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Freebies and Good Governance

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About the Author



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Freebies and Good Governance

A talk on 'Freebies and Good Governance' was delivered during the Foundation's 'Vimarsha' programme on 17 Aug 2016 by Mr. B. P. Singh, Former Governor of Sikkim.

The full text of his talk is reproduced here.

Background and Argument

I have chosen to speak on a subject of contemporary interest and importance: 'Freebies and Good Governance'. I deliberately withheld the umbrella in suggesting the title of the talk that provides both inspiration and legitimacy to 'freebies and good governance in India' and this is the concept of 'welfare state'.

This objective has been unfurled in the Preamble of the Constitution itself that prescribes that the State will "secure to all its citizens justice – social, economic and political". Articles 38 and 39 of the Constitution under Directive Principles of State Policy go on to make it explicit when it provides:

Art. 38 "State to secure a social order for the promotion of welfare of the people –

(1) The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life.

(2) The State shall, in particular, strive to minimise the inequalities in income, and endeavour to eliminate inequalities in status, facilities and opportunities, not only amongst individuals but also amongst groups of people residing in different areas or engaged in different vocations."

Art. 39. Certain principles of policy to be followed by the State. – The State shall, in particular, direct its policy towards securing –

- (a) That the citizens, men and women equally, have the right to an adequate means of livelihood;
- (b) That the ownership and control of the material resources of the community are so distributed as best to sub-serve the common good;
- (c) That the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment;
- (d) That there is equal pay for equal work for both men and women;

- (e) That the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;
- (f) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment.

In my view, Article 38 besides highlighting the role of the State to build a social order for the promotion of the welfare of the people in many ways goes on to make the Preamble of the Constitution itself a Directive Principle of State Policy.

These two articles have the object of securing a welfare state in India in a background. The situation in India at the time of the commencement of democracy was one of social inequality. This point was well made by the Chairman of the drafting Committee of the Constitution of India, B.R. Ambedkar in the following words: *“On the 26th of January 1950, we are going to enter into a life of contradictions. In politics we will have equality and in social and economic life we will have inequality. In politics we will be recognizing the principle of one man one vote and one vote one value. How long shall we continue to live this life of contradictions? How long shall we continue to deny equality in our social and economic life? If we continue to deny it for long, we will do so only by putting our political democracy in peril. We must remove this contradiction at the earliest possible moment or else those who suffer from inequality will blow up the structure of political democracy which this Assembly has so laboriously built up.”*

During the discussion on the Directive Principles of State Policy one amendment was moved in the name of Damodar Swarup Seth who wanted the existing Article 39 of the Indian Constitution to be amended to specifically say *“the state shall endeavour to promote the welfare, prosperity and progress of the people by establishing and maintaining democratic socialist order”*. Though the amendment was turned down, but it drew the attention of the House to the extent that it was extensively debated. The merit of the argument of Damodar Swarup Seth and others was not lost. As it is well-known, Pandit Jawaharlal Nehru was impressed with the progress in the Soviet Union and also with the ideas of Fabian socialists. There were several others similarly concerned with building a new India. The first significant challenge to the concept of Welfare State as envisaged in the Constitution came in the wake of the Supreme Court judgement declaring that Government of Bihar’s move to abolish zamindari in the State as *ultra virus* as it

was an infringement of the individual rights guaranteed under Articles 14 and 19 of the Constitution. The Government of India acted with imagination and promptness and amended the Constitution to provide for Article 31(A) in the chapter on fundamental rights and the Ninth Schedule that flowed therefrom. It provided that amendment of laws by State legislature and Parliament for acquisition of estates, takeover of corporation, etc. cannot be challenged on the ground of alleged infringement of Article 14 or Article 19 of the Constitution.

'Freebies' and 'Subsidies' too draw meaning and content from these provisions of the Constitution appropriately or at times inappropriately but never illegally.

The dictionary meaning of freebies is "something that is given to you without you having to pay for it, especially as a way of attracting your support for or interest in something." It is best expressed in colloquial Hindi as "फोकट का माल" / "मुफ्त उपहार".

Today freebies cover a wide range of goods and services and it is given by each state of the Indian Union to their citizens. Free or subsidized goods and services range from Amma's canteens in Tamil Nadu to Nitish Kumar's bicycles in Bihar to items such as colour TVs, cellphones, mixer-grinders, laptops, buffaloes, cows, goats, *mangalsutras* for the brides to be and several others. At the time of elections this list gets bigger.

