

LOK SATTA
People Power

Removing Roadblocks to Growth

BCCI Founder's Day, Mumbai, 22nd September, 2003

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“Politics encircles us today like the coil of a snake from which one cannot get out, no matter how much one tries”

- *Mahatma Gandhi*

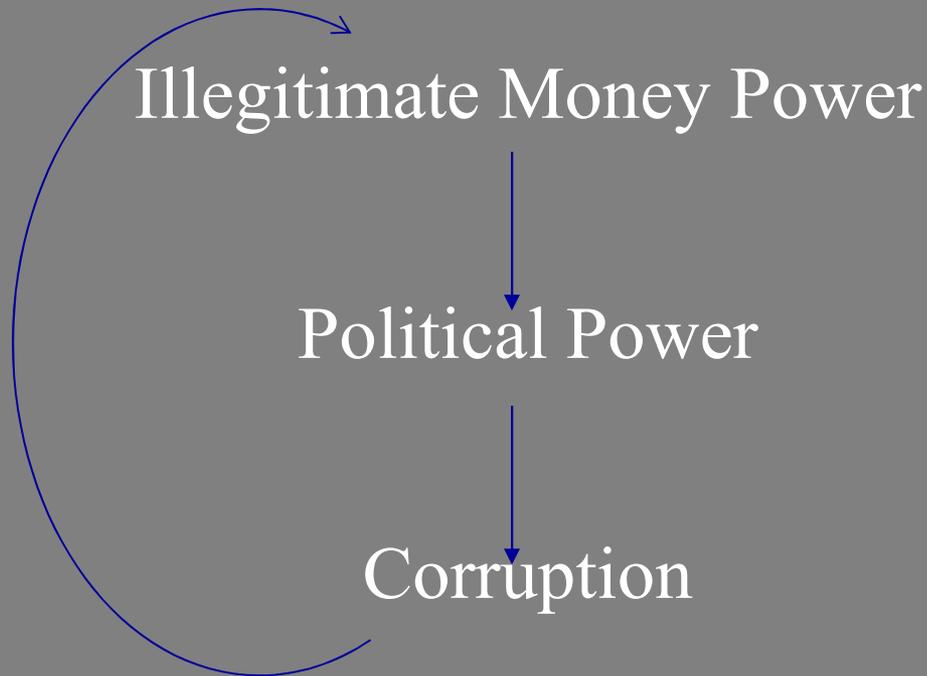
In a Sane Democracy

- Political process should resolve the crisis
 - Parties, elections and public office are the route to reform
 - In India a vicious cycle operates
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Failure of Political Process

Interlocking vicious cycles

Inexhaustible demand for illegitimate funds



Interlocking Vicious Cycles

Most expenditure is to buy votes

Voter seeks money & liquor

More expenditure

Large spending may or may not lead to success, but failure to spend almost certainly leads to defeat

Greater corruption

Greater cynicism

Voter seeks more money

Contd..

Rise of Political Fiefdoms

Need for money, caste and local clout



Parties are helpless in choice of candidates



Rise of political fiefdoms



Absence of internal party democracy



Competition among a few families in most constituencies



Oligopoly at constituency level

Vote delinked from public good

Centralized polity



No matter who wins, people lose



Vote does not promote public good



Voter maximizes short term gain



Money, liquor, caste, emotion and anger become dominant



Vicious cycle is perpetuated

Interlocking Vicious Cycles Taxes delinked from services

Only 16 % of GDP collected as taxes (union & states)

Fiscal deficits and crisis

Higher Taxes

↓
Unacceptable because
of corruption and poor
services

Desubsidization

↓
The poor do not see
alternative benefits for
the subsidies given up

Wage Reduction

↓
Centralization and Art
311 preclude it

↓
Deeper fiscal crisis

↓
Poorer services and public goods

↓
Perpetuation of poverty and backwardness

Contd..

Political survival and honesty not compatible

Parliamentary executive

Government survival depends on legislative majority

Legislators spend a lot of money to get elected

They need multiple returns to sustain the system

Corruption and misgovernance endemic

Government has to yield to legislators' demands

Corruption is perpetuated even if government has the will

Honesty not compatible with survival

What Ails Bureaucracy

- Life time security of bureaucracy
 - Penchant for centralization and secrecy
 - Lack of professionalism and specialized skills
 - Absence of incentives for excellence
 - No accountability
 - Corruption and mal-administration
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Distortions of State Power

- Positive Power restricted
Negative power unchecked
 - All organs are dysfunctional
 - A system of alibis
Victims of vicious cycle
 - Change of players
No change in the rules of the game
 - Political process ought to be the solution
But has become the problem itself
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Key Reforms

Electoral reforms	Funding
	Criminalization
	Voting irregularities
Electoral system	Proportional Representation
	Separation of Powers
Decentralization	Local Governments
Rule of Law	Judicial reforms
Accountability	Right to information
	Citizens' charters
	Independent crime investigation

Recent Reform Initiatives

- Disclosure of candidate details
 - Changes in Rajya Sabha Election
 - Anti-defection Law changes
 - Limiting the Size of Council of Ministers
 - Women's Reservation in legislatures
 - Post office as nodal agency for voter registration
 - National Judicial Commission
 - Right to Information
 - Political Funding law
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Two Key Reforms- Proportional Representation

- German model mixing with constituency election
 - Incentive to buy votes in a constituency will disappear
 - Interests of local candidate will run counter to party's need to maximise overall vote
 - Will give representation to small parties and legitimate reform groups, forcing change
 - Voting will be based on party image and agenda, not local expenditure
 - Ignored sections will find voice and get representation
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Two Key Reforms- Direct election

- Direct election of head of government at State and local levels
 - No one can buy a whole state electorate
 - Image and agenda of leader will be decisive
 - With separation of powers, there will be no incentive to overspend for legislative office
 - At state level, there is no fear of authoritarianism as Union government, Election Commission, Supreme Court etc., will act as checks
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Window of Opportunity

- Deepening fiscal crisis
 - Citizen's disgust and concern
 - Unsustainable status quo
 - Relatively sound private economy
 - Demographic changes and rising expectations
 - Communications revolution
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Approaches to National Campaign

- Identify reform groups and support
 - Focus on key goals and mobilize public opinion and bring pressure
eg: disclosure; funding; alternative model for women's representation; Post Office as nodal agency
 - National communication campaign
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National Communication Campaign

- What are the reforms needed and why
- What is there in it for me as a citizen
- How can I participate
- In all major languages
- Taking advantage of Radio and Cable TV penetration

Two Big Challenges

- How do we get media time (as public broadcasting service)
 - What is the response capture mechanism (infrastructure of institutions)
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Two Paths - Choice is Ours

German example vs USSR example

- Freedom enhancing
- Democratic
- Orderly
- Integrating
- Growth-oriented
- Tyrannical
- Chaotic
- Disintegrating
- Debilitating

“Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat ”

- *Sun Tzu*