base of 100,000 VSAs across the state. To ensure independence and to prevent harassment and collusion, VSAs are not allowed to conduct audits in their native village. Over the years, many VSAs have graduated to become DRPs.

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[13] The qualifying criteria for a VSA are that s/he belongs to a wage seeker family that has worked under the MGNREGA for at least 10 days; is at least a high school graduate (10th class pass); and is over 18 years of age. In addition, a written test is administered at the time of selection.

Management Structure for Grievance Redressal

In 2010, A.P. introduced a vigilance cell in the Rural Development Department to ensure follow up and enforcement of social audit findings[14]. By design, this cell has been created independent of the social audit society in order to maintain objectivity of the social audit process.

Figure 2: Management Structure of Vigilance Cell

Chief Vigilance Officer (CVO)	• State-level • Government recruit (retired or on deputation)
District Vigilance Officer (DVO)	• District-level • Government recruit (retired or on deputation)
Assistance Vigilance Officer/ Project Executive (AVO/PE)	• District-level • Government recruit
Assistant Project Executive (APE)	• District-level • Government recruit
Human Resource Manager	• District-level • Contract staff
Accountability Manager	• District-level • Contract staff

A Chief Vigilance Officer (CVO) heads the grievance redressal system. The CVO is directly accountable to the Commissioner Rural Development and the Principal Secretary Rural Development (see Figure 3). In 2011, a new post for a District Vigilance Officer (DVO) was

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[14] Prior to 2010, when the grievance redressal structure was established, the social audit SPIU and society experimented with different ways of ensuring follow up including using the VSAs to monitor follow up at the mandal level. But these processes were not formalized and thus not regular or mandatory.

created to facilitate direct grievance redressal at the district level. To qualify, the DVO must clear a written test, and should come with a clean reputation from his or her parent department. No DVO can be posted in his or her native district. Figure 2 details the management structure of vigilance for social audits.

2.3. Implementing Social Audits

To implement the social audit, the audit team has developed a set of standard procedures.[15] To begin with, official requests are sent to the Mandal Parishad Development Officer (MPDO) requesting relevant records such as muster rolls and measurement books. On receipt of these letters, the MPDO is mandated to provide information to the DRPs and inform Panchayat members of the upcoming social audit.[16]

The audit itself takes approximately 10-12 days. The process begins with an interaction between SRPs, DRPs, the MPDO and other stakeholders to inform them of the audit process. This is followed by recruitment of VSAs. Once recruited, VSAs undergo a comprehensive training in how to conduct a social audit. Alongside, all official records including muster rolls, technical sanctions, utilization certificates, bills and vouchers are scrutinized, consolidated and handed over to VSAs.

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[15] These procedures are referred to as social audit non-negotiables (circulated to all stakeholders through a GO issued in 2007).

[16] Prior to November 2010, the social audit team had to request for all data from the MPDO. Now most MGNREGA data is obtained directly from Tata Consultancy Services (TCS), a private IT company that manages the A.P.-MGNREGA database. TCS aggregates all village level data such as village detail, mate information, muster roll, worksite and work details into books that can have, for example, 10,000 records in 3 volumes with a total of 1039 pages for a village. However, the letters of request are sent as a means of encouraging transparency and information provision.

Armed with these documents, the VSAs go to the villages to conduct the actual audit over a 3-4 day period. The village auditors go from house to house cross verifying official records, examining the worksites and gathering information from wage-seekers. After the verification is complete, the auditors organize a village assembly or gram sabha where findings from the audit are shared.

Following the gram sabha, the VSAs and DRPs consolidate all reports into a draft "Decision Taken Format" (DTF) in preparation for the final public hearing. The DTF includes a village level summary of all actionable issues as well as issues that have already been resolved at the level of the gram sabha.

