

## A crucial step to get economy going



The Cabinet has done well to move on the bad loan burden of banks , which has been throttling credit growth. The core of the reform proposal reportedly is appointment by the Reserve Bank of India of an oversight committee that would shield bankers from individual accountability for decisions and also give directions to banks to take action against defaulters under the bankruptcy code.

This makes sense. Restructuring of loans will involve banks taking significant haircuts in many cases, to clean up their books. Senior management involved in decision-making must have an assurance that such haircuts would not put them in the crosshairs of agencies such as the Central Bureau of Investigation and the Enforcement

Directorate.No one wants to follow in the footsteps of the former chairman of IDBI Bank, whom the CBI arrested for the bank's loans to Kingfisher Airlines.Any credit decision entails judgement of risk and all wrong calls are not mala fide. Similarly, all haircuts are not handouts to corporate bosses. So, when a committee of wise men determines the fairness of haircuts, it would take the pressure off individual bankers.The total stressed assets — gross non-performing assets and restructured standard advances — are estimated at a staggering Rs9.64 lakh crore as of December 2016. These bad loans must be resolved, directly by the banks or by asset reconstruction companies that buy them off the banks. The bankruptcy code and the resolution professionals it brings into being must be put to use. Cleaning up the banks' books would help ease credit flow to business and revive investment and growth.

Two additional points remain. Bankers' remuneration must change, to align with the performance of the assets they originate. This calls for short-, medium- and longterm variable pay to be a much larger chunk of their total remuneration, which itself should rise in line with what the market pays for such skills in other business segments.The second point is about the Ordinance route to the reform. The government should engage the Opposition to formally amend the law, ideally.

## Space Games

### *ISRO's South Asia satellite is a move towards using technology for diplomacy*

As technological capabilities and innovation-led growth become important facets of economic and military power, countries have started integrating techno-diplomacy as a major piece in their broader international diplomacy edifice. Technological capabilities can serve both hard power (in military and economic terms), and soft power.



While this is not an entirely new phenomenon, and has been used especially with nuclear technologies and military hardware and weapon systems, the role of civilian technology solutions in diplomacy has taken on a sense of urgency in the last decade or so. Due to technological and diplomatic constraints, India has generally been unable to wield its technology as an effective tool of diplomacy. This is set to change with the launch of the South Asia satellite by ISRO on May 5. The origins of the South Asia satellite date back to the 18th SAARC Summit, in 2014 in Nepal, when Prime Minister Narendra Modi put forward the idea of a common satellite serving the needs of all SAARC members. There were numerous delays, primarily as negotiations among the

various countries of the South Asia region stalled over ownership and data access issues. With Pakistan officially opting out of the project by March 2016, the decks were cleared for an expedited launch.

The satellite has been designed and built by ISRO, with the full cost of the mission being borne by India. PM Modi stated that the satellite will be India's "gift" to its neighbours. The satellite will carry 12 ku-band transponders allotted to the participating countries. Each country can use a dedicated transponder for its own use, which would primarily be communication and disaster management support. The satellite is similar to previous communication satellites designed and launched by ISRO, and technologically does not constitute a major breakthrough. However, diplomatically, the South Asia satellite is significant for three reasons.

First, it showcases India's growing technological prowess. Along with previous missions such as Chandrayaan and the Mars Orbiter Mission, the South Asia satellite underscores the strength of Indian indigenous technological development. Though the satellite is not very challenging technologically, a two-year turnaround for building and deploying a satellite is impressive. Second, that the satellite has been launched without any specific quid pro quo shows that India is willing to use its technological capabilities as a tool of diplomacy. India has begun realising that domestic technologies have now reached a level of maturity that allows India to confidently brandish its capabilities to other countries.

It also serves as a marketing tool for future launches at a time when ISRO is building a strong niche for itself in the international satellite launch market. Third, it reveals both India's ambition and capability to create what can be termed "technological commons". By "gifting" this satellite to its neighbours, India has created an open access resource that can be leveraged by the latter to address some of their critical domestic concerns. Building such commons is essential not only to address immediate problems but also spur research, innovation and economic growth in the region. Technology is the calling card of our times. India must make a concerted effort to expand the range of technologies it can use as part of its diplomatic arsenal. India could also look at including biotechnology and green energy. Unfortunately, there has been a critical lag in the evolution of robust scientific and research institutions in these areas, particularly from a funding standpoint. The South Asia satellite is emblematic of a more confident and assertive India, but it is necessary to ensure that such actions are not one-off.

