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## Young country, old leaders

*While politics engages large numbers of youth, it does not serve their interests*

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Politicisation of people based on their social group is not new in India. With about 65% of its population below the age of 35 and with median age of less than 29, youth is the most sought-after social group by every political party. All political parties target youth as one of their key allies for election campaigns, political demonstrations, rallies, recruitment of new members and student union elections.

The engagement of youngsters in political parties is quite visible during all the elections, rallies and protests. But the most practical question for this relationship needs to be asked: Do political parties and leaders stand for the empowerment of youth? Is it merely a 'use and throw' relationship or does it lead towards a 'win-win' situation for both?

Despite their huge presence in politics, youth do not get similar opportunities as older politicians. For many youth, active engagement with political parties does not translate into a regular source of income whether through an elected position or through the parties. Secondly, politicians and elected representatives have the moral responsibility to fix the broken public education system and find ways to create employment opportunities for them, which they do not initiate at local level. Thirdly, the most interesting and surprising part is that even the young political activists do not raise some of the core issues which primarily affect them and their generation, such as lack of high quality education in public-funded colleges and universities.

Now, let us try to extend these arguments. If we look at the figures of population versus representation, we understand that the younger folks need to invest many years in politics before they can successfully enter electoral politics representing leading political parties. Thousands of youth become supporters and political aspirants in a district but only a handful get the chance to enter electoral politics due to the limited number of seats.

From panchayat level representatives to MPs, one district offers a few hundred elected seats. Although the elected governments create positions to recruit their supporters, only few of them are accommodated with some remuneration. In UP, the average age of elected MLAs is 51 years. However, out of 4,900 candidates who contested the polls, 38% were below the age of 40. Many candidates who won the elections at a younger age also belong to political families.

The 17th Lok Sabha has 12% of MPs below the age of 40 years, which is slightly better than the 16th Lok Sabha which had 8% of MPs below 40. In the first Lok Sabha, however, 26% of MPs were below 40. We can say that the country is growing younger, with older leaders.

Moreover, politicians are not invested in some of the core issues that affect the future of youth within or outside politics. Political leaders and elected representatives are not seen doing enough to improve the quality of public educational institutions starting from the primary level to the tertiary level, which shape the future of youth. As kids of most politicians today go to private schools and colleges, they have no skin in the game and hardly bother about the quality of education in public institutions.

Even as heads of school or college committees, the elected representatives are unable to fix the problems of educational institutions locally. Also, most politicians are not engaged in creating employment opportunities or enabling ecosystem at local level, which can propel either employment or entrepreneurship to engage youngsters productively.

Job creation remains merely a political issue and a matter of debate. Due to lack of will and vision of the local elected representatives, many young political volunteers suffer in the long run despite being cadres and supporters.

Many youngsters also take part in university and college politics. It is very surprising to see that student unions or youth leaders do not bring up some of the core issues affecting youth today. With public-funded institutions deteriorating in many parts of the country, we do not hear them raising the issue of quality teaching in their respective institutions. We hardly hear about any strike or demonstration around unavailability of teachers in schools and colleges.

Even Delhi University functions without regular and competent teachers, with about 5,000 lecturer positions being filled by ad hoc guest lecturers. There has been no recruitment of regular teachers since 2015. Likewise, many central and state universities engage guest lecturers to cover the regular positions, which ultimately affects the quality of education.

Youth should understand the dynamics, where they are being used by their political masters without concrete outcomes and a secure future. Being their seniors and mentors, political leaders and parties should wisely utilise the time of youth and not engage them throughout the year at the cost of their education and career.

Youth leaders also need to act responsibly. If they are taking up leadership they should not compromise on the quality of education, a prime reason for young people to be in academic institutions. It is high time that engagement of youth in politics be seen and treated as a means to serve the larger purpose of nation building utilising the energy of young Indians. Youth leaders should not remain just a conduit for serving the agenda of their political masters. They must command their own voice, in the interest of the youth and the nation.

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## अभिजीत के शोध पर अमल आज भारत में सबसे जरूरी

