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Time For Minimum Income

People's aspirations have grown, fewer want to sell pakodas for a living

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We might be at a critical moment in modern Indian history. There is some mystery that surrounds the growth numbers, but no one is claiming that there is a clear upsurge in growth. The one thing that is not disputed is that the investment numbers are down, almost 10 percentage points below the 2011 peak, which is worrying to say the least.

Employment numbers have been the centre of much controversy. I will stick my neck out and guess that the rise in reported unemployment is real, but what is behind it is in part a shift in attitudes and not just a sudden shrinkage in the number of jobs available. As Amartya Sen pointed out many years ago, there is often a recognition aspect to unemployment: if I am underemployed, work few days every week giving tuitions or distributing flyers for money, am I employed or unemployed? There is no right answer, but the answer someone gives to the data collection agency depends on how he feels about it. My guess is that this is now changing – more and more of the many who are young and underemployed now see themselves as unemployed, and this begins to show up in the growing unemployment numbers.

This hypothesis fits with the sense of rising expectations among the youth that many commentators have noted. It is also consistent with the fact that a rising fraction of jobs offer provident fund contributions, which is a marker of a desirable job.

The government thinks this is good news. I am less sanguine. In a study of young men and women who had signed up for a training programme leading to precisely those kinds of jobs, only about half of those who got a job offer accepted, and of those, a third quit within the first weeks. The jobs were too unpleasant, our respondents told us. They were from families that could ill-afford this – about a third of their households owned a fridge – but they just hated it too much.

Our job seekers told us that they wanted a particular kind of job. With job security, good pay, benefits. Ideally a desk job. Unfortunately, these jobs are scarce, which is why 2.5 crore applied for 90,000 low level railways jobs.

To make matters worse, the AI revolution is hitting us; robots can already do medical transcription and many other things our BPOs do, and they are getting better. We are at risk of losing a lot of our desk jobs. Make in India did not happen, and will probably not happen. Economies like Bangladesh and Vietnam, poorer and cheaper than us, are better prepared to take the jobs that China does not want. The main growth area for jobs is in low-end services, bussing tables, folding shirts in department stores, cleaning patients in hospitals – the jobs that our respondents were offered and did not want.

In other words, there is trouble brewing as rising expectations for jobs among the educated, meets dwindling supply. At the same time, the slowing of the real estate sector, reflected for example in the IL&FS disaster, means that one of the main sources of income growth for the unskilled poor, rural and urban – temporary jobs in construction – is also under threat.

What this means is that it is probably time to move past the high-minded talk about the superiority of jobs over “dole” (what an ugly word!). No government, right, left or centre, that wants to govern can afford to ignore the rising anger of tens of crores of its citizens. Even admirers of Prime Minister Narendra Modi among our youth were a little miffed when he proposed selling pakodas. Something will need to be done, and it will probably eventually take the shape of a minimum income guarantee.

There are obviously many important issues to be settled. How much, for one? And who is covered? The bottom 20%, 30%, 40%? How do we identify them? Or should we make it quasi-universal and avoid the many costs of targeting? How about introducing an element of self-selection? For example, just requiring monthly sign-ins at an ATM or a local government office to get that month’s money, will surely discourage many of the better off. And for the educated youth, should there be a requirement of a few years of public service in return for the money? Our panchayats, for example, can certainly do with an influx of educated young workers.

There is also how to pay for it. It won’t be easy, but if the political will is there, it should be possible to set aside one extra per cent of GDP every year for a few years. For an economy growing roughly 6%, this is only a small fraction of the incremental GDP.

And there is some chance such an intervention will jump start our stuttering growth process. Recent research suggests that there is demand shortage in the rural economy and an income boost can speed up growth by increasing spending. For example, when, in 2010, microcredit was suddenly shut down in Andhra Pradesh, there was a recession in the affected areas. There is no credible evidence that microcredit boosts investment earnings, so that was not why incomes fell. The problem was a fall in consumption demand.