The nomenclature of 'subsidy' denotes another aspect of 'freebies'. It is a form of financial or commodity support extended to an individual or to a business firm with the aim of promoting economic growth or social welfare. Subsidies are granted both by the Government of India and the States for purposes of manufacturing, export, transport, and for promotion of a number of other social, educational and cultural objectives. The Economic Survey of the Government of India placed before Parliament on 27th February, 2016, made a startling admission that "India's rich feed off subsidies worth over Rs.1 lakh crore a year that are meant for the poor". And it goes on to say that this figure only considers the subsidies of six commodities [kerosene, petrol, diesel, electricity, LPG and Aviation Turbine Fuel (ATF)]; two public utilities (the Railways and Electricity); and one small savings scheme (the Public Provident Fund). (The Survey went on to classify that poor refer to the bottom 30 per cent of the population and the rich the top 70 per cent). It made another startling disclosure that the super-rich who represent the top 1-2 per cent of the population also get subsidies. For example,

the rich consume 98 per cent of the gold in the country and yet gold is taxed only 1-1.6 per cent (the Centre and the States combined).

In recent years, the concept of welfare state has received several meaningful contents. In 2004, the United Progressive Alliance (UPA) led by the Congress Party came to power at the Centre with Dr. Manmohan Singh as Prime Minister. It decided to set up a new National Advisory Council (NAC) in addition to the existing Planning Commission to play a leading role in designing welfare initiatives as part of the Government's common minimum programme. This was an institutional arrangement where the voice of the civil society activists was accommodated in formulation of 'rights-based policies'. This led to a phenomenal change both in the content of the welfare programmes and in its scale. Right to Employment via Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Right to Education, Right to Information and Right to Food were codified and put into operation.

In 2014, the National Democratic Alliance (NDA) Government led by Prime Minister Narendra Modi came to power and has since embarked upon a series of schemes to ensure financial inclusion and social security of the people. The ambitious Pradhan Mantri Jan Dhan Yojana (PMJDY) and Mudra Yojana are in many ways some of the world's most successful financial inclusion programmes. In fact, the JMM trinity (Jan Dhan Yojana, Aadhaar, mobile telephones) have facilitated implementation of several programmes. The number of account holders in banks has grown tremendously including in its fold persons who never had any bank account. Similarly, banks have disbursed loan for generation of employment under micro, small and medium industries. Under the Direct Benefit Transfer (DBT) the identified beneficiaries are directly getting transfer of money from several schemes of the government. To universalise social security the government has started three new insurance and pension schemes which provide insurance cover to hitherto uncovered sections of society. The second green revolution has been launched in the eastern states. For farmers there is an ambitious Pradhan Mantri Fasal Bima Yojana. The government has also inaugurated 'Make in India' programmes which is generic in character. In addition, we have ambitious programmes for smart cities and modernization of 400 railway stations.

All these and more take us to governance. What is governance? There is no one accepted definition of governance. Conservatives and the liberals, centrists, socialists, and communists all have differing views. For example, The World

Bank, where I was an Executive Director for three years, has sought to take a middle position by defining governance 'broadly as the traditions and the institutions by which authority in a country is exercised. This includes (i) the process by which governments are selected, monitored and replaced; (ii) the capacity of the government to effectively formulate and implement sound policies; and (iii) the respect of citizens and the state for the institutions that govern economic and social interactions among them.'

No theory of governance can be intelligible unless it is seen in the context of its time. In the beginning of the 21st century, it has become evident that those who want minimal government have an upper hand over the advocates of the paternalist welfare state. But there is no runaway success in sight. Prime Minister Narendra Modi has therefore taken the position of 'minimum government and maximum governance'. In my view governance in the Indian context implies that the Government will provide every citizen facilities and opportunities that are vital to lead a decent life such as:

- (i) Maintenance of peace and security of life and property and rule of law;
- (ii) Infrastructures like roads and bridges, electricity, drinking water, telecom and means of travel;
- (iii) Good education and skill development institutions; and
- (iv) Employment avenues in government, private sector and the market.