The social audit process concludes with a public hearing at the mandal level. Responsibility for organizing and financing the public hearing rests with the MPDO. The hearing is presided by the Project Director or the Additional Project Director (APD) – the district level implementing officials. It is mandatory for all implementing officials to attend the hearing. Typically, attendees include wage seekers; the social audit team (VSAs, DRPs, SRPs, STMs, Director); the Branch Poster Master (BPM) or the Superintendent Post Master (SPM) from the post office wherein payments due to wage seekers are deposited in their individual accounts; key implementing officials (Field Assistant, Technical Assistant, Assistant Engineer, Engineering Consultant, MPDO, APO); officers from the vigilance wing; and elected representatives.

At the hearing, village wise issues/complaints are heard; wage seeker testimonies are verified; and implicated officials are given an opportunity to respond. The presiding officer takes decisions on matters on which actions are to be taken by the implementing agency. These are summarized in a final "Decision Taken Report" (DTR) and signed by the presiding officer. The DTR has the following information:

- Name of district and mandal

- Date of the social audit public hearing

- Social audit team present (number of VSAs, DRPs, SRPs) at the public hearing

- Officers present at public hearing

- A table with all issues/complaints identified in the social audit, by village. For each issue, the person responsible, the amount taken as well as the decision taken are recorded.

What happens after a social audit?

Within twenty-four hours of the social audit public hearing, signed copies of the DTR are sent to the Project Executive (PE)/District Vigilance Officer (DVO); the MPDO; and the PD. The original is retained by the SSAAT.

Responsibility for follow-up action after a social audit public hearing lies with the PD and DVO. Within 3 days of receipt of the DTR, the PD and DVO send a report to the District Collector (DC) for approval of action to be taken. Once this is approved, follow up actions like issuance of show cause notices, charge memos, and initiation of criminal investigations

are undertaken. DVOs are expected to issue these notifications within 7 days of approval from the DC. If they fail to do so, disciplinary action is taken against them. In addition, a letter is sent by the PD to the MPDO to initiate action in all other cases such as cases where monies are to be recovered and implementation processes are to be streamlined.

While there are no strict deadlines for action taken, the government has put together four key processes for monitoring follow-up. The first two include a watch register at the Mandal level which documents specific follow up action taken; and monthly follow up meetings conducted by the vigilance wing with the social audit team (SRPs, DRPs, Director) as well as relevant officials from the implementing agency. The Principal Secretary, Rural Development, chairs this meeting. The third is the Action Taken Reports (ATRs) which are uploaded on the SSAAT intranet website. While the MPDO and Computer Operator at the mandal level update the ATRs as and when action is actually taken, the vigilance cell approves the final changes to these reports. Finally, the fourth is a monthly Rapid Social Audit Report (RSR) prepared by the SSAAT team. Some of these reports are publically available on the SSAAT website.

3. Analyzing the accountability effects of Social Audits in A.P.

As we have seen, GoAP has carefully designed and institutionalized a system for conducting regular social audits. Beneficiaries of MGNREGA have responded enthusiastically to the social audit process and attendance at mandal level public hearings can range anywhere between 200-800 people.

The very fact that A.P. has conducted regular social audits since 2006 is a testament to its success. No other state, not even Rajasthan, the home of the social audit process, has been able to implement such a system.[17] So what makes A.P. unique? As mentioned in section 2.1, the political context in A.P. put the spotlight on implementing MGNREGA thus creating an enabling environment for testing innovative ideas to plug leakages. This political incentive was supported by a strong bureaucratic will, led by the Principal Secretary RD (PSRD) who was able to leverage political will in favor of implementing social audits. In the early days, social audit champions interacted regularly with the Chief Minister sharing details of social audit findings. This went a long way in ensuring that the political hierarchy supported the process.

But top level political and bureaucratic commitment is not always enough. The social audit by its very nature is confrontational and can create friction between audit champions and frontline bureaucrats and politicians who are at the firing line of the audits. This can serve to create contradictory pulls and pressures on social audit champions and as has been the case in many states pressures from the ground can result is stymieing the social audit.[18] Three factors helped A.P. overcome this challenge.

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[17] In late 2009, the government of Rajasthan attempted to put in place an institutional structure similar to the Andhra Pradesh model for conducting regular social audits. To kick-start the process, a large social audit was organized by the Rozgar and Soochna Abhiyan (a network of civil society activists in the state) to train over a thousand district and state resource people on conducting social audits. However, in the aftermath of the audit, local political leaders and frontline bureaucrats rallied together to oppose social audits and following a long agitation that went to the Rajasthan High court, a stay order was issued against social audits of this nature being conducted.

