

Democracy and its Delivery systems

By

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Mrs. Doshi, Mr. Premkumar, Mr. Bongirwar, Mr. Bharat Doshi, Mr. Sahni, friends. Being here in your midst is a multiple privilege. It is a privilege to have the opportunity to share thoughts and concerns on a subject which never ceases to be topical. I am equally privileged when I look at the list of people who have preceded me here over the last several years and feel at one level both puzzled and humbled that this time you chose to call me here to share some thoughts. What, however, I regard as the highest privilege that one can have is that I have today the opportunity to pay in public a tribute which whatever I might try to say will be inadequate to a person who was a senior colleague of mine in service, a person who by common consent embodied all the finest qualities of head and heart, not just the civil service but humanity has manifested. Like most of you present here I did not have the privilege of either working with him or knowing him directly well enough. But let me tell you one thing which I believe illustrates why I personally believe that he belongs right at the top when you rank people by value systems. He was a Joint Secretary in the Ministry several years ago, I am sure many of us who are present here today have at some time or other in our careers been joint secretaries in a ministry. And I heard someone who was working with him those days talk of him in extremely laudatory terms. Those of

us who have been joint secretaries know that joint secretaries are not the most popular persons in the government of India especially with those that work with them. And therefore a tribute of that kind that I heard coming from someone who was reporting to him is something which in my book ranks as an extraordinary testimonial to someone who, I dare say, I am privileged to at least share a service with even if I did not have the privilege of working with him.

It is true that when I was approached it was suggested to me that I should share some thoughts on regulation. In one earlier forum I was asked to speak on regulation and without giving it much thought I accepted. When I reached there I discovered that I had to speak on "A day in the Life of a regulator". While the previous speaker was speaking I had to organize my thoughts and I thought to myself what is it that regulators do differently from the rest of mankind. I couldn't get any answers and, therefore, I shared with them few thoughts on what regulators did, they got up every morning did the usual things that other people did in the morning, may be read a few more newspapers because they are not comfortable unless they have read what the world finds wrong with them and their organizations. And then when to do a little more of what the world would criticize the next day. I thought once was bad enough, why do it a second time and so I said I did not want to speak on regulation. The suggestion that I should speak on football came after I had decided on the topic. Otherwise I would have given it serious consideration. But I must share this with you that Mr.

Premkumar a few minutes ago before I came here gave me some sound advice, he is uniquely positioned to give me advice not because he is few years senior in service, but he was the opening batsman of the cricket team of the college that I went to when I was a junior student and we recalled that those times he played with a straight bat, which he continued to do throughout his service, did not fish for the balls that left the off stump, therefore when he gave me some advice I thought I needed to take that but I don't have, unfortunately, enough anecdotal to share with him on that. He said if you are not speaking on football atleast tell them how often you been kicked around in your career.

I can't recall having been kicked around often enough may be a much bigger built than a football is, my response to life has been don't get kicked around, don't kick, survive and therefore, I will not, on this occasion, share with you any thoughts on football. But why did I choose this subject. I chose it for one simple reason that sometime last year we had a natural calamity the like of which I hope Mumbai or any other city will not see. This year, we had a man-made calamity which I hope will never recur. What these calamities lead to is that there is immediately, especially among the articulate urban or metropolitan citizens, a sense of disquiet, a sense of anger which manifests as impatience or exasperation with the delivery system, with those that are in public service seeking to provide goods and services. And when that reaches a crescendo it tends to strike at the root of public confidence in those that provide goods and