It is also increasingly understood that governance is not only about political institutions and economic systems but also relates to cultural values and belief patterns of people. Good governance demands harmony between cultural, economic and political forces. An awakening of the aspirations of people for a better life is at the centre of this discourse.

In view of the deep-rooted social and economic inequalities of centuries, India cannot blindly follow the capitalist model of growth that puts excessive reliance on market forces. For such a model would fail to provide stability to Indian polity. And yet rapid economic growth is essential to meet the aspirations of the Indian youth. Placed in these circumstances, we have to devise ways and means that secure both faster growth, as well as an approach that is in conformity with Articles 38 and 39 of the Constitution.

People in several democracies, including India, are dissatisfied with the working of the key democratic institutions and it is widely believed that governments are

functioning at all levels without significantly addressing issues concerning the dignity and welfare of ordinary citizens. The rich and business houses get such policies adopted by the government which help them promote their interest. There is also a feeling that authoritarian governments like China grow faster, deliver better, and are able to maintain higher levels of growth. The ground situation has undergone a rapid change in the last seven decades in India.

Democratic India has moved beyond periodic elections towards 'good' governance.

India's Aspirations

India's political leadership, policy makers and business brains are actuated by a strong desire to make the country an economic super-power in the 21st century. The imperatives of democracy, however, are forcing Indian political leadership to look deeper into the causes of poverty, inequality and suffering of the common man.

As a young child in my village Bihat in Bihar I used to hear the slogan of the Left parties calling for *Roti* (Food), *Kapada* (Cloth) *aur Makaan* (House). Today it is *Naukri* (Job), *Paisa* (Income) *aur Makaan* (House). The power to take a decision on these issues is also shifting from decision-makers in government towards the many actors outside of government.

Problems are getting increasingly complex. On most occasions there are political sensitivities to be kept in view while formulating policies. Implementation too are in the domain of a number of Ministries/Departments and calling for coordination. The nature of government priorities too are changing. To these issues are being added major infrastructural and service delivery challenges in important areas like health and old-age care, creation of new cities and towns and sustaining of the existing ones, quality of education and skill development.

The challenges relating to policy making and good governance do not directly emanate from globalisation or information technology. These, however, do create problems of adjustment of having the coherent course as change is getting facilitated increasingly through economy and new technology in societies. It is felt that innovation useful to bridge boundaries would be needed for governance. Another area of significant challenge is to make citizen services capable for

interacting meaningfully not only with government players but also with communities.

Ground Realities

As we look at the situation on the ground in India's 29 States and 6 union territories there are huge problems of imbalanced development, poor education and health infrastructure, unemployment and several others. I selected 5 states of our five regions: Maharashtra in the west, Tamil Nadu in the south, Punjab in the north, West-Bengal in the east, and Assam in the north-east. I was also influenced in this selection by pioneering role that their capital cities have played not only in the development of the State but of the entire region and at times beyond. Mumbai in the west, Chennai in the south, Kolkata in the east, newly built Chandigarh in the north, and expanding city of Guwahati in the north-east.

The following statistics would reveal that freebies and subsidies have resulted in considerably reducing the plan size of these States and an exponential growth in the non-plan expenditure.

Profile of States including Plan and Non-Plan Expenditure – 2015-16

	Population (in Crores)	Plan (in billion Rs.)	Non-Plan (in billion Rs.)	State GDP (in billion Rs.)
Assam	3.12	26.43	222.25	195
Maharashtra	11.24	71.64	612.35	1792
Punjab	2.77	6.9	114.79	368
Tamil Nadu	7.21	64.0	438.98	1120
West Bengal	9.13	49.09	430.11	

Freebies and subsidies have also contributed to enormous increase in the debt of these states.

Total Outstanding debt Liabilities of 5 State Governments (in Rs. Billion)

	2015 (RE)	2016 (BE)
Assam	354.80	399.80
Maharashtra	3459.90	3793.60
Punjab	1134.80	1253.20
Tamil Nadu	2049.50	2352.60
West Bengal	2843.30	3088.00

My enquiry into these five States has also revealed disparity in income of their citizens and widespread poverty and inequality.

The per capita income statistics as of 2014-15 would reveal it.

Per-capita Income

	2014-15
	(in Rs.)
Maharashtra	129235
Tamil Nadu	128366
Punjab	99578
West Bengal	78903
Assam	49480

The per capita income of persons living in Assam where I served for long years and West Bengal is below the national average of Rs. 93,293.

