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CIVIL SERVICE

DECCAN HERALD 1.10.09 CIVIL SERVICE

Satishchandran: Civil servant of a model kind

By K Jairaj

T R Satishchandran, who passed away recently, was a rare kind of civil servant who displayed the highest professional ability and integrity in his distinguished career. His peers, including all those who worked in close proximity, developed respect and awe for his almost clinical, unflinching adherence to work. This was coupled with high standards that always eschewed personal considerations emphasising duty over self.

A 1953 batch IAS officer, his career was marked by great accomplishments. Both at the Centre and the state, he worked in several key assignments in energy, finance, industry and general administration. In whatever he did, he exhibited the same imprimatur that was to mark him out as distinct from others: mastery over work, rigorous application and marshalling of issues and communication skills. His stint as Union energy secretary culminated with his election as chairman of the World Energy Conference — a first for any Indian.

He returned to Karnataka as chief secretary in December 1983, at the behest of Ramakrishna Hegde who had taken over as chief minister a few months earlier. Given his extraordinary track record in Delhi, insiders rated him as a sure prospect for cabinet secretary which did not happen, though.

As chief secretary, he enjoyed an unusually long tenure of nearly five years. To his professional self, Satishchandran brought a formidable intellectual background. His academic training as an engineer (a product of the Indian Institute of Science) showed in the quantitative approach to work. I was deputy commissioner, Tumkur, in the 1980s and clearly remember the masterly manner in which he would introduce subjects and summarise discussions at the quarterly deputy commissioners' conference in the presence of Hegde.

Satishchandran had a soft spot for Tumkur. He had spent his childhood in the town, where his father Ramiah was deputy commissioner. In fact, he told me once: "The T in my name stands for Tumkur". Emboldened by this, I invited him to spend two days in the district visiting various rural development works in the taluks, interaction with officers and a full-fledged meeting in the district headquarters. As part of the old Mysore milieu, he would be religious as well. I had also arranged for visits to two venerated centres, the Yediyur Siddalingeshwara shrine and the Narasimha Temple at Devarayanadurga.

When the time came to bid him goodbye at Madhugiri, I asked him what he thought of the temples. He turned towards me with a half smile and said he was an agnostic! I quickly apologised for putting them on his programme. He put me at ease and replied: "Those were temples run by the government and I went as part of my duty."

I was witness to Satishchandran's poise and dignified behaviour in an unusual incident towards the end of his tenure. In the ordinary course, he would have retired after holding office for four years on attaining the age of 58. The state government extended his service by six months and it was rumoured that a second extension was in the offing. This was understandably not to the liking of some officers, who by virtue of their seniority, were in line to become chief secretary.

The IAS Officers' Association met and passed a resolution requesting Satishchandran not to 'accept' any further extension as this would be detrimental to the morale of the service. The association also resolved that the members of the executive committee, of which I was part, would present the resolution to the chief secretary in person. For the record, Satishchandran retired from service soon thereafter. It is rumoured that he declined the second extension.

But retirement did not keep Satishchandran away from the public domain. He served for five years as the director of the Institute for Social and Economic Change, established by Dr VKRV Rao. He moved to Delhi as principal secretary to the prime minister during the tenure of H D Deve Gowda, who reposed great confidence and trust in him. This was followed by a few months as governor of Goa before he was asked to resign by the newly formed NDA government in Delhi.

(The writer is Principal Secretary, Karnataka Thermal Power Corporation Ltd)

E-GOVERNANCE

INDIAN EXPRESS   6.11.09   E-GOVERNANCE

More than numbers

Jaithirth Rao

When Nandan Nilekani was invited to take up a government assignment, there was considerable scepticism in many quarters, and justifiably so. Our government has what is known as the “reverse-Midas touch” — the ability to convert gold into lead. Think of so many government initiatives in the history of free India. Do you remember the Community Development Project of the fifties? After five decades and the appointment of thousands of BDOs (block development officers), how many parts of rural India have indeed “developed” (whatever that may mean)? Do you remember Garibi Hatao, the magic slogan some forty years ago? At last count India had the maximum number of “garibs” in the world. So will the same fate await the Unique ID Project — good intentions, tall talk and abysmal delivery leading to cynicism all around? This is a legitimate fear and our track record as a country does not lead to much optimism.

And yet, the other day as a couple of dozen of us came away from a meeting with Nandan’s team, we were looking at each other, nodding our heads and saying with a mixture of awe, admiration, hope and tautened expectation something along the following lines: “Their plans are intriguing — modest at one level and therefore eminently do-able, simply breathtaking in its audacity at another level and therefore absolutely desirable from the country’s point of view.” The new Agency is not planning to issue a card as most of us have been thinking. In one utterly brilliant stroke, they have redefined the purpose and the outcome of their endeavour. Each

Indian resident is going to be eligible for a single Unique ID Number, not a card. This means that others who issue cards, be it in the state sector (the Election Commission, the passport office, the NREGA authority, the Income Tax Department, etc) or in the private sector (banks, cell phone operators, etc) have nothing to fear and therefore no incentive to resist or sabotage the new approach. On the contrary, they are free (as and when they choose — no compulsion) to leverage the fact that there will be a unique number associated with a unique individual — a symmetric relationship which cannot be violated or subverted as it will be based on non-replicable biometrics. Leveraging this facility can only help various card-issuers and if they choose not to make use of the unique IDs they are no worse off than they are today.