services. I thought this was as good an occasion as any other considering that I speak in tribute to a civil servant of distinction. To reflect along with you on whether delivery systems in our democracy have proved to be inadequate and if they have, what needs to be done to fix those delivery systems. Even as I say this let me mention that it is not my case that on those two occasions those that were responsible were found wanting. I am less judgemental, less critical and let me share with you why I am so. Immediately after what happened last year, I think a lot of Mumbai, not excluding some persons who might be present in this audience, took the police apart for not being visible, not being present, not diverting traffic, not helping people that were grappling with difficult situations, battling rising water levels and whatever. I think they came in for a lot of flak and I remember reading in a newspaper shortly thereafter, after hurricane Katrina hit a country that is described as developed that the police force abandoned their stations, they left, four of them reportedly committed suicide because they were unable to measure upto the stress that was caused by what had happened, some of them regrettably participated in the looting of goods and things of that kind. And that newspaper on the basis of that evidence and I am glad it said that, sometimes our media gets it right, said we have been critical of the Bombay police for what happened during the floods. The next time you see the police commissioner, walk upto him, shake his hand and say 'I am sorry for what I said'. You don't have to say sorry, but you must certainly acknowledge that when it comes to responding to crisis whether man-made or natural those

that are expected to serve often serve, but our expectation levels or standards by which we judge them, the magic wands that we expect them to procure and wave around, aren't available to them. And, therefore, we are, I believe, far more critical than we would be in retrospect if you look at the situation that they had to deal with. It is in that context that I chose to share a few thoughts on 'Democracy and its Delivery Systems'. I don't intend to define democracy; there are as many definitions as there are democracies in this world. But, there is one that I believe is arguably the worst definition of democracy and that is one I thought I would mention, not that I subscribe to it, but in order to compare it with other systems of governance. Lord Acton once said that democracy is the system by which you count heads without counting what is inside them, arguably, I believe, the worst endorsement that a system of governance can have. And yet when you look at what the competing systems are, what for example is dictatorship, counting what is in the head of one person, is that far better than counting heads not knowing what is inside them and yet having the knowledge that the sum total of what you might find within them might add up to more than what is in one head, clearly, I think, democracy is not the worst system that you can have. It is clearly not a cure all. Amartya Sen said, democracy does not work as an automatic remedy for ailments as quinine works for malaria. I don't know whether the mosquitoes agree whether quinine works all the time, we haven't checked out with them. But he believed it did. But you have to work democracy, not walk away from it and then clearly you will find

there are strengths in that system. And the democracy that we gave ourselves in the preamble to the Constitution, when I say we, we the people, not those whose finances bridge their fancies and their facts. But those that, a judge once described elegantly as the butcher, the baker and the candle-stick maker, that he said was we the people of India. That we the people decided that their lives would be informed by justice, social, economic and political. Democracy is that system that enables them to live a life of hope, a life of dignity, a life of aspiration. What is it that we have to deliver to them? Clearly we have to deliver goods and services to them. We have to consider the heterogeneity of this country. People don't come in the same shape and size, the same economic levels, speaking the same language or living even in the same climatic zone. Arguably, the job of administering India must be the most difficult. Because long years ago the editor of a newspaper when he was signing off said he had the second most difficult job in the country and when he was asked which was the most difficult, he said the Prime Minister of India. It must be a difficult job to provide for an audience as heterogeneous as that and to ensure that you live a life of dignity, you live not a life of want, you see that atleast your necessities are taken care off, even if your luxuries and things of that kind are the subject matter of future dreams. In that kind of a country democracy is clearly the only answer. That is the only system that factors in the plurality of Indian society. And how does that system work. It works through the Constitution of India as its foundation with three organs of the government the legislature, the executive

and the judiciary. I want to submit to you that we often look at the executive alone as the delivery system for democracy, but the legislature and the judiciary are equally part of the delivery system or if I may say so, without contempt, the non-delivery system of democracy. It is the legislature that makes laws and I believe legislature has a responsibility to spend adequate time in lawmaking. If we sit together and calculate the amount of time that legislatures, at the central and the state level spend in the core function of lawmaking, you might not go to a polling booth next time to cast your vote. You might rather watch some soap opera on television instead. I believe as citizens in a democracy a delivery system must start with more attention being given to legislation and this is not true just for our country alone. If I may briefly refer to an enactment which has caused considerable anguish in the United States, that other great democracy, the Sarbanes-Oxley Act. It took six days for them to legislate the Sarbanes-Oxley Act, in the aftermath of Enron. It will take them more than six years to unwind some of the rigidities of that Act. All that I am urging is you need to work on the content of legislation a little more as being the fountainhead of the provision of the deliveries of goods and services to the people of India. Where does the judiciary come in? I think the judiciary comes in firstly in addressing issues that judges have claimed, have admitted, and are grappling with which is issues of dependencies in courts, issues of the relative priorities that you give to cases, issues of the urgent not coming up before the important when you look at the lives of ordinary citizens. That is also part of a delivery system. And what