The situation is more alarming in my home State Bihar where it is only Rs. 36,143. It looks more startling when I compare Bihar with Sikkim, where I served as Governor for 5 years, as it is Rs.1,76,491 in Sikkim. Along with this disparity in income there is widespread inequality in each of these five states. For example, in Assam the Assamese caste-Hindus are rich compared to the Bodos, the Assamese Muslims compared to migrant Bengali Muslims, the Marwaris compared to tea garden labour and so on. This is also true of other four States.

I am also aware of the fact that not only India but other countries of the world have been also facing the problem of subsidies. The phenomenon of energy subsidies is a case in point. In Uzbekistan, Turkmenistan, Iraq, Iran, Saudi Arabia, and Egypt, energy subsidies account for more than 10 per cent of the economy. In India, several State Electricity Boards have become defunct because of subsidies.

It is true that in the 21st century India's record in lifting people below poverty line to lower middle class is remarkable as about 200 million people have upgraded their class. But about 200 million persons remain below poverty line.

The productivity norms of railways, banks, posts and of the public sector enterprises of both the centre and of the states are low and this aspect of the matter needs to be looked into energetically.

However, some freebies and subsidies are essential and need to be continued. Assistance at times of floods, earthquakes and pandemics and provision of security are central to state formation itself. Public distribution system that makes essential food items at cheaper rates to poor and marginal sections of

society are not freebies. It is hoped that the new GST regime will keep the prices of medicines in exemption category and so also of the essential food items.

I am an admirer of MNREGA, although I am aware of the fact that economists of the Planning Commission and mandarins of my own IAS fraternity were not at all enamoured of it. In fact they thought it will be wastage of scarce public resources. However, MNREGA – thanks to political leadership - came into force on 2nd February 2006 in 200 districts and extended to the whole country on 1st April 2008. It provides basic entitlements to rural workers like work on demand, minimum wages, payment of wages within 15 days, basic worksite facilities, and unemployment allowance, etc. The beauty of this programme lies in the fact that in rural areas an adult male or female can seek work at the local Panchayat office and this is to be given for a period of 200 days in a year. This is like a ‘walk-in interview’ where the job is secured. What I have liked in this system is that the choice is that of the person and it is near the home of the job-seeker. If this programme succeeds in creating assets for the poor, it can also help regenerate the natural resource base and enhance connectivity.

My interactions with villagers have revealed that MGNREGA has freed farm labourers from two kinds of exploitation. First, the practice on the part of the land owners to enter into some kind of agreement with the farm labourers of his village to work for the entire season at a very low rate has virtually ended except in exceptional circumstances or on account of traditional relationships between the two sides. Second, MGNREGA has in some ways accorded the sense of dignity to the farm labourers and to some extent it has generated some degree of equality between the land owners and the farm labourers as both are dependent on each other. This has also enhanced socialisation between the farm labourers and the land owners at the time of marriages and other community festivals.

An important aspect of ‘freebies’ relates to a phenomenon where some communities receive better access to these facilities than others. The communities that are better recipient of these freebies are those whose local leaders have good connections with their representatives and local administration. A vibrant grassroots level leadership can successfully put pressures on administration to make timely availability of these ‘freebies’. The village council, the zila parishad President, the Deputy Commissioner and the local MLAs play a big role in delivery of ‘freebies’. One of the benefits of these ‘freebies’ has been that it has created a large number of stakeholders of democracy in the villages. In some states local activists from marginalised

communities have been encouraged to contest Panchayat and Assembly elections.

These freebies or subsidized facilities may be useful *per se*. But do they really sub-serve the objective of the welfare state as envisaged by the framers of the Constitution? Or are they primarily targetted at electoral gains? Or does it promote the image of the party in power or are aimed at promotion of personality cult of the leader in office? Do the allocation of funds on the pressing questions of reforms in police, judiciary, civil administration, education and health get side-lined as politics promotes 'freebies'/ 'subsidies'? The requirement is to spend public money well in order that we achieve our objective and for that we require a clear vision.

