

# **CONTENTS**

## ARMED FORCE

**Military with no weapons** 3-6

## BOOK REVIEW

**WTO and Indian economy** 8-11

**Visionary President** 12-14

## CIVIL SERVICE

**Visually challenged fights for her rights** 16-18

## ECONOMIC DEVELOPMENT

**Entitled to grow** 20-23

## INTERNATIONAL RELATION

**What India can bring to the high table** 25-28

## POLITICS AND GOVERNMENT

**The jugaad government** 30-32

**Our best game : Chip on my shoulder** 33-35

## POVERTY

**India is still world's hunger capital** 37-39

**Rural poor & poverty eradication** 40-42

# **ARMED FORCE**

PIONEER 13.10.10 ARMED FORCE

## **Military with no weapons**

Ashok K Mehta

### **India's defence forces are getting increasingly crippled as Saint Antony refuses to sanction the purchase of urgently needed weapons**

Over the next five years, India will spend \$ 50 billion on arms purchases, including the daring joint development and production of the fifth generation fighters with Russia. This would suggest that Russia might no longer be in the race for the 126 Medium Multi-Role Combat Aircraft as defence acquisition involves political balancing. Still 70 per cent of all our equipment and dependency will remain Russian. As Finance Minister, Prime Minister Manmohan Singh had promised that once the economy grew, funds for defence modernisation would increase incrementally. That's what is likely to happen after a two-decade drought in military modernisation.

Given the track record, defence acquisition will be further degraded by the overkill in probity and the Byzantine procedures. On August 25 this year, heads of five defence companies from the US, the UK Germany, France and Canada wrote to Defence Minister AK Antony for better structured and more supplier-friendly defence procurement policy.

The real questions are whether the buying spree will enhance self-reliance, improve deterrence and strengthen India's clout in international affairs. So far, at least, India has underutilised its military capability for a variety of domestic political and cultural reasons, not the least, the lack of strategic thinking.

A new book, *Arming Without Aiming: India's Military Modernisation* by Stephen Cohen and Sunil Dasgupta of the Brookings Institution has done some excellent mind-reading of Indian policy planning failures to develop military capabilities commensurate with its rising power and also exposed the warts in planning.

It is not surprising that despite terrorist attacks on Parliament and in Mumbai and several lesser strikes across the country over the last two decades, India has not crafted a suitable response to cross-border terrorism. The international community is astonished at the amazing levels of tolerance and military restraint shown by New Delhi — making a virtue of necessity, its strategic restraint and patience. The authors say that India's rise is welcome (except in Pakistan) as it is not seen as an assertive power.

Is strategic restraint, the term coined by Foreign Minister Jaswant Singh during Operation Parakram, an euphemism for lack of appropriate military capabilities? Twice in that year, India came close to crossing the start line but held back, according to insiders, as neither the Air Force nor the Army was deemed fit or ready for punitive operations. It is the duty of Governments to keep the armed forces in a state of operational preparedness with relevant equipment and technologies. So it may not just be the culture of military restraint but equally the lack of defence planning.

The authors argue that India's defence acquisition process is 'amazingly convoluted' and coupled with its preference to acquire technology and build weapons itself has led to deep problems. The preference is also to add and expand existing structures than engage in reform. This is true as since independence there has been no defence review and the armed forces have continued to operate in a political vacuum virtually decoupled from decision-making. This has resulted in erratic and

spasmodic defence modernisation unrelated to developing challenges and their priorities but contingent upon availability of funds.

Commenting on the book, Ashley Tellis of Carnegie Endowment has noted that India's defence policy was in crisis as there is 'internal sclerosis' in India's internal defence thinking. Despite the Group of Ministers report after Kargil, key reforms like appointing a Chief of Defence Staff, remain in abeyance and integration is only lip-serviced. Another profundity from Tellis is that while the Indian state has the money, it does not have the capacity to spend it efficiently. To this self-explanatory charge can be added that funds for modernisation cannot be utilised in full due to avoidable road blocks. Tellis notes "how civil-military relations restrain military modernisation and this is not accidental but deliberate".

Every year, an average of Rs5,000 to Rs 8,000 crore is returned to the Finance Ministry months before the end of the fiscal which helps to balance the Government's books. Tongue in cheek every year, the Finance Minister ends his ritual two-line statement on defence allocation with the caveat that "more money will be provided if required". This is followed by thumping applause!

But no amount of military modernisation will help unless there is new strategic thinking and political will to shape the environment to India's advantage. For a rising power, a strong military is an asset if it is employed gainfully to promote political and diplomatic objectives. Cohen says: "We don't think that new hardware and weapons will make that much of a difference as diplomacy and new strategic thinking are important." The challenge for New Delhi is transforming the strategic environment.

Interestingly, the book contains a chapter on Defence Modernisation and Internal Threat. This probably is the most relevant contribution to

India's severe domestic problems ranging from insurgencies in Jammu & Kashmir and the North-East to the Maoist threat which Prime Minister Manmohan Singh first flagged in 2004 and has since repeatedly called the most serious internal security threat facing the country. Unfortunately, we continue to look outwards without addressing cogently, the threats from within, being fixated with Pakistan.

India's defence budget has shot up astonishingly from nearly Rs50,000 crore in 1999 to Rs1,50,000 crore in 2010 and is growing exponentially at nearly 10 per cent but still remains far below two per cent of the GDP against the prescribed three per cent. Nearly 40 per cent of the budget goes towards military modernisation and maintenance.

