

One year of the NDA Government - 2015

Promises & Reality

A Citizens' Report



WADA NA TODO ABHIYAN

Holding the Government Accountable to its Promise to
End Poverty, Social Exclusion & Discrimination

ABOUT WADA NA TODO ABHIYAN

Wada Na Todo Abhiyan is a national campaign to hold the government accountable for its promise to end Poverty, Social Exclusion & Discrimination.

Wada Na Todo Abhiyan emerged from the consensus among human rights activists and social action groups who were part of the World Social Forum 2004 (Mumbai), aimed to create an environment through forceful, focused and concerted effort and try to make a difference in India where one-fourth of the world's poor exist and they continuously experience intense deprivation from opportunities to learn, live and work in dignity.

We aim to do this by monitoring the promises made by the government to meet the objectives set in the UN Millennium Declaration (2000), the National Development Goals and the National Common Minimum Program (2004-09) with a special focus on the Right to Liveihood, Health & Education.

We work to ensure that the concerns and aspirations of Dalits, Adivasis, Nomadic Tribes, Women, Children, Youth and the Differently Abled are mainstreamed across programs, policies and development goals of the central and state governments.

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Introduction

Wada Na Todo Abhiyan (WNTA) has been facilitating a fact based and objective assessment of the performance of governments since 2009. The basis of our assessment is electoral promises made by the government, the Millennium Development Goals and the national development goals. We have also been assessing the governance from the prism of the provisions of the Constitution of India.

In the months leading up to the General Elections 2014, more than 16,00,000 citizens, from 250 parliamentary constituencies across 24 states, scripted the People's Manifesto - a national agenda for development, rights, services, governance and accountability, through direct and indirect consultations. The demands, aspirations and needs of the people were shared with all political parties as inputs for their upcoming election manifestos. When the manifestos of various parties were published, WNTA undertook a comparative review of the commitments/promises.

On the occasion of the Bhartiya Janata Party (BJP) led National Democratic Alliance (NDA) government's completion of 100 days in power, WNTA presented the civil society and people's assessment of the government's performance on September 1, 2014.

As the NDA government completes one year on May 25, 2015, WNTA has made an attempt to assess the progress made on the flagship schemes of the current regime e.g. *Swachh Bharat Abhiyan*, *Beti Bachao Beti Padhao*, Smart Cities, *Jan Dhan Yojana*, Make in India etc. The key promises of the Bharatiya Janata Party before the election has been to bring '*Achhe Din*' (Good days) to the people. It rode to power with the slogan of '*Sab Ka Saath Sabka Vikas*' (Development for all and with all). Effort has been made to make assessment on the slogans too and on other themes like MGNREGA, right to food, transparency and accountability etc.

Several groups and campaigns have been consulted right from the stage of planning the report card. WNTA through its partners across the country undertook the process of getting opinion of the citizens on the governance by holding district level consultation in 100 districts spread across 15 states. Experts and members of civil society have contributed to the process by writing papers on different schemes, slogans and themes. The Citizens' Report has been prepared by appropriately taking people's inputs and inputs from the expert and CSOs.

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Executive Summary

The first year of a government's life carries ample symbolism. More so in a society obsessed with celebrating anniversaries. The counterpoint is that 365 days, out of a mandate for good 1,825 days, constitute small a period for fair assessment of any government. That argument would have held ground had the NDA regime, which assumed office on May 26, 2014, abided by the maxim of 'continuity' in governance. But that was not to be. Armed with an absolute majority, which comes for any government after three decades, the BJP took charge with the promise of a definite 'break' from the past; it pledged to undo all "wrongs" of the two successive UPA regimes that ruled India for 10 long years since 2004. Prime Minister Narendra Modi's call was clarion: It wasn't just about putting governance back on track, but also about restoring "*Achhe Din*" (good days) that would make everyone—most particularly the teeming millions—prosper and smile.

By now, the direction in which the new dispensation is headed has become pretty evident. The takeaway is a mixed bag of emotions, ranging from too good to too bad. Then, of course, is the quintessentially Indian middle path whose proponents would go by the give-it-more-time dictum. ***Wada Na Todo Abhiyan*** attempts to test these very emotions on empirical coordinates, encompassing all key components of governance, economy and society.

The first rubric is the BJP's promise to bring back black money stashed away in far away safe havens. The task is daunting, time-consuming and relies on striking a note of cordiality with many foreign countries. It goes hand-in-hand with the government's obvious stress on economic diplomacy, which comes in the backdrop of the Prime Minister's one-too-many trip abroad to win friends among world leaders. Stringent laws have come restrict hoarding black money, but the names of people having bank accounts in foreign banks are evading public gaze.

On an essentially socio-economic note, the government's flagship Jan Dhan Yojana, which promises unprecedented financial inclusion of the people through the banking route, constitutes a key area of judging performance. The government's defence here is that the scheme is still in its nascent stage. General cleanliness, hygiene and provision of toilets—or the Swachh Bharat Abhiyan—is another novel domain, primarily because it has been categorised as a full-fledged scheme backed by a very visible media blitzkrieg. Is it backed by adequate fund and speed of implementation?

Skill development in the rapidly liberalising Indian economy, which the Prime Minister has chosen to club with foreign direct investment, is another sphere that must stand the test of time. Interestingly, to spread its schematic messages with ease and aplomb, the government is relying on visual signals too. If a logo inspired by Mahatma Gandhi's spectacles symbolises the Swachh Bharat initiative, the image of a mechanical lion describes the Make in India push.

Yet another flagship effort, the Beti Bachao Beti Padhao campaign, intends to tackle a sensitive pitfall of Indian demography. Reversing an abysmally low child sex ratio, which has a distinct pro-male tilt, is as challenging a task for the new regime as is the ever-eluding goal of ensuring quality education for girls

and arresting their school dropout rate. While the thrust here might well be rural India, the drawbacks of unplanned urbanisation are intended to be addressed through the government's "smart city" initiative. The write-up on it wonders whether there will be place for poor people in it and questions the ongoing demolition of slums across the country under the current regime.

Has the civil society been pushed back to a not-so-relevant position in the government's scheme of things? An attempt is made to answer that poser too, evidently since most of the new programmes rely on grass root inclusion, where the challenge is to bring about a change in social behaviour as well. Obviously, the Sabka Saath Sabka Vikas initiative, which aims at universal inclusion and development, cannot operate in isolation, lest it gets lost in procedural red tape. It is in this context that Union Budget 2015-16 has been analysed. Similar has been a check on the performance of Parliament when much dust has been kicked up over the government taking the ordinance route to achieve its legislative objectives.

Continuing the social inclusion debate, the state of religious minorities under a regime said to be right-wing has been scrutinised, as it were, through a magnifying glass. This is important since too many discordant voices have emerged from within the government on issues relating to minorities. The Prime Minister's call for religious tolerance and harmony, therefore, has to pass the test of time too. Similar is the need to take a look at government's orientation towards the Dalit population.

The last basket of performance indicators relates to policies that are largely a legacy of the past regimes. The land question, for instance, has generated much heat and increased the gap between the ruling and the opposition sides. Consensus eludes this critical issue, pending which the Indian farmer waits to become the focus of the growth story. Is the government going soft on the statutory rural job guarantee scheme and the right to food programme? The indicators, so far, have been vague with an evident gap between the spoken word and tangible action.

In the same bag falls the NDA's intent to abide by its promise to uphold transparency and accountability. The treatment meted out to the Central Information Commission, which has gone headless for months now, is not a good omen. At the least, the government must generate confidence among the people that it has no plans to dilute the near-magical Right to Information while evolving an effective public grievance redress mechanism too. This puts the focus on making the utopia of a corruption-free system turn into reality.

On the whole therefore, the experts engaged in examining these key questions have made their assessments. The people's voice has been captured through consultations which has become a part of the report. But the final verdict has to be delivered by the people whose aspirations have soared, perhaps like never before. That is exactly what this humble effort aims to supplement.

List of Contributors

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Centre for Budget and Governance Accountability (CBGA), Centre for Social Equity and Inclusion (CSEI), Ekta Parishad, National Campaign on Dalit Human Rights (NCDHR), National Forum for Housing Rights (NFHR), National People's Forum, National Social Watch (NSW), Right to Sanitation Campaign, Voluntary Action Network of India (VANI) and Water Aid

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NDA's policies on black money

Black money can be defined as asset, income or wealth which is not accounted for and, therefore, not taxed under law.

High volumes of black money have been reportedly flowing out of the Indian economy and some have been brought back in via legal means through a process known as 'round tripping'. Tax havens—low tax secrecy jurisdictions in several developed countries in Europe (Luxembourg, Switzerland etc.), states in North American countries (Florida, Utah, etc.) as well as crown dependencies (Jersey, Guernsey etc.) and island nations (Mauritius, Singapore, Vanuatu etc.)—are responsible for facilitating transfer of secret illegal wealth and income across the world. Domestic policies may be responsible for facilitating the conversion of such illegal wealth, income or asset into legitimate means in real estate, stock markets or banks.

Steps taken by the UPA government to address the issue of black money may be looked at from these four lenses:

(a) Curbing generation of black money

The White Paper on Black Money published by the Ministry of Finance in 2012 states that black money can be generated through illegal activities such as smuggling, racketeering and unauthorised mining. Most of these are covered under the Prevention of Money Laundering Act 2002. The White Paper reports that black money can also arise as a result of “legally permissible economic activities which are not accounted for and disclosed or reported to public authorities as per law or regulations, thereby converting such income into black money.” This might be the result of a desire to evade taxes or a high cost of compliance.

