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ARMED FORCE

Adjudicatory powers are essential

Lt Gen Raj Kadyan (Retd)

A decision on the issue of “one rank--one pension” (OROP) has been pending with the government for nearly three decades. OROP implies equal pension for those retiring from the same rank and after the same length of service. In other words, equal remuneration for equal work. Prima facie, law of equity should dictate so. But successive governments have been rejecting it. Strangely.

When everything else failed, ex servicemen as a last resort were compelled to go public with their demand. This was not a step the veterans took happily or even willingly. It is unusual in India that starting in April 2008, hordes of retired soldiers have had to periodically descend on that protesters’ Mecca, Jantar Mantar. They have also been surrendering their medals before their Supreme Commander. A soldier wins his medals at great risk to his life and limb. For him these are not mere pieces of metal. He develops deep attachment to his medals. His decision to return these reflects the depth of his disenchantment with the government’s apathy to his legitimate and genuine demand.



Veterans at a function to pay homage to martyrs. The bulk of grievances and litigation concerning armed forces personnel in India pertains to pensionary matters and disability benefits

The government has taken some placatory steps. By enhancing the

pension in March 2010, it has tried to narrow the gap between the old and new pensioners. However, the demand is for total removal of and not mere reduction in this gap. Ex-servicemen are fighting for equity and justice and not merely for more money. The justice will come only when all pensioners get equitable pension. Halfway measures won't do.

The government's attitude on the issue is difficult to comprehend. In the recent pension enhancement, they left out widow pensioners.

When this discrimination was pointed out in a letter to the Prime Minister, the reply from the government was rather bizarre. It said that service widows were left out because enhancement in their case was not recommended by the Cabinet Secretary's Committee. The government's helplessness in being bound by the recommendations of a subordinate committee that the government itself had

constituted was as strange as it was unbelievable. In the past, the government has been repeatedly rejecting the recommendations of Parliament's Standing Committee on Defence vis-à-vis OROP.

Undeniably, this committee of some two dozen MPs drawn from different political parties is weightier than the committee composed of only bureaucrats. It is hard not to infer that the government is accepting the committees' recommendations selectively.

The government's stated reasons for rejecting OROP are legal, financial and administrative. If one goes by the recent castigating remarks of the apex court against the government's treatment of soldiers and ex-servicemen, the "legal" ground seems to fall short of conviction. On the financial score, in today's booming national economy, the relatively small sum involved in giving soldiers their legitimate due could not be considered an overbearing burden on the exchequer. The "administrative" ground is too vague and obscure to lend itself to objective comment. In sum, it leaves little doubt that the government's announced reasons are a thin veil to conceal their obduracy on the issue.

The soldiers' struggle has brought the OROP issue center stage. It has figured in the media, the Parliament and the courts. The general public is seized of the issue and is fully supportive. Apparently the government is boxed-in and isolated. While hearing a related case on November 15, 2010, the apex court asked the government to constitute an Armed Forces Grievance Redressal Commission (AFGRC) within two months. It also named its composition; two prominent retired judges, an ex-army chief and a retired army commander. Provided the government does implement the court's instructions, the AFGRC would have certain positives. First, it underscores the recognition of the soldiers' problems at the highest level of our legal system. Secondly, inclusion of two retired senior defence officers in the proposed commission – perhaps for the first time – will lead to realistic portrayal of a soldier's problems.

Additionally, the proposed terms do not limit the commission to making recommendations only within the confines of existing rules. It has an infinite canvas. The main drawback, however, is that the commission does not have adjudicatory powers. It can only make recommendations to the government. This would lead to the commission's findings landing on the table of a bureaucrat for taking a final call. While it is nobody's case that every bureaucrat is negative, the experience with respect to OROP does little to inspire confidence of ex -servicemen in the bureaucracy.

Setting up the proposed commission is undeniably a positive step and the uniformed men owe gratitude to the Apex Court. However, being only a recommendatory body, it does not go far enough for ex-servicemen to ease up on their ongoing struggle. Nor can they take back their 22,000 medals as has been suggested by some.

The writer is a former Deputy Chief of Army Staff

BOOK REVIEW

Thus spake Mandela

M. S. PRABHAKARA

Mandela in conversation as much with himself as with some of his closest friends and comrades

NELSON MANDELA - Conversation with Myself: Macmillan Publishers Ltd., Pan Macmillan, 20, New Wharf Road, London NI 9RR. œ 25.

Of the hundreds of books written about Nelson Mandela, including those authored by him, this book is unique in its content and organisation. Though it carries his name on the title page, Mandela was not involved in the 'book project', implemented by the Nelson Mandela Centre of Memory and Dialogue, part of the Nelson Mandela Foundation; he remains the author for copyright purposes.

Comprising four parts, each bearing a classical nomenclature — Pastoral, Drama, Epic, and Tragicomedy — the book is Mandela in conversation as much with himself as with some of his closest friends and comrades. Included in it are passages from his prison letters that have survived the 'remorseless fates', the censors; his notebooks and diaries; taped conversations (since his release) with Ahmed Kathrada, his close friend and comrade, and Richard Stengel, collaborator and editor of his autobiography, Long Walk to Freedom; and the draft of the 'Unfinished Sequel' to the autobiography. It is a joy to listen to the voice, to look at facsimiles of Mandela's clear writing, and to respond to the memory that informs every one of these dialogues.

While 'Pastoral' covers the years of childhood and growing up, 'Drama' deals with the years of struggle, and 'Epic' with the hard

years in prison. 'Tragicomedy' relates to the negotiations and the years in power, viewed with ironic detachment — a quality that is brilliantly captured in this passage from the 'Unfinished Sequel': "As a young man I ... combined all the weaknesses, errors and indiscretions of a country boy... I relied on arrogance in order to hide my weaknesses. As an adult, my comrades raised me and other fellow prisoners, with some significant exceptions, from obscurity to either a bogey or enigma, although the aura of being one of the world's longest serving prisoners never totally evaporated. One issue that deeply worried me in prison was the false image that I unwittingly projected to the outside world: of being regarded as a saint. I never was one, even on the basis of an earthly definition of a saint as a sinner who keeps on trying."

Public domain

The choices Mandela made early in his life meant that he lived virtually all his life in the public domain. Born in Mvezo, a village in Tembuland, he spent his formative years in villages and small towns in Eastern Cape: Mvezo, Qunu, Mqhekezweni, Clarksbury, Healdtown, Fort Beaufort, Fort Hare, and Alice. Though, at 23, he "escaped an arranged marriage" and moved to Johannesburg, the arena of 'Struggle that was Life', he remained nostalgic about rural Eastern Cape. Indeed, he built a house in Qunu modelled on the cottage he lived in Victor Verster. In the only one-to-one meeting I had with Mandela in January 1995, I requested him to autograph my copy of Long Walk to Freedom. When I interrupted, as he was about sign below his name on the title page, and wanted him to sign at the bottom of another page where I had charted out these little dorps, his small eyes lit up in curiosity and joy.

Nelson Mandela, the public man, was a formidable persona. He could be jovial, if he chose, especially with lowly placed persons; but one knew that he was 'royalty'. The distance was inevitable

because 'struggle was his life'. In this book, however, one hears the private, personal voice of Mandela, particularly in the stoical or bantering recollections — as, for instance, catching Oliver Tambo eating potato chips during the great potato boycott of 1959; the refusal to go into the details of the breakdown of his first marriage and the gradual disintegration of his second marriage; the death of close relations while he was in prison; voting in the first democratic election and of the elderly African woman from northern Transvaal who wanted to vote for “the boy who came from jail” (Mandela was 76 then!) but did not know the boy's name or his organisation; and his admiration for Jawaharlal Nehru whose ideas and even words he often borrowed without acknowledging. One of the most moving recollections is about the un-self-conscious friendship and true non-racialism he experienced in the Johannesburg home of Ruth First and Joe Slovo.

