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BOOK REVIEW

HINDUSTAN TIMES 9.10.09 BOOK REVIEW

Book: Wolf Hall

Author: Hilary Mantel

Publisher: HarperCollins-India

England in the 1520s is a heartbeat away from disaster. If the king dies without a male heir, the country will be destroyed by civil war. Henry VIII wants to annul his marriage of 20 years and marry Anne Boleyn.

The pope and most of Europe oppose him. The quest for the king's freedom destroys the pope's advisor, Cardinal Wolsey and leaves a power vacuum. Into this impasse steps Thomas Cromwell. The son of a brutal blacksmith, a political genius, a briber, a bully and a charmer, Cromwell breaks all rules of a rigid society in his rise to power.

Rising from the ashes of personal disaster - Cromwell pits himself against parliament, the political establishment and the papacy and is ready to redraw England to his own and King Henry's desires.

Hilary Mantel's novel *Wolf Hall*, which wrested the 50,000 pounds Man Booker Prize for 2009, beating a rival by a margin of one vote in a secret ballot, explores individual psychologies with the wider politics of Tudor England.

It is thickly populated - teeming with life, characters, locales, action and colours of 16th century England - in the true tradition of a historical epic. It peels back history to show that Tudor England was a half made society. Published by HarperCollins-India, the paperback edition of the book available in India is priced at 8.25 pounds.

The book begins with a series of family trees. Street-smart Thomas, who ran away from home at Putney after being beaten to pulp by a drunken Walter, is described as one "who is at home in courtroom or waterfront, bishop's palace or inn yard" as he rises through the ranks.

He marries Liz Wykys, a divorcee and builds a home at Austin Friars in London.

The first chapter, 'Across the Narrow Sea, Putney 1500', is a racy account of young Thomas Cromwell's life with dad Walter. The language is contemporary and lucid - almost like an action thriller. This is a book that Mantel "hesitated for 20 years before writing".

The book is mammoth in scope - taking into its swathe a wide array of characters, each more striking than the other, more scandalous and nifty in an essentially "dog -eat-dog" medieval England, where tough men survived by their wits. King Henry was making new history of the heart that went against the political grain of matrimonial alliances. Perhaps the most riveting section of the book is 'An Occult History of Britain'.

It throws light on the barbaric ways of early England - frequent wars and the undercurrents of viciousness that marked the rise of new power-heads like Thomas More and subsequently Thomas Cromwell.

"Once in the days of time immemorial, there was a king of Greece who had 33 daughters. Each of these daughters rose up in revolt and murdered their husbands. Perplexed as to how he had bred such rebels, but not wanting to kill his own flesh, he set them adrift on a rudderless ship. They landed on an island shrouded in mist - and as it had no name, the eldest of the 33 gave it her own name, Albina. The island was home only to demons. The 33 princesses mated with the demons and gave birth to a race of giants who in turn mated with their mothers and gave birth to more giants."

There was no priest, no law, no churches and no way of telling the time on Albina - the early England. The great grandson of Aeneas, Brutus was born in Italy and was orphaned early. He fled Italy and became the leader of a band of men who were slaves in Troy.

They were driven to Albina's coast, where they fought the giants, defeated them and ruled till the coming of the Romans. "Whichever way you look at it", the history of England begins with slaughter, says Mantel.

CIVIL SERVICE

HINDUSTAN TIMES 15.10.09 CIVIL SERVICE

Running India

Indian Administrative Service (IAS) officers handle affairs of the government. Therefore, the work of the Civil Services affects virtually all aspects of modern life — environment, education, health, agriculture, law and order, defence, foreign affairs, social welfare, urban development and taxation. In a nutshell, it is the job of an IAS officer to look after civil administration and be involved with policy-making.

With a Master's degree in industrial psychology, Radhika Jha, 33, joined the service in 2002 as an IAS probationer. Today, she is the additional secretary (basic and higher education), government of Uttarakhand. The work she does, says Jha, is challenging, satisfying — “and it's a good life.”

“The scope of work for an IAS officer in the country is immense and much diversified,” says Jha. “You start off as a sub-divisional magistrate and go on to man government departments — health, education, technology etc, and then move to nodal co-ordination as secretary.

“This kind of a work profile is unmatched in the country. The challenges it entails makes it the most interesting career possible.”

It is, however, not easy to become an IAS officer. The recruitment process is extremely tough. Only the top 80 to 100 candidates in the Civil Services Examination become IAS officers.

“Out of around 4 lakh aspirants every year, the final acceptance level of about 0.00025 makes it the toughest competitive examination in our country,” says Bhaskar Khulbe, IAS, 1983 batch of the West Bengal Cadre, who is at present the resident commissioner and adviser

(industry), government of West Bengal, in New Delhi.