Dividing line between welfare state and populism is getting blurred. There is an imperative requirement for articulation of the concept of the welfare state by both leaders and scholars. In the early years of the Republic senior leaders of the government engaged the public in their meetings and through other media channels to articulate the vision of the welfare state. Prime Minister Modi, on his part is, doing that in his public meetings and radio programmes. This however, needs to be made broad-based in order that public discourse takes place at the level of states and panchayats as well. My scholar friends too need to share their perspectives howsoever divergent they may be from one another to guide the decision-makers as to how a welfare state in a developing economy like India should function to realise the dreams of leaders of the founders of the Republic and how to meet aspirations of the young and the needy in the 21st century.

Despite the passage of two years, the NITI Aayog which functions under the Chairmanship of the Prime Minister with Chief Ministers of the States as members has not yet been able to formulate the National Vision Policy. Would the National Vision Policy which Prime Minister Modi has rightly called a "transformative step in the offing" chart a roadmap for India's development for the next fifteen years, and also lays the foundation for the country's growth over the coming decades of the 21st century? The need to give quality education and skills to the youth and health coverage to all are basic to building a strong and modern India. The building of infrastructure like roads, schools, hospitals and institutions of governance are paramount requirements. I hope the energy of the administration will not be frittered away on formulation and implementation of programmes aimed particularly at electoral gains.

All these take me to the next segment of my presentation 'what to do'.

What to do ?

The 21st century could see the end of poverty and malnutrition as we know it today. All nation states – authoritarian as well as democratic - are actuated by a strong desire to eradicate poverty. In this wider context, the recent insertion of social media in public affairs is rapidly changing the character of governance. Social media represented through twitter, face-book, SMS telephony, e-mail, and other connections facilitate a more transparent dialogue between people and their government. Properly applied, it should mean empowerment of people, increasing accountability of officials and the development of solutions to major challenges of governance. It is, therefore, vitally important to build new patterns of relationships between social media and the government.

India is decentralising including in terms of resources as duly reflected in the award of the Fourteenth Finance Commission where the share of resources of States has been increased from 32% to 42%, and that the States can progress faster if there is judicious use of resources.

The most formidable challenge facing India besides eradication of poverty and providing meaningful employment to the youth relates to giving every child quality education and health care facilities. The State should deliver the quality education to all at the level of primary and secondary education. The quality of education in most of state-run schools is extremely unsatisfactory. The well-to-do sections of our society do not send their children to these schools and even lower middle class parents are also keen to send their children to private schools. In fact, some families who have come up the economic ladder from abject poverty are spending more on health and education of their children than ever before outside the government system. To this is the question of technologically unemployable youth. Disparity between '*Wah people*' and the rest of the youth is a growing challenge. I hope the New Education Policy would move the governments – Centre and the States – to meet these challenges.

Similarly, the basic health care facilities should cover all age groups in terms of National Health Policy. Issue of vouchers by the State for medical treatment could be favourably considered for the poor and marginalised sections of the society. All these should lead to increased allocation of funds on education and health.

In this background, we need to comprehensively address the following ten matters concerning political, administrative, and media affairs to secure good governance in India:

- I. Decentralisation of power (as well as schemes) from the centre to the states and from states to the panchayats and local bodies needs to be vigorously pursued. Accountability of each body responsible for implementation should be clearly stipulated keeping in mind various layers of administration. Further, panchayats and local bodies should be empowered not only with funds, but also with competent staff.
- II. State-sponsored development programmes must aim at reduction in poverty and improvement in productivity levels of workers. Poor people need to be directly involved to make these programmes successful. Public Expenditure Review meets need to be organized periodically at village, sub-district, and district levels to ensure proper utilization of funds and ownership of development programmes by the people.
- III. Civil service should be given clear responsibility for delivery of services in respect of approved schemes and held accountable for the same. Decision-making has become difficult because of the power of the institutions like the CVC, CBI, judiciary and CAG. Good and honest bureaucrats fear that the decisions taken in good faith will be questioned at a future date. In the circumstances, a transparent mechanism should be created to protect the honour, reputation, and lives of honest public servants, as well as businessmen and politicians.
- IV. There should be fusion of technology at all levels of administration. The use of the internet and mobile technology should be new instruments for ensuring quality delivery of services. Computerisation of records is a pre-requisite for application of technology for good governance.
- V. Elections to state assemblies should be held along with those of the Lok Sabha. This matter has been in public domain for quite sometime and it has gained more ground recently. In December 2015, a Parliamentary Standing Committee recommended a move in this direction by streamlining elections into two phases – one concurrent with the Lok Sabha elections, the second in the mid-term of the Lok Sabha. It concluded that such a reform was “important for India if it is to compete with other nations in developmental agenda on real time basis” as a robust democratic country. Prime Minister Modi has supported the idea and has

called on the Election Commission to take the proposal forward to reach a consensus.