### संपादकीय

आज जब देश में अनाज भण्डारण इतना हो गया है कि खाद्य मंत्रालय विदेश मंत्रालय से गुहार लगा रहा है कि कुछ गरीब देश तलाशो जिन्हें यह अनाज मुफ्त मदद के रूप में भेजा जा सके (वरना इन्हें फेंकना पड़ेगा), नोबेल पुरस्कार विजेता अभिजित बनर्जी के व्यावहारिक अर्थशास्त्र के शोध को अमल में लाने के लिए भारत सबसे उपयुक्त देश है। उनके प्रयोगों की सफलता देखें। राजस्थान में दाल देने की योजना शुरू कर टीकाकरण 18 से बढ़ाकर 39 प्रतिशत कर दिया और कार्यक्रम की लागत भी आधी रह गई। ये अभिजित, पत्नी एस्थर डफ्लो और सहकर्मी क्रैमर (तीनों को संयुक्त नोबेल पुरस्कार) के दशकों के प्रयास थे, जिसकी वजह से विश्व स्वास्थ्य संगठन और यूएनओ को गरीबी उन्मूलन कार्यक्रमों में 'प्रोत्साहन' का तत्व जोड़ना पड़ा और जिससे दुनिया के अनेक देशों के लोगों को गरीबी की गर्त, अज्ञानजनित स्वास्थ्य के अंधकार और अशिक्षा के जंगल से बाहर निकाला जा सका। कितने खेद की बात है कि जिसे दुनिया के सबसे बड़े पुरस्कार से नवाजा गया वह भारत का है, मुंबई में पैदा हुआ, कोलकाता और जेएनयू में पढ़ा, दिल्ली में जमीनी स्तर पर शिक्षा पर शोध किया लेकिन यह सब करने के लिए उसे अमेरिका के एमआईटी जाना पड़ा, जिसने उसकी मदद की। कोई 38 साल पहले जेएनयू में दाखिला लेने के बाद उन्होंने रिकॉर्ड ग्रेड से टॉप किया। उसी दौरान वे विश्वविद्यालय के दाखिले के किसी नियम में बदलाव को लेकर, जिससे गरीब बच्चों को मिल रही सुविधा रुक सकती थी, 300 छात्रों के साथ तिहाड़ जेल में बंद रहे। अभिजीत और दुनिया के करीब 100 अर्थशास्त्रियों ने एमआईटी में ही अब्दुल लतीफ जमील लैब स्थापित की, जिसने अर्थशास्त्र के सिद्धांतों को जमीन पर लाने का संकल्प किया। इन दो संस्थाओं के अलावा दिल्ली की केजरीवाल सरकार ने उनके व्यावहारिक शोध का भरपूर फायदा उठाया - बाल शिक्षा उम्र के हिसाब से नहीं समझ को माप कर देना- और हर कदम पर उनकी सलाह मानते हुए आज देश की राजधानी की सरकारी शिक्षा को उस स्तर पर पहुंचा दिया कि लोग महंगी निजी शिक्षा को छोड़ने लगे हैं। लोकसभा चुनाव-पूर्व हर किसान को 'न्याय' (न्यूनतम आय योजना) के तहत 6000 रुपए हर माह देने की कांग्रेस की घोषणा भी अभिजीत की ही देन थी। अभिजीत वर्तमान आर्थिक नीतियों के आलोचक रहे हैं, लेकिन, क्या आज भारत सरकार इनके ज्ञान का लाभ लेना चाहेगी?

## कुर्दों पर हमले

### संपादकीय

तर-पूर्वी सीरिया में कुर्द सैनिकों और तुर्की की सेना के बीच पिछले पांच दिन से चल रही लड़ाई ने इस क्षेत्र को गंभीर संकट में झोंक दिया है। तुर्की की सेना सीरिया के उत्तर-पूर्व में कुर्द बहुल इलाकों में ताबड़तोड़ हमले कर रही है और कुर्दों पर कहर बरपा रही है। बड़ी संख्या में लोगों के मारे जाने और जख्मी होने की खबरें हैं। लाखों बेघर हो गए हैं। इससे गंभीर मानवीय संकट खड़ा हो गया है। तुर्की की सेना ने सीरियाई शहर सुलूक पर कब्जा कर लिया है। पश्चिम एशिया का यह क्षेत्र युद्ध के नए अखाड़े में तब्दील हो गया है। मामला ज्यादा गंभीर रूप इसलिए ले चुका है कि इस संकट के मूल में अमेरिका है। उसके अपने हित हैं, ऐसे में इस समस्या के सुलझने के आसार दूर-दूर तक नहीं हैं।

अब यह साफ हो चुका है कि अगर अमेरिका सीरिया और तुर्की की सीमा से अपने सैनिकों को हटाने का फैसला नहीं करता तो आज हालात नहीं बिगड़ते। ट्रंप अगले राष्ट्रपति चुनाव की तैयारियों में जुटे हैं और उन्होंने अमेरिकी जनता से वादा किया है कि अफगानिस्तान और सीरिया जैसे देशों से अमेरिकी सैनिकों की वापसी होगी। अफगानिस्तान से तो यह संभव नहीं हो पाया है, लेकिन सीरिया में इस फैसले का असर तुर्की के हमले के रूप में आया है। अमेरिकी सैनिकों के हटते ही तुर्की ने कुर्दों के नियंत्रण वाले ठिकानों पर हमले शुरू कर दिए। तुर्की में बीस फीसद कुर्द आबादी है। तुर्की कुर्दों को आतंकवादी करार देता आया है। दरअसल, इराक, सीरिया और तुर्की के कुर्द बहुल क्षेत्र में रहने वाले कुर्द सुन्नी मुसलमान हैं और लंबे समय से अलग कुर्दिस्तान राष्ट्र के गठन के लिए लड़ रहे हैं। ऐसे में तुर्की को यह डर सता रहा है कि अगर अलग कुर्दिस्तान राष्ट्र बन गया तो उसके यहां बीस फीसद कुर्द आबादी भी उसके लिए बड़ा संकट बन जाएगी।