With liberalisation, there has been a shift in the role and responsibilities of an IAS officer. “Economic reforms in the country after 1991 ushered in a paradigm shift in the role and responsibilities of IAS officers,” says Khulbe. “From regulators, they’ve become performance managers, whose role in the decision-making process is focused on service delivery and improving governance. An IAS officer today has more challenges and opportunities.”

Indeed, this is so because while operating within the framework of a democratic welfare state, their focus has shifted further towards development. And this is, perhaps, the reason why youngsters now are showing a renewed interest in the civil services.

“There was a period in the decade up to 2005-06 when bright students were disenchanted with the bureaucracy, with private employment looking more lucrative,” says Khulbe. However, he adds, over the past couple of years, some factors have led to a revival of youth interest in the Civil Services — the factors are “job cuts in MNCs due to the economic slowdown; demand for better governance being made and met; accountability and responsiveness of the public administration being perceived positively after introduction of the Right to Information Act; and the pay structure revision.”

However, the mechanism of delivering results needs to improve further, feels Nitesh Jha, IAS, additional secretary (infotech, science-technology and sports), government of Uttarakhand.

To serve India better, the “IAS as a service has to modify itself as per the changing ground realities,” says Jha. “It has to become more responsive and result-oriented.”

ECONOMIC DEVELOPMENT

Green roots of recovery

Ila Patnaik

Recent data on industrial production looks good and has encouraged suggestions that monetary policy can now be reversed. The data on exports, on the other hand, looks bad, and has led to media reports on how appreciation of the rupee needs to be prevented. Both data releases, which compare the scenario today to the pre-global financial crisis months, give wrong signals. Policy changes arising from ignoring the intervening months would be a mistake. More importantly, looking ahead, in the changed environment after the financial crisis, India needs to rethink its growth strategy. In the light of expected demand conditions in world markets, Indian policymakers need to focus on nurturing domestic markets. India needs a reversal of policy, away from subsidising exports towards reforms that support faster growth of domestic markets.

The year-on-year growth in industrial production seen in August fails to capture recent trends in the behaviour of production. To look at recent trends, and thus focus more on what happened in the last 12 months, rather than compare today to the month of August last year, we should look at month-on-month growth rates, seasonally adjusted to clean them of seasonal effects. Those show that while June saw a sharp recovery in industrial production, there has been only a gentle increase since, at an average rate of below 5 per cent. The critical message that comes from looking at the period after the Lehman crisis is that there is no reason to be euphoric. We do see a pick-up in growth, but not enough to begin a reversal of policy.

Indeed, what it suggests is that instead of a debate about a reversal of monetary policy, there needs to be one on how the nascent recovery in industrial production should be nurtured. The period from 2004 to 2007 witnessed very high growth rates of industrial production at a time when exports grew rapidly and domestic investment demand was high. Since circumstances are different, we need to discuss how to achieve high growth under the present conditions.

This brings us to the clamour on exports. While year-on-year data still shows negative growth rates — that is, it shows that exports today are lower than what they were in the pre-financial crisis period — data for seasonally adjusted month-on-month export growth shows a very strong pick-up with average growth rates of more than 50 per cent in the most recent quarter. This is not surprising as both world demand conditions, as well as trade credit availability, have improved compared to the period immediately after the crisis. However, with the year-on-year negative numbers, suggestions that the RBI should prevent rupee appreciation to help exporters are rampant. Some of these do acknowledge that it may be a difficult policy, given the problems the RBI could have with managing the impact of its intervention on monetary policy.

While that is an important point, the bigger question policymakers need to turn to is whether India should be attempting a policy of undervaluing its exchange rate. The RBI merely carries out the mandate of preventing appreciation if export promotion is an element in India's growth strategy. There is no reason it would put itself in this quagmire, were the growth strategy different.

Now turn to the role exports played in high growth in India. In the last business cycle upswing exports boomed on the back of rapidly expanding world demand. Part of the policy package for achieving rapid growth was to keep exports competitive by preventing rupee appreciation. India needs to revisit the policy of aiming for an

undervalued rupee in today's changed environment. This policy, supported by economists like Dani Rodrik and Arvind Subramanian on the grounds that it results in high growth, has been popular with Asian economies, with China leading the way. India has, without much debate, accepted its merits, and monetary policy has been overwhelmed by trying to prevent rupee appreciation. It is important now to ask ourselves afresh whether, looking forward, this is the best way to achieve high growth in India.

The effectiveness of an export promotion policy option can be expected to be limited, most likely in the long run, but at least in the coming quarters. The US economy is currently on a path of correction, with a weakening dollar and slower import growth. With US unemployment in the next quarter being forecast at 10 per cent, and with households and banks both reluctant to increase consumer debt, a strategy based on rising demand from US households is unlikely to see success. Indian growth strategy needs to focus on domestic demand. This would require a reversal of the rupee policy. The rupee policy should not be guided merely by the difficulties that would arise in monetary policy if the RBI intervened in foreign exchange markets to prevent appreciation. A stronger rupee would make raw materials and capital goods cheaper for the bulk of domestic industry.