judiciary needs to do and I am sure some of us have been at the receiving end of this, both as citizens as well as those that are part of the delivery system, is to do its work in a language that we understand, we don't need multiplicity of judgements in a single case, we don't need a manifestation of the judges' understanding of the English language, there have been judges in the past who have been prisoners of language with the result that what was the ratio in the cases something that you had to really search for. All of this is not helped by the fact that you have a Constitution which is still in the process of interpretation, even though it is of 1950 vintage. I believe it was Sir William Ivor Jennings who described it as a paradise for lawyers; lawyers are continuing to enjoy that paradise also. I think both these need to be attended to as much as the executive. And then you the executive to which some of us belong, not the political executive that the Constitution recognizes, not the Cabinet which has been elegantly described as the buckle between the legislature and the executive, but those that are in the process of advising in policy formulation as well as functioning at the cutting edge of delivery systems. Is that what we understand by delivery system in a democracy? My answer would be yes and no. Because there are other methods, other channels through which you can reach out to people and provide goods and services and I will deal with a few of them before I get back to where we belong, which is the executive. Whenever the executive fails you hear enlightened people, articulate people, concerned people saying government must get out of this business, let's bring the NGOs in. I am

sure all of you have heard that sometime or the other, that the NGOs are the cost effective delivery system that a country like this needs, that the NGOs represent better people qualitatively than there are in government; no matter that some of them are retired government servants who suddenly become better after retirement, when they head NGOs. You often hear this and yet seriously if you consider the NGO as an alternative to the system that government has put in place, you will recognize that it doesn't travel far enough, it will not reach out to the nook and corner of the country and then again NGOs come in various shapes and sizes. There is a process of evolution that it has gone through. Initially it was a hand-holding, what the government was doing by way of reaching goods and services the NGOs attempted to replicate that. Then came the stage of empowering people to stand up on their own and demand their rights. Then came the advocacy role. So, clearly the NGOs cannot be an alternative to the government's delivery mechanism and at best they can supplement, it cannot supplant the system. There is yet another possible delivery system that we need to look at. Article 40 of the Constitution of India and it has been around for a long, long time, said something very interesting. It said, and this is from the directive principles and, therefore, it is something that has not been enforced for quite sometime. Article 40 said that the State shall set-up Panchayats in order to provide for local self government at the village level. Nothing much happened thereafter, as you and I know, and then it was in the 73rd amendment that we looked at Panchayats as Constitutional bodies and why

we did we do that? Because we needed in terms of what the Constitution told us to strive to minimize the inequalities of 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 different vocations. More particularly it said that the State shall direct its policy towards securing that the ownership and control of the material resources of the community are so distributed as best to sub-serve the common good and at the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment. This was in the directive principles for several years, but it was much later, much, much later that it was decided to set up bodies that actually had Constitutional status and if you look at the statement of objects and reasons, when the 73rd and the 74th amendments were introduced, it says that we have not been able, it's an admission of failure, it's a confession, we have not been able to set-up institutions that are viable, that have dignity and that have the ability to deliver what village organizations or organizations at the urban level need to do for urban agglomerations. It was that which led to the setting-up of Constitutional Panchayats and Constitutional urban bodies. And if you look at what Article 243 (C) says on the composition of the Panchayats, it says that all the seats in a Panchayat shall be filled by persons chosen by direct election from territorial constituencies in the Panchayat area and for this purpose each Panchayat shall be divided into territorial constituencies. So we have now divided an age old institution called the