For a non-racial society

Speaking of non-racialism, there is much confusion, even among those who abhorred apartheid, between 'multiracialism' and 'non-racialism'. Even a well-informed writer like Anthony Sampson, author of *Mandela: The Authorised Biography* (Harper Collins, London, 1999) uses the two terms interchangeably as if they mean one and the same thing. They do not. This book puts the record straight, in Mandela's own words: “We have never really accepted multiracialism. Our demand is for a non-racial society, because when you talk of multiracialism, you are saying that you have in this country so many races. This is in a way to perpetuate the concept of 'race', and we preferred to say we want a non-racial society... We discussed and said exactly what we are saying, that we are not multi-racialist, we are non-racialist. We are fighting for a society where people will cease thinking in terms of colour... It is not a question of race; it is a question of ideas.”

HINDU 28.12.10 BOOK REVIEW

Exploring the growth-poverty nexus

BRINDA VISWANATHAN

THE POOR HALF BILLION IN SOUTH ASIA — What is Holding Back Lagging Regions?: Edited by Ejaz Ghani; Oxford University Press, YMCA Library Building, Jai Singh Road, New Delhi-110001. Rs. 795.

South Asia has registered a remarkable economic growth in the past decade while being home to the largest number of poor in the world. This book tries to delve into this contrast as seen in Bangladesh, India, Pakistan, and Sri Lanka, although it is more focussed on India, the main contributor to this feature.

The book documents the disparities between the “leading” and the “lagging” regions, the latter being broadly defined as the states/provinces that have lower income growth rate and per capita income compared to their national averages. The nexus between growth and poverty is explored on the basis of quantitative analysis within a country and at the inter-country level. Directions for policy interventions are also provided. The economic policies pursued so far have benefited some regions more than the others. They need to be restructured if the widening spatial inequality in income and human development in South Asia, noticed over the past decade and a half, is to be stemmed early on.

For its level of growth, South Asia has poor educational attainment and health outcomes; more so in respect of females and the “lagging” regions. Neoclassical growth models indicate unconditional convergence arising from diminishing returns to physical capital so that regions with lower capital-labour ratio would

grow at faster rates since returns on capital would be higher. Instead, divergence is more commonly seen arising from varying levels of initial investment and human capital and the performance of institutions. Conditional on similar values of these parameters, convergence is expected at a sub-national level.

A temporal analysis of regional growth is usually assessed on the basis of these convergence hypotheses. What is observed in South Asia is a lack of convergence of per capita domestic product, but there is convergence of per capita household consumption between its regions. Consequently, “regions with higher levels of poverty show greater absolute reduction in poverty rates.”

These main findings emerging from the first two chapters are followed by an examination of the factors that retard the growth of “lagging” regions. Dushyant Raju argues that, although there is regional convergence in primary education, the level of secondary education is much lower due to “lack of accountability on the supply side and lower returns to education on the demand side”. The other identified causes are: less secure property rights and lower access to institutional credit for setting up firms (Ana Fernandes, Maddalena Honorati and Taye Mengistae); lesser impact of trade liberalisation on poverty (Pravin Krishna, Devashish Mishra, and Asha Sundaram); and limited market access, allowing “firms and workers to locate in the leading regions” (Maarten Bosker and Harry Garretsen). It is suggested that economic integration of these countries through reduction in trade barriers and improved labour mobility could lead to an even spread of economic activity via industrialisation.

Lakshmi Iyer, Ejaz Ghani and Saurabh Mishra are of the opinion that fiscal, rather than administrative or political, decentralisation matters more for regional growth. In countries like India that have “explicit rules for redistribution,” the lagging regions do get a higher

share of public resources, but their absorptive capacity and accountability need to be strengthened if service delivery is to improve.

The observation of Caglar Ozden and Mirvat Swadeh that migrants are more educated and better-off than non-migrants comes as no surprise. An assessment of internal mobility in relation to income growth across sub-sectors such as construction, manufacturing, and services would have enriched their analysis. Agriculture gets a special treatment in view of the larger concentration of rural poor in the lagging regions, and Ejaz Ghani and Surabhi Mittal call for “public investment that would boost land and labour productivity rather than subsidies” to stimulate agricultural growth, but they make no mention of land redistribution.

There are a few unsettling issues arising out of the suggestions provided in the book. For instance, given the imperative need to protect environmental interests, will the lagging regions have similar options to grow as the leading regions had? How could South Asia in general and the lagging regions in particular cooperate and take maximum advantage of the richness in traditional activities in agriculture, forestry, and handicrafts so that heterogeneous skills are deployed to achieve a more inclusive and environmentally less degrading growth? Overall, the book provides useful information on South Asia's growth process drawing comparisons at the international, national, and sub-national levels. It will be of interest to policymakers and scholars engaged in regional studies.

ECONOMIC DEVELOPMENT

Fast growth slashes poverty, wins elections

SA Aiyar

Many say that fast GDP growth has benefited only a few rich businessmen. That's simply false. The latest data and research show that record GDP growth has benefited the masses and the poorest states. Poverty has fallen sharply and the poorest states have increased growth amazingly. That's one reason so many incumbent governments in poor states have been re-elected.

For decades, anti-incumbency dominated elections, and three-quarters of incumbent governments lost. But the trend has reversed in the last few years: suddenly three-quarters of incumbents are winning.

The Congress was re-elected in the 2009 parliamentary elections. Several chief ministers were re-elected too. Nitish Kumar in Bihar is the latest example. Earlier examples were Orissa, Maharashtra, Andhra Pradesh, Chhattisgarh, Madhya Pradesh and Tamil Nadu.

What has changed? The BJP, the losing incumbent in 2004, claimed that India was shining. That was false. GDP growth in its five years (1999-04) averaged only 5.7% per year, no faster than in the preceding two decades. By contrast, growth during UPA rule (2004-09) zoomed to 8.5% per year.

The new Tendulkar formula for measuring poverty shows that poverty reduction during the BJP rule-and indeed since 1983 - was around 1% per year. Economist Surjit Bhalla cites the latest NSSO survey to show that in the next three years, from 2004-05 to 2007-08, poverty reduction

tripled to an astonishing 3.3% per year. Poverty fell as much in those three years of 9% GDP growth as in the preceding 11 years.

The BJP lost in 2004 because neither growth nor poverty reduction improved significantly. The UPA was re-elected in 2009 because both growth and poverty reduction improved hugely.

A new study by economists Arvind Panagariya and Poonam Gupta buttresses this conclusion . This assumes that voters in fast-growing states will vote for the ruling state party even in parliamentary elections . This sounds reasonable: 90% of villagers have never seen a central government official , and know only state government officials.

Although the national incumbent (Congress) won the 2009 parliamentary elections, it won just nine of 72 seats in the non-Congress states of Bihar, Orissa and Chhattisgarh. A look at the recently revised CSO data (see table) shows why. Economic growth skyrocketed between 2000-04 and 2004-09 from 4.5% to 12.4% in Bihar, from 4.8% to 10.2% in Orissa, and from 6.1% to 9.7% in Chhattisgarh . UP has doubled its rate from 3.3% to 6.7%, suggesting that Mayawati will be re-elected in 2012.