ट्रंप ने कुर्दों की वफादारी पर सवाल उठाते हुए यहां तक कह डाला कि इस्लामिक स्टेट (आइएस) के साथ लड़ाई में कुर्दों ने अमेरिका का साथ नहीं दिया। जबकि इराक में सद्दाम हुसैन की सत्ता को उखाड़ फेंकने में अमेरिका का सबसे ज्यादा साथ तो कुर्द लड़ाकों ने ही दिया था। सीरिया में भी आइएस के लड़ाकों से मुकाबले में अमेरिका के साथ कुर्द ही कंधे से कंधा मिला कर खड़े रहे हैं। अब संकट यह भी है कि तुर्की के हमलों के इस इलाके में आइएस फिर से सक्रिय हो सकता है। कुर्द सैनिकों ने बड़ी संख्या में आइएस के लड़ाकों को स्थानीय जेलों और शिविरों में बंद कर रखा था। लेकिन हमले के बाद आइएस के ज्यादातर लड़ाके भाग निकले हैं। पश्चिमी देशों सहित सऊदी अरब जैसे देश तुर्की की इस कार्रवाई के खिलाफ हैं, वहीं पाकिस्तान ने तुर्की के रुख का समर्थन किया है, क्योंकि कश्मीर के मुद्दे पर तुर्की पाकिस्तान के साथ खड़ा है। लेकिन भारत ने सीरियाई क्षेत्र की संप्रभुता की रक्षा पुरजोर वकालत करते हुए तुर्की के हमलों की कड़ी निंदा की है और इसे गंभीर मानवीय संकट बताया है। पर बड़ा सवाल यह है कि आतंकवाद के खिलाफ लड़ाई का झंडा उठाने वाला अमेरिका अपने स्वार्थ के लिए कब तक निर्दोष नागरिकों को युद्ध की आग में झोंकता रहेगा!

## गरीबों के जीवन का अर्थशास्त्र

नोबेल पुरस्कार पाने वाले दंपति अभिजीत बनर्जी और एस्टर डफ्लो ने गरीबों के पास जाकर उनके जीवन और समस्याओं को समझने की कोशिश की है।

नीरंजन राजाध्यक्ष



सड़क पर डोसा बेचने वाली महिला के पास एक भूखे अर्थशास्त्री के जाने का जिक्र भला क्यों होगा, जब तक कि वह अर्थशास्त्री अभिजीत वी बनर्जी न हों। ऐसा आंध्र प्रदेश के छोटे से शहर गुंटूर के एक गरीब इलाके में हुआ था। असल में, सुबह के करीब नौ बजे मैसाचुसेट्स इंस्टीट्यूट ऑफ टेक्नोलॉजी (एमआईटी) का यह 49 वर्षीय प्रोफेसर नाश्ते के लिए डोसा खरीदने गया था। सड़क पर ताजा डोसा बेचने वाली औरतों की लाइन लगी थी। बनर्जी और उनके एक स्थानीय सहयोगी क्रीम रंग की साड़ी वाली

महिला के पास गए, जो औरों की तुलना में कुछ कम व्यस्त लग रही थीं।

अपनी तकदीर संवारने के लिए गरीबों को मुश्किलें क्यों पेश आती हैं? इस सवाल का कुछ हद तक जवाब गुंटूर की महिलाएं दे रही थीं। दरअसल, उनके छोटे-छोटे उद्यमों को बढ़ाया नहीं जा सकता व कई तरह के व्यवसाय करने से वे इस काम में कुशल नहीं रह पाएंगी। गरीबों के आर्थिक जीवन पर जो शानदार पेपर बनर्जी और एमआईटी की उनकी सहयोगी एस्टर डफ्लो ने लिखा है, उसके केंद्र में डोसा बनाने वाले यही गरीब लोग हैं।