[18] We are grateful to Mr. Shekhar Singh for these insights

First, A.P. social audit champions, were careful to engage regularly with the frontline bureaucracy as well as locally elected representatives, addressing their concerns and ensuring that they did not feel threatened by the social audit process. They emphasized that social audits were neither fault finding, nor witch-hunt missions. Rather, they were constructive exercises aimed at strengthening the program and their own efforts towards more effective service delivery. That the social audit team was headed by a bureaucrat and supported by RD helped build trust and confidence in the process at the frontline.[19] In fact in the early days, a number of GO's were issued by RD detailing different aspects of the process. These served to build legitimacy for the process and ensure compliance to social audit processes.

Second, A.P. was careful to roll out the social audit process in stages without much fanfare making it difficult for officials and politicians at the receiving end to mobilize and oppose the audits.[20] Third, unlike Rajasthan, Andhra Pradesh had no prior history of social audits. Thus the process itself was a surprise to most. This combined with the fact that MGNREGA Implementation in the state is largely under the control of the administration rather than the Panchayats (as in many other states), created few incentives for local political lobbies to form coalitions at the frontline to oppose the process. Thus opposition in the early days was relatively weak and social audit champions were able to roll out the process effectively.

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[19] Interview with SSAAT Director, S. Kidambi, March 30- April 1, 2011

[20] This was a strategic decision that the audit champions arrived at in the aftermath of a mass audit in Anantapur in September 2006. The audit drew large crowds and significant media attention but at the same time this created a confrontational environment between the auditors and the frontline who organized to push back against the process. This made it difficult for the auditors to complete their task. So severe was the backlash that it took two long years before another audit could be conducted in the district.

The A.P. social audit thus owes its success to a range of factors in particular the presence of political and bureaucratic will. This combined with a carefully designed strategy that aimed at orienting and sensitizing the frontline, simultaneously creating a system for quality record keeping, laid the institutional foundations for the audits. Social audits are now part of the governance fabric of A.P. So much so that even social audit critics agree that the audits have taken root in A.P. and are an important mechanism for improving government service delivery at the grassroots.

But how do regular, institutionalized social audits affect public accountability? We answer this question by drawing on the analytical distinction between the two elements of accountability: Answerability and Enforcement. Our analysis is based on data from 3 rounds of social audits in 13 districts in the state. The dataset is based on the DTR and has been entered by eGramIT, a data entry firm contracted by the GoAP for social audits. Our sample consists of 120,000 social audit issues. For each issue, a person responsible has been identified. The data thus enables analysis of the nature of issues/complaints revealed through social audits and the specific officials responsible. However, there are several caveats to this dataset. First, a large proportion of the data has been coded as "others" or "not applicable/available".[21] Second, not all the data for round 3 has been entered. Only 99 mandals in our dataset had complete entry for round 3. To address this, we have sliced the data in different ways to test the robustness of our findings.

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[21] GoAP is aware of this problem and steps are being taken to decode this.

3.1 Social Audits and Answerability

The very nature of A.P. social audits – the dissemination of information, the physical space they provide for citizens to interact with officials, the public and collective form of speaking out which they encourage; and the mandatory presence of government officials – has the ingredients of ensuring answerability. If we use Schedler's definition of answerability, the social audit process satisfies answerability's key components: the right to receive information and the right to demand an explanation. The social audit process in A.P. in fact has ensured that people receive information both on their entitlements as defined in the Act and the specific mechanics of implementation. A study conducted by the World Bank in 2007 found that increased awareness was the most significant contribution of the social audit. This increased awareness coupled with the public nature of the audit has encouraged public debate on different aspects of the implementation of MGNREGA. As a result, the social audit brings out a range of issues or complaints faced by beneficiaries of MGNREGA.