Panchayats by law into constituencies. We have decided to give them Constitutional status in order to give them dignity and at the same time we have also ensured that elections are on the basis of party politics. Is that something that will deliver at the village level? Is it as friends in Bengal sometimes say privately not publicly, dividing village populations into *amader log* and *tarder log*? Our people and their people. Will goods and services flow to our people at the village level to the exclusion of their people? Will that create a divide that wasn't there in earlier times? Earlier we had a rich poor divide, which is best captured in the Hindi movies, where under the tree five rich men sit and dispense summary justice or what passes for justice, in a manner that is both entertaining and cruel at the same time. We replace that, we made everybody equal; we said that anyone can get elected to elected bodies and yet decided that party politics would reach to the Panchayat level. Have we done a good thing or a bad thing, as I said at the outset, I have come to share concerns, I don't have answers, but may be some of us need to reflect on whether a corrective is needed and whether a corrective is possible to see that a village thinks and acts as one unit in furtherance of its own collective interests, rather than as a divided unit on the basis of political ideologies imported from urban areas.

So, is that a body that can deliver what it needs to deliver? I think even those that gave the powers to the Panchayats and the Municipalities decided that what would be given to them were very limited powers, if you look at the powers that

are available to these organizations you will find that they are so minimal as to make them dependent, notwithstanding the Finance Commission to ensure the flow of funds, the state Finance Commission, to these bodies. All that it says is subject to the provisions of the Constitution, the legislature of a State may by law endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self government and such law may contain provisions for the devolution of powers and responsibilities upon Panchayats at the appropriate level subject to such conditions as may be prescribed. And then you had certain subjects that were listed in the eleventh schedule to the Constitution. Interestingly, even the positioning of the schedule is great. In the seventh schedule you have the central list, the state list and the concurrent list. The ninth schedule is where you tuck away all the laws that have failed to survive judicial scrutiny. A former judge of the Supreme Court referred to it as a glass case of legislative failures. And this comes after that. I hope the pecking order doesn't show the seriousness with which that schedule has been tucked away there. Why am I labouring this point, I am doing it only to say that notwithstanding a Constitutional amendment, notwithstanding the best intentions, notwithstanding the devolution of funds through a State Constitution and notwithstanding as we have in some states, extremely strong state election commissioners, we still have to ensure that as an instrument of delivering goods and services in a democracy this needs to travel much, much more than it has in the past. Where does that bring us? That brings us back to who we are, which is

the tried and tested executive arm, the sub-political executive arm of the government. The whipping boys of every commentator including of those that have held very senior positions in government and whose attitude to this delivery system can be described as "after me the deluge". Those of you who have seen television programmes in which former cabinet secretaries have appeared might recall that some of them said more than once "It was great in my time. The day I stepped out of the office, everything crumbled" or words nearly to that effect. Upto to me everything was alright, after that, things just collapsed. There are those that were part of the system for close to four decades that take pot shots at the system and say everything is wrong with this system. I wonder what they were doing during all those years that they were part of the system. And notwithstanding all of that, notwithstanding all the and ... this system has, we must ask ourselves whether as a delivery system is there an alternative at this point of time. I am tempted to draw a comparison with the examination system in schools. Everyone of us at sometime or the other has been a parent of a school going child and we have unreservedly criticized the examination system as being upto no good. Even today the collective wisdom of so many angry parents hasn't yielded a better system. So, we are still trying to fix the examination system. I would urge that we look at the delivery system in our democracy also similarly. There are problems, there are leakages that need to be fixed, there are plumbing issues, there are several other issues, but don't throw out the baby with the bath-water, because you don't have anything else yet in place. So,