Apart from the immediate policy of not raising interest rates or curtailing liquidity to encourage domestic investment and production, the other important implication of this policy is to improve domestic market conditions in a number of ways. The laundry list of the reforms required is well-known. It includes free movement of goods across states and making India a single market through changing taxes, developing the domestic financial sector to make credit available to households and businesses, reform in agriculture such as in infrastructure, marketing and removing the cereal bias, and constructing roads.

In summary, while there is improvement in the data, policymakers should not assume that things will go back to being as they were before the crisis, and the recipes and policy prescriptions that worked before the crisis will work again. Before policy reversals are done, India needs to rethink its long-term growth strategy and reduce its focus on exports. Development of the domestic market and economic reforms must take priority.

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ENVIRONMENT

Climate change lessons from a Nobel prize winner

Siddharth Varadarajan

Averting the tragedy of the atmospheric commons will require binding, equitable arrangements between countries, big and small. If only this year's Peace prize winner listens to the Economics recipient.

One of the winners of the Nobel prize for economics this year, Elinor Olstrom, is a pioneer in the study of the economics of the 'commons' — common property resources which, by virtue of being available to everyone free of cost, tend to be over-exploited. Thus, fish stocks may be over-harvested, meadows overgrazed, rivers polluted, the ozone layer depleted. All are examples of resources where 'market' mechanisms like 'price' do not operate to restrain consumption by individuals.

Given the focus of neoclassical economics on the optimal allocation of scarce resources, it is perhaps not surprising that the commons became a distinct field of study within the academic discipline only in the late 1960s, following Garret Hardin's seminal 1968 article in *Science*, 'The Tragedy of the Commons.'

Hardin argued that freedom in a commons brings ruin to all, whether one is speaking of simple herdsman grazing cattle on a meadow or factories emitting effluents or smoke into a river or the skies. "The rational man finds that his share of the cost of the wastes he discharges into the commons is less than the cost of purifying his wastes before releasing them," he wrote. "Since this is true for everyone, we are locked into a system of 'fouling our own nest,' so long as we behave only as independent, rational, free enterprisers."

The implications of Hardin's work were politically controversial. Anthropologists argued that the problem, though cast in the framework of the rural or pastoral economy, was actually a manifestation of modernity and industrial capitalism. That the tragedy was not of the 'commons' but of the 'moderns,' who did not respect traditionally evolved norms that allowed for the maintenance of harmony between human beings and the environment. However, economists and governments were quick to seize on the implications of Hardin's work; devising rules and institutions to limit the overconsumption of common resources became something of a cottage industry. Most argued, like Hardin, in favour of privatisation and the assignment of property rights; others made a case for nationalisation or the use of taxation. But most academic approaches to the commons dealt with the problem as a local one with a limited number of essentially homogeneous players.

Prof. Ostrom was perhaps the first economist to seek to harmonise this field of study and to emphasise that there was no "single, best way" of preventing the inevitability of the 'tragedy.' She also insisted on the study of commons problems where the number of actors is scaled up and their nature is heterogeneous. She demonstrated theoretically and empirically that privatisation or government regulation or management of common property resources often produced outcomes inferior to locally managed, self-regulated common property regimes. She then abstracted a set of design principles necessary for such arrangements to work.

But while compact communities and states have had reasonable success in finding solutions within their jurisdiction, the international community is not very well-equipped to deal with its single biggest resource problem today: the future of our atmospheric commons.

As Prof. Ostrom put it in a 2008 article co-authored with other economists, emitters have every incentive to overuse the atmospheric commons as a repository for the wastes associated with burning fossil

fuels since the immediate cost to them of this factor of production is zero and the long-term, marginal cost is also less than what an emitter might have to spend by himself to use a different production technique that limits his greenhouse gas emissions. This is, of course, the classic Hardin problem. “But the present and future costs to society of this practice are enormous. Estimates of these costs vary. But there is compelling evidence that the eventual costs will exceed the cost of changing our current practices to limit emissions of greenhouse gases by a large margin.”

No clear predictions

With a national regulator, it is not difficult to devise rules of the road to deal with this problem, or even to enforce the ‘national’ share of an internationally agreed solution as conceived by the U.N. Framework Convention on Climate Change. But in a world marked by the unequal distribution of power, reaching an agreement internationally is proving difficult. “One of the problems we face when we move up to the global level is that unanimity is required for most international treaties,” Prof. Ostrom wrote in a 2002 journal article. “While we have all sorts of chances to learn from experiments in local commons, we have only one globe and the risks of experimentation are much greater.” In sum, she concluded rather pessimistically, “we do not have clear predictions for beating the tragedy of the commons at a global level.”