Analysis of social audit data in our dataset showcases the range of issues revealed through the audit. These include problems of fraudulent muster rolls, misappropriation, wages not paid, delay in payments, non-reimbursement of medical bills incurred because of injuries at worksites, measurement discrepancies and improper generation of payment slip/ pay order (see Table 3). But social audits do more than expose corruption.[22] They also reveal a range of issues related to day-to-day administration such as caste and gender discrimination, difficulties in accessing information about the program owing to the

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[22] Most of these issues are coded as 'others' in the social audit data set. To demystify the others category we reviewed others data for a random sample of 6 mandals across 2 rounds for a sample of 1638 issues recorded.

absence of information walls in villages and transparency boards at worksites. Importantly, audits are also a forum for positive feedback. About 10% of the issues recorded in the DTR are testimonies of beneficiaries who had gone on record to state their happiness and appreciation for the MGNREGA. For example, "social audit team has created awareness about the EGS," "farmers expressing happiness over the works/horticulture plantations."

Importantly, access to information through the audits enables citizens to pin point actions taken and affix responsibility. The DTR records the specific official against whom a complaint is lodged. Our dataset shows that the field assistant (worksite manager) is the most frequently cited officer (37% cases) followed by the Branch Post Master (12% cases). Other officials cited include the Additional Program Officer, Technical Assistant and the MPDO (in-charge of implementing the program in the Mandal).

Perhaps due to the range of issues revealed through audits, officials interviewed argued that the public nature of the social audits makes it an extremely effective mechanism for monitoring program implementation precisely because it encourages people to speak and thus brings out a range of issues that formal audit mechanisms are simply unable to capture.

Moreover, it creates pressure points that make governmental inaction impossible. As one MPDO pointed out "if a wage seeker says that he has not received payment, then as government we are mandated to return the money. How we recover it is our headache." Social audits thus satisfy the second element of Schedlers' definition of answerability: the

obligation of accountable actors to justify their actions. It is this answerability function of the social audits that results in monies being returned during the public hearings, officials being reprimanded by the presiding officer and decisions being taken on how to deal with errant officials.

The importance of the public forum needs to be understood in the context of the of citizen-state relations in India. Scholars have argued that citizen-state relations in India are characterized by patronage rather than the democratic ideal of rights and responsibilities. By creating a platform for citizens to challenge and even confront the government the social audit public forum is a critical step in trying to break this relationship of patronage. This in fact is the primary objective of the MKSS model of social audits where the audits were aimed at creating a platform for citizens to directly exercise their democratic rights. Academic work on social audits emphasizes this fact. Chandhoke (2007), for instance argues, that social audits seek to strengthen democracy by empowering citizens with the capacity to participate in local affairs and exercise agency by asking questions of their government. What makes the A.P. social audit ground breaking is that it is the first time in India that the state has willingly opened itself up to regular public scrutiny and proactively mobilized citizens to monitor its activities. Moreover, it has taken steps to create an institutional architecture through methods like the Decision Taken and Action Taken Reports to formalize systems for *answerability*. This is the most significant contribution of the A.P. social audits to the accountability discourse and practice in India.

3.2 Social audits and enforcement

But what of enforcement? If enforcement is measured against two indicators – action taken against implicated officials and amounts recovered – we find that social audits have been successful, if only partly so, on both these counts. Table 1 provides a summary of the former and shows that action was taken against half the number of functionaries who were found to have committed irregularities over different rounds of social audits (9,809 officials as against the implicated 19,488). It is important to note that much of this data is currently being updated by SSAAT. These numbers are thus indicative rather than definitive.