The fear many of us had that players, both in the public and private sectors, who have agendas of their own (including the need to protect their turf) will have a vested interest in willing this new effort to fail has thus been subtly eliminated. The ID programme is a neutral, non-threatening one. You can use it if you want to and over time you may benefit from using it, but it in no way impinges on the initiatives and territories of other players.

Also, from the perspective of Indian residents (note the emphasis on residents — the determination of citizenship is left to existing authorities like the passport officer) the entire programme is positioned as a voluntary one. There is no totalitarian Mussolini forcing you to get an ID number. This should make civil libertarians feel good. Just like people who have Internet access voluntarily get themselves e-mail addresses, most residents of India will want to get themselves a national ID number. And this will be true of the rich who need driver's licences, passports and bank accounts as well as the poor who need ration cards and NREGA payments. The key feature of the system as conceived is that once a critical mass is built, the installed base will grow by popular demand, not by fiat.

Theoretically a hermit in a cave need not apply for an ID number and that is as it should be. As a committed libertarian, this aspect of the programme appeals to me. It is as though we have a supportive state, not an intrusive big brother.

The technological architecture involved (both hardware and software, but primarily software) in pulling off this task is by no means going to be simple. This is especially true for the initial enlistment process. In order to ensure the integrity of the process, every time a new person applies for it, the

system would need to run a negative check across hundreds of millions of existing IDs (and eventually across 1.2 billion IDs) and this would need to be done on a near-real-time basis. No one anywhere in the world has attempted anything on this scale. Those who are not sensitive to the technical implications should just trust this writer. Trust me, this is a stupendous task. To some extent this could end up resembling the US mission to the moon. That effort led to technical spin-offs and advances in so many related fields. I have a hunch that we might face a similar situation and a similar set of opportunities. The ID project may actually end up making an IT superpower out of us in a very real sense — not just with marketing hype, which has been in part our story so far. And this will be both in hardware (India may end up becoming the biggest and most advanced user of biometric readers) as well as in software (we will be the first to figure out how to capture, store and retrieve — all in near-real-time scenarios — a few billion photographs and tens of billions of biometric data elements).

For someone who went into the meeting as a sceptic, I came out with a profound if cautious sense of optimism. This national project has a greater than 50 per cent chance of success and it is in all our interests to support it to make sure that that probability goes up. The practicality of the approach and the calmness with which we are approaching the stupendous technical challenges would indicate that in the months to come the probability of success will keep going up.

ECONOMIC DEVELOPMENT

ASIAN AGE   5.10.09   ECONOMIC DEVELOPMENT

A reality check for rich nations

Money is not everything, and the weekend meeting in Istanbul of the Group of Seven richest nations in the world must have realised this. Almost all, with just one exception, are reeling under massive financial problems and clinging to stimulus packages — as the proverbial last straw — possibly in the realisation that if these were withdrawn their economies could go into a tailspin. The problem is that they are yet to resolve issues relating to the real economy. The communiqué at the end of the one-day deliberation on Saturday admits that "the prospects of growth remain fragile and labour market conditions are not yet improving." But the solutions they talk about don't appear relevant to real problems, they only deal with the symptoms. The G-7 talks of strengthening the financial system by building on high-quality capital; implementing strong international compensation standards; improving over-the-counter derivative markets; develop a new framework for sustainable and balanced growth; reform and review the resources, mandate and governance of international financial institutions, etc. It is all so much déjà vu, and does not take issues forward.

The G-7 communiqué notes that "excess volatility and disorderly movements" in exchange rates have adverse implications for economic and financial stability — which is an euphemism for asking China to release controls on its currency — the renminbi — to ensure more balanced growth, in China and elsewhere. But China, always fiercely nationalist, has made it clear time and again it will work at its own pace and to suit its own requirements, and it is powerful enough to ensure that its writ prevails. Beijing has been signing yuan-based agreements with other nations, skirting the dollar, in line with its view that the dollar should not remain the world’s only reserve currency. The real problem with the Anglo-Saxon and European economies is that they have priced themselves out of the markets, and are forced to provide huge subsidies to maintain exports. Their markets are flooded today with goods from developing economies which the poorer countries produce at the cost of exploiting their own citizens. Wages are low and workers labour in sweatshops across China, India and much of Southeast Asia because the West, over the years, leveraged its strength to beat down Asian markets and prices. Now the fortunes are reversed because the West has outpriced itself, and no longer enjoys leverage. That is why the World Trade Organisation is so vital for them: with a world trade deal they hope to be able to flood the markets of the developing world with their products. That scary proposition is the main hurdle that is tripping the Doha Round of world trade talks.

The only real success of the G-7 has been to maintain the illusion of its relevance. It succeeded in pushing under the carpet any talk of restructuring the G-7 into a G-4 as suggested by the United States (to comprise the US, EU, Japan and China). From indications given by the Japanese and German finance ministers, the G-4 wasn’t discussed at all, allowing the G-7 to survive to fight another day. The International Monetary Fund, at its parallel meeting in Istanbul, perhaps wrote the G-7’s epitaph: it said "the G-20 nations would become the world’s main economic decision-making forum, effectively taking over the role of the G-7 group of rich countries", as it (G-20) represented both the rich and the large emerging countries.

ECONOMIC TIMES 1.10.09 ECONOMIC DEVELOPMENT

Tame the economy, if not the banks

T T RAM MOHAN

The G-20 heads of government, meeting in Pittsburgh, made all the right noises on reform of the banking sector. Banks will be required to hold more
capital. Compensation policies in banks must not encourage excessive risk-taking. Large banks must be subjected to stricter standards than the rest. So, are we about to see a brave new world of banking? Any celebration would be premature.