You can question the quality of state GDP data, yet the trend is unmistakable. Poor states have no incentive to artificially inflate growth rates-they would rather artificially understate growth to wangle more grants from New Delhi.

Examining state GDP growth between 2004-05 and 2008-09 , Panagariya and Gupta divide the major states into three growth categories-high , medium and low (relative to national growth). In high-growth states, a whopping 85% of candidates of the incumbent state party won in 2009. The winning rate dropped to 50% in medium-growth states and 30% in low-growth states. This indicates strongly that fast

growth benefits and draws votes from the masses. Many other factors (alliances , caste, regional pride, inflation) remain highly relevant.

But fast growth matters as never before. When slowgrowing states accelerate to 6% or more, incumbents start winning. Panagariya and Gupta conduct statistical tests to control for other factors that may determine outcomes. The overall pattern remains unchanged-fast growth benefits incumbents . This may be not just because of fast growth but reduced poverty and accelerated jobs too. These are inter-related-fast growth reaches the masses and hence reduces poverty and creates jobs. Government service delivery remains lousy, especially in health, so social indicators remain deplorable. Yet the latest research shows that the overall condition of the masses has improved . This is corroborated by the spread of cellphones to the masses-teledensity has skyrocketed to 70%.Why have fast growth and mass improvement gone together? Not because some crumbs from fast growth were thrown to the poor. Rather, only when the vast majority of people improved their income did this add up to record growth and poverty reduction.

Growth was slow in 2000-04 in poor states, and this kept the national GDP growth down to 5.6% (see table). But GDP shot up to average 8.5% in the next five years. This was not because of economic reform, which mainly stalled in this period. Rather, chief ministers in poor states changed policies to take advantage of the growth potential created since 1991. So growth accelerated dramatically in large, poor states, and this gave India 9% growth. If they keep up this hugely improved performance, India will be transformed in a decade.

INTERNATIONAL RELATION

The great power test

C. Raja Mohan

If India's diplomatic run in 2010 saw significant advances in relations with all the great powers, the coming year will test India's foreign policy on a range of issues: the global multilateral arena, especially the United Nations Security Council; the changing balance between major powers in Asia; and the unstable dynamic in our north-western neighbourhood. The second half of the year saw visits from the leaders of all five permanent members of the UNSC — the United States, China, Russia, France, and Britain. Prime Minister Manmohan Singh also travelled to Tokyo and Brussels for the annual summits with Japan and the European Union. He also squeezed in a meeting with the German chancellor on his trip to Europe. While the government has reason to celebrate the outcomes from India's engagement with the great powers, it can easily forget the main driver of the new international interest in Delhi — India's return to high economic growth rates amidst the enduring gloom that has enveloped the advanced world after the global economic recession. Diplomatic successes are rarely enduring if they are not rooted in purposefulness at home. The UPA's domestic policy drift since it returned to power in 2009 is palpable. Arresting it is a necessary precondition for credible diplomacy in 2011. Although each of India's relationships with major powers has its own specific character, four broad themes have stood out in India's big power diplomacy in 2010. The first is about ending India's extended nuclear isolation. After it conducted five nuclear tests in May 1998, India embarked on a bold

quest for reconciliation with the global non-proliferation order. A decade of sustained diplomatic effort, especially with the US, saw the Nuclear Suppliers Group grant an exemption in 2008 to the current international rules that bar civilian nuclear cooperation with India, a non-signatory to the Nuclear Non-Proliferation Treaty. The NSG exemption in 2008, however, has left India's status in the non-proliferation order undetermined. The focus this year has been on plugging this last gap between India and the nuclear order. US President Barack Obama supported India's membership of the various non-proliferation groupings like the NSG, Missile Technology Control Regime, the Australia Group that regulates trade and chemical and biological materials, and the Wassenaar Arrangement that oversees trade in conventional weapons and dual-use technologies. Other major powers, except China, have endorsed India's integration as an equal member of these important non-proliferation clubs. Delhi's challenge in 2011 is to complete this process externally, and develop the necessary internal capabilities for regulating the outward flow of sensitive technologies from India. In a second major advance this year, India has won broader support from the major powers for India's permanent membership of the UNSC. While Britain, France and Russia had endorsed India's candidature earlier, Washington and Beijing remained ambivalent until recently. Obama came through during his visit to India, but Beijing is yet to make up its mind. It is by no means certain that a consensus will emerge in near future for a substantive reform of the Security Council and the addition of new permanent members. While Delhi persists with its campaign, its ambition to play a larger role in world affairs will be tested during its two-year tenure as a non-permanent member of the UNSC beginning next month. Over the last decade and some, India's emphasis has been on improving its great power relations as part of its adaptation to the changed international context after the collapse of the Soviet Union. In

the process, India's traditional activism on the multilateral front was replaced by ducking difficult questions, or by incrementally modifying its positions under external pressure and the persistence of old thinking at home on global issues. As a rising power, India is under intense scrutiny for the kind of role it might play in global negotiations — from trade to climate change — and on a series of international security issues before the UNSC, from Iran to North Korea and Sudan to Myanmar. Delhi won't be able to handle these issues without a fundamental rethink of its past premises on internationalism — and crafting a new multilateral approach that is in tune with India's increasing weight in the international system, and the changing nature of its national interests. A third advance this year has been the international recognition of India's potential contribution to the construction of new security architecture for Asia. This acknowledgement, however, comes with a twist. Until now, India has had the luxury of developing relations with every major power without a reference to another, thanks to the absence of great power tensions. As a rising China begins to challenge US primacy in Asia, India will find that gains in the relationship with one are likely to affect ties with the other. The imperative of managing the new triangular dynamic with Washington and Beijing involves Delhi defining its goals clearly and pursuing them firmly. Finally, India has mobilised support from the major powers, barring China, on the critically important question of cross-border terrorism from Pakistan. Except Chinese Premier Wen Jiabao, all the leaders Dr Singh met publicly urged Pakistan to bring the perpetrators of the Mumbai attacks to justice and wind down the terror machine on its soil. While these words are indeed welcome, in the end they are merely words. Delhi knows that the US and the international community are nowhere near altering the India-centric strategic calculus of the Pakistan army. That burden rests squarely on India's shoulders. Whether India should resume

talks with Pakistan or not is only a minor question. The larger question of which it is part is how to craft a new strategy that can alter the internal dynamics of Pakistan. Finding a way to do that will remain the biggest and most urgent challenge for Indian national security strategy in 2011.

Ring in a year of political reform

TK Arun

Twenty years of economic reforms have changed India in a way few could imagine when the reform programme was launched in 1991. If, somehow, 2011 could see the launch of serious political reform, how much more can India change? Today, the corrupt stalk the corridors of power even as a committed man of the people like Dr Binayak Sen is convicted as an enemy of the state. What does it say about the nature of the state that it sees a Binayak Sen as its enemy? Can the new year ring in political change that would put people like Sen in charge, while the Kalmadis and Rajas are in the dock?

The big powers with permanent membership of the UN Security Council all visited India in 2010. India is poised to become the fastest growing economy of the world. Its per capita income is growing at close to 7 percent, its workforce is young and increasingly educated, Indian investment is widely wooed and Indian films, Indian food and Indian managers spread their soft power around the world. But scams and parliamentary paralysis dominate the public imagination today. India is a nation that corruption has in its thrall. The challenge is to beat corruption.