The White Paper goes on to identify several sectors that are vulnerable to generation of black money:

(i) Financial Sector (ii) Real Estate (iii) Bullion and Jewellery (iv) Cash Economy (v) Mining and Property Rights over Allocation of Natural Resources (vi) Equity Trading (vii) Misuse of Corporate Structure (viii) Non-profits and the corporate sector

(b) Preparation of databases, frameworks and intelligence

The Income Tax Department can resort to surveys and searches to detect and collect evidence of tax evasion. It can scrutinise errors in annual information returns. Integrated Taxpayer Data Management System, PAN database and IT Department applications are useful in this. India has signed Double Taxation Avoidance Agreements with several other jurisdictions in the world which allocate 'taxing rights' between two countries. At present, the 'Exchange of Information' standard is 'on request'. It will become automatic in 2017.

(c) Punitive measures to act as a deterrent to future violations

More efficient monitoring of audit trails of transactions could be an effective deterrent. Legal measures that prescribe punitive fines on tax evasion can also deter violations. At present, tax evasion is a civil offence. News reports suggest it may be made a criminal offence.

(d) Addressing staff shortage

As reported by the Central Board for Direct Taxes (CBDT) in 2012, staff shortage in CBDT, Enforcement Directorate (ED), Financial Intelligence Unit (FIU) and Central Board of Excise and Customs (CBEC) is around 30,000 personnel. An Asian Development Bank report in 2014, which analysed tax administration in Asia and the Pacific, noted that India has one of the most under-resourced and understaffed revenue bodies in proportion to its population size. News reports say that given its staff crunch, ED could take six years to probe black money cases (*The Economic Times*, December 2014). Implementation of existing or new legislation on black money requires the administrative machinery to be significantly strengthened.

Initiatives taken by the NDA government

Although it is important to identify tax evaders who have wealth stashed in secret bank accounts abroad, an excessive amount of attention has been paid on it by the media and policy actors concerned. As mentioned in previous sections, there are myriad forms in which black money can be generated and transferred.

The BJP in its election manifesto promised to initiate "the process of bringing back what belongs to India." During the course of the first six months in power, the NDA government cited that the names would be automatically revealed "once the court is informed". The government eventually only revealed the names of two individuals and a company in court while handing over the entire list (same as that of UPA's) in a sealed envelope. However, a sting operation by the International Consortium of Investigative Journalists (ICIJ) called 'Swiss Leaks' combined with Indian Express revealed a list of Indian foreign account holders in HSBC Bank, Geneva in February, 2015. An investigation into the legality of the money stashed in these accounts is ongoing.

To tackle black money, the NDA government made two announcements—The Undisclosed Foreign Income and Assets (Imposition of Tax) Bill 2015, also called the Black Money Bill, and the formation of a Special Investigation Team (SIT) on the directions of Supreme Court. The Black Money Bill, passed recently by Parliament, details punitive actions entailing detection or voluntary disclosure of illegitimately acquired wealth. The Black Money Bill criminalises tax evasion in relation to foreign assets with imprisonment upto 10 years and penalty of 300% among other features. The SIT, in its third interim report submitted to the Supreme Court on May 12 notes that "there was not much data-sharing among the agencies even after repeated reminders for smooth inter-agency coordination, the SIT recommended

a study of the databases of the various departments by the Central Economic Intelligence Bureau.” (*The Hindu*, May 2015)

India has been a vocal supporter of automatic information exchange in the G20. It was one of the first developing countries to support its adoption as a global standard. In a written reply to the Rajya Sabha in August 2014, Minister of State for Finance and Corporate Affairs Nirmala Sitharaman said, “Under various bilateral or multilateral agreements, the government expects to receive information about taxpayers hiding their money in offshore financial centres through multi-layered entities with non-transparent ownership on an automatic basis.” Even with this in place, it is important to note that the Indian government does not have information on foreign account holders except for those in HSBC Bank, Geneva and LGT Bank, Liechtenstein. It is difficult to initiate investigations on secret bank accounts without evidence of illegality and successive Indian governments have struggled to establish that in the past.

In recent times, revenue authorities in India have gone on an overdrive to take care of various deficiencies in tax administration. CBDT has prepared a blueprint for ‘Data Warehousing and Business Intelligence’ (*The Financial Express*, August 2014) that envisages to “streamline and enhance the non-intrusive surveillance capabilities of the I-T and for harnessing the potential of information being collected.” This collation of data will complement the internal databases of investigation and criminal investigation wings which includes information on PAN, e-filing data, TDS and other specific information (*The Times of India*, April 2015). In 2014, Department of Revenue Intelligence announced that during the 2013-14 financial year, 694 cases of commercial fraud involving customs duty evasion worth Rs 3,112 crore was detected (*The Economic Times*, April 2014). The I-T Department also slapped notices on several high profile sale of shares like in the cases of Cairn Energy, Vodafone and Shell. In spite of favourable verdicts for the multi-national companies, the taxman went after the companies asserting their right to tax. But complex corporate legal structures meant that the revenue authorities’ arguments didn’t hold up in court. The business class along with the media, as a result, is concerned that the zealotry with which the revenue authorities in India have gone about their jobs has resulted in the harassment of honest taxpayers. The BJP government which promised in its election manifesto to end ‘tax terrorism’ and introduction of an ‘investor-friendly regime’ has been put under repeated pressure to warn tax authorities to slow down.

As far as measures regarding curbing black money generation are concerned, there are two palpable measures by the NDA government in the last year. One is the expected introduction of the Benami Transactions (Prohibition) Bill 2011 which will enable confiscation of benami property and provide for prosecution and the other is the announcement for establishing Real Estate Investment Trusts (REITs). While the former will enable confiscation of benami property and provide for prosecution, the latter can channelise investments in the realty sector through a regulated mechanism. It could create a robust valuation system to help calculate real estate prices. An independent party would assess property values every six months and the net value will be declared twice a year to make it more transparent. Unfortunately, disputes over high tax rates have deterred developers from using this route and the scheme is yet to take off.

Besides this, the government is still to take any action on the use of Participatory Notes that have been continuously criticised as an anonymous vehicle for round tripping illegal wealth and assets into stock markets in India. The Tarapore Committee in 1997 had recommended its abolition, but neither NDA nor UPA has made a move on it. Another concern is the lack of action to address the issues of staff shortages throughout enforcement agencies.

In conclusion: Though legislation taking severe action against future tax evaders is welcome, stronger measures are required to curb generation in vulnerable sectors. The government should make the names of the Indian having accounts in foreign banks public in line of its electoral promise. It should take retrospective action against willful defaulters. The government should make all effort to keep its electoral promises of bringing back the black money to the country.

PM Jan Dhan Yojana: Game changer or just another populist measure?

“Pradhan Mantri Jan Dhan Yojna—Mera Khata Bhagya Vidhata”: With this slogan Prime Minister Narendra Modi unveiled the Pradhan Mantri Jan Dhan Yojana in his maiden Independence Day address last year.

Prime Minister Narendra Modi's August 15 announcement extends banking facility to the poorest of the poor. By April 15, the government had opened 15 crore new bank accounts. Some economists say the scheme is a unique attempt at financial inclusion while others call it yet another populist measure, which fails to imbibe the lessons of earlier programmes.

The scheme

PMJDY aims to ensure access to financial services and basic banking to the weaker and excluded sections. Its key features include opening saving bank accounts with zero balance facility, access to credit, remittance facility, an overdraft facility of Rs 5,000, pension and a general accidental life insurance cover of Rs 30,000, but with a validity of five years. It provides RuPay Debit Card to the account holder and has an inbuilt accident insurance cover of Rs 1 lakh. The scheme helps channelise all government benefits to the beneficiary's account and push the Centre's Direct Benefits Transfer (DBT) programme. It uses mobile transactions through telecom operators and their established centres as Cash Out Points.

Genesis of financial inclusion

Dating back to 1904 with the advent of Cooperative Credit Societies, financial inclusion got a boost in 1969 with bank nationalisation. This involved many other radical changes and promoted the opening of bank branches in rural India. Economic liberalisation in early 1990s led to the closure of many rural and cooperative bank branches due to lack of a sustainable operating model. This compelled sizeable sections of rural India to revert to informal sources of credit with exorbitant interest rates and extremely unfavourable terms of loan.

In 2005, the Reserve Bank of India announced its initiatives of financial inclusion, emphasising on extending banking services to the deprived sections rather than concentrating merely on the urban and richer sections. Unlike the post-1969 rural banks, the new operating model encouraged banks to devise customized products and services for specific needs of the poorer sections. The socio-political and economic imperative of financial inclusion thus became an opportunity for self-sustenance. The initiatives

also encouraged active participation of private microfinance institutions and branchless banking through the Business Correspondent model.

In 2011, the UPA government launched the Swabhiman campaign that aimed at rolling out banking services in 20,000 villages with a population of more than 2,000. In 2012, the Aadhaar-linked DBT scheme was slated to take financial inclusion to a new frontier.

Financial inclusion pre-PMJDY

Despite all efforts of the government and RBI, the umbrella of banking system has failed to cover the larger sections. World Bank data for 2013 shows that India has only 12.2 commercial bank branches per 100,000 adults, whereas the corresponding number for Brazil and Russia is 47.7 and 38.4 respectively. Census figures show that in 2011, only 58.7 per cent of Indian households had access to banking services. This data, however, included dormant accounts and almost half of the deposit accounts in India are dormant. RBI data reveals that as of March 2014, only 7.2 per cent of the Indian villages were covered by banks.