वर्ष 2006 के उस पेपर के कुछ भाव को उनकी नई किताब पुअर इकोनॉमिक्स: रिथिंकिंग पॉवर्टी एंड द वेज टु इंड इट में विस्तार दिया गया है। इस किताब का अगले महीने भारत में लोकार्पण होगा। गरीबों के जीवन को समझने के लिए एमआईटी के इन दोनों अर्थशास्त्रियों ने जमीनी प्रयोग किए। इसके लिए उन्होंने जो तकनीक अपनाई, वह मेडिकल रिसर्च वाली थी। यानी, लोगों के दो समूहों को बिना किसी क्रम के सहसा चुनना। फिर, एक समूह की दिनचर्या में थोड़ा बदलाव किया जाता है, जबकि दूसरा पुराना जीवन जी रहा होता है। इसके बाद एमआईटी की टीम नतीजों की जांच-पड़ताल करती है।

डफ्लो कहती हैं, 'गरीबों के साथ समय बिताने से मैंने यह जाना कि वे हमारी तुलना में कहीं अधिक जटिल जीवन जीते हैं और 'हेज फंड' (मान्यता प्राप्त निवेशक या संस्थागत निवेशक से पूंजी लेकर उसे विभिन्न प्रकार की संपत्ति में निवेश करना) मैनेजर की तरह पैसों को खर्च करते हैं। साफ पानी मुहैया कराने या ईंधन देने जैसी ज्यादातर रोजमर्रा की जरूरतों पर चिंता करने के साथ-साथ हमें उनकी अन्य चीजों पर भी ध्यान देना होगा।'

कुछ साल पहले, ये दोनों ही अर्थशास्त्री राजस्थान के उदयपुर जिले में काम कर रहे थे। तब उन्होंने देखा कि महिलाएं मुफ्त टीकाकरण की सुविधा का लाभ उठाने के लिए अपने बच्चों को सरकारी क्लीनिक में नहीं ला रही थीं। आखिर ये महिलाएं इस योजना का लाभ क्यों नहीं उठा रही थीं? और इससे भी महत्वपूर्ण बात यह कि इस समस्या को दूर कैसे किया जाए? एमआईटी की टीम ने एक प्रयोग किया। कुछ गांवों में जब महिलाएं बच्चों को टीका लगवाने आईं, तो उन्होंने उन्हें एक किलो दाल दी। जल्द ही यह बात चारों तरफ फैल गई और टीकाकरण की दर बढ़ गई। आश्चर्य की बात नहीं कि उनके पसंदीदा नीतिगत सुझावों में इसी तरह के सरल सुझाव हैं।

बनर्जी और डफलो के सबसे व्यावहारिक कामों में से एक गरीब परिवारों के पैसे खर्च करने के तरीके पर है। आमतौर पर यही माना जाता है कि गरीब परिवार भूख से लड़ते रहते हैं और हर अतिरिक्त पैसे का इस्तेमाल वे अन्न जुटाने में करते हैं। बनर्जी और डफलो ने अपने गहन अध्ययन में पाया कि गरीब अक्सर अपने अतिरिक्त पैसों को टेलीविजन, या त्योहारों या महंगे स्वादिष्ट भोजन पर खर्च करते हैं। अपनी किताब में उन्होंने लिखा है, 'गरीबों की प्राथमिकता ऐसी चीजें हैं, जो उनके जीवन ऊब को कम कर सकें।' बनर्जी कहते हैं, 'उन्हें लंबा जीवन जीने के लिए केवल पोषण नहीं चाहिए, बल्कि लंबा जीवन जीने की वजह भी चाहिए'।

बनर्जी और डफलो ने 1970 के दशक में आर्थिक विकास के लिहाज से एक खास मैक्रोइकोनॉमिक बिंदु को सामने रखा था, जब मैक्रोइकोनॉमिक्स को मैक्रोफाउंडेशन से जोड़ा गया। आसान शब्दों में कहूं, तो इसका मतलब यह है कि जमीनी विवरणों को समझने के बाद बड़ी तस्वीर बनाई गई। उदाहरण के लिए, उन्होंने पाया कि जिन पंचायतों का संचालन महिला नेतृत्व के हाथ में होता है, उनमें उन सार्वजनिक मदों में अधिक सरकारी धन खर्च होते हैं, जो उनकी प्राथमिकताओं में होते हैं, मसलन स्वच्छ जल।