when you see exasperation, when you see anguish, when you see that kind of a response among people to events that have taken place whether they are man-made or natural, when people say get rid of these guys, let's get something better, I want to urge you to spread the message, there is nothing better that has been identified yet. So, let's try and fix what we have on hand. That said, is our system a great system? I would be among the first to say no and let me take you to what I think are a few things that need to be done. At the time when we recruit people for manning various positions and I am not talking only about the superior civil services as they are called, but at the cutting-edge also. How many of us actually look at aptitude as a major input in the selection process. We look at the mark sheets that they come with, we look at their ability to speak well, to respond to questions, to talk about contemporary issues. But beyond that do we look at that person, man or woman, as somebody equipped to deal with human beings not as statistics, not as objects of development, but as persons in a participative process. Do we look at aptitude as an input? I think every HR consultant that you talk to will tell you that in any hiring situation, you must recruit for aptitude and train for skill. I am not sure whether at the highest levels in the civil services or at the cutting-edges of the delivery system, we are recruiting people on the basis of what it is that they bring to the table by way of their ability to deal with people, not their ability to deal with papers. Look at the constitution of the Union Public Service Commission. I don't want to spend time on the state public service commissions, in Maharashtra you know what has

gone wrong. How are people appointed to the Union Public Service Commission? I think we know how they are appointed. These are people who are appointed because they have experience, they have served for long years, they are believed to bring the right skill sets to determining who are the persons that need to be recruited to the services. Is that the way that they are selected, are those the qualities for which they are selected and put there? I think I don't need to elaborate this. Those that have thought about these issues know how these institutions are manned. Some of them are good friends of ours, they are excellent human beings. I am not being judgemental about their value system, but it is about their ability to pick out persons who are the ones that will reach out to the people in the various positions that they hold. And after people are recruited what happens? How much time and effort do we invest in the training of these people and in conditioning them to understand this? I know training has been the subject matter of several reports and reviews, but if you interact with people, who are undergoing training you will find that some of them even when they come into the system are beyond training for whatever reasons. They shouldn't have been there at all and some of them clearly are looking for other jobs because they pay better. Some of you might have seen a television programme recently on the sixth pay commission, whether government servants need to be paid more. And the arguments there was that all these chaps are there because they can't get the better paid jobs. No one ever said that they were there because they felt that this gave them a payment, a non-quantitative

payment of satisfaction of being able to contribute to society. I think that point has got missed somewhere along the way. If you look at what goes by way of training, let me give you one example, which I believe will shed light, long years ago may be when I had put in eight or nine year's of service, I was invited by the Mussorie academy to participate in a seminar on sub-divisional administration and those of you who are familiar with the way IAS officer's are trained are aware that after the first spell of training in the academy people go out for a year to the states and then come back and this was that bunch that had come back after a year in the states. And after three of us who were panelists had made our initial presentations, somebody was first off the starting block with his question. He said I have a serious problem? What was that problem? He said the most serious problem that he had encountered in one year of district administration training was that his driver was making wrong entries in the log book of the office's jeep. How would he deal with that phenomenal problem, that problem which was the one problem which decided whether he would succeed or fail. One of the persons on the panel who knew that area said you had a major law and order problem there, you had a major problem of food scarcity there, you had either a flood or a drought in that state during that particular period, was your driver's entry in the log book the biggest problem that you faced? And this trainee held on to that for dear life, he said those I can take care of, it is this problem where I need your insight as somebody who has put in nine or ten years of service. Clearly in my book that guy didn't need to get there, I think he

was clever enough to look after himself in some position other than in the civil service. So if you get the wrong guys, train them wrongly or inadequately and then let them loose on the system, you will have a structure that is right, but it will be manned by the wrong people. At the end of the day, the structures have limitations; it is the content of those structures that will decide whether your service is good or your service is bad. Whether your delivery system is good or your delivery system is bad. And then you get to the business of who provides these goods and services. Should it be the government, should it be the private sector that provides it. We often hear this whenever some things go wrong, leave it to the private sector, let government vacate the space and the private sector would do a much better job. I know there are champions of the private sector also present in this audience and I mean them no disrespect when I say this that efficiency is ownership neutral. A public sector unit can be as efficient as a private sector unit. A private sector unit can be as inefficient as a public sector unit. Because efficiency is a function of management, not of ownership. Therefore, to think that everything that the private sector does is good and that should be part of your delivery system is something that I for one find it difficult to buy into. Some years ago I dealt with the National Textile Corporation, which I think explains the point that I am trying to make. A lot of people criticized the NTC because some of its mills are doing badly. What they forget is that the NTC took over all these mills after they had become bad. And who managed them while they were becoming bad? I don't think we need to dwell on that point. So

it is not as if there is great merit in management outside of the public sector that you suddenly find missing when you move into the public sector. I am not saying that everything should then be in the public sector domain. Let us have healthy, effective competition with a level playing field, so that citizens have choice, customers have choice, consumers have choice both in terms of quality as well as in terms of cost and then we will find that as a functioning democracy we are able to do far more for our people.