The poor reach of the banking system makes the role of PMJDY critical. But the lack lustre track record of all previous financial inclusion schemes raises suspicion on its success as it barely differs from the earlier programmes.

Progress of PMJDY

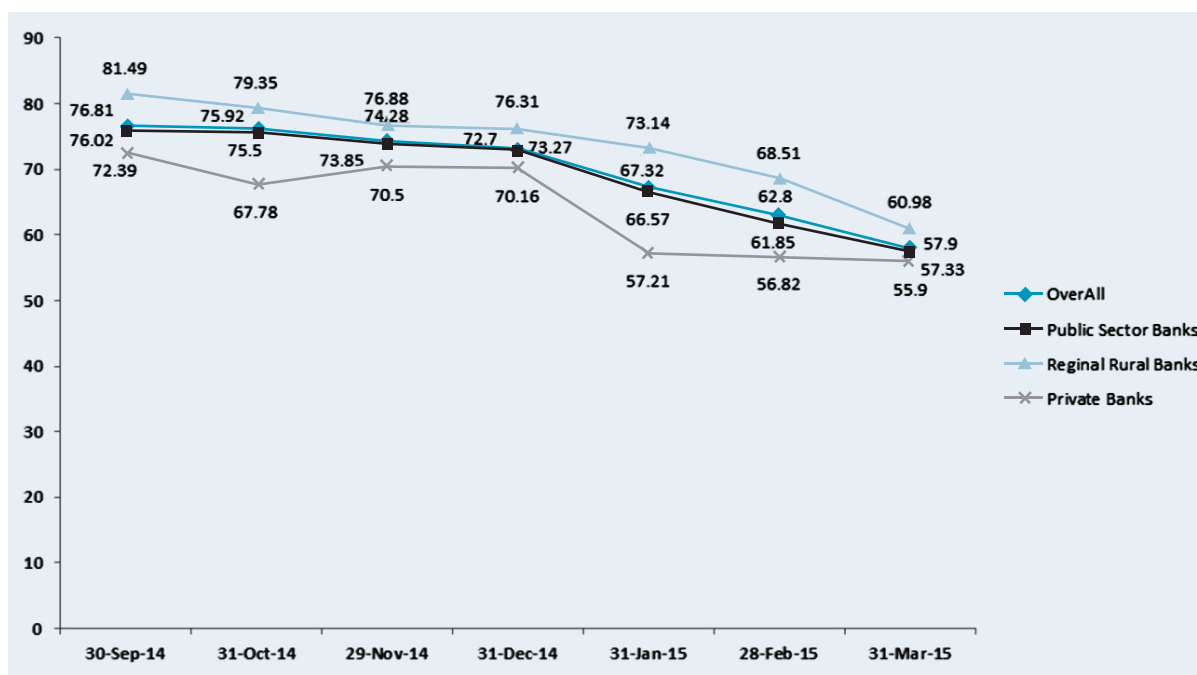
PMJDY's initial target was to open 7.5 crore bank accounts for the weaker sections by January 26, 2015. But given the tremendous response, the target was increased to 10 crore accounts. Opening of 18,096,130 bank accounts in a week from August 23 to 29, 2014, as part of Financial Inclusion got acknowledged in the *Guinness World Records*. Finance Minister Arun Jaitley has praised the equitable spread of accounts across rural and urban India and across both genders.

The number of zero-balance account is a major concern for the success of PMJDY (see table). Poor households in rural areas cannot afford meal twice a day and, therefore, saving for a secure future is a far cry. As of January 31, 2015, a whopping 60.98 per cent of accounts in regional rural bankshad zero balance. The trend, however, is reversing now (see infograph).

Accounts opened under PMJDY

Serial Number		Numberof accounts (In lakhs)			Numberof RuPay Debit Cards (In lakhs)	Balance in ac- counts (In lakhs)	Numberof accounts with zero balance (In lakhs)
		Rural	Urban	Total			
1	Public sector banks	533	451.47	984.48	912.32	817,463.04	655.41
2	Regional rural banks	184.89	32.98	217.87	149.68	159,948.08	159.35
3	Private banks	32.26	20.12	52.38	45.93	72,551.5	29.97
	Total	750.15	504.57	1,254.73	1,107.93	1,049,962.62	844.73

Source: PMJDY website



Source: PMJDY website <http://www.pmjdy.gov.in/ZeroBalance.aspx>

Is PMJDY different from its earlier avatars?

Critics of PMJDY have termed it as another populist measure, a marketing gimmick, and an unnecessary burden on public sector banks. But the government portrays it as a game changer to end financial untouchability. Some of its features—life insurance cover of Rs 30,000, overdraft facility after six months of account operation and emphasis on leveraging technology—appear unique. Moreover, PMJDY covers the urban poor too unlike some previous schemes which had a rural focus.

The basic tenets of PMJDY, however, remain an extension of the earlier schemes and lack innovation. This encourages critics to doubt its ability to tackle the systemic challenges faced by other schemes.

Weaknesses of the scheme

PMJDY attempts to avoid malpractices by business correspondents by increasing their remuneration. But given the poor financial literacy of the weaker sections, it is difficult for the government to protect them from over dependence on middlemen who demand commission for opening accounts. The scheme also fails to provide concrete answers to misuse of overdraft facility. Assessment of 'satisfactory performance' for Rs 5,000 overdraft eligibility is left to banks. Therefore, in all likelihood, overdraft facility will remain as lip-service as the individual banks would hardly like to take risk to provide loan to the poorer section without a counter-guarantee from the government.

The in-built provision of insurance and overdraft could well encourage opening of duplicate accounts to milk the benefits. While promoting the opening of accounts with great haste, the government has also been flaunting PMJDY's success through the sheer number of accounts opened in a short span of time. This makes the suspicion on duplicity of accounts opened without due diligence more valid. There is hardly any incentive for banks to promote the scheme and, therefore, it has become an additional burden for bank officials.

The scheme empowers the bank to categorise the beneficiary as 'low risk' to open an account in the absence of any of the required documents. Nevertheless, the key features of the scheme as on its website is silent on the mainstreaming of 23 million homeless people (Census 2011) with this facility.

CASE OF BRIBERY:

Sanju Chowdhury, village Malhipur, District Rohtas, Bihar

A person who wishes to open an account under the Jan Dhan Yojana is required to produce only one of the following documents—Aadhaar card or Voters' ID Card, Driving License, PAN Card, Passport or MGNREGA card. For Sanju Chowdhury, a 45 year-old Dalit farmer from Malhipur village in Rohtas district, Bihar, a Voters' ID card was not enough. He was asked to produce a certificate from the block office secured under the Right to Public Services, a reference from an account holder at the bank, and a further bribe of Rs 100 demanded by the manager of the Branch under the name of passbook issuance fee.

There have been opaqueness about the minimum balance required, and in some instances bank staff and the middle men have charged from rupees 20 to rupees 200 for paperwork to open an account under the scheme (A case study on bribery from Bihar is given in the box). Measures to check corruption in implementation of the scheme and have decentralised grievance redressal mechanisms thus, become very critical for the success of this scheme.

Although PMJDY provides bank account to the weaker sections, it fails to outline the operating model to ensure credit availability for them. It is, therefore, likely that the deprived sections will continue to depend on informal credit sources and the bank accounts will either remain dormant or used only for the government's DBT scheme.

What lies ahead

Financial inclusion is an imperative for a progressive democracy like India. PMJDY has once again brought the discussion on financial inclusion to the limelight. There is a need to ensure that the scheme does not remain focused only on the number of accounts. Opening of accounts is just the first step towards financial inclusion. The litmus test lies in ensuring regular transaction in these accounts and improving financial literacy of the Indian poor so that they leverage the benefits of PMJDY and protect their interests.

Besides promoting the scheme, the government needs to manage the entire eco-system around it, which includes banks, customers, business correspondents and technology service providers. This would also majorly involve the public awareness around the scheme and its benefits without any hidden conditions, to prevent rumours and hardship to the poor. And of course, measures to check any malpractice and corruption while opening the accounts becomes an imperative step. Some steps in the process may not be worthy of any promotion or may not earn India anyplace in the *Guinness World Records*. But it is that back-end initiative that will act as a crucial lever of the scheme.

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Make in India:

Riding on waves of hopes?

“Come, make in India”, “Come, manufacture in India. .,” Prime Minister Narendra Modi appealed to people all over the world. But the question is, will it generate enough employment and have a positive impact on the lives of people?

PM Narendra Modi first made the pitch for ‘Make in India’ during his maiden Independence Day speech from the ramparts of Red Fort. PM said: “If we have to put in use the education, the capability of the youth, we will have to go for manufacturing sector and for this Hindustan also will have to lend its full strength, but we also invite world powers. Therefore I want to appeal all the people world over, “Come, make in India”, “Come, manufacture in India”. Sell in any country of the world but manufacture here. We have got skill, talent, discipline, and determination to do something. We want to give the world a favourable opportunity that comes here.”

The NDA government launched the major national manufacturing program Make in India a month later in September, 2014. The program intends to make the country a global manufacturing hub, promote innovation, create investment opportunities, protect intellectual property rights and focus on skill development for emerging working class.

The initiative is actually seen as a judicious mix of economic prudence, administrative reforms and thus catering to the requirements of the aspiring India. It is yet to see that how the program will affect the lives of the common man in general and the economical condition of the country in particular.

It is evident that the program, if it turns out to be a success, will raise the global competitiveness of the Indian manufacturing sector and will augment the pace of country’s growth. The country is expected to attract huge foreign direct investment for manufacturing sector and in turn, address employment shortage.