In my view, the date of some Assembly elections could be advanced and of some others could be postponed to coincide with the Lok Sabha elections.¹ The power of the Election Commission to prepone or postpone elections to coincide with the Lok Sabha elections by a period of 6 months should be enhanced to make it 12 months. This will not require any constitutional amendment and the objective of holding simultaneous elections can be substantially achieved within the next eight years or so if it is started straight-away.

- VI. Partial State funding of elections should be commenced urgently. The Election Commission may be authorised to disburse the money to political parties and independent candidates on the basis of percentage of votes secured by the party and the candidates in the previous elections. The quantum of money and the eligibility figure in respect of percentage of votes secured by the party or by the candidate of a political party or the independent candidate could be discussed with political parties and a formula devised. No fund should be given to new parties and individuals but they would be free to contest as usual. We have seen mushrooming of political parties in the times of elections and that too mostly on paper. A cap on money to be spent by a political party in support of its candidate should also be formulated.
- VII. One-third of seats in Assemblies and Parliament should be reserved for women.²
- VIII. MPLADS and MLALADS schemes should be abolished as this is not a legislative function and it also diverts the attention of the people's representatives from exercising effective watch over the activities of the executive.
- IX. Person charge-sheeted by a competent court for heinous offences and corrupt practices should be debarred from contesting elections.
- X. The increasing role of media in governance is welcome, but at the same time the growing menace of paid news particularly at the time of elections needs to be firmly dealt with. A suitable framework needs to be formulated in consultation with media representatives by the Election Commission for implementation.

¹ It may be mentioned that in the 1950s and early 60s these were held together. The situation changed only after 1967.

² The question of reservation of seats for women in Parliament and in State Legislatures has been in discussion for the last 21 years. The Bill has been passed by the Rajya Sabha and it is still to go to Lok Sabha and to State Legislatures for ratification (which is required to amend the Constitution)

I have deliberately left three areas of vital concern: the strengthening of judiciary, eradication of corruption and police reforms. I commend the leadership shown by the Chief Justice of India in strengthening of judiciary and cooperation required from the government in this behalf. India Against Corruption movement started by Anna Hazare is an unfinished business and the ball is firmly in the courts of the Govt. of India and the States. As regards police reforms, I urge the Union Home Minister and Chief Minister of States to share the plan of action through comprehensive statements in Parliament and respective State legislatures keeping in view the pronouncements of the Supreme Court of India and administrative reports on the subject.

Today, we need innovators in two areas in particular: women and livelihood programmes. First, women are key to good governance. Their increasing representation in democratic institutions has provided stability to Indian polity and more should be done in this behalf as mentioned earlier. Increase in women's participation in economic field will not only boost the country's economic growth but it will also help realise the goals of eradication of malnutrition and the lowering of the birth rate. Women bring constructive, creative, bring sustainable solutions to the table as educators, caretakers, and leaders.

Several states have formulated Right to Public Services Act that guarantees time bound delivery of services for various public services rendered by the government to the citizen and provides mechanism for punishment of the errant public servant. This coupled with all-India right to information law and constant vigil by the print and visual media and rapid growing social media have given new content to the concept of good governance in the country.

The second parameter relates to generation of employment and strengthening of existing avenues of livelihood. The Indian democracy would come under stress if the economy is not suitably energised to creation of meaningful jobs in the formal sectors of industry and services. Livelihood is also connected to the social economy and local resources. It would mean upgrading existing and traditional skills that people have possessed from time immemorial in agriculture, in animal husbandry, in fishing, in textiles, and so on. Investment in upgradation of such skills would lead to a harmonious relationship with nature. It is also through work that a person can plan the way in which his ambition can be fulfilled. With regular work life is no longer just about survival, but about investing in a better

future for one's children. Above all, when one has regular work, there is an incentive to maintain a stable society.