But to have a level playing field you need to have regulators. I can't speak for so long without touching on regulation, can I? There are people from my organization present here who will think this guy is not earning his living. So you have regulators, I am not getting into the content of regulation, I will spare you that. But let us look at how regulators are selected and I must share this with you because this is very, very recent. We set up some years ago an organization called the Central Listing Authority (CLA). And the first set of regulations said that 65 shall be the retirement age for persons in the CLA. And then the system discovered that you needed to get somebody who was sixty-five plus. So what did you do? You got rid of that upper age limit. But those that got rid of that thought that was the end of the story, they got it wrong. The Committee on subordinate legislation decided to look at it and said we have no problem with your removing sixty-five, but put in a prescription there that the person selected must have physical and mental agility to discharge the jobs. Day-before-

yesterday we have notified the amendment, which provides for physical and mental agility in persons manning the Central Listing Authority. It's another matter that we will do away with that authority soon, but in order to address the Committee on Sub-ordinate Legislation's concerns we have done that.

When that happened I looked at once more the conditions for appointment of regulators and what is it that I found. Who is a person who may be appointed as a regulator and this is something that will interest you. A regulator should be one who has had, please note the tense, experience in the areas of law, finance, management, accountancy or any other discipline that the central government in its wisdom thinks is appropriate for that job. So you can be appointed as a regulator if you have had one or more of these qualifications. That does not say that you should be physically agile, some of us I am sure wouldn't have passed the test. It doesn't say that you should be mentally agile, because had that been said may be some of us would have had to get our heads get examined somewhere. So whatever you were in the past is good enough, that is enough, if you bring that to the table, doesn't matter if you come in completely incompetent to grapple with the concerns of today. Now, when you talk about a level playing field and when you talk about the regulatory function being discharged by regulators, I think the least you need to prescribe is what kind of man or woman gets to regulate that particular environment. There was an article which Mr. Govind Rao had written three days ago in the Business Standard and I

am sure some of you might have seen it about the “bureaucratic capture of regulatory agencies”. I read that as an interested party. I don’t know about capture, but I know about bureaucrats being in regulatory bodies. It was then that I did some research on what it is that we need to appoint regulators. It says who must have shown ability in this...this, it is not just present-continuous, it is something in the past, now, if you don’t get the right people in regulatory positions and you are now having an explosion of regulatory agencies in this country, you will clearly not be able to ensure a proper regulatory agency and then you will not have a level playing field. Because, clearly the decisions of those organizations will be adversely impacted by the pulls and pressures of those that got those men and women into those organizations in the first place. Clearly a democracy cannot afford that, if it is to have a system that provides goods and services at best cost and best quality to its citizens.

One of the areas of discontent that the public has is “why is our money being used to set up so many organizations?” I used to say this in jest earlier, but now it is becoming a little more serious. There was a time when if you gave somebody a problem he would come up with a solution. Now if you give somebody a problem he comes up with an institution. Then mans the institution in much the manner that I described, then you buy into a bigger problem for which may be you create another institution or something of that kind. So life goes on, our tribe gets looked after reasonably well, I think in the process what

it means for the common citizen is something that I believe one does not need to lead evidence on. Therefore, I think we need to ask ourselves what are the areas that government needs to be in, what are the areas that the central government needs to be in and the states need to be in, what is the manner in which you set up institutions or modify existing institutions to best serve the objectives which the Constitution and the laws envisage. How do you empower those persons? How do you incentivise those persons? How do you hold them accountable for their acts and omissions? I think this ought to be the concern of every tax paying Indian atleast, if not every citizen of the country. The Finance Minister said there was a very major shift in the Budget this year, instead of outlays he said we are going to talk about outcomes. I think you and I are equally worried about outgo from our pockets translating into outcomes and those that are worried about the outgo need to focus on what it is that will lead to the outcomes that the Budget promises in terms of facts and figures. So we need to get the numbers right, we need to get the functions of government right.