गरीबों को अनाज दिया जाना चाहिए या नकद, और क्या नकद देने का मतलब यह होगा कि वे इसे अपने मनोरंजन या शराबखोरी में उड़ा देंगे, इस प्रश्न पर उनकी प्रतिक्रियाएं समान थीं। बनर्जी के मुताबिक, 'मुझे यकीन है कि लोग नकदी का इस्तेमाल उस चीज को खरीदने के लिए करेंगे, जो वे खरीदना चाहते हैं, और वह चीज कभी आभूषण, तो कभी शराब होगी।... बल्कि यदि वे यह भी सोचते हैं कि उनके पास काफी अनाज है, तो वे उसे बेच देंगे। पुराने समय में, जब मेरे पिता जैसे लोग राशन के अनाज के हकदार थे, यह आम बात थी कि इसके तहत मिलने वाले घटिया गुणवत्ता के चावल और गेहूं गरीबों को बेच दिया जाता।' डफलो का कहना था, 'मेरी राय में गरीबों को यह कहना अनुचित है कि उनकी प्राथमिकताएं गलत हैं और उन्हें बदलने की जरूरत है। हम यदि उनकी परिस्थिति में होते, तो वही कर रहे होते, जो वे करते हैं।' इसके बाद वह ठोस समाधान सुझाती हैं, 'इसकी बजाय हमें यह सुनिश्चित करना चाहिए कि जिन पोषक तत्वों की उन्हें आवश्यकता है, वह उनकी आसान पहुंच में हों और किफायती दर पर उपलब्ध हों। इस तरह से वे पर्याप्त पोषण भी ले सकेंगे और उनके पास टेलीविजन जैसी चीजें भी होंगी। उदाहरण के लिए, यदि आयरन और आयोडिन युक्त नमक सस्ता होगा, तो बच्चे और वयस्क एनीमिया से कम पीड़ित होंगे। और यह सार्वजनिक धन का बेहतर इस्तेमाल होगा।'

ये अर्थशास्त्री भारत सरकार से यह अपेक्षा करते हैं कि उसे 15 साल और उससे ऊपर के प्रत्येक नागरिक को बायोमेट्रिक पहचान के आधार पर नगदी हस्तांतरित करना चाहिए; देश में एक सार्वभौमिक स्वास्थ्य बीमा लागू करना चाहिए, जिसमें सड़क दुर्घटनाओं के अलावा बड़े ऑपरेशन भी कवर हों और सरकार को 200 गज के प्रत्येक घर को साफ पेयजल मुहैया कराना चाहिए। टीकाकरण के लिए भी गरीबों को प्रोत्साहित करने की जरूरत है, क्योंकि वे अपने बच्चों के टीकाकरण के खिलाफ नहीं हैं, बल्कि इसे बस टालते रहते हैं।

## Easing poverty

### *2019 Economics Nobel affirms value of evidence-based policy-making in addressing intractable problems.*

#### Editorial

On Monday, the Royal Swedish Academy of Sciences awarded the 2019 Nobel Prize in Economics to Abhijit Banerjee, Esther Duflo and Michael Kremer for their “experimental approach to alleviating global poverty”, which, it said, has had a clear impact on policies to fight poverty around the world. Among the things that make this moment special is the fact that Banerjee becomes the second Indian to have received the Nobel prize in Economics, and Duflo is only the second woman to have been awarded after Elinor Ostrom in 2009.

Banerjee and Duflo co-founded the Abdul Latif Jameel Poverty Action Lab, which has helped popularise Randomised Control Trials (RCT), a technique of exploration which draws from medical research to examine the impact of policy interventions on individual behaviour through controlled trials. It involves selecting two sets of individuals at random, one of the two is then exposed to a policy intervention. The experiment examines the impact of such interventions, often over long periods of time, to gauge the impact of policy, and whether it justifies the costs associated with it. Drawing on these field experiments to understand the lives of poor, they have examined government interventions to see what works and what doesn't in developing countries. For instance, they found that it was possible to dramatically increase the quality of education in urban India, at a relatively reasonable cost, through remedial education and computer assisted learning programmes. The results of another experiment suggested that multi-topic medical training of informal healthcare providers may offer an effective short-run strategy for improved health care, while another found that most businesses funded by microfinance firms tended not to grow. Banerjee, who has been in favour of shifting to cash transfers, has in the past argued for a universal basic income architecture.

Though RCTs have become widespread in recent times, some are sceptical about over-relying on them. Angus Deaton, who won the 2015 Nobel prize in economics, noted that while RCTs can play a role in building scientific knowledge, they can only do so as part of a cumulative programme. “Small scale, demonstration RCTs are not capable of telling us what would happen if these policies were implemented to scale”, he noted. But, despite the conditional nature of these studies, it is difficult to deny that policy interventions require better understanding to ensure efficient outcomes, especially in countries with limited state capacity and resources. In India, where billions are poured in the name of the poor, often without proper understanding of what works and what doesn't, and where there is little faith in evidence-based policy-making, such research can be enormously valuable in informing public debate.

*Date:15-10-19*

## No zero sum

*India needs to view Nepal-China intimacies with equanimity, work on repairing its own relationships in the neighbourhood.*

### Editorial

President Xi Jinping's visit to Nepal after the Mamallapuram meeting with Prime Minister Narendra Modi underlines starkly the challenges India faces in its relationship with China, with Nepal, and more generally, with China's deep-pocketed outreach in the entire neighbourhood. In fact, Xi's visit to India was sandwiched between receiving Pakistan Prime Minister Imran Khan, and his Nepal visit. If Delhi has been disturbed at the signals from these engagements around the Mamallapuram summit, it has managed to hide it well. It cannot but know that, as far as Nepal is concerned, the problems are largely self-inflicted.