Given the recommendations in the book, India must revisit its defence policy, implement outstanding defence reforms, including scrapping the laughable system of Chairman, Chiefs of Staff Committee, and appointing a Chief of Defence Staff. Despite India's, in Tellis's words, "strong cultural impulses towards restraint" the dominant short-term military requirement is creating a credible response to a terrorist strike from Pakistan short of full-scale war. One hopes that Home Minister P Chidambaram's threat of a 'swift and decisive response' transfers into visible military capability embodied as a deterrent.

Diplomacy and deterrence will work best when the military is encouraged in new thinking through useful strategic and political guidance. This must become a two-way street with a free flow of ideas and innovations. *Arming Without Aiming* is certainly not what the Army teaches its soldiers. It is *ek goli ek dushman*.

# **BOOK REVIEW**

## **WTO and Indian economy**

U. SANKAR

A lucid account of the developing countries' perspectives, negotiating options and strategies

**THE WTO AND INDIA** - Issues and Negotiating Strategies: Edited by Alokesh Barua and Robert M. Stern; Orient Blackswan Pvt. Ltd., 3-6-752, Himayatnagar, Hyderabad-500029. Price not stated.

The World Trade Organisation (WTO) was created on January 1, 1995 to promote world trade. The multilateral trade agreements include the General Agreement on Tariffs and Trade (GATT) 1994 and its related agreements; the General Agreement on Trade in Services (GATS); and the Trade-related Intellectual Property Rights (TRIPS). In addition to these agreements, Annexures 1 and 2 cover the dispute settlement mechanism and Annexure 3 the trade policy mechanism. A noteworthy feature is that these three Annexures are part of a “single undertaking” approach. The fundamental principles of the regime are: most favoured-nation (treating all countries equally); national treatment (treating foreigners and locals equally); and freer trade (reductions in tariffs and removal of non-tariff barriers).

The WTO has 153 members and about a two-thirds of them are developing countries. The special and differential treatment provisions allow the developed countries to treat the developing countries more favourably than the other WTO members. Developing countries face some challenges in coping up with the trade regime. They are: fulfilling commitments under WTO agreements which require legal and administrative reforms; capacity-building to articulate concerns and trade-offs during the negotiations; adaptation and mitigation policies to

contain the adverse effects of globalisation; and the shrinking of policy space because of the global commitments. They are conscious that they did not do the preparatory work at the negotiations stage. They were hesitant about the GATS and the TRIPS, but accepted them because all the agreements formed a “single undertaking”. Further, they perceive that the globalisation process is skewed (greater mobility of goods and capital and lesser mobility of labour) and that most of the S&DT provisions are not mandatory. The Doha ministerial conference (2001) tried to incorporate development concerns in the new round of trade negotiations.

### Perspective

This book, which is a compilation of 18 papers, provides the developing countries' perspective, negotiating options and strategies, market access, trade facilitation and government procurement, TRIPS and GATS, and growth, poverty and inequality. Manoj Pant notes that, with the single-undertaking clause allowing cross-sectoral bargaining, the art of negotiations is something that developing countries have to learn.

Arvind Panagariya argues that, the continued asymmetries in the influence of the rich and poor countries notwithstanding, the WTO is by far India's best hope for protecting its trading rights. He says India, while evolving its negotiating strategies, must take into consideration the direct benefits that flow from the demands put forward, define its negotiating positions positively rather than negatively, and take a hard look at the endgame.

As for market access, developing countries want trade in agriculture to be freed from domestic supports and other non-tariff distortions and the tariff escalations for labour-intensive products — such as textile and clothing and leather products — in developed countries to be removed.

The TRIPS agreement has been a contentious issue for the developing countries because it affects the structure and functioning of the

pharmaceutical industry, which has serious implications for health care.

## Declaration

The initiatives taken by Brazil, India, and South Africa led to the adoption of a Declaration on TRIPS and public health by the WTO ministerial conference in 2001. This declaration acknowledges the primacy of the countries' right to grant compulsory licences and the freedom to determine the grounds on which such licences are granted and also the right to determine what constitutes a national emergency or other circumstances of extreme urgency for the purpose of implementing the TRIPS agreement.

In respect of GATS, India's comparative advantages rest with Mode 1 (cross-border supply of service) and Mode 4 (provision of services requiring the temporary movement of natural persons).

## Consensus

The European Union and the United States have made plurilateral requests to India for greater commercial presence rights (Mode 3). Rashmi Banga examines the competitiveness and preparedness of different service sectors in India for carrying the liberalisation process forward, besides highlighting the domestic and external constraints. There seems to be a consensus that, in the long term, growth in trade will accelerate economic growth and may reduce income inequality and that, in the short term, there is a possibility of the inequality widening in the absence of appropriate domestic policies.

Overall, the book gives an exhaustive and lucid account of the WTO issues, the perceptions of the developed as well as the developing countries on various trade issues, and how national circumstances of countries influence negotiation strategies and formations of coalitions. However, it does not deal with the recent global melt-down and its implications for the global trading regime. Trade-related policymakers

and students interested in policy issues affecting international trade will find the publication useful.