Table 1: Summary of action taken across three rounds of social audits

Sample 13 Districts	Total # of functionaries committed irregularities	Action Taken				
		# Officials dismissed	# Officials suspended	# Police cases booked	# Inquiry undertaken	Total
Cuddapah	3,148	1,224	28	15	398	1,665
Ananthpur	2,716	1,276	13	41	729	2,059
Vizianagara	1,995	86	0	0	154	240

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Adilabad	1,990	681	21	9	857	1,568
Vishakapatnam	1,818	800	17	105	2	924
Khammam	1,666	446	80	84	23	633
Chitoor	1,245	207	31	97	0	335
Mehbubnagar	1,089	444	10	38	8	500
Medak	1,013	274	92	5	171	542
Warangal	833	138	8	4	9	159
Ranga Reddy	725	141	0	6	144	291
Nalgonda	723	95	295	7	36	433
Guntur	527	387	21	0	52	460
Total	**19,488**	**6,199**	**616**	**411**	**2,583**	**9,809**

Source: RSR report as of March 31, 2011

In terms of the amount recovered, as of March 31, 2011 23% (Rs. 235 million out of Rs. 1 billion) has been recovered across all social audit rounds in 22 districts in A.P.[23] Looking at our sample 13 districts, only 15% of the amount has been recovered to-date (Rs. 104 million of the Rs. 707 million found to have been misappropriated; see Table 2).

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[23] RSR report as of March 31, 2011

Table 2: Amount to recover and amount recovered

Sample Districts	Total amount to recover	Total recovered	% Recovery
Mehbubnagar	101,390,568	11,607,889	11%
Medak	98,018,507	38,683,887	39%
Ananthpur	79,036,598	2,672,100	**3%**
Chittoor	77,533,552	4,869,562	6%
Cuddapah	64,902,256	10,778,432	17%
Nalgonda	64,054,023	9,542,894	15%
Adilabad	55,505,127	5,614,419	10%
Guntur	53,823,565	4,443,931	8%
Warangal	45,607,607	2,529,026	6%
Vizianagaram	33,892,480	3,112,527	9%
Khammam	12,897,499	5,924,573	**46%**
Ranga Reddy	12,472,707	1,841,052	15%
Vishakhapatnam	8,396,986	2,818,180	34%
Total	**707,531,475**	**104,438,472**	**15%**

Source: RSR report as of March 31, 2011

But perhaps the most effective indicator of enforcement is the extent to which regular, instituionalized social audits have created disincentives for misconduct i.e. are there any changes in the nature of complaints and officials indicated across 2-3 social audit rounds..

In table 3 (below), we analyze social audit data across two rounds and compare this with data for all 3 rounds to examine this question.[24]

Table 3: Summary of issues/complaints across all rounds of social audits

As table 3 shows, the issues reported remain the same across rounds. There are some shifts. Fraudulent muster rolls have a higher frequency in round 2 than misappropriation while nonpayment of wages decreases marginally. The increase in muster roll fraud could be attributed to changes in the implementation of MGNREGA in 2008, when the scheme converged with a rural roads program, which according to key officials, resulted in a spike in corruption. The program has since been stopped.

Similarly table 4 (below) shows that when it comes to officials implicated, the Field Assistant remains the most frequent official against whom issues are reported across

Issues/complaints	All Data	Round 1	Round 2
Others	37%	40%	39%
Fraudulent Muster Rolls	13%	10%	15%
Misappropriation of Funds	11%	16%	8%
Wages not Paid	6%	8%	5%
Delay in payments	3%	2%	3%

[24] The data for round 3 of the social audits had not been entered by eGramIT at the time of writing this paper. To ensure rigor we have thus disaggregated the data set on issues by round and focused on round 1 and 2 for comparisons.

rounds.

Table 4: Summary of officials implicated across all rounds of social audits

Officers responsible	All Data	Round 1	Round 2
Field Assistant (FA)	37%	35%	37%
Others	15%	16%	15%
Branch Post Master (BPM)	12%	14%	10%
Assistant Program Officer (APO)	7%	7%	7%
Technical Assistant (TA)	6%	4%	7%
Mate	5%	3%	6%
Mandal Parishad Development Officer (MPDO)	4%	4%	6%

Data across round 1 and 2 shows a marginal increase in the frequency of complaints against the FA from 35% in round 1 to 37% in round 2. But this increase is not uniform across all districts. 50% of the sample saw a marginal increase while another 50% saw a marginal decrease in FA complaints from round 1 to round 2. We tried to examine whether this variation had any relationship with high or low frequency of complaints to find no trends. Ranga Reddy for instance which has the highest frequency of complaints against the FA saw a marginal increase from 63% to 65% over two rounds. Nalgonda saw a marginal

decline from 55% in rounbd 1 to 46% in round 3. Interestingly these complaints increased to 56% in round 3 but given the data gaps in round 3 this is merely indicative. Cuppapah which recorded 25% complaints in round 1 saw an increase to 31%.