There are at least three reasons why progress on the ground may not match the rhetoric of the G-20 meet. The first is a sense of complacency as the global crisis shows signs of bottoming out. The second is the difficulty in reaching a common understanding among regulators on precisely what new rules should be put in place. The third is that banks that are too big to fail are likely to be with us even after the crisis blows over.

It is hard to miss the signs of complacency as the world economy shows signs of recovery. Last July, the IMF revised its forecast for world economic growth for 2010 from 0.6% to 2.5%. Several banks have seen their stock prices recover smartly and are poised to post obscene profits this year.

Why 'obscene'? Because profits in the present environment have flowed from a combination of unusually favourable factors. Monetary policy aimed at stimulating economies has lowered banks' cost of funds. Banks have benefited from infusions of capital from government. Government guarantees have allowed banks to raise funds at lower cost than otherwise. Large banks that have survived and gobbled up those that failed are reaping the advantages of market dominance.

Banks in the US are taking every opportunity to repay public funds so that they are freed from restrictions, especially restrictions on compensation. Goldman Sachs is set to declare its highest bonuses ever — the betting is that average bonus could touch a million dollars this year. There are also reports that Goldman is planning to surrender its banking licence.

Governments need unusual resolve to overcome any sense of business as usual and push ahead with measures to prevent the next big crisis. The one solid assurance we have is that capital requirements for banks will go up. But how much more capital banks will have to hold is yet to be spelt out.

Most regulators will be wary of taking unilateral steps for fear of putting their domestic banks at a disadvantage. So, we need regulators to reach agreement quickly on what is an appropriate level of capital. Indian banks are operating today at a capital adequacy of 13% against the regulatory norm of 9%. If the regulatory norm goes up to, say, 12%, Indian banks should plan for capital in the region of 15-20%. Public sector banks, where government shareholding is close to 51%, please note.

Some regulators want a special allocation of capital against the trading book. There is also a broadly held view that there must be an additional capital requirement for large banks, given their greater potential for disruption. Regulators have their work cut out in harmonising these perceptions and arriving at common norms for capital.

Some believe that higher capital requirements will have the perverse effect of pushing managers to take more risk because of the pressure to earn returns on a higher capital base. This is not necessarily true. When leverage in banking declines, managers' incentive to take risk is reduced. Indeed, we need more capital in banks not because it provides a better cushion when failure happens. We need more capital to prevent failure in the first place by reining in the appetite for risk.

Higher capital is an indirect way to rein in excessive risk-taking. The direct way is regulating managerial pay. The G-20 mentions a number of measures: deferring variable compensation; paying such compensation in stock rather than cash; and clawing back compensation when bankers run up losses. But it may not be enough to get the design of compensation right. Some caps on compensation may be inevitable. In India, the RBI has not hesitated to step in to regulate pay of private bank CEOs, using certain norms. The G-20 communique waffles on this point.

Lastly, there is the issue of 'systemically important' institutions that are too big to fail. Higher capital cannot address this problem. Plans for orderly resolution of these institutions in the event of failure may be of little avail in times of crisis. This problem needs to be tackled head-on either by limiting the scope of banks, say, preventing deposit-taking institutions from having certain types of activities. Or it may require limits on the size of banks. But such measures are considered too radical even in today's context. We need an even bigger crisis before such solutions find acceptance.

Whether it is capital requirements or executive pay or the problem of large banks, solutions will be slow in coming and will be in the nature of compromises worked out by politicians, regulators and powerful banking lobbies. Moreover, by its very nature, financial innovation is likely to find its way around many regulations — witness the huge ‘shadow banking system’ where the present crisis originated.

It would be unrealistic, therefore, to expect stronger regulation of financial institutions by itself to stave off the next crisis. Better macroeconomic management must supplement regulation. Perhaps, the biggest gain from the present crisis is a wider acceptance today of the importance of ‘macro-prudential’ surveillance, including the notion of leaning against asset bubbles. This will require, among other things, monetary tightening or counter-cyclical measures targeting particular sectors and a moderation of volatile capital flows as bubbles build up.

Again, there is work to be done on identifying the trigger points for such actions. But at least, the Greenspan thesis that policy-makers do nothing in the face of asset bubbles no longer has as many takers as before. Booms and busts are, of course, integral to capitalism. But policy-makers have an obligation to limit the frequency and intensity of disruption. This applies especially to crises resulting from banking failures, where the sins of a managerial aristocracy are visited on the hapless multitudes.

EDUCATION

TELEGRAPH 5.10.09 EDUCATION

TO MAKE MORE MANAGERS
- Management education needs to be better planned

S.L. Rao

Kapil Sibal might well deal aggressively with the reform of management education, still being regulated by the All India Council for Technical Education. Indian institutes of management are only the froth on top of a large wasteland (with a few oases) in management education. It also attracts some of the brightest young people. Business education is almost a guarantee for well-paid jobs and prospects for rapid increases in remunerations. Indian students of management in business schools here and abroad were around 200,000 in 2007, a very small number in relation to the needs.

Management education was an artificial graft on to our educational system. It has not had the integrated thinking and planning that, for example, went into Indian institutes of technology or the five-year law programme at the National Law School of India University. The regulatory framework of the AICTE is highly inefficient, overly centralized and corrupt. The National Knowledge Commission and the Yash Pal committee want the AICTE disbanded and individual schools to decide on fees, curricula and other matters. This will not improve the many bad schools that should be dealt with firmly.