## **Visionary President**

**Puneetinder Kaur Sidhu**

### **Spirit of India**

**By APJ Abdul Kalam.**

**Rajpal Publishers.**

**Pages 180. Rs 195.**

*"It looks to me that we need a second vision for the nation, just like the one we had when we were actively pursuing our freedom movement against alien rule. At that time the spirit of nationalism was very strong. This second vision that is needed for making India a developed nation will once again bring the spirit of nationalism to the fore."*

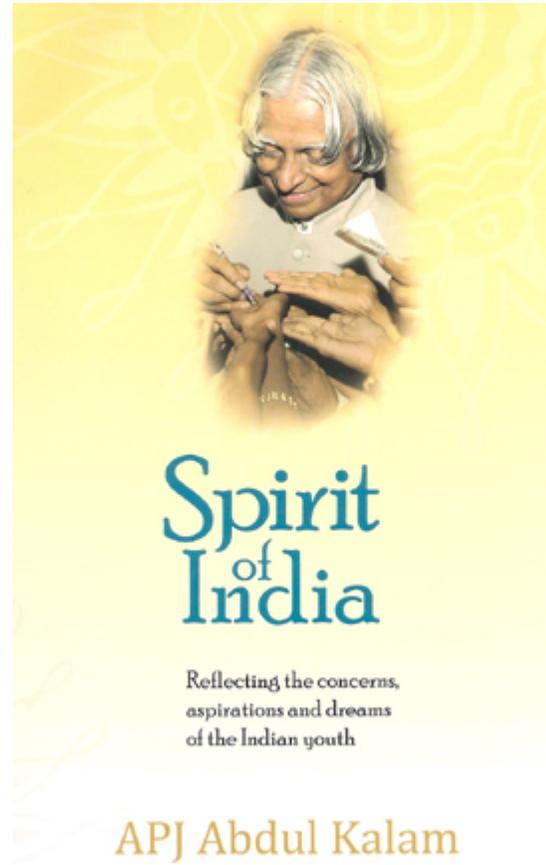
**SPIRIT** of India is former President, Dr APJ Abdul Kalam's latest book. It presents a selection of his views expressed on some very interesting, relevant, oftentimes irreverent questions posed to him. The questions, in turn, reflect the concerns, aspirations and dreams of the youth of India, his most devoted audience.

Dr Kalam discusses the major challenges facing contemporary India's growth story: divisive politics, communalism, corruption, economic inequalities, Naxalism, domestic terror, and unrest at our borders. He suggests how we can overcome these challenges, both at an individual and the country level. Dr Kalam believes that at the heart of the nation is the individual and it is only when individual citizens achieve success that the nation can succeed.

In *Spirit of India*, Dr Kalam responds to hundreds of questions and concerns addressed to him by a cross section of youth from around the country and overseas. His answers, mostly bordering on the visionary, point us in the direction needed for the building of a united and prosperous nation. He is convinced that this task can be achieved, "If the 540 million youth work with the spirit "I can do it", "We can do it", and "India can do it", nothing can stop India from becoming a developed country".

Having tasted the fruits of development, the Indians are hungry for more—more education, more opportunities, more development. Dr Kalam believes that it is possible to progress at both the individual and national levels provided we abide by the principle "that the nation is bigger than any individual or organisation" and understand that "only borderless minds can create a borderless society".

His vision has been categorised under *Spirit of India*, *Spirit of Education*, *Creating a Scientific Spirit*, *Harnessing the Spirit of Youth*,



*Inculcating the Spirit of Success* and *The Kalam Spirit*. In order to better acquaint oneself with the aspirations and minds of the Indian youth, this thought-provoking book should be a mandatory read for one and all. Also to remind oneself about the embodiment of selfless simplicity that is Dr Kalam; best reflected in his response to a poser by a Law College student from Mysore. "What is the future goal of your life?" "Seeing a smile on the faces of a billion people," replied Dr Kalam, ever the people's President.

# **CIVIL SERVICE**

## PIONEER 15.10.10 CIVIL SERVICE

### **Visually challenged fights for her rights**

#### **Santosh Narayan**

She was not just a girl but was visually impaired too, facing innumerable odds in her life right since her birth. However, the challenges made Ranju Kumari more agile and brave, and infused unparalleled spirit. She used them all to scale the peak of success, what many physically unchallenged can afford to just daydream.

Ranju is currently posted as a Commercial Tax Officer (Investigation), in Jamshedpur after clearing the second Civil Services exam conducted by the Jharkhand Public Service Commission (JPSC) in 2008. The challenges thrown to her throughout her life are coming handy in her professional career. Ranju is reluctant to depend on the others to deliver her hectic schedule that is considered as multi-faceted, daring and investigative in nature.

“I do not take much help of others as I do not want to become a burden on them. It also provides me confidence to deal with the challenges. I use a software that recites what I am typing on computer and just take help of my driver to put signature on the right place on papers,” said the soft-spoken officer talking to The Pioneer.

Ranju has three brothers. Engineer father and housewife mother showered all their care and affection on her that sometimes made her siblings jealous. “They sometime quarrelled with parents that why Ranju is given special treatment. But it was driven by childish

behaviour more,” recalled her maternal uncle JL Agarwal.

Situation for Ranju and family deteriorated when she lost vision of the left eye completely at the age of five. It deprived the young girl from attending normal school and private tutors were hired to teach Ranju. The situation aggravated further in 1994 when she lost her vision completely.

“It was, though, shocking but I think everyone in my family was getting prepared for it. It made me more stubborn and committed. I decided to face Civil Services and become a magistrate as my dadaji (grand father) used to tell me,” said Ranju. Here comes her mother who would ‘read’ for her often for the whole night and intelligent Ranju grabbed the lesson just by listening. Some professional teachers were also helped her in the preparation for the extremely prestigious and equally tough examination.