The root of corruption, paradoxically enough, is our democratic process. Political activity costs money, lots of it. However, we have failed to institute an open, transparent way of funding politics. So politicians have found non-institutional ways to fund politics, and themselves.

Essentially, there are three methods, all of which are immoral and corrupt: loot of the exchequer, sale of patronage and plain extortion. Diversion of a portion of public expenditure to politicians' pockets is commonplace. Procurement commissions, contractors' inflated bills, etc are common methods of looting the exchequer. Giving out mining leases

or ensuring non-interference in power theft are examples of patronage being sold. Collecting money for what should be routine clearance by the government of compliant commercial conduct, whether for conversion of agricultural land for commercial use, environmental clearance or even a simple power connection are examples of extortion by the state. Since all these forms of mobilisation of resources involve use of the state machinery, they suborn the civil service as well. Since illegal extraction or diversion of money is not liable to strict accounting, political fund mobilisation also doubles as personal enrichment, by politicians, bureaucrats and powerbrokers.

The system can be cleansed only if an open, transparent system of funding political activity is instituted. The laws already permit companies to make political contributions, and these are tax exempt. However, laws requiring political parties to declare the source of their expenditure are lax, if not non-existent.

India has laws that prescribe how trade unions should function. But there are no laws effectively governing political parties. The Constitution talks about groups in Parliament, but is silent on political parties. The Representation of the People Act does have some stipulations about declaration of donations in excess of Rs 20,000 and maintaining accounts. This is not enough.

By deploying information technology, it is possible for any organisation to maintain a record of every paisa it receives and spends, without the process of keeping records becoming an onerous financial or logistical burden on the organisation. It is imperative to amend the laws to require every political party to account for every rupee, if not every paisa, it spends. And the source of funding and items of expenditure should be open to public scrutiny. Every party should be free to scrutinise the accounts of its competitors. Citizens' watchdog groups could join in, and a statutory body with extensive manpower—the election commission itself or a similar body—could be authorised to verify the challenges to declared income and expenditure of political parties and their functionaries.

A billion cellphones, each with an embedded camera and access to the

Internet, could play a major role in bringing transparency to the working of the government and of the political parties.

For the battle against corruption to progress, we need a functional legal system, not the creaking, dilapidated dysfunctional apparatus we have at present. India can no longer blame any scarcity of resources for not having enough judges, court rooms and other infrastructure to truncate the life of any litigation, from initiation to disposal of the final appeal, to, say, 18 months. What is lacking is the political will to change things. There is far too much cynicism that nothing can change, that politicians themselves will not initiate reform that will block their own path to personal enrichment. This underestimates our politicians and the Indian people at large. Bihar has re-elected Nitish Kumar, essentially for his credible promise of governance that could open the path to enterprise and prosperity. This is not a miracle, just an example of redemptive possibility that cynicism rules out.

Lost in the din

Barkha Dutt

India has often been called a country of contradictions, one impossible to categorise and store away in any neatly labelled box. But for all our multitudinous truths, we always knew - even if we couldn't explain it to anyone on the outside - how an intangible pride in being Indian, in believing in the idea of India, held our nation-State together. And our great, burgeoning middle-class powered the engine of a country that believed it was on the road to great things.

Suddenly, however, our paradoxes appear to drag us down into a morass of fear and loathing.

Of course, we must applaud the fact that the righteous anger of ordinary people and a sustained campaign by the Opposition has finally seen long overdue action against A Raja and the Central Bureau of Investigation (CBI) raids at the homes of the Commonwealth Games chief (and Congress MP) Suresh Kalmadi. And, of course, the Opposition and the people must ask the government why these interventions weren't made much earlier at the highest level.

People are entitled to be cynical and ask whether the gates of the barn are being bolted after the horses have fled. Who will seriously believe, for example, that the so-called 'Raja diaries' have survived over the many years that the former telecom minister had a chance to destroy all possible evidence. We have a legitimate right to question the naturally status quoist impulses of the ruling coalition and make them accountable for an exasperating slowness of action.

But, as we scrutinise others, we should also turn the gaze inwards and once again, ponder the paradox. Right before the Commonwealth Games were unrolled, countless viewers and readers wrote in to news organisations to say that the sustained media campaign on corruption allegations around the event was making India look bad in the eyes of the world.

Newscasts were seen as instruments of negativity at a time when the country needed to feel good about its athletes and itself. Now, in a contradiction we are barely aware of, we have unleashed waves of negativity all around us - and in a strange display of sado-masochism - are almost happy being swept up in an oceanic storm of generalised hate. The CBI raids have become the newest spectator sport and our motto of justice appears to have settled for the medieval slogan of 'throw them to the lions'.

Similarly, just a couple of months ago, we immaturely sought validation for our self-image in the mirror the American president held up to us and jumped through hoops when Barack Obama said India was no longer an emerging economy, but a country that had already "emerged." Now, in a bizarre fit of self-loathing and cynicism we have gone to the other extreme and lost confidence in our capacity to be a proud, performance-oriented country.

While we have every right to make our institutions - politicians, businessmen, judges and journalists - accountable to higher standards of leadership, should we not question our possible fickleness and impressionability as well? Take for example, the middle-class celebration of how many Indians end up on the Forbes list of billionaires. I personally always found the vicarious gratification it seemed to give us cringe-worthy, but also understood our emotional need for India to be defined in images other than postcards of poverty. But, now we have reversed our blind admiration and condemned all the same men as evil chieftains of a cavernous, corporate empire. Of course,

we must question how big business makes its money and demand transparency and honesty in how our natural resources are allocated for money-making ventures. As Raghuram Rajan has argued presciently, too many billionaires in India have made their money from proximity to political power. But while these are genuine faultlines to explore and debate, must we lurch from one extreme to the other, alternating between easy, simplistic labels of praise and derision?

In other words, our public discourse appears to have lost the nuance and the complexity of thought that is so crucial to an enlightened democracy. We are in danger of becoming a country whose portrait is captured by the easy broadstroke; one that ignores the detail of the fine brush and misses the difference between the sunshine and the shadows.

In this present gladiatorial environment, we respond to the controversial, and many would say, scandalous court verdict of Binayak Sen (found guilty of treason, with what his supporters say is fabricated evidence) with the same 'off with his head' anger that we show for Kalmadi.

Perhaps the polarisations thrown up by ideological extremes have shrunk the middle ground where the truth usually resides. So, today, for some people, Ratan Tata has become a metaphor for all that is wrong in the business-political interface and for others on the opposite side of the divide, Binayak Sen is happily classified as a seditious villain. Aren't all of these labels problematic, unjust and most importantly, caricatures of the truth?

We, in the media, must take part of the blame for how easily and lazily some narratives are constructed around individuals. Are we in danger of losing the distinction between robust, independent reporting (which has often pushed the government to act) and television studios that double as kangaroo courts. I must confess to a sense of disquiet at how easily we judge others and how hysterical the environment we inhabit appears to have become. We are grappling with important questions about whether our journalism is adversarial and anti-establishment enough. But we

must also ask ourselves whether we always use this power as responsibly as we should.

Or are we feeding the frenzy of a country that seems hell-bent on devouring itself?

'Parliamentary democracy' — imperilled?

Jaswant Singh

If our parliamentary democracy has indeed become a source of great worry to the Prime Minister, then who other than he and the government can steer the ship of state to safer waters?