Xi was the first Chinese President to land in Kathmandu in over two decades, and the visit acknowledged the closeness between the two countries from the last decade, but more so, since 2015. That was when Nepal Communist Party leader Kharga Prasad Oli took office as prime minister. His first term, which lasted barely a year, was dominated by a crippling blockade of the Nepal border at Birgunj from the Indian side. China stepped in at the time to provide fuel and other essentials. Oli was quick to strengthen Nepal's relations with its northern neighbour. He was ousted from office within a year, but much to India's surprise, returned even stronger in an election in early 2018. Modi's three visits, and agreements for more infrastructure projects, including a rail line from Kathmandu to Raxaul at the border, have clearly not persuaded landlocked Nepal that the only friend it needs in the neighbourhood is India.

Xi's generous assistance to Nepal of USD 495 million was of a piece with the style with which China makes friends with India's neighbours. There is to be a feasibility study on a trans-Himalayan train link between the two countries, and a road link from Kathmandu to Kerung, on Nepal's border with Tibet, as part of the Belt and Road Initiative. Both connections will increase Nepal's access to the Chinese economy. To the extent that this pushes up the possibility of Chinese goods flooding India through Nepal, Delhi should be concerned. But it must also come to terms with the reality that there can be no zero sum games in foreign policy. Viewing relations with neighbouring countries only through the prism of India's security has its limits. As the region's largest economy, India needs to find better ways to make friends with its neighbours, and retain these friendships.

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*Date:15-10-19*

## An economics for the poor

*Banerjee, Duflo and Michael Kremer introduced a paradigm shift in approach to alleviating poverty*

**HIMANSHU , [The writer teaches economics at JNU]**

The Nobel Prize in Economics for 2019 has been awarded to Abhijit Banerjee, Esther Duflo and Michael Kremer for “their experimental approach to alleviating global poverty”. The approach, popularly known as Randomised Control Trial (RCT), has been the buzzword among development economists for almost two decades. Banerjee, Duflo and Kremer have used this technique (inspired by the use of RCTs in medical science) to test the effect of small interventions on individual behaviour.

Most of these interventions carried out under the aegis of Abdul Lateef Jameel Poverty Action Lab (J-PAL), co-founded by Banerjee and Duflo, in Africa and Asia, have produced evidence on the response to a particular intervention by the poor using these randomised trials. The approach basically examines the impact of these micro interventions by treating one set of individuals/households and comparing the outcome with another set of individuals/households, which are similar in all other respects but have not been treated with the intervention. India has been among the biggest laboratories of these experiments with several experiments on diverse themes such as literacy, nutrition, health, micro-finance and so on.

The RCT approach has its share of supporters as well as critics. While it has enamoured a large number of development economists for its simplicity, where inferences on what works or not are drawn from field experiments, it has also been criticised for reducing the study of poverty to small interventions unconnected to the lived experiences of the poor. The discomfort among many established scholars is that this fashionable trend has made the historical, institutional and social structures of the persistence of poverty less relevant to understanding why the poor continue to remain poor. Others have picked holes in the methodology. However, it has not deterred development economists from using this approach for designing experiments and conducting them to understand how the lives of poor people change as a result of these micro interventions. There have been questions about whether the results can be replicated in different societies, as well as on the ethics of some of the experiments, which have been conducted in collaboration with participating governments. It is also worth pointing out that the method is as good as the range of interventions that can be undertaken.

While critics may have been unfair to RCTs in some respects while correctly pointing out the pitfalls in an RCT-based approach, there is no denying that all the three scholars have contributed a great deal to putting poverty and development economics back on the agenda of economics. Newer methods and approaches are necessary for the discipline struggling to find relevance in an increasingly complex world, which is as much defined by the microeconomics of small interventions as well as the macroeconomics of development such as government policy and structures of production. As Angus Deaton (Nobel Prize winner of 2015) says: “RCTs can play a role in building scientific knowledge and useful predictions but they can only do so as part of a cumulative programme, combining with other methods, including conceptual and theoretical development, to discover not ‘what works’, but ‘why things work’”.

RCT has become almost like a movement, encouraging many young economists (sometimes called “randomistas”) to visit rural areas and observe the lives of the poor. It may not have had any credible and long lasting impact on the lives of researchers and the population studied, but the fact that so many young economists are immersing themselves in the lives of the poor and trying to understand poverty is itself an achievement. More so at a time when economics has often been criticised for being far removed from reality.