When it comes to the atmospheric commons, the problem of regulation is compounded by the heterogeneity of the international system. The benefits and costs of either maintaining the ‘business as usual’ status quo or aggressively reducing GHG emissions are unevenly distributed across nations. By a quirk of geography and economics, those countries least responsible for climate change have the most to lose from it — tiny Maldives is all set to disappear as sea levels rise because of global warming — while the biggest culprits have the least incentive to do anything about it. A case in point being the United States, which refused

to sign up to the Kyoto Protocol and even today is trying its best to avoid shouldering its historic responsibility to cut its GHG emissions.

“The bad news,” Prof. Elstrom wrote, “is that when users cannot communicate, don’t have trust, can’t build it, and don’t have rules, we have to expect the tragedy of the commons to occur.” This is the fate which awaits the world if the forthcoming U.N. conference on climate change in Copenhagen ends without the world’s major emitters of greenhouse gases agreeing to significant cuts in their emissions.

But if diplomats can engage in direct discussion and — crucially, have the autonomy to change some of their own national rules — “they may be able to organise and overcome the tragedy,” Prof. Olstrom concluded. With seven weeks to go before Copenhagen, the signs are not looking good. The Bangkok climate change talks which ended on October 9 saw the developed countries advocating the U.S. model of watered down domestic targets rather than the kind of internationally binding GHG reduction targets embodied in the U.N. process so far. Without which the tragedy of the atmospheric commons will never be averted.

INTERNATIONAL RELATION

Trend of China-India friendship irreversible

Zhang Yan

Although there are certain forces in the world that do not want to see China and India join hands, bilateral relations are standing at a new starting point, facing exciting new opportunities for development.

In the second term of the United Progressive Alliance government, China-India relations have experienced a smooth transition and taken on a new momentum of sound development. In June this year, Chinese President Hu Jintao met Prime Minister Manmohan Singh in Yekaterinburg, Russia. Both leaders reiterated they would jointly promote the sound development of bilateral relations, enhance mutual trust, deepen mutually beneficial cooperation, strengthen communication and coordination, and push forward the Strategic and Cooperative Partnership between the two countries towards continuous, stable, and healthy development.

In his congratulatory message to Premier Wen Jiabao on the occasion of the 60th Anniversary of the Founding of the People's Republic of China, Prime Minister Singh reaffirmed the same sentiment. In August, Chinese State Councillor Mr. Dai Bingguo paid a successful visit to India and held in-depth talks with Indian National Security Advisor M.K. Narayanan on the boundary question and exchanged views on bilateral, regional, and international issues. In September, Jairam Ramesh, Minister of State for Environment and Forests of India, visited China and exchanged views on a wide range of issues, including climate change, environment and forests with his Chinese counterparts.

In terms of economic and trade cooperation, in 2008 China became India's largest trade partner and India the 10th largest trade partner of China. The global financial crisis has seriously impacted the real economy of both countries and caused a downturn in our industrial production and exports. The two countries do face huge challenges to sustain the growth of our bilateral trade. In spite of this, China and India as two emerging markets are still outperforming others on the whole. We have advantages such as vast markets and strong domestic demand, which have made our two countries powerhouses for the recovery of the world economy.

Both sides should tap the potentials for economic cooperation, work together to improve the trade structure and look for new areas for growth, correct the trade imbalance, oppose trade protectionism in all forms, accommodate mutual trade concerns, and create a sound environment for trade and mutual investment. We should actively discuss the feasibility of a Regional Trade Agreement, make full use of the mechanisms of Economic and Financial Dialogue and the Joint Committee on Science, Technology and Trade, so as to create solid foundation for the steady development of bilateral economic and trade cooperation — with a view to expanding our bilateral trade to \$60 billion by 2010.

In international affairs, the two sides have maintained effective cooperation and coordination within the framework of the China-India-Russia Trilateral Mechanism, BRIC, the G20, and other forums. China and India have been making joint efforts on major international issues, including climate change, the Doha Round talks, the global financial crisis, countering terrorism, energy and food security, etc., with a view to protecting the interests of our two countries and other developing countries, and promoting a fair, just, and reasonable international system.

There are good reasons for China and India to work closely on global issues. Both are developing countries, share historical experiences, and face similar tasks today. The combined population of the two countries accounts for 40 per cent of the world's total. With the growing economic strength, China and India are enjoying a status and role that are much more appreciated in the world arena. Our common concerns and interests in international affairs require us to consolidate our coordination and cooperation.

The simultaneous emergence of China and India is an eye-catching phenomenon in today's world. China welcomes India's development and its bigger role in international affairs. We hope the Indian side adopts the same attitude towards China. China and India should become cooperative partners instead of competitive rivals. Both countries should seek for a win-win result instead of a zero-sum game.