The Prime Minister, recently, while returning from a G-20 meet expressed his concerns about the future of our parliamentary democracy. I share these apprehensions, for different reasons, though. Doubtless, his dire pronouncement is born of this unhappy ending of our Parliament's recent session. This disappointment, too, is shared by many. The PM, then rejected the Opposition's demand for establishing a JPC to enquire into the scandalous mismanagement of our ministry of telecommunications, but chose to do so outside the Parliament. Why outside, when he had chosen to remain studiously silent throughout the session, on an issue that had shaken the Parliament? To an assembly of business leaders the PM rationalised the government's philosophy on surveillance of telephones. Again, why not inside Parliament? For of this matter, too, the Parliament was fully seized. Why, on all issues of serious parliamentary concern did the PM choose to comment only when away from it?

Reflect then, briefly, on what transpired in the Parliament during the winter session. After almost a month of unprecedented parliamentary turmoil, never earlier witnessed, the two Houses adjourned without transacting any business. The obstructing boulder of contention was this demand for a JPC, and the government's continuous rejection of it. Of course, it was an utterly depressing

ending and greatly worrisome, too. But where, in this hour of grave challenge to our Parliament was the PM? The impasse was grave; the issue of substance; the opposition determined; it is here that leadership was needed; did the PM provide it? Under all circumstances the government must govern, but by leading not absenteeist withdrawal. The opposition will always question, confront, challenge, increasingly when not heeded, and even more when the prime mover of the government remains mutedly distant.

The Prime Minister has, perhaps unwittingly separated himself from the 'ills of parliament'. This he cannot do and must not, for he is after all a product of this very institution. From where else does, or can his office originate? The Parliament is that great aorta of authority through which the sustaining blood of our relevance flows; sever this link and collapse must follow. The Prime Minister, in voicing his apprehension is, doubtless pointing an accusatory finger at the opposition, though, again involuntarily he is admitting to a great personal failure, too. It is failure of a profound and telling lack of leadership from him, personally. After all, at the heart of this kind of conduct and the current immobility in our Parliament lies an absence of regard for the laws of our land. This is the core debility: a wilful and uncaring disregard for not just the letter of our laws but almost a flaunting defiance of the spirit of it, too. It is this variety of corruption, heading all other manifestations of it, that is poisoning all our laws, debilitating our Parliament, in the process our democracy; not the noisy interruptions alone of the opposition, however unacceptable they also be.

Why failure?

Why such profound failures? Perhaps, because our grievance redressal systems have ground to a halt; also because we have lost regard for each other, we have abandoned our sense of kinship and fraternity without which no parliamentary democracy can function.

We have forgotten how to accommodate dissent, and the less we do so, the harsher it becomes. We no longer consider the alternative view-point as being even remotely relevant; instead, we now treat disagreement as a disservice, a rebellious challenge, which must either be totally rejected, or then crushed. The tone, tenor and the content of our language, of mutual address, government to opposition, or the other way round has become dryly ritualised, patronisingly rejectionist, emptied totally of the spirit of parliamentary democracy. The hierarchy of our concerns no longer harmonise; courtesy and accommodation to the opposing view point is treated as being 'soft', a weakness. We no longer recognise the great relevance of the 'intensity, passion, intimacy, informality and spontaneity of parliamentary debates'. Perhaps, the Hon'ble Prime Minister no longer recognises, or accepts, that it is this 'passion' which constitutes the personality and the heartbeat of our (or any other) Parliament. This 'passion' occasionally obscures, but often illuminates, too; it distracts, yes, but this then is both its strength and its weakness. Parliament is an assembly of human beings; it must have human virtues, and vices and failings, it is not, must not ever be, just a container of ritualised nothingness.

Where, therefore, has that human sense and good cheer of our Parliament gone? Surely, it is not the opposition alone that has robbed our institution of it. It saddens me greatly to have to rebut the Hon'ble Prime Minister, who chooses to, almost always declaim his views outside the Parliament, and that, too, about the Parliament. He is after all, the head of the government, he is a consequence of Parliament, not an outsider; he has to understand the failings of it, to sympathise, to be with it in both its strengths and its weaknesses; to value and nurture it, not to shun it. Above all he must attend to all the concerns of it, vital or trivial, just or unjust, for Mr. Prime Minister this is a living organism, not just a hide-bound institution. Doubtless, there would arise occasions when its actions border on the unwise, or even totally unjustified, but those are the very

situations in which the Leader must lead. More when those sudden and awesome storms of contention shake the very pillars of Parliament; it is then that the Prime Minister must step in, take command, not abandon the Institution and proceed to comment on it as if uninvolved, unconcerned, unconnected. Let us never forget that the spontaneity of the House, or its debates, even an absence of them is an integral of this institution; a part of its personality.

The telecom issue

It would be repetitively wearisome to recount here the sorry episode of this telecom scandal. Clearly, no minister can, or ought to act entirely on his/her own, to take significant decisions involving national laws, national economy, and the exchequer, without due diligence and a full consideration of the views of his cabinet colleagues. No one is authorised to throw overboard the entire philosophical and functional core of parliamentary, representative and cabinet system of governance. Has justice been done to this central aspect? Clearly not. Where then was the PM? That is why the victims of this neglect is the institution of Parliament; also our cabinet system of governances; its accountability and answerability, and above all due regard for law; indeed a wilful denigration of the majesty of it. Nobody can today say, with any lasting conviction as to which of the great institutions of our Republic have remained unsullied. Who is responsible?

Yet, the Prime Minister complains — ‘Our parliamentary democracy is under great strain’. Yes, but can the government, or the Prime Minister, voice this concern only as a complainant; always as accuser and forever be complacent in the face of this great wrong that has been done, continues to be done, to the very moral fibre of our country? And if our parliamentary democracy has indeed become a source of great worry to the Prime Minister, then who, other than the government, and he will steer the ship of state to safer

waters? What then are we, the rank and file of Parliament to do, as we are confined to the lower decks, other than to clamour for attention?

What has brought all this about? An experimental division of the functions of governance in our parliamentary democracy. This division of responsibility, instead of being handled normally, as has always been done up to now, through India's independent years, has now been turned into a kind of a diarchy. In this all authority, all decisions of substance are made outside of the government; for there now exists a kind of a supra-cabinet, too, which is not answerable to the Parliament. What then remains with the 'elected executive' is empty, residual 'responsibility' for decisions, which in reality are not even of its own making. This is a totally unnatural and unviable arrangement. Why has this been set up? How then is the parliamentary system to work? It is elementary, and axiomatic, that unproductively dry dynasticism is the very antithesis of democracy. For preserving hereditary priorities if our systems have to be bent, means made subservient to ends, and until that desired 'end' is attained, all rules will continue to be bent, then surely for all this India will be made to pay. And if India pays, then in the process surely the instrumentality of our parliamentary democracy will also pay, thus be debilitated. And that is what is happening now: along with a tragic, painful and absurd trivialisation of our concerns. It is manifestations like these that strike at the heart of our parliamentary democracy, not what the delphic utterances of the Hon'ble PM imply. That is why it needs to be asked: as our parliamentary democracy is in danger, according to the Prime Minister, what then has he done about it — or intends to do?

Corrections and Clarifications

The OP-ED Page article, "Parliamentary democracy — imperilled?" (December 25, 2010) said: "The Prime Minister, recently, while

returning from a G-20 meet expressed his concerns about the future of our parliamentary democracy.” It should have been EU-India annual summit.

(Jaswant Singh is BJP Member of Parliament and former Finance Minister.)