Self-regulation by many bad business schools cannot do any better than the AICTE. Many schools are promoted by seedy entrepreneurs including politicians, out to make large bucks. Until we can weed out the shady schools and introduce high standards of self-governance by law, there must be a mechanism to monitor, inspect and award quick punishment for violators. There must be a mechanism to close the inefficient and corrupt ones.

AICTE norms for recognition included square footage, library, faculty strength, and so on. But AICTE constantly overlooked norms in granting recognition. There was casual and sporadic monitoring and inspection. Cheating was not uncommon and AICTE did not take action. Few were penalized for violation. Many of these recognized schools are scandalously under-equipped in libraries, computers and even qualified faculty. It is a comment on the high quality of students, the shortage of trained managers, and the herd instinct of Indian industry that almost all get good jobs on graduation.

Post-graduate management education must be integrated to build on knowledge imparted in a related undergraduate programme. The student should have had a broad exposure to the social sciences as well as the natural sciences. Values, ethics and societal needs must reflect themselves in management education.

Management education has failed to meet the vast need for managers in Indian business and non-business organizations. The unintended consequence of the hurried reservation for other backward classes is that IIMs, after years of foot dragging, have been compelled to increase the numbers admitted. But IIMs alone cannot meet the huge need for managers in India. We need a more root-and-branch reform of all management education.

There is a severe shortage of competent faculty. They are poorly integrated into management education. Most have little practical experience of management. Many come from different disciplines and there is no system to give them orientation towards management. At least the better management schools must offer the doctorate degree and run faculty development programmes. A massive effort to train faculty from other disciplines to teach in management courses needs to be initiated.

There is no way for students and recruiters today to establish the capability of different schools. Ratings could enable assessment of their relative merit. But hardly 15 per cent of recognized management schools allow themselves to be rated. They all make substantial surpluses both above and below the table. Most schools have modest libraries, few computers and poor faculty. We need a single national rating agency that would publish results annually, and compel all schools to pay for annual ratings.

There are over 22,500 listed and unlisted companies in India. Then there are private companies, partnerships, proprietary companies, service companies, innumerable small and medium manufacturing, trading and financial enterprises, and many non-governmental organizations in health, education and other fields that also need trained managers. The numbers of around 100,000 domestic MBAs (or equivalent) and such of the foreign-trained who return are not sufficient to meet the needs of most of these current and potential users. Most organizations actually recruit experienced people or those freshly out of school and college and train them for their needs. Commerce and economics graduates and others with professional qualifications in accounting, auditing, secretarial practice, engineering and so on form the bulk of the managerial population.

The present standalone MBA post-graduate programme must be integrated with undergraduate education. Students must be able to seamlessly move into an MBA class without having to newly learn the social sciences, statistics, economic history and so on. Many undergraduate courses do not give exposure to a lot of these subjects. The present undergraduate programme is the BBA, a money-making course designed in haste to cash in on the demand for people with a ‘business’ education. Teaching business management, as is done now, for a BBA degree to 16-year olds is misguided, since management studies demand some more exposure to other subjects and preferably work experience. Instead, a new five-year integrated management programme, with a two-year gap for work experience, must be like the five-year law programme at the national law schools.

We must also pay a lot more attention to the content and teaching in our BCom and MCom courses. The V.K.R.V. Rao committee report on commerce education of 1961 had proposed that management education be at the apex of a pyramid of which the base consists of diploma and degree-holders in commerce who learn the essentials to start as foot-soldiers in commerce and industry. Above them would be the BCom starting as a lower level executive, sales officer, supervisor of accounts and so on. The MCom would have specialized in one industry or another, like banking, transport, railways, even NGOs, arts management and so on, and enter those areas. The management education post-graduate would be fit to join as manager at the entry level anywhere. He would be well-rounded because of his undergraduate work, have had exposure to aspects of management, and would be even more useful if he had spent two years at work. If we create a structure like this, we will produce many more trained personnel to staff a variety of industries and levels of jobs. The present mad rush for management graduates for all types of jobs might decline.

Exploitation of students by charging capitation fees or excessive fees, offering poor facilities and relatively untrained faculty is rampant in many business schools and must be stopped ruthlessly. Every management education institution, whether run by a university or a trust, should be made to follow the same corporate governance rules prescribed for listed companies by the Securities and Exchange Board of India.

The small number of management graduates in relation to the total need makes many of the young and bright entrants act superior and arrogant. They complete management education in their early twenties and have multiple highly paid job offers. Management thinkers fault this practice and attribute the decline of values in many industrial and finance companies to it.

The government must not interfere with educational institutions on matters of faculty remuneration, differential salaries according to qualifications of faculty members, or remuneration based on performance. If the institution depends on government grants it must be free to set remuneration within an overall budget.

Sibal must understand that IIMs do not represent management education in India. There are hundreds of other institutions, many quite unsuited for the job, but making money. After the aging senior politicians who for the last decade handled the human resource development ministry, Sibal is a fresh mind and can transform management education.

JUDICIARY

TELEGRAPH 7.10.09 JUDICIARY

Making the right choice

V.Kumara Swamy

Justice P.D. Dinakaran, presently the Chief Justice of the Karnataka High Court, would probably have become a judge of the Supreme Court of India by now if he had not had serious charges of land-grab and judicial impropriety levelled against him.