It is a strategic choice made by both governments and peoples, proceeding from the common and fundamental interests of both countries, to establish the China-India Strategic and Cooperative Partnership for Peace and Prosperity. President Hu Jintao said recently that China has always, from a strategic and long-term perspective, firmly and unswervingly promoted harmonious, good neighbourly, and friendly cooperation between China and India. Indian Prime Minister Manmohan Singh, on his part, stated that the Indian government would give top priority to its relations with China and there is enough room in the world for the two countries to achieve development. Although there are certain forces in the world that do not want to see China and India join hands, the historical trend of bilateral friendship is irreversible.

China has made impressive economic progress, but it is still a developing country. The major task in the foreseeable future remains the development of the national economy and improvement of the people's livelihood. China will firmly pursue the path of peaceful development, and pose no threat to other countries. Its development means opportunity

to India and other countries. Even when China becomes stronger, it will continue to adhere to the Five Principles of Peaceful Co-existence, and will never seek hegemony or engage in expansion. This is the solemn commitment the Chinese government has made to the whole world.

Recently, the Indian media reported abundantly on the India-China boundary issue. The spokesperson of the Ministry of Foreign Affairs of China has repeatedly clarified the Chinese position toward the boundary question. Indian leaders and senior officials also refuted the reports in one voice and called for media restraint. As a matter of fact, with the efforts of both sides, the China-India boundary areas generally remain peaceful and tranquil. China strictly acts in accordance with the agreements. At the same time, both governments have been continuously seeking a fair, reasonable, and mutually acceptable solution through negotiation. The China-India Special Representative talks have made significant progress. The boundary question is an issue left over by history, sensitive and complicated, which needs to be resolved with more patience and wisdom. It is dialogue rather than story-making that would solve the issue.

In the process of globalisation, there is a strong trend of economic integration between countries. They complement each other in different ways to achieve common development. In recent years, some Chinese companies have come to India. They not only undertake projects but also contribute in many ways to the Indian economy, especially in infrastructure development. To my knowledge, those companies usually hire a lot of local workers. Take Huawei India as an example. Over 80 per cent of its staff members are locals, most of them professional and technical personnel. Among those Chinese people who come to India to work on the projects, they are required by the projects. They work along with their Indian colleagues and learn from each other. They will return to China once they complete the project.

Therefore, the Chinese companies in India are an indispensable part of economic cooperation between China and India. If we manage this properly, it will yield a win-win situation. As for the national security concerns on the part of the Indian side, I can assure you that the Chinese Government will never allow Chinese companies to engage in any acts that may undermine national security of other countries, including India.

Media play a unique role in bilateral relations. People of the two countries increase their mutual understanding and friendship through objective reporting. A positive public opinion environment is conducive and necessary to the development of bilateral relations. Indian media serve as a 'window' or a 'bridge' to the Indian public to understand China. The opinions and perspectives of the Indian media on China and on bilateral relations may influence and even shape the image of China in the eyes of the Indian government and people. The media should keep abreast with the paces of the bilateral relations and tap more positive information, so as to convey objective messages to the two peoples and serve as a booster to promote bilateral relations.

Looking ahead, I foresee a more and more active relationship. The two sides are busy working on matters relating to the Indian President's visit to China. A hotline between the two sides will be ready soon. Chinese Foreign Minister Yang Jiechi has invited Indian External Affairs Minister S.M. Krishna to visit China at his convenience. A meeting of the Foreign Ministers of China, India, and Russia will be soon held in India. The two countries are also actively preparing to mark the 60th anniversary of the establishment of diplomatic relations in 2010, coinciding with the activities of the China Festival in India and the India Festival in China. All those interactions will push the bilateral relations to a new height.

I am of the view that the China-India relations are standing at a new starting point, facing new opportunities for development. As Chinese

Ambassador to India, I am encouraged by the potential of our bilateral relations and confident about its future.

(The writer is Ambassador Extraordinary and Plenipotentiary of the People's Republic of China to the Republic of India.)

POLITICS AND GOVERNMENT

Post-post Mandel

Seema Chishti

The wheel of politics in the Hindi heartland was duly noted as having turned, when in the 2009 Lok Sabha elections the RJD/ LJP combine got a drubbing in Bihar, and in Uttar Pradesh the BSP and SP were suitably chastened. The general feeling was that the parties that had made hay on the post-Mandal OBC consolidation (in Mayawati's case, the Ambedkarite consolidation of Dalits) had run out of magic potion, and now that the deal was to "develop" the states, parties which stood for that would win.

However, events in UP and Bihar are now threatening to reveal more complexity — something still in progress, before assembly elections due in Bihar next year, and in UP in 2012.

First, in both states, while it seems to have been generally understood that the Mandal tide may have ebbed, the "M-Y" (Muslim-Yadav) factor which helped the Samajwadi Party and the RJD is cracking, and the battle seems to be for castes and communities absolutely at the bottom of the social ladder. In UP, the contest is for Dalits, while in Bihar for the extremely backward castes, so far out of the pale of the political battle, as they were hard to campaign to, to organise and keep close. Thus there are new and unique problems parties are encountering, paradoxes and shadows of the old way of doing things, of new communities being stuffed in retrofitted bottles.