Well-prepared Ranju applied for the first Civil Service examination conducted by the JPSC and applied under the physically challenged quota with all supportive documents. To her shock, she was declared unsuccessful in the examination. But the failure failed to pull her morale down.

It clearly inspired her to study the reservation policy and asked the First Information Officer of Commission about the detail of the candidates who got success on account of reservation policy of Government of Jharkhand under the RTI Act.

“I could not receive any reply within 30 days by PIO of the Commission then I wrote a letter to First Appellate Officer but failed to get any reply. I then approached the State Information Commissioner and made complain in writing. The case was admitted against the JPSC,” recalled Ranju.

Her fighting spirit and courage compelled the Department of Personnel and Administrative Reforms that instructed, for the first time, to every Department to obey the reservation policy for physically challenged persons. Ranju also approached State Disability Commissioner which issued a letter to JPSC to consider her case but the Commission remained relentless.

“She started preparing for the second Civil Service examination. Her Tutor and her mother were instrumental in her preparations. She appeared in the Preliminary Examination and got success,” said JL Agarwal. But Ranju’s name was again missing in the list of successful candidates in the main examination.

Again she approached JPSC through a letter asking about the person who got success in the reservation quota. But to her surprise she was alone blind candidate and hence, the JPSC had not considered the reservation policy. Meanwhile, the Commission received the letter of the State Information Commissioner; which was against it. Later, Department of Personnel and Administrative Reform also ordered the commission to place Ranju at 33rd position in recommendation of employment. All-round reprimands forced the JPSC to announce second list for successful candidates, which featured Ranju’s name.

It is not that Ranju’s courage to struggle has reached the summit. The officer wants to work for the betterment of uncountable like her. “I became lifetime member of National Association for Blind and always attended programmes. I want to extend whatever help I can and always tell them that losing courage is not the solution. One should keep pursuing excellence in any field,” she advises in sober and soft voice that can be heard and loud and clear.

# **ECONOMIC DEVELOPMENT**

## **Entitled to grow**

Dhiraj Nayyar

On almost every occasion that the states of India are ranked on the basis of economic parameters, Gujarat comes out on top. It was therefore somewhat surprising to see Tamil Nadu come out on top in the latest Economic Freedom Rankings for the States of India, 2009 last week. Incredibly enough, the last set of economic freedom rankings in 2005, compiled by the Cato Institute and Indicus Analytics, had also put Tamil Nadu right on top of the pile, just ahead of Gujarat. That ranking is particularly significant because there is a strong link between liberal economic policies and high growth. And, Tamil Nadu's growth performance in the last five to 10 years has indeed been in the top league among Indian states, as has Gujarat's.

Notably, in the 2009 rankings, Andhra Pradesh ranks at number three in terms of economic freedom, up several rungs from its 2005 ranking. Again, there is a strong correlation between its ranking on this index and its remarkable growth in the last three years.

But what makes the findings on Tamil Nadu and Andhra counter-intuitive is that, unlike Gujarat, both these states have been more famous for their populist policies than liberal economic policies — one would normally put these two states at the top of a ranking based on populism! Tamil Nadu is, after all, a state in which the ruling party

promised free television sets to all before the last assembly election and then proceeded to dole them out — that is populism at an extreme. It is the one state that has universalised the public distribution system (PDS), giving every resident access to cheap foodgrains, something that sensibly should be reserved for the poorest alone. And very few would associate either of the leaderships of the two major political parties, the DMK and the AIADMK, with transparency and accountability.

Andhra would also rank right up there on populism. The late Y.S. Rajasekhara Reddy, chief minister between 2004 and 2009, was inclined to dole out not just subsidised food, but also subsidised power, the latter being something more progressive states have long abandoned. And YSR, for all his strengths, wasn't famous for transparency in running his government.

So, does this square up with the freedom rankings? It does, in a rather interesting way. When disaggregated into its component parts, the Economic Freedom Index is revealing. On the parameter of size of government (expenditures, tax revenues and state-owned enterprises), both Tamil Nadu and Andhra rank quite poorly; smaller governments get a higher ranking. The heavy spending on populist policies does, therefore, show them up on this parameter. However, on the other two parameters — property rights and security, and regulation of credit, labour and business — both states register excellent scores, enough in fact to neutralise the problems on the size of government parameter.

More than the size of government, it is the latter two parameters that have a direct bearing on the ease of doing business in the private sector. And in that lies the key lesson: some types of populism may be more compatible with the growth of enterprise and indeed economic growth;

other types of populism can be more damaging.

What are the most damaging forms of populism then? The ones that most directly affect the ease of doing business. To name just a few: appropriation of private property rights, archaic labour laws, state support of strikes, physical threats to safety of business, withholding local licences and permissions, delays in court cases, excessive control on flow of credit to the private sector — basically policies that interfere with the functioning of market forces. Where Tamil Nadu and Andhra score impressively is in being liberal in precisely these policy areas, particularly in the last five years. That makes them attractive investment destinations, and investment spurs growth.

Ironically enough, at least some forms of the redistributive populism under the head of government spending can actually reinforce the growth driven by private investment. The Andhra government has spent heavily on capital investments, particularly in rural areas. Also, any government transfers to the people that ultimately boost consumption end up reinforcing growth. This was also a lesson learned from the period of the global slowdown when government-enabled rural spending across India helped in keeping growth resilient.