While the collegium of judges, consisting of the Chief Justice of India (CJI) and four other senior apex court judges, that recommended Justice Dinakaran is looking into the allegations, the selection process of judges itself has come under a cloud. In fact, eminent jurists, former judges, politicians and others are now calling for a re-look into the whole process of selecting judges.

According to Article 124(2) of the Constitution that deals with appointments of Supreme Court judges, the President appoints every judge and "in the case of appointment of a Judge other than the Chief Justice, the Chief Justice of India shall always be consulted." Until 1993, appointments to the Supreme Court and the high courts were done after consultations between the chief justices of these courts and the government. In case there was a disagreement over certain appointments, the names were simply dropped.

All this changed with what is called the 'Second Judges case' (Supreme Court Advocates-on-Record Association vs Union of India) of 1993. A nine-judge bench of the Supreme Court ruled that only a collegium consisting of the CJI and other judges should have the final say on appointments.

This was further reinforced by the ‘Third Judges case’ in 1998 which changed the composition of the collegium from the CJI and two other judges to the CJI and four other judges. The Supreme Court also ruled that the government is bound by the decision of the collegium when it comes to the appointment of judges — both of the Supreme Court and the high courts.

“The collegium system was invented by the judges, and now that serious questions have been raised against this selection process after the Dinakaran episode, they have to come up with a solution themselves,” says Fali S. Nariman, eminent jurist.

Others agree that the system is seriously flawed. “This is a most unworkable system and it has failed to produce results,” says R. Vaigai, senior advocate and convenor, Forum for Judicial Accountability, Chennai. Adds Rajendra Babu, former Chief Justice of India, “The word ‘collegium’ doesn’t exist anywhere in the Constitution. It’s clearly not a very healthy system.”

Of course, this is not for the first time that questions have been raised against the present method of selecting judges. As early as November, 2008, the parliamentary standing committee on personnel, public grievances, law and justice had asked the government to bring in a legislation to do away with this form of selecting judges. “The committee consulted former justices of the Supreme Court, including chief justices Ranganath Misra and S.P. Bharucha. They were almost unanimous in their disapproval of the collegium system,” says E.M. Sudarsana Natchiappan, Member of Parliament and the chairman of the standing committee.

Experts say that one of the biggest flaws in the current system is its lack of transparency. “We are simply not aware of the basis on which the collegium chooses judges. There is no way of knowing that the judges who are selected to the Supreme Court and the high courts are of outstanding merit," says Arvind P. Datar, senior advocate, Madras High Court.

Generally, it is considered that senior judges, more often than not the chief justices of the high courts, make it to the Supreme Court. "But what about junior, but very competent judges?" asks Datar. "The collegium has chosen some good judges but it has missed out on many better judges," says Nariman.

In its 230th report on judicial reforms, the Law Commission of India points to another flaw in the selection of high court judges. According to the government policy, the chief justice of a high court should be from outside the state and the judges who form the collegium are also supposed to be from outside the state. "As a result," points out Justice A.R. Lakshmanan, chairman of the Commission, "the judges of the collegium are not conversant with the antecedents of the candidates. Hence, the appointments often suffer from a lack of adequate information."

However, though nearly everyone agrees that the present system ought to be done away with, opinion is divided on what would be the ideal way of selecting judges to the Supreme Court and the high courts. Nariman, for instance, says that the "collegium system should be institutionalised".

"If there is a regular office with staff, it can look into the names suggested by the collegium and carry out background checks," he says. According to Nariman, this could be an interim arrangement until the government comes up with a new law on judicial appointments.

On the other hand, Justice Babu is in favour of the process that existed before the collegium system, but with a few changes. "Let the CJI speak to a cross-section of judges, lawyers and others and prepare a list of possible candidates and pass on the list to the Prime Minister. If the PM has no problem with it, the CJI's list should be approved," he says.

Others find both systems equally riddled with problems. “Neither the collegium nor the one preceding it worked satisfactorily. What we need is an independent mechanism. Only merit should matter, and nothing else,” says Datar.

“This primacy of the judiciary is blown out of proportion in our country. Nowhere in the world are judges selected in this way,” says Prashant Bhushan, Supreme Court lawyer and member, Committee on Judicial Accountability (COJA), which is calling for major changes to the selection process.

COJA has suggested the constitution of a Judicial Appointments Commission and a Judicial Complaints Commission with representatives appointed by the judiciary, legislature and executive. “These can be independent bodies with an investigative organisation under their control, through whom they can get the backgrounds of the prospective appointees or complaints against judges investigated,” says Bhushan.

Natchiappan says that a transparent selection process is the way forward. “Whether it’s a long list or a short list, let there be an open discussion on the appointments. Let these lists be published on the websites of the Supreme Court and the law ministry. Why should there be so much secrecy?” he asks.

But there are others who are in favour of a status quo. “The collegium has worked very well and it has selected world class judges. I don’t see the need for any change. I think the Supreme Court judges are competent enough to choose the right people,” says Bishwajit Bhatacharya, a senior advocate in the Supreme Court.

The law ministry refused to comment on any possible changes to the law on the appointment of judges. But the government is planning to introduce a judicial inquiry bill in the next session of Parliament that will look into allegations of corruption in the Supreme Court and the high courts.

Will that lead to a change in the way judges are selected? Time, as they say, will tell.