Toothless Lokpal Bill

This is no way to clean political dirt

Justice Rajindar Sachar

THE headlines in the media, the constant talk in the market of how deep corruption has sunk in our body politic and how nefarious role is played by the ill-gotten money contributed to all political parties are like a spectre which is haunting the public all the time. Why is it so that, in spite of the CBI investigation in the 2G spectrum scam under the Supreme Court monitoring or the demand for a JPC or PAC probe, it is still not possible to persuade the government to consider seriously to enact effectively genuine Lokpal legislation to deal with the menace of corruption? If the draft of the Lokpal Bill 2010 is any indication, it would appear that the realisation of a grave urgency is still missing with the government.

No one, of course, suggests that an evil like corruption in public life can be eliminated merely by legislation. A clean public life, the standards and character of political parties have to be built on grounds of moral conscience and public pressure. Of course, the ultimate remedy to the various evils like corruption in public life can only be eliminated, as Mahatma Gandhi said, when “A small body of determined spirits fired by an unquenchable faith in their mission can alter the course of history.”

We must, however, face the reality. Such spirits are rare to find and we ordinary mortals must make efforts to find some mechanism which may hopefully be able to keep in check the demoralisation and corruption in our public life. One such mechanism that almost all governments since 1996 have been promising but have done nothing about it is the

institution of Lokpal, an independent body to enquire into the lapses and complaints against legislators, including members of Parliament.

That corruption in various segments of our public life is eating into the vitals of our nation is freely admitted. The global Corruption Perception Index has put India at the 87th place out of 178 countries, showing the country slipping from the 84th position in 2009. The result is that India has 100,000 billionaires and 8.7 crore families (a minimum of 40 crore people) living below the poverty line.

The Central Government has at last proposed the Lokpal Bill 2010, but unfortunately it fails even to be a cosmetic exercise to fight corruption. It is shamefully toothless and meant just to give a false reassurance to the people that the government is serious in its fight against corruption.

The Lokpal is a three-member body consisting of the chairperson, who is a former Chief Justice or a judge of the Supreme Court and two members who have been judges of the Supreme Court or High Court Chief Justices. I feel restricting it to judges is too narrow a view. Outstanding social scientists or academicians should also be eligible, and it should be a five-member body.

The jurisdiction of the Lokpal under Section 10 apparently covers the Prime Minister, ministers and members of Parliament. But hypocrisy is exposed when at the same time it nullifies the same by providing that the Lokpal shall not enquire into any allegations of corruption against any member of either House of Parliament unless the recommendation of Speaker or the Chairman of the Council of States, as the case may be, is received by it. One is amazed at the effrontery of such a provision that the Lokpal, having the status of highest judiciary, is powerless to act on its own even when it prima facie finds a strong case for enquiry. Not only that, but insultingly after the enquiry and even when the Lokpal finds that any of the charges have been proved against members of Parliament, all he can do is to send a report of his finding to the Speaker and Chairman of the Council of States, and they alone will determine

what action is to be taken — obviously it may include rejecting the report of the Lokpal.

Of course, the presiding officers have to place the report before the two Houses of Parliament. A formal courtesy is to be shown by informing the Lokpal as to what action is taken or proposed to be taken which includes the rejection of the findings of guilt by the Lokpal. What sardonic joke is being played on the public? The government is treating the members of Parliament like sacred idols in a temple who cannot be touched by the Lokpal, but only by the Brahmanical priesthood of co-legislators, who will decide finally. This reduces the authority of the Lokpal to worse than a lower-level magistrate whose order has to be complied with by even the highest in the land, including the President. The sheer effrontery of the Law Ministry in proposing such an insulting provision is a direct negation of the institution of Lokpal, and it amounts to making it toothless. Rather what should have been done was to provide that the finding of guilt by the Lokpal would be treated in the same manner as under Section 8 of the Representation of the People Act, 1951, considering it as a disqualification for contesting election for a period of six years. Further, the Lokpal should have been authorised to impose a penalty for the recovery of any amount found to have been lost by the action of legislators or ministers.

The Lokpal under Section 11 is forbidden to enquire into any memo of complaint if it is made after the expiry of five years from the date when the offence is alleged to have been committed. Has the government realised the absurdity of providing a limitation period in such complaints, which, if they were to be tried under the Prevention of Corruption Act, would have no limitation bar, because there is no limitation for initiating proceedings under the criminal law where the punishment provided is more than three years. What kind of a skewed provision is this which, instead of making the legislators' liability more strict, gives them immunity.

Also, has the UPA government considered that if a five-year period were to be provided, then by the same logic, would they not be barred from holding an enquiry into the 2G spectrum scam of 2001-02 during the BJP-led government (which, by all standards, should be held along with the enquiry into the 2G scam against former minister A. Raja) ? Are not people entitled to demand an explanation as by what perverse logic is this high-sounding body called Lokpal, headed by the Chief Justice of India, being reduced to the position of a domestic pet? I am certain that no judge with even a modicum of self-respect will accept such a demeaning, low-grade post and the inevitable result would be that the Lokpal Bill will collapse — an event that legislators have always evidently desired. So, goodbye to cleaning the political dirt, notwithstanding the high-sounding calls by all the governments.

Regrettably, cynics may be right when they say “who cares” if in the process some dedicated Gandhians, fighting for integrity in public life, fast unto death at this unforgivable lapse by the government.

The writer is a former Chief Justice of the High Court of Delhi.

DREAD OF DEMOCRACY

- India, in 2010, is a nation where the mind cannot be fearless

Rudrangshu Mukherjee

The historian Ramachandra Guha has famously described India as a fifty-fifty democracy. But even admirers of India as a functioning democracy will perhaps be forced to admit that certain events in 2010 forced the needle to move beyond fifty against democracy. Threats to democracy and democratic rights have never been as evident, and as powerful, since the dark days of the Emergency in 1975-76 as they were in the course of this year.

In the last couple of months, the talking point among the intelligentsia has been the tapes concerning one Niira Radia that were leaked. The recorded conversations revealed a most unseemly aspect of Indian life: a lobbyist working on behalf of powerful industrial houses to influence appointments of ministers; leading journalists appearing to be working at the behest of the lobbyist; and politicians and bureaucrats allegedly committing gross misdemeanours and acts of indiscretion. The public outcry at the content of the tapes deflected attention from a serious violation of democratic rights and individual freedom.

The tapes demonstrated without an iota of doubt that the government had been tapping Niira Radia's phone and eavesdropping on her private conversations. No one from the prime minister downwards has been able to offer an acceptable explanation for what can only be described as a gross violation of privacy and of an individual's rights. The statement that Ms Radia was an agent of a foreign power, or that she was a threat to national security, is disingenuous. There is nothing in her track

record, or in anything that she said on the phone, to suggest that she was a threat to the security of the Indian republic. The taped conversations do provide some clues that she may have been involved in financial shenanigans, but that surely does not constitute a threat to security. If she were indeed violating any of the tax laws of the country or not paying her dues to the national exchequer, there exist instruments, other than phone-tapping, to discover such violations.

Any civilized and democratic society assumes a distinction between the public and the private spheres. An individual's phone conversations fall clearly within the realm of the private. The government of India, by tapping Ms Radia's phone, broke that distinction. In so doing, it showed that under its aegis, no Indian's privacy is respected by the Indian State. What could be a bigger threat to Indian democracy than this blatant disregard of an individual's rights to his or her own privacy? The tapping of phones, though permitted under the laws of the Indian republic, should be enforced with extreme discretion and strict guidelines. Phone-tapping should be the exception rather than the rule. One doesn't have to be a supporter of Ms Radia's mode of operation to see and appreciate this point.