The states, of course, have a more stringent budget constraint than the Centre — their ability to borrow from sources other than the Centre is strictly limited and their ability to levy taxes, although greater than their ability to borrow, is also limited by their constitutional remit. This may actually be a good thing in a politics often driven by populism because it acts as a good check on what can otherwise degenerate into a careless and damaging tax-and-spend spree.

The policy path followed by Tamil Nadu and Andhra may be a more

realistic role model for other states when compared with Gujarat. Gujarat has always been an atypical Indian state with its political economy, and as a consequence policies are heavily skewed in favour of private business interests — the state's strong tradition of entrepreneurship and long history of industrialisation have ensured that. Most Indian states, however, grapple with a political economy that is usually split between attracting investment and growth on the one hand and satisfying populist demands on the other, just like Tamil Nadu and Andhra. These two southern states may now be shedding valuable light on how to marry these sometimes contradictory pulls.

There may be a valuable lesson in this for the UPA government at the Centre as well, whose recent economic policy thinking seems to be clearly tilted in the direction of populism — the National Advisory Council in particular is lending strong support to a universal PDS, as in Tamil Nadu. Such populism, if it is to be at all sustainable, must be accompanied with policy liberalisation in other spheres — labour laws, environment laws — so that growth remains on the fast-track.

# **INTERNATIONAL RELATION**

## HINDU 14.10.10 INTERNATIONAL RELATION

### **What India can bring to the high table**

Siddharth Varadarajan

*The U.N. Security Council needs a strong and independent voice on the burning issues of our time, not some feeble echo of a stale Western chorus.*

At an informal interaction with members of the Indian strategic community during the visit to New Delhi of General James Jones in July, an American official asked whether there was any decision the Obama administration could take that would be as 'totemic' for the bilateral relationship as the Bush administration's July 2005 offer of a nuclear deal had been.

When it was suggested that an endorsement of India's candidature for a permanent seat in a reformed United Nations Security Council might arguably fit the bill, one official said the question was indeed being studied actively in Washington as part of the preparatory work for President Barack Obama's November visit. "But any decision will likely depend on our assessment of the extent to which India is likely to play a responsible role as a permanent member".

I was reminded of that conversation when External Affairs Minister S.M. Krishna told journalists on Wednesday that India's election as a non-permanent member of the UNSC with the support of 187 of the world body's 192 member states provided an opportunity for the country to "establish its credentials and credibility in handling issues which come up with a degree of responsibility."

The key question, of course, is the metric one uses to measure

“responsibility”. As the principal empowered organ of the U.N. system, the Security Council deals with questions of international security that are often intensely political. During the Cold War, the rivalry between the United States and the former Soviet Union meant the biggest questions of war and peace tended to be settled far away from the horse-shoe table around which the 15 members of the UNSC sat. But ever since the end of the bipolar division of the world, the work of the Security Council has undergone a quantitative and qualitative transformation. Consider this statistic. Prior to 1990, the total number of resolutions passed by it over 45 years was 646. In the 20 years since then, however, a total of 1295 resolutions have been passed, the last being No. 1942 of September 29, 2010, authorising a temporary increase in the military and police personnel contingents of UNOCI, the United Nations Operation in Côte d'Ivoire.

India, incidentally, has sent soldiers for that operation and has historically been one of the top contributors to U.N. peacekeeping efforts around the world. Much of the UNSC's expanded docket has to do with the increase in peacekeeping responsibilities, the discharge of which is mostly without major controversy. But political considerations come into play on issues where the United States and its allies, especially Israel, or other big powers, have their own stake and want the Security Council to take a decision on a particular course of action. It is on these sorts of questions that India's performance as a “responsible stakeholder” in the international system will likely be tested.

Consider an example. In June this year, Brazil and Turkey, both non-permanent members of the Security Council, voted against a resolution imposing new sanctions on Tehran. Both countries had just helped to broker a crucial agreement under which Iran would have sent out a considerable part of its low-enriched uranium stock in exchange for the eventual supply of medical-grade enriched uranium for use in a research reactor. That agreement might well have served as a first step in the process of building confidence and trust between Iran and the West but

the U.S. went out of its way to scuttle those prospects by insisting on the imposition of new punitive sanctions.

In the eyes of many if not most countries, Brazil and Turkey acted highly responsibly by voting against the sanctions resolution and insisting that the U.N. pursue the path of diplomacy and compromise rather than confrontation and coercion. How might India have voted had it been on the Security Council this summer? Would it have voted against, like Ankara and Brasilia? Or abstained, like Lebanon? Or voted for the resolution, like the remaining 12? Around the time the issue was being discussed, Prime Minister Manmohan Singh and senior Indian officials had said on the record that India did not believe the imposition of sanctions would help resolve anything. Having helped to send the Iran file to New York by voting with the United States at the International Atomic Energy Agency in 2005 and 2006, India now realises the Security Council has not played a particularly useful role in finding a peaceful solution to the problem. But it is one thing to criticise sanctions in abstract and another to cast a negative ballot at the Security Council. When such a situation arises again, as it surely will in the next two years, there will be no shortage of pundits in India who will argue that New Delhi has more to gain by siding with the U.S. than by sticking to its position. “There is no way we can become a permanent member if we antagonise Washington”, we will be told, so let us use our non-permanent seat to demonstrate how “responsible” we really are.