But the questions is does the NDA government mean to bring development for the corporate and industries or for the poor. Will the disadvantage groups reap the benefits of this much-hyped programme? Will the program create massive employment opportunities for emerging working class? These questions are yet to find answers as it is too early to ascertain the success or failure of the initiative but the financial, social and political implications of the program can be deliberated upon.

Financial and Social Vision

The government has put in place an investor-friendly policy on foreign direct investment (FDI), under which FDI up to 100 percent is permitted under the automatic route in many sectors. FDI has been opened up in Defence Production, Insurance, Medical Devices, Construction and Railway infrastructure in a big way.

According to the data provided by the Ministry of Department of Industrial Policy & Promotion (DIPP), FDI between October 2014 and February 2015 is \$21.2 Billion. It is 56 per cent jump compared to the \$13.5 Billion received in the same period a year ago. According to data for April 2014-February 2015, Mauritius (\$8.44 billion), Singapore (\$6.42 billion), the Netherlands (\$3.29 billion), Japan (\$1.72 billion) and the US (\$1.69 billion) were among the leading investors. According to DIPP, the top 10 sectors that receive maximum foreign investment include services, automobiles, telecommunication, computer software and hardware and pharmaceuticals.

The vision statement released by the Government of India commits to achieve an increase in manufacturing sector growth to 12-14 percent per annum over the medium term, increase in the share of manufacturing in the country's Gross Domestic Product from 16 percent to 25 percent by 2022.

The government has promised to build a conducive atmosphere for doing business. In order to partner with industry in economic development, the government assured in its concept note of Make in India programme that it will act as a facilitator and not a regulator. Government intends to develop industrial corridors and smart cities, create world class infrastructure with state-of-the-art technology and high-speed communication.

Innovation and research activities are supported through a fast-paced registration system and improved infrastructure for Intellectual Property Rights (IPR) registration. The requirement of skills for industry are to be identified and accordingly development of workforce to be taken up. 'Make in India' policy programme also commits that the campaign "represents an attitudinal shift in how India relates to investors: not as a permit-issuing authority, but as a true business partner."

Will people's lives be improved?

This does not mean that people's lives will automatically improve if huge investments are made in building manufacturing hubs, and constructing industrial corridors. In such a scenario, it becomes important to analyse the implications of such steps. There is a risk of creating huge non-productive assets and worse, these assets will be created often by grabbing poor farmers' land wherever and whenever such land is not offered voluntarily.

The amendment of Land Acquisition Act was a step in the direction to make land available for industrial houses and other corporate houses to set up their units easily. Such steps have backfired, and people and civil society organisations are up in arms against the government for proposing 'anti-people' amendment to the land acquisition law.

Employment conundrum

Success of the programme largely depends on the regular inflow of investment and success of skill development initiatives. India has an advantage of having a young population. According to the reports, by the end of this decade, the average age of the population will be 29. In comparison, in China and America it will be 37, in Japan 48 and 45 in Western Europe.

While there is no shortage of non-skilled manpower and degree holding human resources, the country still faces an acute shortage of skilled manpower to support the initiative substantially. India has not been able to produce massive skilled workforce. As of the 27 million children who are enrolled in primary school each year, only 5.4 million make it to Class XII. Apart from this, India's digital divide is also a hurdle. It will soon push the country out of the knowledge-era manufacturing process when everything is getting digitised.

Make in India programme targets to create 100 million additional jobs by 2022 in the manufacturing sector alone and creation of appropriate skill sets among rural migrants and the urban poor for inclusive growth. The government proposes to train about 3 lakh youths annually in first two years and by the end of 2017, it has set a target of reaching out to as many as 10 lakh rural youths.

Data released by the Ministry of Statistics and Programme Implementation on Indian factories show that more than 400,000 people lost their jobs during the financial year 2012-13. This slowdown hides a larger, long-term trend: India Inc is automating and squeezing more output from its workers and so needs fewer of them. While India had 222,120 operational industrial units during 2012-13, according to the Annual Survey of Industries (ASI), a 2 per cent increase from 217,554 units in 2011-2012; people engaged in factories declined from 13.43 million to 12.95 million—a drop of 3.6 percent (480,000).

It reflects that the growth of industrial and manufacturing output has not resulted in considerable rise in employment opportunities.

This cannot be a welcome development, given the focus on employment of Modi's Make in India programme, under which the Prime Minister wants manufacturing to account for at least 25 percent of GDP from the current level of 16 percent of GDP.

The report draws a clear picture of India's organized sector factories by analyzing the happenings in last two decades up to 2012-13. The number of industries and the value of output increased by 80 percent and 1,066 percent respectively but the total employment increased only 40 percent.

Employment estimates indicate that between 1999-2000 and 2011-12, Indian manufacturing (organised and otherwise) added 1.4 million jobs each year, against the 12 million now needed. The sector now employs more than 60 million people.

The organised manufacturing sector for the same period increased jobs by 4.5 percent, employing 12.2 million in 2011-12, according to ASI's results, which record formal employment. Globally, India is the 3rd largest employer in manufacturing, after China and the United States, according to this report by United Nations Industrial Development Organisation (UNIDO). That's an improvement from the 8th position in 1970 and 5th in 1990.

A working paper released recently by Indian Council for Research on International Economic Relations (ICRIER) says, "The unorganised sector, in particular the household sector, accounts for a disproportionately large share of employment but a very small share of value added in manufacturing. While this was certainly not a period of jobless growth in the organised manufacturing sector, the rate of job creation falls severely short of the requirements of productive jobs for the 7-8 million youth expected to enter the job market each year in the next ten years".

In Conclusion

- In the times of automation and technology, there is a need to focus on skill development of emerging working class in India. Building an eligible working class to benefit from the setting up of the manufacturing hubs can solve the problem and augment the pace of development and help in achieving the targets set by the government.
- Increased role of local communities in manufacturing hubs can help the local populace prosper. It could happen on the basis of creating special manufacturing hubs which can absorb local talent.
- Rights of farmers, tribals shall not be violated at the cost of building industrial corridors, and projects.

- India needs a labour reform so that the interest of the working class which is expected to get employment through Make in India programs is protected and get adequate benefits.
- Environmental concerns should be addressed adequately. Corporates and industries shall not be allowed to exploit land, water and other natural resources. There should be a proper mechanism to check environmental violations.

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Smart Cities:

Will the poor and homeless be benefited from it?

In his first budget speech in July 2014, Finance Minister Arun Jaitley said: “As the fruits of development reach an increasingly large number of people, the pace of migration from rural areas to the cities is increasing. A neo middle class is emerging which has the aspiration of better living standards. ... The Prime Minister has a vision of developing 100 ‘Smart Cities’ ...” Given that slumdweller across the country are evicted unsparingly even in the NDA regime, the question that needs an answer is: Who are the smart cities meant for?

The National Democratic Alliance (NDA) government announced its vision to set up 100 smart cities across the country soon after it came to power in May 2014. The draft concept note on the smart city scheme begins with a very determined statement: Urbanisation accompanies economic development. It unequivocally says that urban India contributes over 60 per cent of the country’s GDP with a projected growth of 75 per cent in the next 15 years. The project cities smart cities as “engines of economic growth” and, thus, the call to accelerate urbanisation, are inherent in the new scheme. The smart city-driven strategy—which relies on latest advances in technology, including information and communication technology (ICT)—promises to create an environment conducive for better employment opportunities and economic activities, thereby improving the quality of people’s lives substantially.

Unpacking Smart City- what it proposes to offers?

In his first budget speech in July 2014, Finance Minister Arun Jaitley said: “As the fruits of development reach an increasingly large number of people, the pace of migration from rural areas to the cities is increasing. A neo middle class is emerging which has the aspiration of better living standards. Unless new cities are developed to accommodate the burgeoning number of people, the existing cities would soon become unlivable. The Prime Minister has a vision of developing one hundred ‘Smart Cities’ as satellite towns of larger cities and by modernizing the existing mid-sized cities.”

The smart city concept that hit the Ministry of Urban Development led to the creation of a draft concept note on smart cities, which remains a working document a year later. The note grapples for conceptual clarity. It defines ‘smart’ as “smart design, smart utilities, smart housing, smart mobility, smart technology...” It states that since people migrate to cities for livelihood, the smart city must offer job opportunities and economic activities to its people. This city should, therefore, provide the necessary institutional, physical, social and economic infrastructures and attract investors and professionals to take up such ac-

tivities. It should also offer decent living to every resident—a very high quality of life comparable with any developed European city—where public participation in governance will happen through social media.

As per the benchmarks so far laid down for Smart Cities, at least 20 per cent residential units should be occupied by the Economic Weaker Sections (EWS) in each Transit Oriented Development Zone (TODZ). A smart city should have at least 30 per cent residential and 30 per cent commercial space in every TODZ. The concept cannot really be questioned if such a smart city comes equipped with basic infrastructure (assured water and electricity supply, sanitation, solid waste management, efficient urban mobility and public transport), a clean and sustainable environment through application of smart solutions (IT connectivity, e-governance and citizen participation)—all aimed at ensuring a decent quality of life. But when everything is defined in ‘smart’ terms—smart meters, smart management and smart parking—with no space for a caring and inclusive city, there is a serious problem.

The official website of Smart Cities (www.indiansmartcities.in) announces “Smart Cities—Transforming Life—Transforming India”. The government has approved the Smart Cities Mission for development of 100 such cities. It has also launched the Atal Mission for Rejuvenation and Urban Transformation (AM-RUT) of 500 cities, replacing the UPA’s Jawaharlal Nehru National Urban Renewal Mission (JnNURM), launched in December 2005.