Finally, it may help the much-needed structural transformation of agriculture. The average farming family has long given up making a full living from agriculture – just too little land. Land is mostly a form of insurance, something to fall back upon when all else fails. Perhaps the provision of alternative safety net will make marginal farmers more willing to let go of their land, and the land can move into the hands of those who want to make the most of it.

Date: 16-04-19

Despite short ban imposed on Adityanath and Mayawati, Model Code of Conduct isn’t working well

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India's Election Commission (EC) has a formidable reputation for impartially running the world's biggest and most complex elections. But its record is poor when it comes to handling hate and inflammatory campaign speeches. EC is now being further tested by the explosion of vicious propaganda and falsehoods circulating on social media.

The first three provisions under 'general conduct' in the Model Code of Conduct (MCC) prohibit candidates from aggravating differences or creating mutual hatred; confine criticism of other political parties only to their policies and to refrain from digging up the private life of candidates; and ban appeal to caste or communal feelings. Notwithstanding the EC's short ban on election campaigning imposed on Uttar Pradesh chief minister Yogi Adityanath and Bahujan Samaj Party supremo Mayawati over religiously charged remarks, the speech provisions of MCC don't work very well.

The primary reason for this is the legally non-binding nature of MCC. Though certain provisions of the MCC may be enforced through invoking the IPC, CrPC and Representation of the People Act (RPA), EC has traditionally argued against making MCC legally binding. It has said that since elections must be completed within a few weeks and court proceedings drag on much longer, it was not feasible to make MCC enforceable by law.

Section 123(3) of the RPA prohibits candidates or their agents from appealing for votes on the grounds of religion or religious symbols among other things. In the celebrated Hindutva cases, for example, Ramesh Prabhoo's election in 1987 to the Maharashtra assembly was nullified for appealing for votes on the grounds of religion. Prabhoo's agent Bal Thackeray was also disqualified from contesting elections for six years. However, in most instances, the court verdicts are given long after the elections and in Prabhoo's case the Supreme Court passed its judgment eight years after his election.

Though the idea of a MCC goes back to the 1960s the code, and indeed EC, got more teeth during TN Seshan's tenure as election commissioner in the 1990s. While Seshan used the threat to cancel or postpone elections to enforce the MCC, he was more successful in curbing undue advantage to the incumbent government than checking hate or communal speech.

Seshan began filming election events to curb inflammatory campaign speeches and publicising violations of MCC. While in some instances it shamed politicians, this seems to have had little impact in recent times. Part of the problem, as noted by historian David Gilmartin, was that MCC unsuccessfully tried to tame the unruliness and ugliness of Indian politics. There is also the thorny issue of suppressing free speech.

The ongoing election campaign is testimony to the inefficacy of the EC in tackling violations of MCC. Before Adityanath's remarks on Ali and Bajrangbali, which provoked the 72-hour ban, he had referred to the Indian army as "Modi's sena". Though EC showcased Adityanath, it let him off with a warning. That did not deter Adityanath from continuing to give speeches with communal overtones. Whether the short ban on campaigning is a deterrent for Adityanath or the likes of Samajwadi Party's Azam Khan, who are both serial offenders, remains to be seen.

Besides the MCC lacking legal teeth, Prime Minister Narendra Modi himself has been regularly testing the model code and setting a poor example. While alluding to Rahul Gandhi's decision to contest from Wayanad, which has a high Muslim population, Modi said the Hindu community should now be aware that Rahul was contesting from a seat "where the minority is majority". At another rally, Modi exhorted

young voters to dedicate their vote to those who carried out the Balakot airstrike, despite the EC directive to not drag the armed forces into the election campaign. Modi's divisive campaign style has encouraged the opposition, in turn, to personally target him.

EC did well to ban Adityanath and Mayawati for a few days, but that should not make us overlook the infirmities of MCC in relation to campaign speeches. It is perhaps time to rethink the utility of MCC, at least with regard to campaign speeches. Just as the spirit of cricket cannot curb sledging, so also MCC has proved to be ineffective in checking the coarsening of election campaigns.