The problem, of course, is that whatever Washington's expectations might be, the rest of the world values India precisely because of its ability to reason for itself and stick to its own positions. If the non-permanent seat India has just won is indeed to become a stepping stone for a permanent seat, the Manmohan Singh government will have to focus less on convincing the U.S. about how “responsible” it can be. It should instead work hard to demonstrate how a restructured Security Council built around the inclusion of rising powers like itself, Brazil and South Africa stands a better chance of solving the world's problems

than the present outdated arrangement. Fortuitously, all three IBSA countries will be on the UNSC at the same time, as will the BRIC group.

Even as its salience in international affairs has increased, the UNSC has been singularly unsuccessful in dealing with new and emerging crises like terrorism and piracy or resolving existing problems like the illegal Israeli occupation of Palestinian and Syrian territory. For 13 long years, the Security Council remained seized of the Iraq file and maintained sanctions over that unfortunate country; and then, when the U.S. defied its mandate by illegally invading and occupying Iraq, it remained a mute and powerless spectator. There is a structural problem with the Council which runs much deeper than the existence of veto power in the hands of the P-5. Today, despite the growing American ability to mobilise all permanent members behind its initiatives, as in the case of Iran and even North Korea, the UNSC has not managed to make much headway because it is unrepresentative and because the solutions it proposes lack credibility.

At the end of the day, this is the strongest argument India and other aspirants for permanent seats can make. This will mean conceiving of, and pushing for, innovative approaches to the world's major problems, even if this rubs the United States or any other power the wrong way. Yes, any of the P-5 can veto the General Assembly's eventual recommendations for permanent membership as and when these emerge from the text-based negotiations now underway in New York. The U.S., for example, may well decide that an independent-minded India will not be an asset on an expanded Security Council. But if it were to ever take the extreme step of vetoing India's candidature, it would also have to then deal with the diplomatic, political and economic consequences of such an act.

# **POLITICS AND GOVERNMENT**

## **The jugaad government**

Tavleen Singh

As the government of Dr Manmohan Singh approaches the third year of its second term in office, there is one thing that can be said of it with certainty. Its distinctive attribute is torpor. Its response to major calamities and national crises has been unhurried at its speediest.

So, it was when the Commonwealth Games were on the verge of ignominious collapse that the Prime Minister showed interest in what was going wrong. It was when Naxalites started killing our policemen in huge numbers that Delhi paid attention. And, it was only when the Kashmir Valley had been under curfew for more than two months, that the Prime Minister realised that it was no longer a local problem and he needed to intervene. On the Ayodhya judgment, we are still not sure if the Congress president and the Prime Minister take the same view. The point I am making is that it should not surprise us one bit that the Games were saved by last minute 'jugaad' because last minute improvisation appears to be the leitmotif of the Sonia-Manmohan government.

What is worrying is that this spirit of 'jugaad' seems to have crept into issues of national security. Last week, two or three things happened that indicate this. On the eve of the 78th anniversary of the Indian Air Force, the Chief of Air Staff announced that half the equipment the IAF used was obsolete. At the Air Force day parade, Air Chief Marshal P V Naik

went a step further and warned his troops that the “current security scenario is like a volcano and may test your skills any time without warning”. Why has the Defence Minister never mentioned this and can he explain why our brave fighter pilots are risking their lives with obsolete equipment? If there is a ‘volcanic’ situation in our neighbourhood, should we not be addressing it more seriously?

Then came the admission by Pakistan’s former military ruler, General Pervez Musharraf, that his government had trained jihadi terrorist groups to use against India in Kashmir. We have always known this but never before has there been such an open admission at such a high level. Without mincing words, Musharraf told Der Spiegel, “They (the jihadi groups) were indeed formed. The government turned a blind eye because they wanted India to discuss Kashmir.” Examine this in the light of an Interpol red corner alert last week against two serving Pakistani officers for their involvement in 26/11 and India’s situation looks grim.

Next month will be the third anniversary of 26/11 and in these three years the Government of India has failed to force Pakistan to do anything about the men responsible for that horrible crime. Where, for instance, are the two serving officers that Interpol is looking for? Thanks to David Headley we know that their names are Major Iqbal and Major Sameer Ali and that among their accomplices were an ex-soldier called Major Abdur Rehman Hashim and Ilyas Kashmiri, a fanatical jihadi. Thanks to Headley, we also know that the ISI was involved in planning the 26/11 attack from start to finish.

If Pakistani military intelligence planned the attack, it means that we should treat 26/11 as an act of war. But, have you noticed any urgency in the Government of India’s response? Any signs that we have strengthened our defences? The Defence Minister said in his usual

genteel tones last week that the international community should put pressure on Pakistan to stop its sponsorship of Islamist terror, but is there no pressure India can exert? In Pakistan's misfortunes there is some hope that they will be too busy with flood relief for the next few months to escalate their cowardly war, but our problems do not end with Pakistan.

China is busy building roads along our borders and we can only hope that these roads are not used against us one day because no matter how hard we try, we cannot build roads as fast as China can. On the road building front, the government's inertia has reached almost criminal levels. Kamal Nath has been traveling around the world trying to inspire investors to come to India but from the Prime Minister's side we have seen not the smallest hint of urgency.

The only time that Dr Manmohan Singh's government shakes off its inertia is when Sonia Gandhi and her kitchen cabinet, the National Advisory Council, make some new demand. Unfortunately, Madame and her jholawallahs concentrate their efforts on charity. Their schemes will never end poverty in India but they will help our poorest citizens get a hundred days of work a year and perhaps one square meal a day. Since Sonia and her kitchen cabinet at least get things done, could they please take charge of national security as well? It could be our only chance of preventing another 26/11.