UP's case is straightforward. Twenty years ago, there was the old Congress formula which served them well, putting the upper castes (a larger proportion of the population than in other states), Muslims and

Dalits together, creating a reasonably “stable” polity. However, the forces unleashed by

Mandal brought suppressed inter-caste anger and rivalry to the fore — so OBC leaders, led by the Yadavs, took on the upper castes and even Dalits, who now had a party of “their own” to vote for, the BSP. This split the Congress’s social coalition, splintering the polity, with Muslims terrified at the BJP’s rise on the back of communal polarisation, unsure of where the Congress stood, cycling off with Mulayam Singh Yadav.

However, 20 years of assertion of different caste combinations (UP has seen the BJP, SP and BSP in power at different times) have apparently yielded a phase when tough questions are being asked about what, if anything, they have got other than symbols of empowerment (Lohia or Ambedkar parks/ memorials, hardly any schools, not even better-regulated garbage collection). New industry has not got a foothold, and old industries, whether in western UP, Kanpur or Mirzapur, appear to be in grave decline. Hence, the Congress, which has now much at stake having registered an unexpected tally of 21 Lok Sabha seats, is out to wrest the Dalits’ confidence back from Mayawati on the promise of materially delivering and offering solidarity. It is easy to laugh at the “Dalit tourism” of Congress MPs, but it is only the surface of the battle to recover the loyalty of those who have, despite reservations being a constitutional fact of life, been pushed to the edges. How this plays out will decide the political and economic and social future of UP.

Bihar is more complicated, as a Dalit/ Ambedkarite consciousness has never been the predominant fact of politics here. Caste “combinations” and hard-core land interests (upper caste and empowered OBCs) have polarised politics. Lalu Prasad accepted the “izzat” formula (pretty close to the Self-Respect movement in Tamil Nadu, but much less radical) but snarled at the word “development”. When, again analogous to UP, this ran out of steam, the people voted in Nitish Kumar, who dwelt on the need to “develop”.

Nitish Kumar, riding the upper-caste vote (via the BJP alliance), himself a backward icon, was able through skilled management of overtures to Muslims too to creatively take off from where Lalu's politics seemed to peter out and offer a new paradigm. However, as was clear in his first two years at least, he wanted to create more of an awakening among the most or extremely backward castes in Bihar — the Mahadalits. That deepening of the political process has resulted in violent expression — the recent killings of Kurmis (apparently by people of an extremely backward Musahar community) have highlighted the extremely entangled problems that emerge when other communities feel outraged at even a whiff of the old order changing. So much so that Nitish Kumar's government keeps restating, especially to those in his powerful landed base, via his BJP deputy, that his government has no intention of any land transfer to “bataidars” (share-croppers), the unfinished and controversial business related to the abolition of zamindari in the mid-'50s. His government had commissioned a report under a key West Bengal officer at the time of Operation Barga in the '70s; it was even laid on the table in the Vidhan Sabha in June, but it was followed up with repeated statements on how the status quo would be maintained.

In essence, in both states the effort is to get new groups, caste and other interests, aligned with your coalition. But the Lok Sabha election showed a marginalisation of the pure old caste argument, and there is opportunity to craft new alliances. On the face of it they are two different processes. Nitish Kumar is trying to “create” a Mahadalit base (a political space in opposition to both Lalu/ Paswan and the BJP's traditional base) but masking all this under what he would want to be classified as “development” politics. In UP, the Congress is trying to talk of a change in paradigm (Rahul Gandhi's speeches peppered with talk of “the poor” shorn of any other identity) but resorting to obviously courting the Dalits back from Mayawati.

The challenge for all ambitious parties in UP and Bihar is not just to devise a new way of doing things but also to find new constituents. The

coming assembly elections are an obvious deadline by which all parties hope to mop up fresh support — a difficult call in areas which are deeply political, politicised and caste-ridden. Channelling the restlessness in the electorate, characterised by a complex and complicated demand for political and material empowerment and respect for the rule of law, is key for any political party which wants to get ahead. In the face of deeply entrenched “interests” in these states, this would call for immense political courage, craft and imagination.

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Dictator democracy

Jug Suraiya

Can democracy be a democracy and a dictatorship, both at the same time? Yes, it can, if it's Indian democracy. The Maharashtra government decreed that when the state went to assembly polls, Mumbai would forcibly be shut down shops, restaurants, schools, offices, factories, all closed so that people, with nothing else to be distracted by or to do, would be forced to vote.