NATURAL DISASTER

HINDU 6.10.09 NATURAL DISASTER

Coping with natural disasters

It has been a terrible period for countries in the Asia-Pacific region, with natural calamities of one kind or another bringing death and destruction to their lands. On September 26, Typhoon Ketsana ploughed through the Philippines before tearing into Vietnam, Cambodia, and Laos. The storm produced the worst flooding in decades across the northern Philippines, caused extensive damage in the countries it swept through, and killed several hundred people. Before the Filipinos could catch their breath, Typhoon Parma hurtled through the less populated north-eastern part of their island nation before heading towards Taiwan. On September 29, a magnitude 8.0 earthquake set off a lethal tsunami that levelled the idyllic Pacific islands of Samoa, American Samoa, and Tonga. The towering walls of water claimed many lives and wiped out whole villages. Less than a day later, a quake of magnitude 7.6 shook southern Sumatra in Indonesia. Some 1,000 people have been killed in the coastal city of Padang and it is feared thousands more lie trapped in the rubble of collapsed buildings. The temblor has torn up roads, making it difficult to reach aid to devastated villages in the interior.

Natural disasters are, of course, beyond human control. But human action and inaction can profoundly affect their outcome, exacerbating or mitigating their effects on people. This point was forcefully made in the United Nations 2009 Global Assessment Report on Disaster Risk Reduction. Although natural calamities strike the wealthier nations too, the risk of death and economic loss from such events is heavily concentrated in developing countries and within these countries, it is the poor who disproportionately suffer. As U.N. Secretary-General Ban Ki-moon observed: “Pre-emptive risk reduction is the key. Sound response mechanisms after the event, however effective, are never enough.” With just such foresight, Japan has been able to build one of the world's most prosperous economies on densely populated islands that face the ever-present threat of earthquakes and tsunamis. India too is vulnerable to natural calamities. A report produced by the Central government a few years ago noted that about 60 per cent of the country is prone to earthquakes of various intensities; over 40 million hectares can be flooded; about eight per cent of the land can be hit by cyclones; and 68 per cent of its area is susceptible to drought. Governments in India and other developing countries must find practical ways to reduce their vulnerability to a variety of natural hazards that extract such a cruel toll from their people and economies.

HINDU 1.10.09 NATURAL DISASTER

25 million more children will go hungry by 2050

Suzanne Goldenberg

Global warming set to bring back malnutrition in developing world.

Twenty-five million more children will go hungry by the middle of this century as climate change leads to food shortages and soaring prices for staples such as rice, wheat, maize and soya beans, a report says.

If global warming goes unchecked, all regions of the world will be affected, but the most vulnerable — south Asia and sub-Saharan Africa — will be hit hardest by failing crop yields, according to the report, prepared by the International Food Policy Research Institute (IFPRI) for the World Bank and Asian Development Bank.

The children of 2050 will have fewer calories to eat than those in 2000, the report says, and the effect would be to wipe out decades of progress in reducing child malnutrition.

The grim scenario is the first to gauge the effects of climate change on the world's food supply by combining climate and agricultural models.

Spikes in grain prices last year led to rioting and unrest across the developing world, from Haiti to Thailand. Leaders at the G20 summit in Pittsburgh last week committed $2bn to food security, and the United Nations is set to hold a summit on food security in November, its second since last year's riots.

But the U.N. Secretary-General, Ban Ki-moon, is pressing the World Bank and other institutions to do more. He said the industrialised world needs to step up investment in seed research and to offer more affordable crop insurance to the small farmers in developing countries. Though prices have stabilised, the world's food system is still in crisis, he said at the weekend.

"Ever more people are denied food because prices are stubbornly high, because purchasing power has fallen due to the economic crisis, or because rains have failed and reserve stocks of grain have been eaten," he said.

Even without global warming, rising populations meant the world was headed for food shortages and food price rises.

'The food price crisis of last year really was a wake-up call to a lot of people that we are going to have 50 per cent more people on the surface of the Earth by 2050," said Gerald Nelson, the lead author of the report. "Meeting those demands for food coming out of population growth is going to be a huge challenge — even without climate change."

After several years in which development aid has been diverted away from rural areas, the report called for $7bn a year for crop research, and investment in irrigation and rural infrastructure to help farmers adjust to a warming climate. "Continuing the business-as-usual approach will almost certainly guarantee disastrous consequences," said Nelson.

The G20 industrialised nations last week began discussing how to invest some $20bn pledged for food security earlier this year.

Some regions of the world outlined in the report are already showing signs of vulnerability because of changing rainfall patterns and drought linked to climate change. The British development charity

Oxfam yesterday launched a $152m appeal on behalf of 23 million people hit by a severe drought and spiralling food prices in Kenya, Ethiopia, Somalia and Uganda. The charity called it the worst humanitarian crisis in Africa for a decade, and said many people in the region were suffering from malnutrition.

But southern Asia, which made great advances in agricultural production during the 20th century, was also singled out in the IFPRI report for being particularly at risk of food shortages. Some countries, such as Canada and Russia, will experience longer growing seasons because of climate change, but other factors — such as poor soil — mean that will not necessarily be translated into higher food production.

The report was prepared for negotiators currently trying to reach a global deal to fight climate change at the latest round of U.N. talks in Bangkok. It used climate models prepared by the National Centre for Atmospheric Research in Colorado and the Commonwealth Scientific and Industrial Research Organisation in Australia to arrive at estimates of how changes in growing seasons and rainfall patterns would affect farming in the developing world and elsewhere.