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The Election Commission: Not so toothless, after all

Action against leaders misconduct welcome

ET Editorials

The Election Commission's (EC) decision to bar Uttar Pradesh chief minister and BJP leader Yogi Adityanath and Bahujan Samaj Party (BSP) chief Mayawati from campaigning for 72 hours and 48 hours, respectively, is welcome. Adityanath's conduct was clearly more egregious than that of the BSP leader and his heavier penalty is appropriate. In censuring these leaders for their polarising rhetoric and limiting their public interactions, the commission sent out a clear message about what is not acceptable. But the commission needs to do much more.

Samajwadi Party's (SP) Azam Khan plumbed new depths with his attack on BJP candidate Jaya Prada. There can be no excuse for the misogyny of Khan's comments. To take a tough stand on sexism and misogyny is low hanging fruit. No party can defend comments that demean and intimidate women, limiting their participation in politics. Taking decisive action against Khan would incentivise candidates and political leaders to take a long and hard look at their public utterances. Then there are cases like that of Union minister for women and child development Maneka Gandhi, who suggested that she is not obliged to work for those who fail to vote for her in the elections. This flies in the face of a basic tenet of representative democracy. A member of Parliament is not just the representative of those who voted for them but of all members of the constituency. The commission and Mrs Gandhi's party leadership should find a way to convey this message.

Keeping a close eye on every public utterance is difficult for the commission given that the number of candidates is in the order of thousands and spread across the country. In the age of social media and the ubiquitous mobile phone, politicians do not have the luxury of denying something atrocious they have said: a videographed record would circulate soon enough. It makes sense for the commission to pick up the cases of clear violation and issue demonstrable and exemplary punishment. It would send out the message that words do matter and have consequences.

नईदुनिया

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अवांछित बोल पर सख्त

संपादकीय

चुनाव प्रचार के दौरान लोकतांत्रिक मूल्यों और मर्यादा के खुले उल्लंघन को देखते हुए निर्वाचन आयोग के लिए यह आवश्यक हो गया था कि वह सख्ती का परिचय दे। मुसलमानों के वोट बंटने न देने की खुली अपील करने वाली मायावती और उन्हें जवाब देने की कोशिश में अली और बजरंगबली की बात कहने वाले योगी आदित्यनाथ के चुनाव प्रचार पर क्रमशः दो और तीन दिन की पाबंदी का निर्वाचन आयोग का फैसला उन अन्य नेताओं के लिए सबक बनना चाहिए जो बेलगाम हुए जा रहे हैं। इसकी अनदेखी नहीं की जा सकती कि जहां माया, योगी और मेनका गांधी जैसे नेता केवल आदर्श आचार संहिता का ही उल्लंघन करते पाए गए वहीं कुछ इस संहिता के साथ ही सामान्य शिष्टाचार और लोक-लाज को ताक पर रखकर राजनीतिक विरोधियों के खिलाफ ऐसी अभद्र बातें करते पाए गए जिनका उल्लेख भी नहीं किया जा सकता। रामपुर से सपा- बसपा गठबंधन के प्रत्याशी आजम खान ने भाजपा प्रत्याशी जयाप्रदा पर जैसी बेहूदा टिप्पणी की वह समस्त महिलाओं का अपमान करने और साथ ही सभ्य समाज को शर्मिंदा करने वाली है। इसमें संदेह है कि चुनाव आयोग ने आजम खान को तीन दिन के लिए चुनाव प्रचार से रोकने का जो फैसला किया वह पर्याप्त है और उससे वह कोई सही सबक सीखने को तैयार होंगे। आखिर यह वही आजम खान हैं जिन पर पिछले चुनाव में पाबंदी तो लगाई ही गई थी, सुप्रीम कोर्ट ने उन्हें उनकी उस अभद्र टिप्पणी के लिए माफी मांगने को भी बाध्य किया था जो उन्होंने बुलंदशहर सामूहिक दुष्कर्म कांड को लेकर की थी।