The reason for this drastic measure to force-feed democracy or at least elections to Mumbaikars is that the otherwise 'can do' city is notoriously 'can't do' or 'won't do' when it comes to voting. This was evident in the last Lok Sabha polls in which the voter turnout was just over 40 per cent. The fact that the polls coincided with a long weekend which lured many Mumbaikars to out-of-town holidays was deemed to be largely responsible for the poor showing. However, sarkari concern was voiced over the seeming political apathy of a city which had just suffered a murderous terrorist attack and should have been all gung-ho about manning the barricades of democracy as represented by the ballot box, instead of swanning off on holiday.

To preclude the possibility of the assembly elections also proving a non-event in terms of turnout, the authorities reportedly issued orders that anyone failing to comply with the shutdown diktat was liable to face arrest under Section 135-B of the Representation of the People Act, 1951. To ensure compliance with this closed-door policy, special squads patrolled the city to make sure that no one was subverting democracy by

trying to sneak into a school, or an office, or a factory, or a shop, or a restaurant. Go to vote. Or you might find yourself in jail: that was the message, willy-nilly, that officialdom sent out not just to Mumbaikars but to all of us who are citizens of this democracy.

Mumbai's case is symptomatic of a fundamental problem of our democracy. Democracy is supposed to be about empowering people, the common citizens, and helping them to get on with their daily lives as best they can (by going to schools, offices, factories, etc). But our sarkar seems convinced that democracy is only about empowering itself, at the expense of the people and their day-to-day needs.

India's political class and the successive governments that it forms, and which often comprise the strangest of bedfellows sees democracy only in terms of elections. It doesn't really matter which party comes into power, for in the end as a number of blatantly opportunistic alliances and coalitions have shown they are all fundamentally the same: cynical exploiters of the people.

Or at least that's the message that all our political parties have over the years been communicating, consciously or otherwise, to an increasingly sceptical electorate. The way our political parties, all our political parties of all shades and stripes, appear to see it is that the function of our democracy is only to hold periodic elections in which voters will, forcibly if necessary, vote one or other, or several, of these parties into power. Having fulfilled that basic duty (of having voted a politician into power) the voter can go jump. The voter's and the politician's democratic responsibility is over. Elections are the end all and be all of our democracy. And never mind what happens in between, never mind the

persistent hardships and despair that citizens continue to face in their daily lives.

This is the real meaning of the Mumbai bandh on polling day: in our democracy the voter has no right of education, employment, earning a livelihood, whatever other than the right to vote. Indeed, as the Mumbai authorities would have it, the voter's right to vote is not just a right but an enforceable obligation. In other words, you've got to vote, whether you like it or not, whether you feel it's going to better your daily life in any way or not.

Jai ho to the democratic dictatorship of India that is Bharat.

RURAL DEVELOPMENT

Expand and re-orient NREGA

P.S. Appu

The recession is a promising moment to expand NREGA with greater emphasis on building social capital in a big way.

Soon after assuming office, the first UPA government took an impressive step for the alleviation of rural poverty by launching the National Rural Employment Guarantee Scheme. It was, indeed, a wise move to insulate the programme from the vicissitudes of electoral politics by enacting the National Rural Employment Guarantee Act (NREGA). The implementation of the programme has been uneven. A large number of articles have appeared in the press pointing out the defects in implementation. On September 19, *The Hindu* published an article by Professor Jean Drèze, “Employment guarantee or slave labour?” It reveals a sorry state of affairs. Every effort should be made to remove the shortcomings and ensure better implementation. Despite all its failings, the NREGA has proved to be a boon to the rural poor. It is now necessary to expand and re-orient the NREGA. That is the theme of this article.

The NREGA evolved into its present shape by building on past experience in designing and executing schemes for providing employment. The new programme is an improvement on its predecessors. There is greater flexibility and the implementing agencies have freedom to start new works according to necessity. Though the main emphasis is on providing employment, the law also aims at the creation of durable productive assets. The present recession is a promising moment to expand the programme with greater emphasis on the second objective of building social capital in a big way.

Great scope for building social capital on a massive scale. More than half a century ago, Ragnar Nurkse, the distinguished Cambridge economist, had pointed out that capital starved over-populated countries could build social capital in a big way by employing the surplus labour on a variety of projects. He had listed schemes concerning irrigation, drainage, roads, railways, housing, etc. In his view, the only danger was the onset of inflation caused by the increased demand for food and other wage goods. Though the Indian planners were aware of Nurkse's prescription, they could not have implemented the idea in the pre-Green Revolution era of precarious food supply. Now we have ample stocks of food grains. And our industry will welcome the enhanced demand for consumer goods. We can, therefore, employ the surplus labour for building social capital in a big way without incurring any risk.

National Rural Development Board. There is considerable scope for absorbing vast quantities of human labour in well planned projects of soil and water conservation, rain water harvesting, irrigation and drainage works, flood control, watershed development, de-silting and maintenance of numerous water bodies, both manmade and natural, and an ambitious programme of afforestation aimed at restoring green cover throughout the country. In that enormous programme, governments' efforts should be supplemented by suitable NGOs, co-operative societies, joint stock companies and so on. The present *ad hoc* approach aimed at providing immediate employment should yield place to a systematic, well planned, well co-ordinated effort.