Without an ambitious injection of funds and new technology, wheat yields could fall by more than 30 per cent in developing countries, setting off a catastrophic rise in prices. Wheat prices, with unmitigated climate change, could rise by 170 per cent -194 per cent by the middle of this century, the report said. Rice prices are projected to rise by 121 per cent — and almost all of the increase will have to be passed on to the consumer, Nelson said.

The report did not take into account all the expected impacts of climate change — such as the loss of farmland due to rising sea levels, a rise in the number of insects and in plant disease, or changes in glacial melt. All these factors could increase the damage of climate change to agriculture.

Others who have examined the effects of climate change on agriculture have warned of the potential for conflict. In a new book, *Plan B 4.0: Mobilising to Save Civilisation*, Lester Brown, founder of the Earth Policy Institute, warns that sharp declines in world harvests due to climate change could threaten the world order. He saw Asia as the epicentre of the crisis, with the latest science warning of a sea level rise of up to six feet by 2100. — © *Guardian Newspapers Limited, 2009*

POVERTY

HINDU 6.10.09 POVERTY

A great scientist and humanist

M. S. Swaminathan

The greatest hunger fighter of our time warned against complacency, observing even towards the end of his life that 'the battle to ensure food security for hundreds of millions of miserably poor people is far from won.'

I had the privilege of knowing and working with Norman Borlaug — who has been aptly described by the Nobel Peace Prize Committee as the greatest hunger fighter of our time — for nearly 50 years. I first heard him in 1953 outline an innovative strategy for combating wheat rusts at the University of Wisconsin, Madison.

From 1963 onwards, he visited India in March every year to see the wheat crop. During his extensive travels by road, he used to stop frequently, talk to the farmers, and examine the state of the health of the plants. Plants and farmers became his life-long friends and companions. Eliminating the wheat rust menace became his unrelenting mission.

Dr. Borlaug started his research career in agriculture in Mexico at a time when the world was passing through a serious food crisis. During 1942-1943, nearly two million people died of hunger during the Great Bengal Famine. China also experienced widespread and severe famine during the 1950s. Famines were frequent in Ethiopia, the Sahelian region of Africa, and many other parts of the developing world. It was in this background that Dr. Borlaug decided to look for a permanent solution to recurrent famines by harnessing science to increase the productivity, profitability, and sustainability of small farms.

The work he did in Mexico during the 1950s in breeding semi-dwarf, rust-resistant wheat varieties and its extension to India, Pakistan, and other countries during the 1960s brought about a total transformation in the atmosphere for the possibility of achieving a balance between human numbers and the human capacity to produce food. Developing nations gained in self-confidence in their agricultural capability. He disproved prophets of doom like Paul and William Paddock and Paul and Anne Ehrlich — who even advocated the application of the 'triage' principle in the selection of countries that should and should not be saved from starvation through American assistance.

The introduction of Mexican semi-dwarf varieties of wheat in India in the early 1960s not only helped improve wheat production but also led to the union of brain and brawn in rural areas. The enthusiasm generated by the new technology can be glimpsed in the following extract from an article I wrote in 1969 for an Indian magazine: "Brimming with enthusiasm, hard-working, skilled and determined, the Punjab farmer has been the backbone of the revolution. Revolutions are usually associated with the young, but in this revolution, age has been no obstacle to participation. Farmers, young and old, educated and uneducated, have easily taken to the new agronomy. It has been heart-warming to see young college graduates, retired officials, ex-armymen, illiterate peasants and small farmers queuing up to get the new seeds. At least in the Punjab, the divorce between intellect and labour, which has been the bane of our agriculture, is vanishing."

The five principles Dr. Borlaug adopted in his life were (to use his own words): give your best; believe you can succeed; face adversity squarely; be confident you will find the answers when problems arise; then go out and win some bouts. These principles have shaped the attitude and action of thousands of young farm scientists across the world. He applied these principles in the field of science and agricultural development, but I guess he developed them much earlier in the field of wrestling, judging from his induction into the Iowa Wrestling Hall of Fame in 2004.

Having made a significant contribution to shaping the agricultural destiny of many countries in Asia and Latin America, Dr. Borlaug turned his attention to Africa in 1985. With support from President Jimmy Carter, Ryoichi Sasakawa, Yohei Sasakawa and the Nippon Foundation, he organised the Sasakawa-Global 2000 programme. Numerous small-scale farmers were helped to double and triple the yield of maize, rice, sorghum, millet, wheat, cassava, and grain legumes.

Unfortunately, such spectacular results in demonstration plots did not lead to significant production gains at the national level, owing to lack of infrastructure such as irrigation, roads, seed production, and remunerative marketing systems. This made him exclaim: “Africa has the potential for a green revolution, but you cannot eat potential.” The blend of professional skill, political action, and farmers’ enthusiasm needed to ignite another Green Revolution as in India was lacking in Africa at that time.

Concerned with the lack of adequate recognition for the contributions of farm and food scientists, Dr. Borlaug had the World Food Prize established in 1986, which he hoped would come to be regarded as the Nobel Prize for food and agriculture. My research centre in Chennai, India [the M.S. Swaminathan Research Foundation] is the child of the first World Food Prize I received in 1987. Throughout his professional career, Dr. Borlaug spent time in training young scholars and researchers. This led him to promote the World Food Prize Youth Institute and its programme to help high school students work in other countries in order to widen their understanding of the human condition. This usually became a life-changing experience for them.