This analysis clearly suggests that there is something peculiar to the design of the MGNREGA that enables officials, despite being caught regularly through the audit process, to consistently indulge in malpractice. That these issues and officials appear repeatedly, across social audit rounds, despite the fact that social audits have so effectively strengthened answerability indicates that in this specific instance answerability is not sufficient to create a system of credible sanctions and rewards that could reduce malpractice.

In fact the current system runs the risk of weakening the answerability potential of social audits – a fact pointed out by many officials interviewed who said that in the absence of effective follow up, people are beginning to lose faith in the audit process. But why is it that despite a well-designed grievance redressal system, enforcement remains so weak?

Why is enforcement difficult?

To understand A.P.'s enforcement problem, we need to situate the discussion in the context of debates on enforcement and accountability. As we mentioned in section 1, effective enforcement is premised on an institutional design that creates a credible system of sanctions and rewards. Designing such a system throws open an important question: who should be accountable to whom and on what terms? In modern bureaucracies, as Rubin (2005) argues, these questions are answered and accountability invoked through the hierarchical relationship between supervisors and subordinates and is based on a standard that the superior imposes on a subordinate. Rubin goes on to argue that for accountability to affect decision making, the decision maker must be aware that s/he will be held accountable for her or his decision and the subordinate must accept the legitimacy of the person imposing the standards.

In the A.P. context, the hierarchical relationship between social auditors, the MGNREGA implementing and enforcement agency (RD department and the vigilance wing) and implementing officials on the ground is weak. This weak relationship compromises the enforcement and accountability potential of the audits. To understand this, we need to consider the implementation structure for MGNREGA in the state. As figure 3 (below) highlights, MGNREGA is implemented by a wide range of officials, many of whom have

strong hierarchical relationships with agencies other than the primary implementing

agency for MGNREGA –the RD department.[25]

Figure 3: Management Structure of MGNREGA in Andhra Pradesh
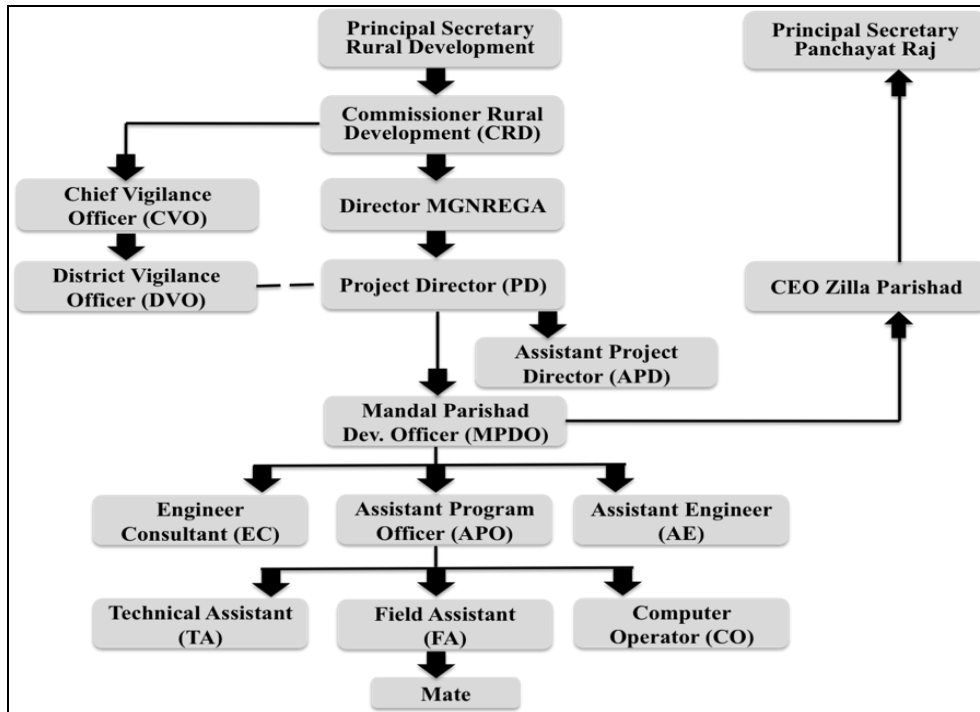
For instance, the MPDO, who is the key frontline officer responsible for implementing the