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## **Sorry, we owe you no apology**

***In the new model of the state, everyone is supposedly accountable, no one is specifically responsible***

It must have been a difficult decision for the Chief Executive Officer of United Airlines, a major American airline, to apologise following outrage over alleged mistreatment of a passenger of Asian origin by airline staff. Initially, the company tried to blame the passenger, a doctor, who was forcibly evicted from his seat and dragged down the aisle by employees. Despite evidence available on video, the company maintained that the doctor was an unruly passenger. Eventually, in the face of persistent public outcry, the company's head felt that it was better — because it was cheaper — to apologise. In our own country, people apologise only when they feel compelled to do so by the fear that their long-term interests will be hurt. More common are half-apologies that impute part of the blame to those seeking the apology. The argument goes that had the latter not manipulated the message and misunderstood it, there would have been no need for an apology. However, even a grudgingly made apology is better than denial of an obvious blame or its cause.

### ***Shifting the blame***

A denial of reality is what happened in the recent case of attacks on young African students residing in Greater Noida, a township near the nation's capital. An official apology would have improved our tarnished international image, but we chose to reject the charge of racism. A similar case related to that concerning a report by the National Green Tribunal detailing the ecological damage suffered by the Yamuna river due to a mega-spiritual event conducted last year. Instead of apologising or agreeing to pay a fine, the organisers questioned the environmental court's assessment. Their argument was that if the river had been so "fragile and pure", the authorities should not have permitted the event and, hence, the penalty should be on the concerned administrations.

Despite being a laudable — and an inexpensive — option, apology remains unpopular because it signifies weakness. In politics, an apology can elevate a leader to greatness, but few have the courage to take the risk for fear of looking weak or losing face. It is more expedient to let a dispensable head roll when a mistake comes to light. Usually, it is a civil servant on whom the responsibility can be fixed. In cases where a bureaucrat is indeed responsible for a bad decision or policy, it is pointless to exact an apology. A civil servant, on his part, doesn't apologise and expects to be defended by colleagues and underlings. Even academic administrators don't like apologising. They prefer marching on, letting the young pay the price, often without being aware of it. In any case, the idea of autonomy that universities believe to be their privilege enables their administrators to ignore criticism, both from within the institution and outside.

In the world of business, apology is even more uncommon, partly because an apology does not end the matter. The head of United Airlines has apologised but the company will have to face a court case as well. Maybe the apology came too late. Delay dilutes the element of sincerity. However, big business organisations, especially multinationals, are a little different from the bureaucracy. They take enormous time to weigh the consequences of an apology, thereby diminishing its effectiveness.

## ***State-corporate nexus***

The state and the big business have now come closer across the world. In India, they were far apart until quite recently. In the early decades following Independence, public commentary on business houses was avoided. I recall being told by an editor to take out the name of a company I had included in an article on childhood malnutrition. That was in the early 1970s, when you were free to criticise state actors, but wary of naming a private company in public, apparently because it could give rise to a legal dispute. The media hence chose to focus on the political leadership. Conditions have changed quite radically over the last three decades, the change having made any acknowledgement of a mistake even rarer. In the current discourse, 'governance' implies a lean state whose main job is to coordinate non-government actors of different kinds. They now occupy centre stage in a so-called partnership system. Two kinds of partnerships have emerged: between the state and private businesses; and between the state and non-governmental organisations (NGOs). Thinner staffing and decline in the quality of public services have forced people to try private providers. When one provider doesn't satisfy, you are expected to try another one. This new reality disperses the responsibility to serve the citizen's needs so much that no one seems answerable.

## ***Functional opacity***

A political consensus on these changes explains why the transition to the new arrangements has been so smooth. Terms like 'accountability' and 'transparency' are now propagated as the highest values in public life, enabling transition to a new model of the state without complaints about its functional opacity. This model of a minimalist state allows a greater scope for private services, encouraging an expansion of the role of business in areas like health, education, posts and so on. Enlargement of the private sector apparently fulfills the aspirations of the relatively mobile strata among the poor. The rich also feel freer from the constraints placed by state agencies. Thus, in education, the 'international school market' has grown side by side with that for non-elite private schools. As for the poorest, they are now being increasingly served by a partnership between the government and NGOs in many parts of the country. This model is more visible in regions where the proportion of the poor is high. Against this background, we can see why an acknowledgement of mistakes concerning poor quality of service, leave alone an apology, from any empowered actor is highly unlikely. The citizen has lost his right to be served by a disinterested state. Everyone is supposedly accountable, but no one is specifically responsible. The route to redressal is longer and the expectation of an apology looks more romantic than real.