A similar violation of democratic rights occurred when the writer, Arundhati Roy, was charged with sedition under Section 124(A) of the Indian Penal Code. She is supposed to have voiced "anti-India" sentiments. There can be little doubt that many find the views of Ms Roy distasteful and perplexing. But surely, if India is a democracy, she should have the full right to express her views, however inimical those views might be to the Indian State. What is problematic is the very idea of "anti-India" sentiments. What are pro-India sentiments? Only those views and feelings approved of by the Indian State? A democracy, by definition, must have room for dissent, for argument and for difference. Dissent is part of the Indian intellectual tradition. The statement of the Union law minister that freedom of speech "cannot violate patriotic sentiments" makes a mockery of democracy and of one of the most

important rights in a democracy — of free speech.

Why should any individual in a democracy voice only patriotic sentiments? The law minister is obviously unaware that the tomtoming of patriotism has menacing associations with the history of fascism and can be used to obliterate difference and argument. “Democracy,” as Amartya Sen has written, “has to be judged not just by the institutions that formally exist but by the extent to which different voices from diverse sections of the people can actually be heard.” The charge of sedition denies Ms Roy the right to hold and express certain views. It is a profoundly disturbing and dangerous precedent. Even if the Indian State dislikes what Ms Roy says and believes in, it must allow her the space and the right to express her views. This is what Voltaire said was at the heart of democracy. India failed that litmus test in 2010.

If all this was not bad enough, at the end of the year came the news that a Chhattisgarh court has convicted Binayak Sen to life imprisonment on grounds of sedition. Sen is a well-known doctor and human rights activist who, having sacrificed a lucrative career, has spent the better part of his life working among the poor of Chhattisgarh. The charges against him are that he acted as a conduit for Maoist leaders; that he possessed Maoist literature; and was known for his close association with some “hardcore Maoists”. The evidence provided for all this was weak in the extreme and may have even been fabricated or planted. But that apart, how can the possession of a certain kind of literature, or associating with people with a certain kind of political beliefs, be a ground for sedition and for life imprisonment?

The judgment actually passes all comprehension. Sen has spoken openly against Maoists and their activities. He has never incited violence, let alone taking part in violent activities. It is a widespread suspicion that Sen is being punished for his strong condemnation of the officially sponsored vigilante group, the Salwa Judum. His life imprisonment represents that strange anomaly in a democracy — he is a prisoner of

conscience. He has been put away for life because of what the State alleges are his views.

The killing of the Sikhs in 1984 after the assassination of Indira Gandhi, the demolition of the Babri Masjid in 1992, the anti-Muslim pogroms in Gujarat in 2002, and the life imprisonment of Binayak Sen in 2010 — these are four indelible black spots on the record of Indian democracy. The irony is that those involved in the first three events mentioned above are going around scot-free, and some of them have held, or continue to hold, high offices. These are people who deliberately, and in cold blood, challenged and tore apart the secular fabric of the Indian State and the Indian Constitution by inciting violence and perpetrating communal carnage, yet they have never been charged with sedition. But a doctor with no record of any anti-State statement or activity has been put behind bars for life on the grounds of sedition. What could be a greater travesty of justice and democracy?

It is time to review the very notion of sedition and the laws that govern it. For most educated Indians, the laws of sedition hark back to the days of the British *raj* when Indians were not granted citizenship and could be muzzled and oppressed through various acts, of which the Rowlatt Act, against which Mahatma Gandhi launched a protest movement, was a notorious example. Does a democratic republic like India, proud of the way it fought British autocracy, require laws of sedition to suppress views or should it allow liberty and free speech to thrive?

India, in 2010, has come perilously close to being a country where the mind is no longer without fear. The Indian State does not hesitate to suppress thought and opinion. There are millions of Indians who, because they are deprived of food, drinking water, healthcare and education, cannot hold their head high. A handful of people might be happy that India has a 9 per cent growth rate, but for all Indians with a conscience and a commitment to democracy, 2010 was not a year in which they could be proud to call themselves Indians. There are very

good reasons to believe that Rabindranath Tagore, Mohandas Karamchand Gandhi, Jawaharlal Nehru and others like them would have shared the shame if they were alive.

The 50-state future

Bibek Debroy

Will we soon have a decision on Telangana? In all probability, we won't. It is unlikely the Srikrishna panel will come up with clear recommendations. That's the nature of committees. It will set out pros and cons. It will indulge in "on the one hand, on the other". It will waffle. It will have statements about equitable allocation of resources between the two regions, but stop short of recommending a clean divide. Even if there are clear recommendations, the government is caught in a cleft stick. It can't afford to take a decision either way. So it may appoint another committee to consider the recommendations of this committee. The UPA promise of 2004 was premature and when it made the promise, the implications weren't thought out. We know that Indian states haven't been created on rational considerations. There were histories and colonial legacies. Linguistic considerations were unnecessarily brought in. This should never have been about Telangana. Instead, it should have been about rationalisation of states. It should have been about setting up a second States Reorganisation Commission. That would have imparted objectivity and transparency and injected rationale into state formation, instead of the present ad hocism. Will we now have other committees for Maharashtra, Uttar Pradesh, West Bengal and whatever other splintering we have in mind? Governance is about providing public goods and services. That may be national security; international relations; defence; law and order; or development, involving the provision of physical and social infrastructure and the delivery of anti-poverty programmes. There

is an optimum level at which they can be provided. For instance, national security, international relations and defence are best ensured at the national level. Not only are there economies of scale, those result in the aggregate being greater than a mere sum of the parts. Had India been 50 individual countries instead, none of them would have possessed the clout and soft power India possesses today. Africa would have been different had it been a United States of Africa. Had the European Union not transpired, today's Europe wouldn't have been the same. But that logic doesn't apply to development, delivery of anti-poverty programmes and what goes by the name of planning. Everyone agrees China is more decentralised than India and decentralisation is desirable. But we do little beyond paying this lip service, notwithstanding the 73rd and 74th Amendments to the Constitution. Think of the Planning Commission. Why does it exist? It no longer needs to be a government-funded think-tank and research body. There's no market failure in such areas today. If plans are to be developed at district-level and aggregated upwards, we no longer need Mark XI or Mark XII of the First Five-Year Plan. If funds are increasingly transferred directly, we no longer need plans and Gadgil formulae and Central sector and Centrally sponsored schemes. Flows can, and should, be through the Finance Commission. That we don't believe in decentralisation is evident from our use of the word "Centre". Where does this come from? It isn't one used in the Constitution. The Constitution only uses the word "Union". That's what India should be — a Union with a Seventh Schedule that is purged of the vestiges of centralisation. However, decentralisation doesn't only mean so-called Centre-state issues. It also means decentralisation within states. No state voluntarily wishes to do that. Witness the cavalier attitude towards recommendations of state finance commissions. If states don't push decentralisation voluntarily, we must recognise that today's states are the outcome of historical accidents.