## **Our best game : Chip on my shoulder**

Swapan Dasgupta

There are different explanations as to why the Government of India spent Rs 70,000 crore or more to host the Commonwealth Games (CWG). To the cynical, it was an incentive package for the country's burgeoning, public sector-driven 'cash and carry' economy. To political animals, it was aimed at boosting the prospects of Sheila Dikshit, the Delhi Chief Minister who is now inclined to pitch for the Olympics. To parochial Delhiites, the flyovers, expanded metro and upgraded civic infrastructure were about adding value to the proverbial corner plot. And to the insouciant Suresh Kalmadi, the Games were all about himself. According to "The Times", London, Kalmadi has gratuitously asked the organizers of the London Olympics to consider contracting his services — presumably with Lalit Bhanot of "different standards of hygiene" fame in tow.

Midway through the proceedings, it is also becoming apparent what the Games are not about. First, they are not about people's participation in an event paid for by taxpayers. The empty stands testify to the fact that the Games are about as people-unfriendly an extravaganza as officialdom and Doordarshan can manage. Second, the Games are not about showcasing India's abilities. The colossal displays of incompetence, venality and deceitful conduct have given a new meaning to Incredible India.

Thanks to a dynamic private sector which, mercifully, was relatively uninvolved in the bacchanalia of a decrepit Establishment, India hasn't

been totally written off yet, but its ego has been deflated. It will take much more than self-congratulatory myth-building to remove the perception that underneath the hype there is still too much of the Third World lingering in India.

Finally, there is one thing this CWG isn't about: the Commonwealth. The complete detachment of an enterprise from its avowed purpose has never been more marked and more deliberate. The CWG may have had its origins in the British Empire Games of the 1930s but despite the changed circumstances, there has always been a common endeavour: to nurture a sense of community through friendship. The one crucial element missing from the gathering in Delhi is that feeling of fraternity. The CWG could well have been an impersonal package tour of Delhi where visitors arrive, do their number, are treated to a capsuled version of Indian culture, see the Taj Mahal, taste a curry, experience Delhi belly and fly away carrying a T-shirt and memento.

Actually, it's been worse. From the time New Zealander Mike Hooper, CEO of the Commonwealth Games Federation, got into a spat with Kalmadi and Bhanot, and was reviled for being a white man, the behaviour of the Indian hosts has been downright boorish and offensive. A contrived protocol standoff between Prince Charles and President Pratibha Patil unleashed a needless wave of apoplectic xenophobia; Bhanot decided that Australians, Scots and the English were racist fusspots for demanding clean mattresses and spotless toilets; the governor-general of New Zealand (who is of Indian origin) was needlessly snubbed in Delhi on Thursday with an external affairs ministry boycott of his lunch because some low-life anchor in Auckland had tastelessly caricatured Dikshit's name; delegations from Africa and the Caribbean were treated peremptorily because they didn't come into the Organizing Committee's radar; and it took a formal protest by Uganda to secure an Indian apology for an accident caused by a

malfunctioning security barrier. Nor did civil society do any better. In our bid to show off our culture and achievements we forgot that the diversity of the Commonwealth needed showcasing too. Was there anything done in Delhi to demonstrate to the numerous countries that India was interested in them? A golden moment to build bridges across the Anglosphere — after all, the Commonwealth is essentially an English-speaking Union — was squandered by an attitude bordering on insular arrogance.

The real irony is that the Commonwealth as we know it today was created at the behest of India. In 1947, it was both Jawaharlal Nehru and Sardar Patel who forcefully insisted that India should remain in the Commonwealth, as an independent republic and without being subservient to the Crown. To them, these connections forged by Empire were an asset. It was the parallel desire of the United Kingdom and the Dominions (Australia, Canada, New Zealand and, interestingly, South Africa) to accommodate India that led to the creation of the Commonwealth. The body may not count for much politically, but it has a formidable reach and is an important element in public diplomacy. Kalmadi, it may be suggested in hindsight, isn't merely an individual; he personifies a mindset. As a supplicant of Kalmadi, official India approached the CWG with a puerile boastfulness that rapidly turned to cussedness once alarm bells started ringing. To many Indians, this cockiness equals national pride; to many outsiders it suggests that India doesn't merely have a chip on its shoulder, it has a chip on both its shoulders.

# **POVERTY**

## **India is still world's hunger capital**

Prasenjit Chowdhury

*With nearly a fourth of its 1.1 billion population hungry, India indeed is the world's hunger capital.*

As more and more reports of the global financial meltdown are pouring in, digest this. It made the world scurry to a grim one billion hungry people, a fact perceived as a grave threat to global peace and security. The UN estimates that hunger now affects one in six people, compounded by factors such as war, drought or floods, high food prices and poverty. Most of the hunger in a world of plenty results from grinding, deep-rooted poverty.

According to the UN Food and Agriculture Organisation (FAO), there are 100 million more hungry people this year, meaning they consume fewer than 1,800 calories a day. A spokesman of the World Food Programme said hungry people rioted in at least 30 countries last year, leading to, most notably, deadly riots in Haiti sparked off by soaring food prices to spiral into the overthrow of the prime minister.

“A hungry world is a dangerous world,” he said, “without food, people have only three options: They riot, they emigrate or they die. None of these are acceptable options.” Are not the Kalahandi district of Orissa and Lalgarh of West Bengal illustrative examples of the observation?