The Ministry of Urban Development has signed a partnership pact with the US-based Bloomberg Philanthropies to advance the ambitious smart cities initiative. Under it, Bloomberg Philanthropies will provide funds and other assistance to the ministry for implementing the project in select cities. It has also volunteered to help India with a ‘smart city challenge competition’ to assess the preparedness and ability of smart city aspirants to undertake necessary action.

Smart cities and the housing scenario

Aspiration against odds to secure her own house Sakuntala, Ghaziabad, Uttar Pradesh

Sakuntala lived in Muradnagar, Ghaziabad, in Uttar Pradesh. Her husband was bedridden for two years after being diagnosed with tuberculosis. Her in-laws brought her family to Matha Colony in Ghaziabad, where she started working as a rag-picker and earned a meagre Rs 50 per day. After all, she had to support her family of four children. She lives in a jhuggi and has been running from post to post to get a house allotted to her under any of the many government schemes. Her boundless joy of being listed for a house after paying Rs 12,000 to the authorities was short-lived. She learned that the house officially allotted to her was to be re-allotted to someone else. “I tried to stop it but even after four years, I have not managed to get the house,” says Sakuntala. She wonders if she will be lucky under the Smart Cities initiative to secure a house.

Lack of adequate and affordable housing is the most critical problem of our cities. A plethora of urban development programmes has failed to meet the demand for adequate housing. There is an acute shortfall of affordable housing for EWS and lower income group (LIG). The shortage for them is expected to grow from the estimated 26.53 million dwelling units to enormous proportions since it is a low priority-subject. More than half urban population lives and works without security of tenure, facing forced evictions and in extremely inadequate housing and living conditions. Not having a home to live results in the denial of a number of human rights critical to lead a life of dignity.

Judicial interpretations of Article 21 of the Constitution, which guarantees protection of life and personal liberty, recognise the ‘Right to Housing’. The position has been upheld in numerous judgments of the Supreme Court and many high courts. During the past year, however, despite the constitutional guarantees and legal safeguards, municipal authorities in Delhi, Mumbai, Faridabad, Chandigarh, Gurgaon, Rajkot, Surat, Jaipur, Bhopal, Udaipur and Ghaziabad demolished thousands of houses where people had been

living for over 30 years. This was done in contravention to the norms of Rajiv Awas Yojana (RAY), which provided for *in situ* (at the same location) upgrade of all settlements. As per the records, India's national capital Delhi reported 3,453 unidentified bodies of destitute and homeless men, women and children during the past one year alone! (Source: Data compiled by the Centre for Holistic Development (CHD), Delhi.)

In Delhi, just four days after the general elections, the Delhi Development Authority officials demolished houses. The state and district development board authorities in general have a slum clearance board within, a fact which outrightly denies the slum dwellers any right over their housing.

The NDA government has announced 'Housing for All by 2022' without studying the technical feasibility of building millions of houses in such short time. Given the huge housing shortage (26.53 million and growing), it needs to build more than 8,000 houses per day to reach the target. The government has not bothered to examine why people evicted from various urban slums are reluctant to move into hundreds of units constructed under Jawaharlal Nehru National Urban Renewal Mission (JnNURM) and the Basic Services for Urban Poor (BSUP) scheme. People do not wish to live too far from their source of livelihood. The government tends to believe that housing shortage is turning acute due to increasing urbanisation and migration. While admitting that more than 95 per cent of the shortage is for EWS and LIG categories, the government blames the poor bereft of livelihood for the mess. The government's insistence that public participation in governance will become possible through social media is like a joke on the poor.

Recommendations

- Adequate housing and sustainable livelihood should find priority in the overall urban development scheme of the Union and the states. The State must stop criminalising the homeless and, instead, provide them a place where they can safely—and legally—sleep and access their basic needs. The homeless are our 'city makers'; they subsidize people's lives through their labour to build cities.
- Smart or not, all cities must provide shelters, transit homes and affordable housing for the city makers, who are their equally rightful residents.
- Welfare regimes should be modified to extend priority support to people facing homelessness. Laws that adversely impact the homeless—including those relating to prevention of begging, police brutality, violence against homeless women and children—must be reviewed.
- The government should announce a moratorium on all forced evictions and uphold the fundamental tenets of the Constitution. The need is to develop a national social housing strategy which addresses homelessness as part of a comprehensive plan.

In its present avatar, the smart city does not appear to be an inclusive and caring idea. It favours big-ticket investment and construction of exclusive enclaves for business at the cost of the people. It is not everyone's city. Why is the government talking only of smart cities and not of those with equity and justice? Can the masses afford to live in smart cities or will these be meant only for the rich? Will there be a toll to enter these cities? Will these cities be earthquake resistant? The government should address these critical concerns. It must talk of just, constitutional and sustainable cities—not merely of smart cities.

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Beti Bachao Beti Padaho:

But who will save our public Health and Education systems?

President Pranab Mukherjee described education as the government's "priority of priorities". He spoke of providing affordable and accessible health care to all, particularly the vulnerable sections, in an efficient and equitable manner. Yet, the government slashed allocations to education, public health and Ministry of Women and Child Development (MWCD). It is hard to imagine how targets like universalisation of ICDS, better nutrition status of girls and improved secondary education rates of girls would be met when health and education is already under-resourced.

The Beti Bachao Beti Padhao (BBBP) initiative was announced in 2014 to arrest the shocking decline in the country's child sex ratio (CSR). India's current CSR is 918 (girls per thousand boys in 0-6 age group), a decrease from 927 in the last 10 years. Prime Minister Narendra Modi formally launched the programme on January 22, 2015 from Panipat in Haryana, a district which had shown a 28-point increase in its CSR from 809 in 2001 to 837 in 2011.

The initiative is being implemented through a national campaign and multi-sectoral action in 100 districts. The child sex ratio (csr) for most of the selected districts (87) are below the national average (918), along with 8 districts whose CSR, although above 918, has shown a declining trend in Census 2011. The CSR of the remaining 5 districts is above the national average and has shown an improving trend. This scheme is an initiative of the Ministry of Women and Child Development (MWCD), working closely with the Ministry of Health and Family Welfare (MHFW) and the Ministry of Human Resource Development (MHRD).

Programme Targets

The programme's overall goal is improving CSR in 100 "gender critical districts". Its specific objectives are:

1. Prevent gender-biased sex selective elimination

2. Ensure survival and protection of the girl child
3. Ensure education and participation of the girl child

The scheme's long-term objective is to ensure gender equality by creating an enabling environment, including employment opportunities, safety and security, mobility and speedy justice. The monitorable targets set for BBBP are:

1. Improve the Sex Ratio Birth in 100 gender critical districts by 10 points in a year
2. Reduce gender differentials in Under Five Child Mortality Rate from 8 points in 2011 to 4 points by 2017
3. Improve the nutrition status of girls—by reducing number of underweight and anaemic girls below five years of age (National Family Health Survey 3 levels)
4. Ensure universalisation of ICDS, girls' attendance and equal care monitored, using joint ICDS NRHM Mother Child Protection Cards
5. Increase girls' enrolment in secondary education from 76 per cent in 2013-14 to 79 per cent by 2017
6. Provide girls' toilet in every school in 100 CSR districts by 2017
7. Promote a protective environment for girl children through implementation of Protection of Children from Sexual Offences (POCSO) Act 2012
8. Train elected representatives/grassroots functionaries as community champions to mobilise communities to improve CSR and promote girls' education

Some of these targets, like the first, seem too ambitious to be met in such short time, given the weak enforcement of the Pre-Natal Diagnostic Techniques Act. While it is difficult to make a rigorous assessment of a scheme launched only four months back, BBBP seems to lack a convergent mechanism needed at various levels. The situation turns critical due to key positions still lying vacant in the National Commission for Protection of Child Rights (NCPCR), which is responsible for monitoring the implementation of the POCSO Act and the Right of Children to Free and Compulsory Education (RTE) Act.

Slashed resource allocation for health and education

For BBBP to succeed, a strong public health and education system is essential, besides greater investment in girls and women. The BJP promised this in its election manifesto. In his address to Parliament during the budget session, President Pranab Mukherjee also described education as the government's "priority of priorities". He spoke of providing affordable and accessible health care to all, particularly the vulnerable sections, in an efficient and equitable manner. Yet, the government slashed allocations to education, public health and MWCD. It is hard to imagine how targets like universalisation of ICDS, better nutrition status of girls and improved secondary education rates of girls would be met when health and education is already under-resourced.

The National Health Mission (NHM) plays a critical role in ensuring health and survival of women and children and meeting the BBBP targets. The scheme, for instance, aims to reduce gender differentials in under-five child mortality rate (Millennium Development Goal 4), from 8 points in 2011 to 4 points by 2017. Yet, the allocation for NHM in the 2015-16 Budget shows a decrease of about Rs 3,900 crore (Table 1).

Table 1: Allocation under NHM (in Rs crore)

Scheme	2013-14 (Actual)	2014-15 (BE)	2014-15 (RE)	2015-16 (BE)
National Health Mission	18,633.8	22,731.0	18,609.3	18,875.3

Note: The figures include the North East Region component

Source: Compiled by CBGA, March 2015

It is still not clear if this shortfall would be compensated by the increased fiscal space available to the states under the new financial arrangement. Without adequate Central support, the states, especially the poorer ones, would find it challenging to improve the ailing healthcare sector, which needs substantial investment.