आजम खान बेहूदा टिप्पणियों के लिए कुख्यात हैं, लेकिन वह अनापशनाप बोलने वाले इकलौते नेता नहीं। उनके जैसे नेताओं की कतार लंबी ही होती जा रही है और इसका कारण यह है कि पार्टियों का शीर्ष नेतृत्व उन पर कायदे से लगाम नहीं लगाता। उल्टे कई बार वह अपने बेलगाम नेताओं का बचाव करने की ही कोशिश करता है। सपा नेता अखिलेश यादव ने मायावती के खिलाफ निर्वाचन आयोग की कार्रवाई पर सवाल खड़ा करते हुए प्रधानमंत्री के बालाकोट हमले से जुड़े बयान का उल्लेख कर जवाबी सवाल तो उछाल दिया, लेकिन आजम का बचाव करना ही बेहतर समझा। यह समझ आता है कि चुनावी माहौल में नेता एक-दूसरे के खिलाफ कठोर बातें कहने में संकोच नहीं करते, लेकिन इसका यह मतलब नहीं कि वे भाषा की मर्यादा त्यागकर गाली-गलौज पर उतर आएंगे। विडंबना यह है कि वे केवल यही नहीं करते, बल्कि छल और झूठ का भी सहारा लेते हैं। कांग्रेस अध्यक्ष राहुल गांधी राफेल सौदे के बहाने यही कर रहे हैं। उन्होंने सुप्रीम कोर्ट का हवाला देकर प्रधानमंत्री के खिलाफ ऐसी बातें कह डालीं जो कभी कही ही नहीं गईं। भले ही सुप्रीम कोर्ट ने राहुल गांधी को अवमानना नोटिस जारी किया हो, लेकिन हैरानी नहीं कि उनके वकील उनके झूठ का बचाव करते हुए दिखें। चूंकि राजनीतिक विमर्श का स्तर हद से ज्यादा खराब होता जा रहा है इसलिए बेहतर होगा कि निर्वाचन आयोग और अधिक अधिकारों से लैस हो, ताकि चुनाव प्रचार के नाम पर न तो दुष्प्रचार हो सके और न ही लोकतांत्रिक मर्यादा का हनन।

जनसत्ता

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चंदा और शिकंजा

संपादकीय

चुनावी बांड पर सुप्रीम कोर्ट ने भले रोक न लगाई हो, लेकिन जो अंतरिम आदेश दिया है वह चुनावी चंदे में पारदर्शिता लाने की दिशा में बड़ा कदम है। सर्वोच्च अदालत के इस आदेश के बाद अब राजनीतिक दलों को चुनाव आयोग में इस बात का ब्योरा जमा कराना ही होगा कि उन्हें कब-कब और किस-किससे कितना पैसा चंदे के रूप में मिला। इतना ही नहीं, 30 मई 2019 तक मिलने वाले चंदे के बारे में भी सारी जानकारी देनी होगी। सर्वोच्च अदालत का यह आदेश उन राजनीतिक दलों के लिए बड़ी परेशानी खड़ी करने वाला है जो पार्टी को मिले चंदे की जानकारी गोपनीय रखना चाहते हैं। जाहिर है, इन दलों को इस बात का भय है कि अगर चंदे से संबंधित जानकारियां सार्वजनिक हो गईं तो उनकी मुश्किलें बढ़ सकती हैं। दलों को लग रहा है कि अगर कोई ऐसा कानूनी आदेश आ गया जिसमें चंदे का ब्योरा सार्वजनिक करने को बाध्य किया गया तो इससे उनकी पोल खुलने लगेगी। पता चल जाएगा कि कौन व्यक्ति, संगठन या उद्योग घराना किस पार्टी को कितना पैसा दे रहा है। इसलिए राजनीतिक दल नहीं चाहते कि ऐसी कोई व्यवस्था बने जिससे उन्हें चंदे की पाई-पाई का हिसाब जनता के समक्ष रखना पड़ जाए।