Such an ambitious programme would necessitate the setting up of a National Rural Development Board clothed with adequate statutory powers. It should be a lean organisation responsible for policy and overall guidance. Under the Board there should be a well staffed regional office for each major river basin to handle planning, formulation of projects, co-ordination between major watersheds, technical guidance and supervision, maintenance of the assets created and so on. The valley of a big river will naturally include a number of

major watersheds. Every major watershed should have a small office for coordinating and supervising the work within that watershed. The Panchayati Raj set up should handle the work within the district. The expanded programme will generate employment on a large scale, both for skilled and unskilled hands. The afforestation project will absorb a large number of rural workers, many on a permanent basis.

Two basic suggestions for better implementation: The fatal weakness of NREGA is poor implementation. The main reasons for shoddy execution are the decline and degeneration of the administration at all levels, particularly at the block level, and the lukewarm, half-hearted approach to democratic decentralisation. As I am out of touch with field conditions, I am unable to present a comprehensive proposal for setting things right. However, as a Collector in North Bihar five decades ago I had closely observed the robust functioning of the block administration. In 1981-82, I had occasion to see the sorry state of the block set up in several States that I visited as Director of the National Academy. As far as the Panchayati Raj is concerned, I had the privilege of serving on the review committees set up by two States, Karnataka and Kerala. Relying on these slight exposures I have mustered the courage to make the following radical suggestions.

Induct Block Development Officers of a higher calibre. The responsibility of the BDO is so onerous that it should be held by an officer of a much higher calibre. I suggest that after the completion of their training, all IAS officers should serve as BDOs for at least three years. The implementation of this suggestion will provide only about 300 officers. The country would need some 6000 bright young men and women to work as BDOs.

I put forward three suggestions for getting the required number of officers. The annual recruitment to the All India and Central Services may be stepped up by 50 per cent. After six months' training, the new recruits should serve as BDOs for two years. Thereafter the required

number may be allotted to the different services on the basis of their performance, aptitude and choice. The rest may continue as BDOs. A two-year stint as BDO will prove to be an invaluable experience even for those joining the foreign service.

The second suggestion is that short term contracts may be offered to the products of IITs, Regional Engineering Colleges, national law schools and so on. They could be posted as BDOs after being trained for six months. At the end of the contract some may be absorbed in government service and the others may move on to jobs of their choice elsewhere. Companies in the public and private sectors may be persuaded to offer them suitable employment giving credit for their service in the Block.

A third possibility is to depute young officers from the State services and public sector banks to work as BDOs for fixed periods after a short orientation course. The matter, of course, calls for a more thorough consideration.

The District Officer to be the Chief Executive of the District Panchayat. Thoroughgoing democratic decentralisation is the only way in which this sprawling country of great diversity can be governed efficiently. The Seventy Third Amendment to the Constitution providing for the creation of panchayats at the district, intermediate and village levels was a giant step forward. The State governments have, however, been reluctant to empower the panchayats. Their approach has been half-hearted and lukewarm. Even so, in the larger public interest, the States should be persuaded to delegate adequate powers to the panchayats.

After considerable introspection, I have come to the conclusion that the District Officer, variously designated as Collector, Collector and District Magistrate, or Deputy Commissioner, should be the Chief Executive of the district panchayat. This single step will go a long way in strengthening the Panchayati Raj. The District Officer should, of course, have under him at least four senior officers to handle work relating to law and order, land revenue, development and Panchayati Raj. Initially

there will be many hitches and irritants. A sub-clause should be added in Article 243-C of the Constitution spelling out the powers of the Chairperson and the Chief Executive.

Such a clear demarcation of powers and responsibilities will hopefully reduce friction and promote mutual respect, understanding and cooperation between the two functionaries. Furthermore, hand-picked officers of 10-12 years of service should be appointed District Officers and the Chairmen should be seasoned public persons. I hope that in due course, the relationship between the Chairperson and the Chief Executive will settle down to resemble that between the Chief Minister and the Chief Secretary. In the initial stages, however, the relationship could be like that between the non-executive chairman and the managing director of a large company. I know that this proposal is highly controversial. It will be opposed both by politicians and bureaucrats. However, in my considered view, this radical step will facilitate the better implementation of the re-oriented NREGA.

The massive effort in building social capital outlined in this essay could trigger higher productivity of land and labour, diversification of agriculture and faster industrial growth. It would also mitigate the suffering inflicted by chronic drought and flash floods.

What I have presented is not an action plan or a project report for reorienting NREGA. It is only the rough outline of a fond vision I have been nursing for a long time. I shall be happy if this article provokes purposeful discussion.

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