The 2015-16 Budget was expected to increase the total allocation to health by at least one percent of GDP from the present 1.2 percent. But the exact opposite has happened even though health and education are most critical sectors. The Draft National Health Policy (2015), now in the public domain, acknowledges that “a full achievement of the MDGs” would require an increase in public health expenditure to around 4-5 percent of GDP. The government had proposed to increase the health budget to at least 2.5 percent of GDP, which is still only half of what is required or actually spent by many other countries. But even this did not happen.

Empowering girls and women

Education is a critical component of BBBP. The RTE Act, enacted in 2009, guarantees free and compulsory education to all children in the 6-14 age group. But the government seems to have ignored strengthening and monitoring RTE's implementation so as to ensure that government schools abide by it. Recently, the RTE Forum (a network of organisations and individuals working on education) reported that only 10 per cent schools were compliant with all RTE norms. The Economic Survey 2014-15 flagged issues of out-of-school children and said that over a crore children were missing out on the benefits of RTE and other legislation. Yet, the government barely monitors RTE. On May 13, in fact, the Union Cabinet has approved an amendment to the Child Labour Act that would allow children to work in families. An important reason for girls being pulled out of school is to make them look after younger siblings at home. The new amendment, which intends to not “disturb the social fabric”, would provide sanction to girls being kept at home, counter to the BBBP initiative.

An impression has been created that 2014 was the year of shaping expectations for the new government while 2015 would be the year of implementation. But the budget fails to provide any promising intervention and adequate resource allocation for education. Outlays of Sarva Shiksha Abhiyan (SSA), the main vehicle of RTE, and Mid-Day-Meal (MDM) scheme were slashed by 28.5 per cent and 31 per cent respectively as compared to the 2014-15 estimates. The budget allocates merely Rs 22,000 crore and Rs 9,236 crore for SSA and MDM respectively.

At Rs 69,075 crore, the combined 2015-16 allocation of Department of School Education and Literacy and Department of Higher Education is 16.5 percent less than the 2014-15 estimates. This means that states would have to bear larger financial responsibility to implement the promises made by the Centre. Over the last few years, the major chunk of SSA and MDM financing was through the education cess. This year, however, the part of SSA and MDM financed from the cess has been categorised as “schemes fully supported by Union Government”, and remaining allocations of Rs 2,200 crore and Rs 1,461 crore respectively will flow to states as Gross Budgetary Support (GBS).

Improving quality without resources

Lack of resources and monitoring is, perhaps, the key reason for deteriorating learning quality in government schools. Although literacy rate and school enrolment have improved, the Indian learning scenario is dismal by global standards.

Results of the Programme for International Student Assessment (PISA, 2009) show that Himachal Pradesh and Tamil Nadu, the two most educationally advanced states, ranked lowest in reading and mathematical ability among the BRICSAM (Brazil, Russia, India, China, South Africa and Mexico) countries (and 72nd and 73rd out of a total of 74 tested entities for which results were reported).

The Annual Status of Education Report (ASER, 2014) highlights that learning levels—in government as well private schools—are not improving. The NCERT's National Achievement Survey points out learning as a big challenge. The levels of learning vary across states, gender, social groups and regions. The situation is more severe in higher levels of education. When CBSE conducted a Continuous and Comprehensive Evaluation (CCE) for two lakh grade IX students, only 90,000 could pass. Poor learning at earlier stages was identified as the key reason for this.

From the grassroots

While several BBBP training programmes have been conducted at the regional level, it seems the scheme is not being properly tracked. No baseline data is being collected on Sex Ratio at Birth. BBBP envisages a monitoring system at all levels—national, state, district, block and village—to track its progress. A National Task Force, headed by the MWCD secretary, was supposed to monitor quarterly progress. But the taskforce has not met even though the first quarter is over. The scheme does not involve the civil society which should have been necessary because the campaign intends to influence and change social norms.

Violence against girls remains a burning issue that needs to be addressed. Female foeticide is one horrific form of this, with violence even before birth. During consultations held by Wada Na Todo at district levels, people in Madhya Pradesh, expressed concern regarding the security of Dalit and Adivasi girls which does not seem to be a priority, and needs to be addressed. The BBBP scheme does not seem to have reached in the Maoist prone areas in Chhattisgarh where the progress of campaign is not quite visible. Young Dalit girls from Haryana complained about the rising incidents of molestation by non-Dalits and expressed concerns over lack of safety measures. In Rajasthan too, people expressed safety of women should be an integral part of the campaign and that no efforts had been made to combat violence against Dalit women.

In conclusion: For Beti Bachao and Beti Padhao scheme to be a success, there will need to be increased resource allocations to health, nutrition and education sector which will have direct impact in the successful implementation of the schemes. This scheme also needs to be looked at in conjunction with other policies and legislations. For instance the recent decision by the government to allow for child labour in the form of children helping families will have a direct bearing on girls and their education, as one of the main reasons for girls dropping out of school is to look after their younger siblings at home.

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Swachh Bharat: India on the road to cleanliness

PM Narendra Modi in Independence Day speech said, "...Safai bahot bada kaam hain. Mahatma Gandhiji ka sabse priya tha safai...ye kaam hum sabko milke karna padega... Gandhiji ke 150 we janam din mein hum kya dein...Swachh Bharat ka ek abhiyan mujh isi 2 October se arambha karna hain..."

The NDA government's much-hyped Swachh Bharat Abhiyan sets a daunting target to make India open defecation-free by 2019. Launch of the scheme was a fitting tribute to Mahatma Gandhi on his 150th birth anniversary on October 2, 2014. Gandhi believed that "sanitation is more important than freedom" and worked on this all his life. A few months to his prime ministership, Narendra Modi addressed the nation from the Red Fort and announced about making India Open Defecation free by 2019. Ensuring dignity to women and girls was the collective responsibility of all, he said.

On mission mode: What's new?

The launch of SBM was followed by aggressive photo-ops by a broom-holding Modi cleaning the streets. The pictures were generously displayed by the media. The Ministry of Drinking Water and Sanitation (MDWS), the agency in-charge of sanitation in the country, quickly put together guidelines for the mission.

SBM aims to eliminate open defecation by constructing toilets, sanitary complexes, drainage, and building solid and liquid waste disposal mechanism. It also intends to eradicate manual scavenging by converting dry latrines into sanitary latrines. Building awareness among people about health is a key aim.

The mission emphasises the need to have different sanitation approaches in urban and rural areas. The charge of rural areas has been vested in the MDWS, while urban areas fall under the Ministry of Urban Development (MoUD). Water, Sanitation and Hygiene (WASH) in school has been given to the Ministry of Human Resource Development. So technically, the crisis of sanitation is now dealt by three ministries.

SBM mobilises public private partnerships to augment financial resource. The Union Budget slashed the allocation for Swachh Bharat Mission to Rs 3,500 crores from the earlier Rs 4,260 crores for sanitation programmes. The allocation was much less than the originally promised Rs 134,000 crores for five years.

Behaviour change components are the drivers for sustainable sanitation in SBM. However, in the allocated budget, the percentage of allocation in the behaviour change component has been reduced from 12 per cent to 8 per cent, 3 per cent of it being spent in the Centre and state capitals. Only 5 per cent reaches the communities to prepare them to ensure sustainable sanitation practices.

What's done, what's not

Let's make a point by point assessment of the achievements and fallouts of SBM.

The guidelines laid down by MDWS barely represent any remarkable shift in approach and strategies from the mission's earlier avatars--Total Sanitation Campaign (TSC) and Nirmal Bharat Abhiyan (NBA). It also does not recognise any significant change in the field of sanitation in the past decade and a half.

Reduction in the budget and disproportionate allocation for behaviour change components raise doubts about the seriousness of the Prime Minister in making the mission a success. The budget empowers the Centre to levy a Swachh Bharat cess on all or certain taxable services at a maximum rate of 2 per cent. Proceeds from this will go to Swachh Bharat initiatives. It is, however, unclear how much the cess will yield a year. Also, it has not become effective yet.

Swachh Bharat Kosh has been set up to tap corporate social responsibility (CSR) and non-resident Indian (NRI) resources. It is still unclear whether states can use funds from the Swachh Bharat Kosh. The Kosh has supposedly disbursed funds worth Rs 56.69 crore. But there is no information on the source and the amount of money that actually came to the kitty, indicating a high degree of secrecy maintained on this.

Transparency remains an issue as conflict between states and the Centre is still unresolved. Sanitation is a state subject. Implementation of sanitation programmes is, therefore, states' prerogative. With the funding arrangement of Centre-sponsored SBM likely to change under cooperative federalism, it is uncertain whether the Centre will help to make the state accountable to people.

SBM has used public spaces in big cities and town to place fairly large hoardings with messages of cleanliness. The approach is to "name and shame" people. It is clearly visible where the 5 per cent of IEC money is going. Clearly, this is a case of misplaced priorities.

The recently-published WASH performance index report places India on the 93rd rank. The index report contains a comparison of country-wise performance on water, sanitation and hygiene. It assesses performance in water access, water equity, sanitation access and sanitation equity. India's abysmal performance shows that the launch of SBM has not yet recovered the country from the sanitation crisis.

The recently-released report of the 14th finance commission mentions that "the existing CSS (Centrally Sponsored Schemes)--National Rural Drinking Water Programme and Swachh Bharat Mission have not been able to provide safe drinking water and sanitation to about 60-70 percent of the population. Greater efforts are required both in terms of commitment of greater financial resources and the focussed intervention of the implementing agencies. "The commission recommends setting up of effective monitoring mechanisms with the help of the Union government.