Their geographical boundaries have no economic or other rationale. Taken to its logical extreme, we should have a Union with perhaps 600 districts, weeding out the inconvenience of states in between. However, that makes the Union too powerful and no individual entity — district or state — will be powerful enough to exert countervailing pressure. Historical evidence doesn't suggest we can trust Delhi to be democratic enough. Had that not been the case, we would have followed Gandhiji more and quoted him less. If 600 is too much, there is another way to look at the problem. When does a state become too large to govern optimally, in the sense of providing those public goods and services efficiently? As a rough rule of thumb, it becomes ungovernable if its population crosses 25 million and geographical area crosses 25,000 sq km. We not only have states that are too large. We also have states that are too small. Ideally, India should have around 50 states, with some splitting up and some mergers. Smaller states are more homogeneous. That makes it easier to plan and administer and handle inter-group trade-offs. Governments are closer to people. The chief minister can act more like a CEO and less like a non-executive chairman. There is always corruption associated with public expenditure. But that leakage isn't always siphoned off to Swiss bank accounts overseas. The dividing line between black and white is blurred and black income does get spent. A smaller state means leakage gains are typically spent within a smaller radius and, therefore, consequent multiplier benefits also tend to be local. This is over and above infrastructure creation becoming more broad-based (new state capitals, say). These theoretical propositions can be tested empirically. J&K and the Northeast have their own special problems. Disregarding these, on an average, smaller states perform better than larger ones, regardless of economic indicators. Even if one ignores Delhi, think of Kerala, Goa and Himachal. When a state is bifurcated, not only does the relatively smaller state improve its

performance, so does the relatively larger state. Earlier, think of Gujarat/ Maharashtra and Punjab/ Haryana. In more recent times, think of Uttarakhand/ UP, Bihar/ Jharkhand and MP/ Chhattisgarh. Both the theoretical and empirical arguments are robust. Smaller states perform better. Had there been a second States Reorganisation Commission and had it looked at the issue objectively, independent of historical, colonial and linguistic baggage, it would have come to the same conclusion. It would have recommended breaking up Andhra, Maharashtra, MP, UP, Rajasthan, Karnataka, J&K and West Bengal and recommended consolidation in the Northeast. Apart from there, it would have recommended smaller states, not small states in the sense of their being too small. But we don't believe in such objective exercises, do we? We believe in political opportunism and ad hocism. Thus, a wind has been sown in Andhra. And regardless of what the committee has recommended, a whirlwind will be reaped. The UPA government deserves no sympathy on this one. To use the phrase WikiLeaks put on our front pages, it never misses an opportunity to miss an opportunity.

POVERTY

Relief from poverty

Rukmini Shrinivasan

[I wrote](#), over the weekend, on a new [study](#) by Institute of Development Studies economist Andy Sumner on the monumental shift in what is defined as global poverty from Low Income Countries (LICs) to Middle Income Countries (MICs): in 1990, 93% of the world's poor lived in LICs while in 2007-8, three-quarters lived in MICs.

There are several layers here: the World Bank's reclassification of several populous LICs as MICs over the last ten years (including India in 2007), the vast advances that China has made in tackling poverty and India's high growth-high poverty story. But let's leave those aside for now, and look at one of the trajectories that all this talk about where the poor live inevitably takes development practitioners on: the politics of aid. Overseas Development Assistance (ODA) or international aid has never been a big part of the development discourse in India, but this certainly does not stem from us not getting much aid. On the contrary, India remains by far the largest beneficiary of its former colonizer, the [United Kingdom's aid budget](#). India is also the [biggest beneficiary](#) of World Bank aid, routed through its International Development Assistance wing's interest-free loans.

Why, then, has international aid never been a big part of our domestic debate? For one, India's aid dependence is mathematically very low. The quantum of aid that India receives, though large, is dwarfed by our own budgetary resources: India has a Net ODA to Gross National Income ratio of [0.1-0.2%](#) (*see chart below*). Compare this with, say, Afghanistan, whose war-ravaged economy now exposes its citizens to a

Net ODA: GNI ratio of close to [40%](#). Besides, with a stable government and huge domestic market, India is unlikely to be changing domestic policy to suit donor demands anytime soon.

But don't let percentages diminish absolute numbers. The relative quiet over the politics of aid in India allows "public opinion" – well, among some publics at least – to build over the need for an "emerged" India to stop taking foreign aid. Such talk was most audible during British Prime Minister David Cameron's recent visit to India, and the UK Parliament will in January debate its aid policy to India.

As always, I wish it were the numbers that were driving the discussion rather than nationalistic sentiment. Quick calculations based on [World Bank poverty data](#) show that India had a greater proportion of the world's poor in 2005 than it did in 1990. Just barely past the middle-income status post, we are by no means an affluent country.

Sure, we should be doing some introspection on why a satellite-launching nuclear-powered country has one-third of the world's poor. But can we go it alone? Can [our rural roads scheme](#) do without [one-third of its funding](#) that comes from the World Bank? Can the Sarva Shiksha Abhiyaan do without the [quarter of its funding](#) that comes from the Bank, European Commission and the UK government?

This would call for more redistributive policies and fewer Commonwealth Games-style [spending splurges](#). A growing country might not want to take foreign handouts. Then are we prepared to redirect our internal resources to the poor?

RIGHT TO INFORMATION

'India's history is in two phases, before and after RTI'

*A leading RTI campaigner, **Subhash Chandra Agrawal** is focussed firmly on ground realities. With a distinguished pedigree of engaging the state and media to bring about improvements to the everyday lives of ordinary people, he speaks to **Deep K Datta-Ray** about his campaigning work and the RTI Act.*

How did you begin campaigning, does it support you financially?

The work supports me emotionally and intellectually! My trade is textiles. All my [RTI Act](#) work is done in the mornings and late evenings. I only attend [Central Information Commission](#) (CIC) meetings during the day. This is a hobby, but not a self-indulgent hobby because it helps other people by opening avenues for investigation.

All this began 43 years ago with my writing a letter. At university, i saw there was collusion between the bus conductor and the students and so i sent a letter to a newspaper. The next day the bus company came to my campus, and i was so frightened that they were going to do something to me that i ran away. Actually, they had brought the conductor to apologise. It was a potent lesson, that a small individual could be the harbinger of change. From these humble beginnings, i graduated to filing RTI petitions.

What do think of the RTI Act?

Quite simply historians who speak of 'India after Gandhi' are wrong. If we are to compartmentalise, then India's history is in two phases, before and after RTI. The watershed is the Act which current popular historians

miss. The Act is the most significant post-independence legislation. RTI's significance lies in that it bestows the common citizen with the powers of the legislator to question.

There is more. A parliamentarian has only one chance to get a written reply to a starred question. We have two more bodies, first the Central Public Information Officer (CPIO), then the CPIO department head and finally the CIC. The Act is good and though it functions well because most CPIOs are user-friendly, there is always room to improve the procedural side of things.

What improvements can be made?

I'll limit myself to a few suggestions! Sections 27 and 28 of the Act give powers to public authorities and the state governments to draft their own rules. On occasion they contradict the Act. For instance, the [Delhi high court](#) imposed fees of Rs 500 for a request, whereas the normal fee is Rs 10. The fee is still five times more than the norm and this is a financial bar. Interlinked is cumbersome procedure. People have to go to the post office, get postal orders, post them, wait for a reply and then post again with postal orders since we usually ask for documents. Part of the purpose of imposing charges is to sift the wheat from the chaff, to get genuine well thought out requests.

This means a balance has to be struck between clarity and quality. However, this long-winded process could be shortened considerably with a reusable RTI stamp and sold at the post office. This would also save money. To process a Rs 10 postal order in 2005, it cost Rs 23. It must be more now. Another example is that the letter they send you telling you that you have to pay Rs 2 per page to get some photocopies, costs Rs 27 to post.

A simple solution is to increase the basic fee to Rs 20 and give the first 10 photocopied pages for free. This would save money and shorten the

process. At the macro level, there has to be better education about the Act because most people still don't know about it while others don't realise that they have appellate authorities to go to.