The other achievement, although not necessarily for the better, has been the attempt to give scientific colour to the discipline of economics through the use of evidence generated from these experiments. It certainly has convinced many governments to use facts and evidence in policy prescriptions and induced a degree of caution while introducing new interventions. Even in India, there is evidence of RCTs

contributing to improvements in financial management and flow of funds for various government programmes including in the field of education.

While it would have been good if RCTs could predict the effects of demonetisation on the lives of the poor, it is also a reality that most such decisions are not contingent on evidence based on hard facts but on the whims and fancies of the government of the day. Despite the tentative nature of much of this evidence, there is no denying that policy interventions do require better facts and evidence for efficient outcomes. This is true not only for evidence generated by RCTs, but also data generated by our statistical systems including the National Sample Survey (NSS).

Incidentally, both Kremer and Banerjee did their PhD work at Harvard University. Banerjee had completed his MA in economics from the Centre for Economic Studies and Planning (CESP), JNU, before proceeding to Harvard for doctoral studies. Banerjee supervised Duflo's doctoral work at MIT. While both Banerjee and Duflo remain engaged with research in India, Kremer was one of the first to use these experimental methods and look at micro-interventions to examine their impact on poverty. The Nobel recognition will hopefully encourage more rigorous work on some of the long-standing problems of development economics, including on poverty and social mobility. Hopefully, it will spur our own government to take data and evidence more seriously.



**THE HINDU**

*Date:15-10-19*

## **Economics of poverty**

***The Nobel laureates made development economics more relevant to policy making***

### **EDITORIAL**

Development economics just got a boost with the award of the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel to three economists who have worked, and are still working, to understand and alleviate poverty — Abhijit Banerjee and Esther Duflo of Massachusetts Institute of Technology, and Michael Kremer of Harvard University. This is only the second time a woman has bagged the prestigious award, popularly called the Economics Nobel, and it is a first for a husband-wife duo to win in this discipline — Mr. Banerjee is married to Ms. Duflo. In the words of the Royal Swedish Academy of Sciences, the experiment-based approach of the three laureates has transformed development economics and turned it into a “flourishing field of research”. One of their studies resulted in benefiting 5 million children in India through programmes of remedial tutoring in schools. The three adopted an evidence-based approach to apply theory to real-life situations using randomised trials and assessing the outcomes. The effort was to understand the impact of interventions to achieve desirable outcomes. The approach is derived from the concept of clinical trials in the pharmaceuticals industry.

If this sounds like gobbledygook, the experiment that Mr. Banerjee and Ms. Duflo carried out in Rajasthan some years ago would explain the concept better. Despite immunisation being free, women were not

bringing in their children for the vaccination shot. The two MIT economists decided to give a bag of pulses free to women who brought their babies for vaccination. Word soon spread and the rate of immunisation shot up in the region. Another experiment they did was in Mumbai and Vadodara to understand learning outcomes in the field of education. Was it lack of access to textbooks or hunger that caused poor learning outcomes? Through field studies, Mr. Banerjee and Ms. Duflo established that the problem is that teaching is not adapted to the needs of the students. Learning outcomes improved in schools that were provided with teaching assistants to support students with special needs. The importance of the work being done by the three laureates cannot be overemphasised. Governments across the world, including in India, spend big money on social schemes without the vaguest of ideas on whether their objectives have been met. The field-work based approach that these economists have perfected has revolutionised the field of development economics and made it more relevant in policy making. The government would do well to borrow from the research of these laureates to understand the impact of its several schemes, and where necessary, tweak them to derive maximum benefit for the thousands of crores of rupees that it spends.

*Date:15-10-19*

## Is India still a minimally decent society ?

*A fundamentally decent people, Indians may be irretrievably sunk if not put on moral red alert*

**Rajeev Bhargava ,[ Professor, CSDS, Delhi]**



I recently met a deeply troubled elderly person on a flight to Vijayawada. “I still can’t get over the fact that a child was raped in a temple in Jammu. Not long ago, thousands of people had come out on the streets in Delhi, appalled at what had happened to ‘Nirbhaya’, but in the horrific temple incident, it seemed it was business as usual soon enough,” he said. “The health of a society is not all that different from the physical health of individuals,” he continued. “Neglect the early signs, ignore the symptoms of a serious disease, and it will surreptitiously take root and spread its tentacles. One day you appear to be fine and before

you know it, you are incurably sick. We are fast losing our sense of outrage, our civility. Before we realise, we will lose all sense of even minimal decency. Barbarity is always lurking around the corner in every society. Do you think we too are becoming barbaric?”

I pondered what he had said. “We are a fundamentally decent people but zones of barbarity appear to be sprouting everywhere,” I said. Why else would we tolerate the savagery in Unnao, the merciless killing of a family in Murshidabad, and the lynching of a man in Jharkhand? Societies with people living economically degraded lives have often bordered on the indecent. But now it seems even societies with

economically aspiring lives are getting there, falling well short of minimal decency. “Unless we put ourselves on moral red alert, we are sunk,” I added.