SBM also proposes resource mobilisation based on contributions in the form of PPPs, loan from NABARD and SIDBI to households which are not part of beneficiary, MPLAD/MLALAD (Local area development funds) and so on. With the entry of private parties in rural water supply, there is the fear of increased cost of water supply in rural areas. It is often seen that PPP affects people who belong to low income groups and cannot afford to pay the recurring cost of operation in water and sanitation. They, therefore, refrain from using it.

In the first nine months of SBM, about 25 lakh toilets were built. Within the next three months, the government managed to set up another 24 lakh toilets. It is estimated that about 50 lakh toilets will be built in 2015-16. But this is much below the number of toilets required to achieve SBM's target. To saturate the country with toilets by 2019, as many as 11.12 crore toilets need to be constructed. This means, in the next four years, 2.6 crore toilets should be built per year. This is four times the number of toilets for

which the budget has been allotted and also on an average built a year considering last two years progress. This apart, the furious pace at which toilets were constructed in the last quarter of the financial year has set the alarm bells ringing. The numbers uploaded by the ministry's website and ground verification presents contrasting pictures. SBM, just like NBA and TSC, also seem to be hit by over-reporting, which will eventually lead to missing toilets.

SBM does aim to improve the monitoring system. The guidelines mention use of smart technology for the purpose. This will allow inclusion of photographs and GPS geo-tags of the latrines that are being constructed in rural areas.

The issue of manual scavenging, which makes a scathing attack on human dignity, does find mention in the SBM guidelines, but there is no plan to address it. So far, MoUD has issued a letter to principal secretaries of all the states to provide a monthly progress report on the implementation of the Elimination & Rehabilitation of Manual Scavenging Act. There is no information if anything has been done on this.

The progress of SBM in urban areas does not show an encouraging trend. City sanitation plans are ready only in 13 states, 121 districts and 345 urban local bodies. Only 2,018 urban local bodies have been registered by now as against 4,203, suggesting an abysmally slow progress.

What people say

Close to one lakh people live in sub-human conditions with no drainage system in East Delhi. The same is true for the people of KusumpurPahari Colony in South Delhi. No attention is given to drains overflowing with dirt and faecal matter. Water from the drain directly flows into open ditches close by.

Swacchata for slum dweller, but how?

Renu Devi, who lives in Chungi no. 2, LalKuan, Badarpur, says the area does not have a toilet. SBA stipulates construction of individual sanitary latrines for households below the poverty line. It provides 80 per cent subsidy for the purpose. Renu Devi got a toilet constructed on her own land. But it was demolished by the Delhi Development Authority (DDA) without even the requisite 21-day notice, she says.

Renu Devi alleges a nexus between the Councillor of the area, DDA personnel and the local police. The state and district development board authorities have a slum clearance board, which denies slum-dwellers any right over their housing. Given the jostle over land and housing between the authorities and slum dwellers, it remains to be seen how the government will manage to bring slum dwellers under the SBM ambit.

People in Madhya Pradesh say that government undertakes cleanliness drives only when VVIPs visit their area. In Jharkhand, the youth perception is that there is a huge gap between dissemination of information and implementation. The government is not creating enough processes and systems to implement schemes that can work sans corruption. One visit to any hospital in the state gives a clear picture of the progress of SBM.

Recommendations

- For SBM to achieve its goal, it is essential to begin from scratch. It is important that each block in every district is informed about the annual plans and allocations for toilet subsidies and other entitlements before the financial year begins. This will help people make their own plans and demands at the block level. Engaging with civil society for regular monitoring of SBM will help record progress.

- Monitoring should be done through independent channels. States where MGNREGA has been implemented well should employ its staff for social audits of the infrastructure built and used. In other places, social welfare departments could be brought in for auditing. The principle of separating execution from monitoring needs to be followed. SBM allows states to choose the best approach to achieve success. Community-Led Total Sanitation (CLTS) should not be the only approach to promote rural sanitation.
- Incidences of whistling at people, throwing stones at them and announcing their names on loud-speakers for open defecation have been reported from various parts of the country. The state should not criminalise open defecation. Instead, it should incentivise behavioural change. A human rights violation grievance reporting system would be required and can be posted on the official websites.
- The problems of Dalits, Tribals, the elderly, physically challenged and pregnant women should be addressed in the SBM budget so that additional allocation for sitting toilets can be made. SBM budget for Behaviour Change Communication (BCC) in WASH should be used effectively by employing ground-level BCC, face-to-face approaches and more promotion workers.
- Deep-seated individual and social barriers that lead to open defecation, and not washing hands among different communities need to be addressed by honouring people's lifestyle and hard work. Merely telling them about toilet use and hand washing will not work. WASH agencies can be roped in to work more closely with civil society to develop effective BCC materials, specific for each state and target communities.
- Emptying of toilet pits and manual scavenging should be addressed at the national and state levels. Ground water contamination is emerging as a major problem. The National Rural Drinking Water Programme should have a time-bound programme for undertaking water quality monitoring of rural habitations.
- States and districts have not been given any guidance on solid waste management. MDWS, MoUD and MoHRD should organise district- and state-level consultations of stakeholders to engage more on identifying solutions other than burning waste.
- It is crucial to address sanitation from a comprehensive perspective. Safe disposal of human excreta, its management, addressing solid and liquid waste management with a clear programme is essential.

In Conclusion: The success of SBM lies on adequate investment in human resources and building capacities at each level. The concept of Swachhata needs to be implemented across the country with utmost urgency. While corporates are proactively engaging in making India open defecation-free by 2019, it is important to have extremely clear mechanism for them to operate with a completely transparent condition. Sanitation needs to be seen as a life cycle issue and hence providing sanitation facilities at work, education and other public spaces is important. It is crucial to address the issue of sanitation from a comprehensive perspective of human excreta safe disposal to management and address the solid-liquid waste management with clear program planning and implementation.

Sabka Saath Sabka Vikas:

Defining inclusion and development

The slogan “Sabka Saath Sabka Vikas” (meaning taking everyone along development for all) by the PM comes at a juncture when the largest democracy poised to play a critical role at the international arena continues to be challenged by the fact that it is home to one-thirds of the global poor and is unevenly placed on several human development indices. While the initiatives on social protection and financial inclusion are steps in the right direction, their successful implementation holds the key to inclusion of the vulnerable in the process of development. On the other hand, the rising religious intolerance witnessed in the last one year in the country raise doubts on the ability of the government to take the minorities along the path of development.

In their book, *An Uncertain Glory: India and Its Contradictions*, Jean Dreze and Amartya Sen discuss Ambrose Bierce’s definition of patience as a “minor form of despair, disguised as a virtue” (*The Devil’s Dictionary*, 1906). India has witnessed this “virtue” for a very long time. History reveals that extraordinary tolerance of inequalities, stratification, gender and caste discrimination have continued to define our collective social ethos.

India is the third largest economy (in terms of purchasing power parity), after the US and China, the World Bank records. It has witnessed an average growth rate of 7.02 per cent over the past five years, second only to China. Oxfam’s 2014 report, *Even It Up: Time to end extreme inequality*, shows that the number of billionaires in India increased from just two in the 1990s to 65 in early 2014. However, even today, according to the World Bank parameters of \$1.25 a day, India is home to the largest number of poor at 32.9 per cent.

Every third poor and illiterate in the world is an Indian; and, about half of the country’s children are malnourished. India ranks deplorably high in maternal deaths. In fact, in many states the number is higher than in Sub-Saharan states. The Oxfam report computes that the net worth of India’s billionaires is enough to eliminate absolute poverty in the country twice over.

In this backdrop, the model of governance becomes a critical means to demolish existing structures of discrimination and inequalities and re-build newer more inclusive, equal and people-centric systems and processes. Indian governments of the past two decades paid lip service to addressing the critical challenges. While there was “window-dressing” in terms of some initiatives, the crumbling edifice was

left largely unattended. When a new government assumed office last year with absolute majority and a motto of *Sabka Saath Sabka Vikas* (taking everyone along, development for all), expectations soared. It seemed the government had finally reached the root of the malaise—that of unequal, exclusionary and non-participatory governance. It all seemed doable, given that the NDA had come to Parliament with a thumping majority, making for easy, efficient and quick decision-making.

A year into its term, we assess how the government has delivered on its promises and its mantra of inclusive development.

Legislative oversight: In less than a year, the NDA government has issued nine ordinances. This appears to be unprecedented. Obviously, the government, which enjoys absolute majority in Lok Sabha, has not been able to convince its opponents in the Rajya Sabha to support certain legislations. The ordinance route challenges the government's premise to hold the Constitution as sacrosanct. Article 123 provides that an ordinance can only be issued when Parliament is in recess. Valid only for six weeks after re-assembling of Parliament, the President can also withdraw it at any time. The NDA government seems unsure of what is mandated by the Constitution.

Critical among these were the Land Acquisition, Resettlement and Rehabilitation ordinance and the Mines and Minerals (Development and Regulation) ordinance. The two ordinances promote short-term growth over long-term sustainability of the sectors. Both go against the principles of free, prior and informed consent by the communities. The Mines and Mineral ordinance proposes to increase the powers of the Central government vis-à-vis the states. Both push private sector interests. The Prime Minister has often said that the government should derive its strength from *Jan Shakti*, but it does not get translated into policy.