MGNREGA at the mandal level, is answerable to the PD. However, the MPDO is a state cadre

bureaucrat recruited by and thus directly accountable to the Department of Panchayati Raj

(PRD) and not RD. The nature of government rules are such that disciplinary action can

only taken by the recruiting authority who is the direct superior. Thus although the MPDO

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[25] This is not unique to MGNREGA. Studies on India's public administration have demonstrated that its bureaucracy is characterized by multiple implementing agencies and actors which in turn create multiple and complex hierarchies each with overlapping lines of reporting. Moreover, goals are not clearly articulated making it difficult to impose substantive standards. In such a structure, affixing responsibility and imposing sanctions is nearly impossible because no single agency can claim complete responsibility for and authority over its delivering agents.

is answerable to the PD for all MGNREGA related activities, the PD is not authorized to initiate any disciplinary action against MPDOs. If complaints are lodged against the MPDO in a social audit, the PD can only send a recommendation to the Panchayati Raj Department for removal of an MPDO. Senior officials in RD, the department to whom the PD is accountable to, have no authority over the PRD and thus can do nothing if PRD chooses not to take action against MPDOs. Interviews with officials revealed that this in fact is the case in A.P.[26] This also weakens the overall follow up system as the MPDOs are responsible for taking action on audit findings. The weak relationship between the MPDO, PD and social audit society makes it difficult for the PD to demand action from the MPDO.

The hierarchical relationship between frontline implementing officers and RD is also weak. As our analysis of social audit data shows the Branch Post Master (BPM) is an important official against whom complaints are lodged. The BPM however, reports to the postal service which is outside the disciplinary purview of MGNREGA officials. Thus, just as in the case of the MPDO, the only action that a PD can take against an errant BPM is to recommend that the Superintendent Post Master (SPM) take action against him or her and

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[26] Interview with CVO April 2, 2011

more often than not, little action is taken. As one PD put it, "the standard reply to most social audit findings is that the implicated BPM/SPM is no longer in service or that all findings are false.

Even when it comes to staff who are part of the RD and under the complete control of the PD such as the FA and TA, imposing sanctions can be difficult. FAs and TAs often collude with other frontline officials including the MPDO to indulge in malpractice and as we have seen the MPDO and the PD have weak hierarchical relationships. There are also incidents when the FAs have appealed to the courts and received stay orders against social audit findings thereby weakening the power of the social audits.

As this discussion indicates the very design of the administrative structure for implementing MGNREGA is such that the hierarchical relationship between policy makers, frontline managers and frontline implementers of the MGNREGA is weak. As a result, even though key policy makers and decision making authorities in RD are willing to enforce social audit decisions, their actual ability to do so is constrained.

It is important to note that the problem of enforcement does not lie with the social audit process itself. As a process, the audits have been successful in bringing out cases of maladministration and corruption and in that sense have effectively done their job. The failure to ensure effective enforcement is a consequence of larger administrative challenges, ones that the social audit is simply not meant to address. Social audits clearly demonstrate that the accountability failure and resultant corruption in MGNREGA is

located in an ecosystem of institutional design failure. While social audits are effective at bringing these failures out in the public domain and drawing public pressure to ensure answerability, institutional failure ensures that accountability remains elusive. It is important to note that the social audit and RD department in A.P. are aware of this challenge and are experimenting with different ways of addressing it. One innovation being considered is the creation of mobile courts in every district of the state. The mobile courts will have prosecution powers and will work independently based on a list of complaints identified in the social audits. It will be important to track this innovation going forward to examine impact.