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## **पारदर्शिता की पहल**

उत्तर प्रदेश में योगी आदित्यनाथ ने जिस तरह सरकारी तंत्र की कार्यशैली में बदलाव के लिए कई अहम पहल की हैं, खासकर भ्रष्टाचार पर काबू पाने के लिए जैसी सक्रियता दिख रही है, अगर वह वास्तव में अमल में आती है तो आने वाले दिनों में राज्य का चेहरा बदलने की उम्मीद की जा सकती है। मंगलवार को हुई मंत्रिमंडल की बैठक में सभी सरकारी महकमों में ई-टेंडरिंग की व्यवस्था को मंजूरी दी गई। अब राज्य के सभी सरकारी विभागों, सार्वजनिक उपक्रमों, विकास प्राधिकरणों, नगर निगमों, स्वायत्तशासी संस्थाओं आदि में इस व्यवस्था के जरिए निविदा प्रक्रिया पूरी की जाएगी। इसके तहत इन निकायों में एनआईसी के ई-प्रोक्योरमेंट प्लेटफार्म का प्रयोग करते हुए सभी निर्माण कार्यों,

सेवाओं, सामग्रियों की खरीद आदि का काम ई-टेंडरिंग यानी इंटरनेट के जरिए मंगाई गई निविदाओं से होगा। इससे टेंडर और ठेकेदारी प्रक्रिया में माफिया राज समाप्त होने की उम्मीद जगी है। इसमें किसी भी व्यक्ति को बिना किसी भय या बाधा के निविदा प्रक्रिया में शामिल होने का मौका मिलेगा।

अब तक लगभग सभी महकमों में किसी काम के लिए निविदा की प्रक्रिया कागज पर ब्योरा पेश कर पूरी की जाती रही है। यह किसी से छिपी बात नहीं है कि इस प्रक्रिया में पहुंच और संपर्कों के बूते कितने बड़े स्तर पर अवैध लाभ उठाए जाते रहे हैं। हालत यह हो गई कि इसी वजह से लगभग सभी संबंधित महकमों में ठेकेदारी के तहत होने वाले कामों में माफिया गिरोहों और उन्हें फायदा पहुंचाने वाले राजनीतिकों के गठजोड़ से होने वाले भ्रष्टाचार का एक पूरा तंत्र कायम हो गया था और तमाम कोशिशों के बावजूद उस पर काबू पाना मुमकिन नहीं हो रहा था। किसी भी निविदा के दौरान बाहुबल का प्रयोग या फिर सरकार या राजनीतिक दलों के बड़े नेताओं के प्रभाव का इस्तेमाल एक आम रिवायत की तरह कायम हो गया है। इसमें अगर कोई व्यक्ति या संस्थान स्वतंत्र रूप से निविदा में हिस्सा लेना चाहता था तो उसके लिए मौके न के बराबर थे। जाहिर है, इस तरह की व्यवस्था में एक ओर आर्थिक लाभ चंद लोगों तक सिमट कर रह जाता था और उसका सीधा असर संबंधित काम के जमीनी अमल और उसकी गुणवत्ता पर पड़ता था।

ई-गवर्नेंस का प्रयोग अब कोई नई बात नहीं रह गया है और सरकारें चाहतीं तो संबंधित महकमों के कामकाज में इंटरनेट की भूमिका बढ़ा कर उसमें पारदर्शिता सुनिश्चित कर सकती थीं। इसके जरिए भ्रष्टाचार पर भी लगाम लगाई जा सकती थी। पिछले करीब दो दशकों के दौरान जिन सरकारी विभागों या दूसरे क्षेत्रों में ई-गवर्नेंस या इंटरनेट पर आधारित कामकाज को बढ़ावा दिया गया है, वहां न सिर्फ कामकाज आसान हुआ, उसकी गति बढ़ी, बल्कि भ्रष्टाचार में कमी भी दर्ज की गई। अब योगी सरकार ने अगर भ्रष्ट तंत्र को नियंत्रित करने के लिए उसी का सहारा लेने का फैसला किया है तो यह स्वागतयोग्य है। लेकिन हाल के दिनों में जिस तरह डिजिटल फर्जीवाड़े के अनेक मामले सामने आए हैं, वेबसाइट हैकिंग से लेकर तंत्र में बैठे लोगों की मिलीभगत से आंकड़ों की हेराफेरी की कोशिशें पकड़ में आई हैं, उसे ध्यान में रखते हुए ई-गवर्नेंस को पहले के मुकाबले ज्यादा सुरक्षित बनाने की भी जरूरत महसूस की जा रही है। इसके अलावा, ई-गवर्नेंस के सुरक्षित और सार्थक उपयोग के लिए इंटरनेट साक्षरता और जागरूकता भी एक बड़ा सवाल है, जिसे आम लोगों के बीच बढ़ावा देने की जरूरत है।

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