Let me give you a over simplified model, those of you who are familiar with Delhi and the precincts of the various Bhawans and Blocks that are the seats of government might know of a place called Vijay Chowk. Vijay Chowk is presently a traffic point where you have a traffic light that is powered by the Sun god, no less. There was a time when there used to be a dancing constable, but those are the times gone by, he is now dancing I am told in some other country and

hopefully earning a fortune. Vijay Chowk is a very interesting point if you observe it carefully. Because the road slopes up from Vijay Chowk towards Rashtrapathi Bhawan. On that upward incline are North Block, South Block and Rashtrapathi Bhawan and along side it is Parliament. That is the seat of the sovereign functions of government. The ones that cannot be farmed out to the private sector. Home, Finance, Defence and External Affairs are in those places which even nature has placed slightly higher than the other areas. Let government do that, we shouldn't quarrel with that. I think we need to seriously ask ourselves whether the various Bhawans that are on the other side of the divide, on the other side of Vijay Chowk, need to be there, as big as they are, as many as they are and as people they are. Most of the largest Bhawans in Delhi deal with subjects that are either in the State list or the concurrent list of the Constitution. Most of those Bhawans exist on the basis of what are called centrally sponsored schemes and centrally sponsored schemes to put it very mildly are, I give you a little bit of money if you are cash-strapped State and you contribute the equivalent portion whether that scheme is valid for you or not, because if you didn't do that you wouldn't see the other money first. So you will have for reasons of self perpetuation, the various divisions in the Bhawan that will keep these things alive. And starting from the seventh five-year plan the National Development Council has made serious efforts to reduce the number, it still hasn't got to where it needs to get. I think as citizens, as people who are part of thinking India we need to ask ourselves whether you need that kind of a

set up there. Because I want to close with this. When we talk about India and we talk about its people, its heterogeneity, its myriad problems, the various levels that it lives, the kinds of people that are both providing goods and services as well as receiving goods and services, we tend to forget, in the Constitution of India, one Article and that is Article One of the Constitution, it says "India that is Bharat shall be a Union of States". In our understanding, in the way we approach men and matters, in the way we devise solutions to problems in a heterogeneous country, we have forgotten the last two words. We think India that is Bharat shall be a Union and we attempt a one-size fits all solution to problems of various States. I believe the first thing that needs to be done by those of us who are paying taxes, who must focus on the outgo's from our pockets and who expect to see this country reclaim its legitimate place in the world is to ask ourselves the question – Whether we need to closely look at which government needs to do how much in which area for what sections of people through what instrumentality. If we can look at that, if we can look at those functions that government needs to do, ask ourselves whether it is the central government or the state government, ensure that the finances are available with the right kinds of governments; ensure that those governments have the right people, properly selected, properly trained and people with the right aptitude for public service, clearly we would be winning in providing goods and services, we would be an effective delivery system, supplemented by the private sector, supplemented by the NGOs, supplemented by the efforts of the

constitutional bodies that will provide local self governments in urban areas as well as in rural areas. If these questions are not asked now, if these questions are not answered now and if those answers do not find immediate implementation we would spend the next several years wondering why we didn't do enough to address issues of those that are less privileged, to address issues of regions that are less privileged, to address issues of communities that are less privileged, we today talk in terms of inclusive growth, we talk in terms of inclusion, I believe we need to see how that can be addressed with a delivery system that needs to be reengineered and reinvented and the last thing that I want to leave you with is, I believe that those of us who know that this is necessary and possible need to spread the good word around, lest the present systems get perpetuated. If that happens the dismantling will be far more difficult than it is at this point of time.

Thank you very much.