4. Challenges to the social audit process

No discussion on the social audit can be complete without an analysis of the social audit process itself. Our preliminary field work highlights some process limitations that require mention.

Critics of the social audit argue that VSA's hired by SSAAT lack technical qualifications and often misunderstand what beneficiaries say during the audit. Also, there is a concern over whether audit findings (which are essentially based on recall by villagers) can be trusted. In some mandals, the third round of the audit was undertaken after a two-year gap, which in itself could account for fading memory. As a result some interviewees argued for the need for greater quality control and checks over and above the social audit and/or

expressing a preference for a combination of social and financial audit, with the latter being undertaken by more qualified staff. This throws open the question about whether audits should be done concurrently or post-facto as in the current form. But, moving to a concurrent audit system requires tweaking the audit methodology as the scale of worksites being run at any given time can pose a challenge. The SSAAT has begun a few pilot experiments in conducting concurrent audits. The effectiveness of these pilots will determine the future path of the audit process.

At the same time interviews revealed fears of routinization and co-option of the social audit process. Critics argued that charges of co-option have been leveled against some VSAs and DRPs. While cases of actual corruption identified and investigated are low, this remains a risk and therefore an area of concern for the SSAAT. Equally, the social audit process runs the risk of being routinized and being reduced to a procedural check box process that seems to plague social audits in most states. Our interactions with officials suggested that we might already be beginning to see signs of routinization. As one interview surmised, "Social audits are now a system and people know how to beat the system."

This brings us to what is perhaps the biggest challenge for social audits going forward: that of resolving the question of who should conduct the audit. The ultimate goal of the audit process should be to evolve into a people led audit system. While the SSAAT is grappling with this question and has initiated some experiments with ways of making this transition, questions remain on the mechanisms of this transition. For a people's audit to be effective much effort needs to be made in nurturing spaces for participation and creating pre-

conditions for such participation to be effective – which is precisely the role played by SSAAT. But, at what point should the audit process begin to change its structure and move away from creating an audit bureaucracy to evolving into a people's audit? What should be the platform for such an audit? Should it be the gram sabha? Who should facilitate a people's audit? Should it be the gram panchayat? The SSAAT point to obvious conflict of interest in having the gram panchayat (which is technically the facilitating agency) preside over these meetings. One option could be to build local vigilance committees, perhaps lead by VSA's to undertake audits. But whatever form the peoples audits take there remains the question of enforceability: what should be the role of government in ensuring enforceability? Addressing this is the challenge for the future of social audits.

5. Concluding remarks

This paper is an effort to contribute to the growing debate on the nature and form of anti-corruption institutions and accountability structures. Through an analytical study of the social audit experiment in A.P., arguably one of India's most successful experiments in institutionalizing anti-corruption and accountability innovations at the grassroots, this paper highlights the importance of a holistic approach to the accountability deficit. Creating accountability systems requires the constellation of many different elements. It requires strong citizen action to place accountability demands on the state but equally it requires that the state institutions respond to these demands and enforce sanctions to ensure accountability. Reforming the larger institutional environment in which the state functions is thus essential. It is our contention that administrative reforms are as important to

addressing the accountability deficit as creating new and empowered anti-corruption institutions.

Specifically on social audits, our analysis presents a mixed picture. Without doubt, social audits in A.P. have been extremely effective in strengthening answerability. They have created a space where citizens can demand and receive information, question their government and exercise agency. The audit process itself has the potential to produce informed citizens by raising awareness and bringing people's experiences into the public domain. The enthusiasm with which MGNREGA wage seekers attend public hearings in A.P. is a testimony to this democratic potential of social audits. But this answerability without enforcement in the instance of social audits is limited in its potential. Lack of enforcement in social audits is particularly puzzling given that a grievance redressal system has been created. Ultimately this points to the need for administrative reforms so that the governments delivery institutions respond to a system of rewards and sanctions.

In sum, social audits in A.P., amply demonstrate citizens' willingness to participate, question and engage in government process – a necessary condition for accountability. They also demonstrate the crucial role that governments can play in nurturing this potential. But for these spaces to be effective the onus lies on the state to reform itself to be responsive and accountable to its people.

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