### **Absent State**

Commentators note that in the 1990s, when India began to move towards a free market, the Naxalite movement revived in some of the poorest and most populous Indian states. Part of the reason for this is

that some livelihood and living-related issues like agriculture, public health, education and poverty-eradication have been given a short shrift, exposing large sections of the population to disease, debt, hunger and starvation. The Indian state is conspicuously absent in most backward areas of the country.

Notwithstanding plaudits such as Thomas Friedman celebrating India as a success story of globalisation, it must be put on record that India has a terrible record in tackling hunger and malnutrition. Amartya Sen has repeatedly pointed out how the ‘very poor’ in India get a small share of the cake that information technology and related developments generate.

India ranked 66th on the 2008 Global Hunger Index of 88 countries, as per a report released by the Washington-based International Food Policy Research Institute (IFPRI).

India has the highest number of undernourished people in the world — 230 million — added to which 1.5 million children are at risk of becoming malnourished because of rising global food prices.

The report of the UN World Food Programme is quite unflattering. More than 27 per cent of the world’s undernourished population lives in India, of whom 43 per cent children (under five years) are underweight. The figure is higher than the global average of 25 per cent and even beats sub-Saharan Africa’s figure of 28 per cent. Nearly 50 per cent of child deaths in India occur due to malnutrition.

### **Left out**

“In no case should we allow citizens to go hungry,” Prime Minister Manmohan Singh admirably said in a meeting of state chief secretaries to take stock of the drought-like conditions in parts of the country. He seemed to be aware that non-utilisation of funds by a few states under Rashtriya Krishi Vikas Yojna and National Food Security Mission, the two major schemes for the agriculture sector launched by the Centre, is another factor why, despite the element of goodwill, the target

beneficiaries remain outside the loop of development.

The National Food Security Act of the UPA government is a step in the right direction as it envisages food-security-for-all. But the task of expanding our public distribution system must also take into account weeding out bogus cardholders and hoarders, while a stricter vigil has to be kept on both the quantity and quality of the available foodstock under PDS. Incorrect information, inaccurate measurement of household characteristics, corruption and inefficiency must be plugged.

Since independence, the government has formulated more than 50 programmes targeting the poor to alleviate poverty. The real challenge facing India today is making wealth and entitlements not a monopoly of a clique of super elites.

The revamped version of the Garibi Hatao programme in 2007 listed farmer support, food security, housing for all, labour welfare, development of backward areas and e-governance. But we seem to suffer from known pathogens year after year. Hunger and poverty must end and we need not only goodwill but a vigorous state mechanism to ensure that.

## **Rural poor & poverty eradication**

Karnaram Poonar & Sujata Raghavan

The definition of poverty has been at the core of discussions and commitments at the international level to address it and, by a logical conclusion, to eradicate it. This intent is the basis for the lofty Millennium Development Goals adopted by the UN member-states and international organisations at the beginning of this century. Now, 10 years later, the UN Summit on MDGs in New York last month was meant to revisit, assess and reaffirm the overarching commitment to halve the number of people living in extreme poverty by the year 2015.

Poverty cannot be viewed merely as a set of indicators, as a one-dimensional phenomenon. Rather, a complex play of regional, socioeconomic and political factors. And new estimates of poverty in the developing world by World Bank raise concerns about the incidence of extreme poverty being higher than previous estimates, which formed the baseline of the MDGs.

In India, there are other concerns. Government policy and intent to address poverty issues is one thing. To actualise it is another. The fault often enough lies in implementation, but in this case, it is not solely that. Policymakers are found wanting on grasping the processes that contribute to poverty. Increasingly, as economists unabashedly declare and politicians reluctantly admit, any move to eradicate poverty is driven by growth of the economy, its GDP.

How to connect this growth with poverty alleviation should be the overriding concern of our policymakers. The processes on the ground that keep the poor, poor, need to be examined more closely. Can we look

at the patterns of production , consumption, transportation of goods and services in rural India from the point of view of the villager? At the local level, if we observe how wealth is created, where it reaches and whom it benefits, we may be able to identify ways to reduce the extent of impoverishment.

If we take the village as a unit, not a geographical one but an economic one, it has a pool of resources, both human and natural. This essentially comprises agricultural land, trees, people, water, agricultural produce, wood, minerals, animals , milk, meat, animal skin and metal. This is the collective village property. Out of this wealth is created that translates into a slew of products and services, food grain, fodder, milk, leather, wood, metal, cotton to name a few, varying, of course, from region to region.

The logical flow of this wealth to the end-user is what determines who stays poor and who benefits in the rural scenario . Much of what has been generated in the villages finds its way into the markets, which are invariably in urban centres or, at any rate, not in the villages. All the resources in the village, human and natural , are used to create wealth, which does not remain in the village to benefit its own people, but reaches urban centres leading to their prosperity. Much of what the rural population needs in terms of daily use is now available only in the markets, leaving them with no option but to go chasing the very goods they have been creating.

This can help us discern why poverty eradication as a goal still remains so elusive . Why the growth in the economy or the whole edifice of government's policies , its slew of programmes, reforms and measures does not lead to a significant progress in poverty alleviation. The answer is quite simple. It is about giving the people a choice to make the decisions regarding their collective property, the generation of wealth at the local level, its distribution and usage.

The mechanism for this is also available . The Gram Sabha, which involves all adults in the community, is the fundamental decision making body and, in a sense, the repository of all the resources of the village. According to the 73rd Amendment to the Constitution, the development of villages is the responsibility of Gram Sabha. Indian policymakers will need to pay more attention to institutional reforms like the strengthening of Gram Sabhas, which would trigger the processes of poverty eradication.