When Mahatma Gandhi died in January 1948, Prime Minister Jawaharlal Nehru said: “The light has gone out of our life, but the light that shone in this country was no ordinary light. A thousand years later, that light will be seen in this country, the world will see it, and it will give solace to innumerable hearts. For that light represented the living, eternal truth, reminding us of the right path, drawing us from error, taking humankind to freedom from hunger and deprivation.” The same can be said of Norman Borlaug. His repeated message that there was no time to relax until hunger became history will be heard so long as a single person is denied the opportunity for a healthy and productive life because of malnutrition.

Norman Borlaug was a remarkable man who was supported by a remarkable family —wife Margaret, son William, and daughter Jeanie. To my mind, Margaret who died in 2007 is the unsung heroine of the Green Revolution. Without her unwavering support, Dr. Borlaug might not have accomplished nearly so much in his long and demanding career.

Dr. Borlaug was not only a great scientist but also a humanist full of compassion and love for fellow human beings, irrespective of race, religion, colour, or political belief. This is clear from his last spoken words on the night of Saturday, September 12, 2009. Earlier in the day, a scientist showed him a nitrogen tracer developed for measuring soil fertility. His last words were “Take the tracer to the farmer.” This life-long dedication to taking scientific innovation to farmers without delay set Dr. Borlaug apart from most other farm scientists carrying out equally important research.

I was present when he was awarded the Congressional Gold Medal in 2007. He pointed out that between 1960 and 2000, the proportion of “the world’s people who felt hunger during some portion of the year had fallen from about 60 per cent to 14 per cent.” But the latter figure still “translates into 850 million men, women and children who lack sufficient calories and protein to grow strong and healthy bodies.” So he added: “The battle to ensure food security for hundreds of millions of miserably poor people is far from won.”

This is the unfinished task Norman Borlaug leaves scientists and political leaders worldwide. It will be appropriate for the Norman Borlaug Institute for International Agriculture to become the flagship of the movement for a world without hunger.

(This article is based on the Norman Borlaug memorial address given by the author at the Rudder Auditorium, Texas A&M University, U.S., on October 6, 2009.)

RURAL DEVELOPMENT

HINDU 4.10.09 RURAL DEVELOPMENT

NREGA: weeping over wages, forgetting dying works

Y.B. PRASAD

The Act must lay down clearly the authorities who are accountable to maintain, run and own these assets

Few laws have had such stimulating economic, social and political impact so soon in India as the National Rural Employment Guarantee Act, 2005 — since renamed Mahatma Gandhi Rural Employment Guarantee Act. Think of the guaranteed employment to 4.47 crore rural households; additional income flowing to wage earners' hamlets to the tune of Rs.18, 155 crores; S.C., ST and women workers far out-numbering other sections of workers; 31.2 million poor families opening accounts in banks, post offices; and the ruling party handsomely rewarded at the Lok Sabha hustings. The quintessence of this phenomenal legislation lies in fulfilling the twin mandatory objectives of this historic Act — providing a right based 100-day unskilled employment in a year to strengthen the subsistence livelihood support, enhancing the rural households' purchasing power and capacity to alleviate hunger and directing the colossus amount of wages towards creating productive and durable assets of irrigation, drought-proofing, land and water conservation, horticulture and connectivity to generate a prosperous livelihood support system. In actual operationalistion of the Act, however, the first objective assumes by far the most dominant concern of the law, and no wonder, the second objective of securing sustainable productive assets stands in the shadow.

Even during the social audit, the prime attention goes to matter related to registration, issue of job card, allocation of work, timely wage payment and work site facilities, rather than the utilisation of the works completed, increase in production, multiplier aspects of income generation, diversification and processing activities, let alone the overriding issue of ownership, operationalistion and maintenance of the assets created on public lands. The suggestion with regard to convergence of NREGS with other flagship development programmes has proved theoretical rather than practical. Since NREGA schemes have to have 60 per cent earthwork, it is important that the durability aspects are given serious attention. It appears that the Act itself is greatly more tilted toward the first objective, wages. With regard to the second objective, the Act lays the focus on water conservation and water harvesting; land development; flood control and protection works; rural connectivity and any other work, which may be notified by the Central government. It also states that the scheme shall be subject to appropriate arrangement as may be laid down by the State government under the rules issued by it for the proper maintenance of public assets created under the scheme.

Hence, maintenance, operation, accountability and the ownership right of the assets created on the public lands are exclusively vested with the State governments. The State Employment Rural Guarantee Scheme (NREGS) has been notified by the State governments, but there too, invariably, absolute clarity appears to be wanting. The Central budget (2009-10) proposes an outlay of Rs. 39,100 crores under NGREA which marks an increase of 144 per cent over the 2008-09 budget estimates. The Finance Minister, in the budget speech on July 6, 2009, informed the House that 115 pilot districts had been selected for NREGA convergence with other sectoral schemes to increase the productivity of the assets created. The convergence of NREGS with social sector programmes to strengthen the durability of the earthen assets needs fresh thinking. What calls for immediate attention is the alarming fact that during the last three and a half years, 19.49 lakh works have been taken up under NREGS, out of which only 2.67 lakh(13.69 per cent) are reported to have been completed till August 22, 2009.

The investment-starved farm sector is a recipient of Rs.18,155 crores investment through wages for the creation of assets, 75 per cent of which are irrigation works. NREGA, therefore, must lay down specifically the authorities accountable to maintain, run, and own these assets to fulfil the objective of strengthening the prosperous rural livelihood resource base.