राजनीति में कालेधन का इस्तेमाल हमेशा से ही चिंता का विषय रहा है। चुनाव के वक्त कालेधन का प्रवाह और तेजी से बढ़ जाता है, यह कोई छिपी बात भी नहीं है। किसी को भी पता नहीं चल पाता कि कौन किस पार्टी को कितना पैसा चंदे के रूप में दे रहा है। सारे उद्योगपति किस तरह से और क्यों राजनीतिक दलों को दान देते हैं, यह कोई छिपी बात नहीं है। वरना चुनावों में पार्टियां कैसे पानी की तरह पैसा बहा सकती हैं! पिछले साल चुनावी बांड योजना लाने का मकसद यही था कि इससे चुनावी राजनीति में कालेधन के इस्तेमाल पर लगाम लगेगी। लेकिन चुनावी बांड योजना जिस तरह से लाई गई, तभी से यह संदेह के घेरे में है और इस पर सवाल उठ रहे हैं। संदेह तब पैदा हुए जब इस योजना को लाने के लिए आयकर कानून, जनप्रतिनिधित्व कानून, वित्त कानून, कंपनी कानून सहित कई कानूनों में संशोधन किए गए। इससे यह संदेश गया कि खास दलों के हितों के लिए यह सब किया जा रहा है। इसीलिए गैरसरकारी संगठन एसोसिएशन फॉर डेमोक्रेटिक रिफॉर्म ने अदालत का दरवाजा खटखटाया और चुनावी बांड पर रोक लगाने की मांग की।

सवाल है कि राजनीतिक दल क्यों नहीं चाहते कि उन्हें मिलने वाले चंदे की सही जानकारी सार्वजनिक हो। यह विडंबना ही है कि एक तरफ राजनीतिक दल भ्रष्टाचार को चुनावी मुद्दा बनाते हैं और उसे खत्म करने का संकल्प लेकर वोट मांगते हैं और दूसरी ओर जब अपने मामले में पारदर्शिता की बात आती है तो संकट नजर आने लगता है। अगर चुनावी बांड योजना पुख्ता होती तो क्यों चुनाव आयोग इस पर सवाल उठाता? चुनाव आयोग शुरू से ही इस बात का प्रबल पक्षधर रहा है कि चुनावी बांड के जरिए दान देने वालों का नाम सार्वजनिक होना चाहिए, ताकि चुनावी चंदे में पारदर्शिता बनी रहे। सर्वोच्च अदालत का कहना भी यही है कि अगर चुनावी बांड खरीदने वालों की पहचान उजागर नहीं होती है तो चुनाव में कालेधन के इस्तेमाल को रोकने की कोशिशें व्यर्थ साबित होंगी। देश में जो भी पैसा खर्च होता है वह जनता का पैसा है, चाहे चुनाव में खर्च हो या किसी अन्य मद में। ऐसे में आमजन को यह जानने का हक क्यों नहीं होना चाहिए कि कौनसा दल किससे कितना पैसा ले रहा है!



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Necessary steps to ending poverty

The provision of health, education and public services matters more than income support schemes

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It is by now close to 50 years since Indira Gandhi brought the idea of eradicating poverty into the electoral arena in India. 'Garibi Hatao' had been her slogan. She actually took the country some distance in the promised direction. Though it had not come close to being eradicated in her time, it was under her leadership that the reduction in poverty commenced, in the late 1960s. And it was under her leadership again that the reduction accelerated, in the early 1980s. This is not surprising for she was a pragmatic politician and took pride in being Indian. While the last attribute motivated her to improve the condition of her people, the first left her aware of the centrality of income generation in poverty eradication.

The role that income generation actually played in lowering poverty in India may be gauged from the facts that economic growth had surged in the 1980s, and the late 1960s was when agricultural production quickened as the Green Revolution progressed.

Words matter

So, if there had been a focus on poverty even 50 years ago, why have we not seen it end? This is because the approach of public policy to the problem has been to initiate schemes which could serve as no more than a palliative, as suggested by the very term 'poverty alleviation' commonly used in the discourse of this time. These schemes failed to go to the root of poverty, which is capability deprivation that leaves an individual unable to earn sufficient income through work or entrepreneurship. Income poverty is a manifestation of the deprivation, and focussing exclusively on the income shortfall can address only the symptom.