### **Basic procedural justice**

The phrase ‘minimally decent’ implies that the best available ethical standards in a society, even according to its own lights, remain unrealised. A minimally decent society is not free of exploitation or injustice. It need not embody political equality. Yet, it possesses one singular virtue: it prevents excessive wrongdoing with the help of effective injunctions against killing, maiming or ill-treating others. It also has a system of what the English philosopher, Stuart Hampshire, called “basic procedural justice”. This is an elementary form of justice that involves fair procedures of negotiation and arbitration that permit the recognition of untidy, temporary compromises between people who differ vastly. Basic procedural justice enables different conceptions of the good life to coexist “without any substantial reconciliation” and “without search for the common ground”. This coexistence is possible by virtue of a restraint on “unmeasured ambition, on limitless self-assertion and on the obsessive desire for an ever-larger slice of the cake”. This enables almost every voice to be heard, ensures some visibility for everyone in the political domain, and guarantees that even the most marginalised and exploited remain part of negotiation, howsoever unequal the conditions under which it takes place. In short, a system of basic procedural justice keeps conversation and negotiation going amongst all members in society. People involved in even the fiercest of disputes are “prepared to recognise the need to balance argument against argument, concession against concession”. Basic procedural justice “makes possible a minimally decent life, which has a value independent of any wider conception of the good”.

### **Flattened moral landscape**

By contrast, a society where minimally moral constraints are thrown to the wind is barbaric. This happens under degrading economic conditions, but shockingly minimally moral rules are also abandoned by groups in pursuit of greatness or, simply, economic or political success. (For them, Dharma must not come in the way of the vastly more important Artha or Moksha). Once moral constraints on action — for instance, notions of basic fairness and procedural justice — are eliminated from public life and from the minds of people and a “bombed and flattened moral landscape” is created, nothing is forbidden or off limits, and the way is fully open to violence and domination. One now witnesses evil: “A force not only contrary to all that is praiseworthy, admirable, and desirable in human lives but which is actively working against all that is praiseworthy and admirable”. In a barbaric society, where basic procedural justice is dismembered, conversation is replaced by an oppressive silence and the entire mechanism of negotiation and arbitration vanishes. Hampshire was compelled to draw this conclusion in the midst of the Second World War and in particular, in the face of the horror of the Nazi regime. “I learnt how easy it had been to organize the vast enterprises of torture and of murder, and to enroll willing workers in this field, once all moral barriers were removed by the authorities,” he wrote. Force, inducement of fear, or prolonged conflict often create pliant, demoralised masses fit for domination, and thereby destroy morality in public life.

### **Amoral private life**

When morality is destroyed in public life, it does not leave the rest of the social world unaffected. Evil spills from the public to the private domain, pervades intimate realms. Friends, lovers, members of the family can all be complicit in dubious actions. Indeed, the very distinction is blurred between friend and enemy. The sociologist, Veena Das, reporting on victims of the massacre of Sikhs in Delhi in 1984 talks of

how the traumatic violence of the crowd suddenly revealed to one of its victims the fragility of her kinship universe. Shanti, the victim, disclosed that “it was my own mama (mother’s brother) who first advised my husband to hide and then revealed the hiding place to the leaders of the mob. He bartered their lives for his own protection.” Pulitzer Prize-winner Tina Rosenberg gives a moving account of Vera and Knud Wollenberger, husband and wife, dissident members of the peace circle in communist East Germany who risked their jobs and their freedom and were constantly spied upon by the State security police (Stasi). After the fall of the Berlin Wall, Vera joined the East German Parliament and campaigned for Stasi victims to access their personal files. When she eventually succeeded in accessing her own file, it was full of reports from a Stasi informer with the code name ‘Donald’, containing information that could have been known only to one other person. Donald was her own husband! The horror of this monstrous universe can hardly be overstated. The misfortune of distrust amidst general friendlessness and lovelessness is the greatest evil that befalls human beings.

I wish I could assure my older friend, with greater confidence, that we are a minimally decent society and more. But as I witness more zones of indecency grow around me, I am myself troubled, filled with fear and anxiety that we might be regressing. As societies lose minimal decency, it is hard to pull them back on the road to freedom, equality, justice or emancipation. All these substantial ideals that only the other day were propelling large-scale collective action are suddenly rendered vacuous as people scramble to put together conditions of bare life. Yet, precisely in such uncertain times, rather than reach out for higher, near perfect ethical standards, it is crucial to remain grounded if grave wrongdoing is to be avoided. Gandhi remains our moral compass on such issues. Though aimed primarily at deeper self-transformation, his fasts were also practical instruments to cement the fragile social agreement that brutality must be eschewed at any cost.

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