Concluding Remarks

Distribution and disbursement of freebies take away lot of time and energy of the administrative machinery. Freebies are visible and make instant impact on the electorate. Comparatively speaking subsidies are silent thieves. But it could damage the vitals of an organisation. The case of electricity boards is a shining example. The debt burden of a State too is directly related to this.

Political parties are virtually competing with each other in enlarging the scope of freebies and subsidies. Thankfully there is move to give subsidy only to the poor and marginalised. This needs to be supported by all political parties in Parliament, in Assemblies and at public platforms. Media has to play a constructive and non-partisan role of vigilance over expenditure of public finances particularly when neither judiciary nor CAG can look into the policy decisions of the Cabinet in these areas.

The twin national goals of building strong economy and to reach its benefits to the common people need to be pursued in harmony and with imagination. Towards this public policy needs to be improved and this could be done best when bring the public as participants in the decision-making process. I have termed Information and Communications Technology (ICT) as a civilizational process. Although technology is not destiny but its assistance is necessary both in strengthening of the modern economy needed in the accomplishment of the task that Mahatma Gandhi, the Father of the Nation, prescribed "*to wipe tears from every eye*".

Innovations are taking place in the government, in the market and in civil society. The social and political process is getting increasingly interlinked, changing the character of the elites in the countryside. In the process the high caste elites of the 1950s have increasingly yielded space to intermediate caste landholders and businessmen and also holders of administrative and political offices. The nature and content of good governance would undergo further changes in tune with rising expectations and fresh demands of the people.

One is aware that a 'billion mutinies' are taking place almost on a daily basis in the country. I am also aware that 'billion negotiations' are simultaneously taking

place in the country of 1.25 billion people. The need is to exponentially expand the frequency and reach of these 'negotiations' to cover the entire population.

We can draw some lessons from the manner in which 4 Asian countries acquired economic power: Japan, Singapore, South Korea and China. The Japanese miracle is largely due to their technological prowess and organisational abilities, Singapore through exemplary leadership and discipline, South Korea through new village development movement and strict enforcement of laws, and China on account of focussed government policy, leadership and the communist party. We in India have focussed leadership at the Centre and in several States. There is a high level of integrity at the Centre and several of Chief Ministers are persons of sterling integrity and committed to people's welfare and they belong to different political parties.

The real issue is: Is India moving forward? Are we indeed in a transition state moving towards better governance? I am inclined to answer in the positive. The political leadership, new awakening in the institutions of governance, independent character of judiciary and other institutions give me hope. This optimism is also based on the fact that the people of India, particularly the youth, want their institutions of governance to be imbued with sensitivity towards public aspirations and needs. Political executives, industry leaders, and government servants must pay heed. The non-negotiable and inescapable conclusion is that the government, civil society organizations, and the market need to act in concert. This is possible when we have harmony between forces of democracy, culture and administration.

I believe that both institutions and individuals are important. Institutions mould character and individuals provide resilience and flexibility to institutions. For realisation of "सबका साथ, सबका विकास" calls upon our wisdom and our energy. We have to realise that tide of economic reforms has not lifted all boats. It has not given meaningful employment or a life of dignity to everyone. In the circumstances, the need is to empower our citizens and also our leaders to live in harmony and to spend their energies working for genuine development that provides both employment and dignity to everyone.

Image Source:

- <http://indianexpress.com>

About the VIVEKANANDA INTERNATIONAL FOUNDATION

The Vivekananda International Foundation is an independent non-partisan institution that conducts research and analysis on domestic and international issues, and offers a platform for dialogue and conflict resolution. Some of India's leading practitioners from the fields of security, military, diplomacy, government, academia and media fields have come together to generate ideas and stimulate action on national security issues.

The defining feature of VIF lies in its provision of core institutional support which enables the organization to be flexible in its approach and proactive in changing circumstances, with a long-term focus on India's strategic, developmental and civilisational interests. The VIF aims to channelize fresh insights and decades of experience harnessed from its faculty into fostering actionable ideas for the nation's stakeholders.

Since its establishment, VIF has successfully embarked on quality research and scholarship in an effort to highlight issues in governance and strengthen national security. This is being actualized through numerous activities like seminars, round tables, interactive-dialogues, Vimarsh (public discourse), conferences and briefings. The publications of the VIF form the lasting deliverables of the organisation's aspiration to impact on the prevailing discourse on issues concerning India's national interest.



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