Parties and schemes

In the run-up to the elections now, schemes guaranteeing income to the poor through budgetary transfers have been announced by both the Bharatiya Janata Party (BJP) and the Congress. Actually, the BJP's Pradhan Mantri Kisan Samman Nidhi (PM-Kisan), paying farm households below a threshold ₹6,000 a year, is already in place. An income-support scheme for any one section of the population is grossly inequitable. We can think of agricultural labourers and urban pavement dwellers as equally deserving of support as poor farmers. While it is the case that at present agricultural subsidies go to farmers alone, these are intended as production subsidies and so channelled due to the criticality of food production to all.

On the other hand, a welfare programme cannot, ethically speaking, exclude those equally placed. The BJP's hurried introduction of its scheme also came with an overshooting of the fiscal deficit target, suggesting that it involves borrowing to consume, a fiscally imprudent practice. The PM-Kisan has, however, been dwarfed by the promise of the Nyuntam Aay Yojana (NYAY) of the Congress, which envisages an annual transfer 12 times greater to the poorest 20% households. While this scheme is not discriminatory, it is severely challenged by the issue of beneficiary identification in real time.

Both the schemes on display, but NYAY in particular, have been criticised as running into the absence of fiscal space. This is really neither the case nor of the essence, the latter being the role of income transfers in eradicating as opposed to alleviating poverty in India.

Consider NYAY. It is estimated to cost ₹3.6 lakh crore per annum at current prices. This comes to approximately 13% of the central budgetary outlay for 2019-20. This expenditure can be incurred without any consequence for the fiscal deficit if all Centrally Sponsored Schemes are taken off and subsidies trimmed just a bit. But the point is that at 13% of outlay, NYAY would amount to more than twice the combined expenditure on health and education and more than capital expenditure in the same budget, they being the items of public expenditure that most impact poverty in the long run. There is an opportunity cost to be acknowledged of an income-support scheme of this magnitude being implemented while there exists a severe deficit of social and physical infrastructure in the country.

We have already spoken of poverty as capability deprivation. Health, education and physical infrastructure are central to the capabilities of individuals, and the extent of their presence in a society determine whether the poor will remain so or exit poverty permanently. The scale at which these inputs would be required to endow all Indians with the requisite capabilities makes it more than likely that we would have to rely on public provision.

What is needed

In light of a pitch that has been made for the implementation in India of a publicly-funded universal basic income (UBI) scheme, we can say that from the perspective of eliminating poverty, universal basic services (UBS) from public sources are needed, though not necessarily financed through the budget. The original case for a UBI came from European economists. This is not entirely surprising. Europe is perhaps saturated with publicly provided UBS. Also the state in some of its countries is immensely wealthy. So if a part of the public revenues is paid out as basic income, the project of providing public services there will not be affected. This is not the case in India, where the task of creating the wherewithal for providing public services has not even been seriously initiated.

There is indirect evidence that the provision of health, education and public services matters more for poverty than the Central government's poverty alleviation schemes in place for almost half a century. Per capita income levels and poverty vary across India's States. A discernible pattern is that the southern and western regions of India have lower poverty than the northern, central and eastern ones. This, very likely, is related to higher human development attainment in the former. This indicator is based on the health and education status of a population apart from per capita income, bringing us back to the relevance of income generation to poverty. As the Central government is common across regions, differences in the human development index must arise from policies implemented at the State level. This further implies that a nationwide income support scheme that channels funds from a common pool to households in the poorer States would be tantamount to rewarding lower effort by their governments.

There is a crucial role for services, of both producer and consumer variety, in eliminating the capability deprivation that is poverty. As these services cannot always be purchased in the market, income support alone cannot be sufficient to eliminate poverty. It is in recognition of the role of services in enabling people to lead a productive and dignified life that the idea of multi-dimensionality has taken hold in the thinking on poverty globally. At a minimum these services would involve the supply of water, sanitation and housing apart from health and education. It has been estimated that if the absence of such services is accounted for, poverty in India would be found to be far higher than recorded at present. The budgetary implication of the scale at which public services would have to be provided if we are to eliminate multi-dimensional poverty may now be imagined. This allows us to appraise the challenge of ending effective poverty and to assess the potential of the income-support schemes proposed by the main political parties. There are no short cuts to ending poverty, but ending it soon is not insurmountable either.