Social protection: In what appeared to be re-branding of the existing programmes, the NDA government announced three social protection schemes—Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana and Atal Pension Yojana. Launched simultaneously across 116 locations on May 9, the schemes connect to the Jan Dhan Yojana, which promises a free bank account to every unbanked household in India. The new matrix promises to provide social protection through financial inclusion of the most marginalised. The government is expected to spend about rupees 250 crore in publicity creation of these initiatives. Table 1 summarises the key provisions for the three initiatives.

Table 1: Key Provisions of Social Protection Initiatives

Scheme	Allocations	Details
PM Suraksha Bima Yojana	Not known	<p>A fixed minimum pension of Rs1,000 per month, Rs 2,000 per month, Rs3,000 per month, Rs4,000 per month, Rs5,000 per month, at the age of 60 years, depending on their contributions, and on the age of joining the APY.</p> <p>Covers people between 18 and 50 years.</p> <p>Central government would co-contribute 50% of total contribution or Rs1,000 per annum, whichever is lower, to each eligible subscriber account, for a period of 5 years (from 2015-16 to 2019-20) to those who join the NPS before December 3, 2015 and who are not members of any statutory social security scheme and who are not Income Tax payers.</p> <p>The pension would also be available to the spouse on the death of the subscriber and thereafter, the pension corpus would be returned to the nominee.</p> <p>The benefit of fixed minimum pension would be guaranteed by the government.</p>

Scheme	Allocations	Details
PM Jeevan-Jyoti Bima Yojana	Not known	Annual life insurance of Rs2 lakh on payment of premium of Rs330 per annum by subscribers. PMJJBY will be available to people having a bank account from where the premium would be collected through the facility of "auto-debit". Covers people between 18 and 50 years.
Atal Pension Yojana	Ranges between Rs 2,520-10,000 crore due to government co-contribution over a period of five years	The risk coverage will be Rs 2 lakh for accidental death and full disability and Rs 1 lakh for partial disability. The scheme will be available to people with a bank account, from where the premium would be collected through the facility of "auto-debit" Covers people between 18 and 70 years.

Source: Compiled from <http://pib.nic.in/newsite/PrintRelease.aspx?relid=121306>

Financial inclusion: On August 15, the PM announced rollout of a scheme under which a free bank account will be opened for each unbanked household in India. It was also announced that each account holder will also be provided a debit card, life (Rs 30,000) and accident (Rs 1 lakh) insurance covers apart from a Rs 5,000-overdraft facility (subject to a screening process). About 40% of roughly India's 25 crore households and 60% of its 125-crore population, mostly poor, do not have access to formal banking services, according to government data, as Indian banks do not find operating in many of the country's 6 lakh villages profitable. Many, thus, resort to seeking credit at high rates through informal channels, which has contributed to creation of a parallel informal economy. Under the Jan Dhan Yojana, the government aims to open about 7.5 crore accounts before January 26, 2015, of which about 1.5 crore were opened by public-sector banks on the launch day (August 28). This initiative is quite laudable.

Under the previous UPA government, about 6 crore such no-frills accounts were opened last year under its financial inclusion initiative but RBI data revealed that more than half remained dormant, adding up to costs for banks to continue to maintain them. Former banker and ex-RBI deputy governor KC Chakraborty pegged the cost of creating banks accounts at about Rs 18,000 crore, using the banking correspondent model. Swaminathan Aiyar noted that "this will mean Rs 75,000 crore for 150 million accounts; if these are not repaid, banks will lose Rs 75,000 crore at a time when the PJ Nayak Committee says they need to raise an additional Rs 5.8 lakh crore just to meet the new Basel norms for capital adequacy." Concerns also have been raised about the speed at which the banks have been asked to open accounts and suggested this may have resulted in duplication.

Violence against women: The Prime Minister's emphasis on promoting welfare of the girl child is laudable. The *Beti Bachao Beti Padhao* campaign is a big step in this direction. This is in line with the findings of the Justice JS Verma Committee, which indicated that "failure of good governance is the obvious root cause for the current unsafe environment eroding the rule of law and not the want of needed legislation."

Even as the government's first budget announced additional allocations to the Nirbhaya Fund, it is disturbing that the previous outlays remain unspent. The Centre promised to set up 660 One Stop Crisis Centres (at least one in each district). But it later cited infrastructure constraints and stated that housing the centres within hospitals would make them "too public". Now, only 36 centres will be set up—one in each state and Union Territory. It is hard to imagine that a woman facing gender violence in Saharanpur would travel 578 km to Lucknow just to avail free legal support.

Religious tolerance: With over 80% of India's 1.2 billion people being Hindus, secularism is a principle enshrined in the country's Constitution and is integral to the idea of India. However, religious minorities continue to be marginalized (Table 2).

Table 2: Distribution of Population and Incidence of Poverty, by Religious Communities

Religious Groups	1993-1994				2004-2005			
	Rural		Urban		Rural		Urban	
	Population	Poor	Population	Poor	Population	Poor	Population	Poor
Hindus	83.4	84.1	76.0	70.3	82.3	84.1	75.6	68.9
Muslims	11.1	12.3	17.1	25.4	12.0	12.4	17.3	27.9
Christians	2.2	1.8	2.8	1.9	2.1	1.2	2.9	1.4
Sikhs	2.0	0.3	1.8	0.7	1.9	0.3	1.8	0.4
Buddhists	0.7	1.0	1.0	1.4	0.7	0.9	1.1	1.2
Jains	0.2	0.1	1.1	0.2	0.1	-	1.1	0.1
Other Religious Groups	0.5	0.4	0.1	0.1	0.8	1.0	0.2	0.2
All Religious Groups	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: India Human Development Report 2011, Oxford

Few months ago, there were several instances of attacks and vandalism in churches in and around Delhi by some fringe elements. To assuage apprehensions, it was expected that the first statement would be issued by the PM, who is seen as an active social commentator and employs social media effectively in this regard. This was also around the same time the President of USA was in India and he conveyed a strong message regarding the need to ensure religious tolerance among other concerns. This was followed by media reports of the Indian PM making a statement promising to take action against perpetrators. The statement while welcome came after two months since the attacks had commenced and was seen as ‘too little, too late’.

Recommendations

There are several other well-meaning promises and commitments that have been made and need to be reviewed carefully. Following is an attempt to identify and define key ‘must-haves’ for an inclusive development frame. These include:

- Transparent, accountable and participatory decision making processes; specifically, involvement of all stakeholders in key policy framing processes.
- Upholding and championing the rights of the most marginalized – including the women, Dalits, Adivasis, Muslims and other religious minorities – by ensuring policy priority through increased budgetary outlays and more effective implementation of planned initiatives.
- Institutionalising community monitoring processes and systems to provide independent oversight and ensuring accountability; specifically, provide for more effective and rigorous accountability mechanisms for the increasing public private partnership initiatives.
- Ensuring basic, free and quality education, healthcare, access to water and sanitation, and food security to all. These must be supported by progressive resource mobilization policies.

The Millennium Development Goals expire in 2015. India is on the threshold of endorsing a new set of global development goals. It is time India also ensures to have zero tolerance for injustice and inequality. Governance structures are critical vehicles in this regard. They help translate our impatience by designing new mechanisms and re-building the existing ones into more effective, responsive and people-centred institutions and processes.

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Secularism under threat

Secularism, a principle enshrined in the Constitution, is integral to the idea of India. Yet, religious minorities continue to live in the state of fear.

Less than a fortnight after the current government was sworn in, a 28-year-old Information Technology manager, Mohsin Mohammed Shaikh was lynched in Pune. He was killed after rumours about a religious and objectionable post on Facebook spread. Shaikh's was the first death in a series of communally-targeted attacks that unfolded later.

Public discourse has seen a marked shift under the new dispensation. Statements by the ruling party MPs and Ministers which have been termed as "communally surcharged" have brought insecurity among the religious minorities.

Desecration and destruction of churches across the country, several instances of "Gharwapsi" and appeal for "love jihad" by some fringe elements have marked the day. In Chhattisgarh, villages passed orders banning the entry of priests of faiths other than Hinduism.

Within the first few weeks of the new government, 113 communal incidents took place in various regions. In May and June 2014, 15 persons were killed and 318 others injured, reported the honourable Minister of State for Home Affairs Kiren Rijiju to the Rajya Sabha. At least 43 deaths in over 600 cases of violence, 194 targeting Christians and the rest Muslims, have taken place between May 26, 2014 and May 13, 2015.

Days before U.S. President Barack Obama spoke about the need for communal harmony and protection of freedom of faith in India, President Pranab Mukherjee noted the rise of communalism and the targeting of religious minorities. In his address to the nation on January 25, 2014, the President said: "In an international environment where so many countries are sinking into the morass of theocratic violence... we have always reposed our trust in faith-equality where every faith is equal before the law and every culture blends into another to create a positive dynamic." Prime Minister Narendra Modi, too, promised action against the perpetrators of religious crimes, but two months after the attacks. It was seen as too little and too late by many.

The Ministry of Home Affairs promptly published data of the last three years of the Congress-led UPA government to say there had been no sharp rise in violence against the minorities. However, this cannot justify the violence took place under the current dispensation.

In his Independence Day address, the PM called for a 10-year moratorium on communal and caste violence. The PM promised protection to the Christians. "Your security is my job," he told a delegation which met him on Christmas-eve. He reiterated the assurance at a function of the Syro Malabar Catholic community. Despite that, the attacks on minorities by fringe elements continued.

In a statement on March 17, 2015, Cardinal Mar Baselios Cleemis, president of the Catholic Bishops Conference of India and the National United Christian Forum, said: "The cultural DNA of India of plu-

ralism and diversity is being threatened. We are anxious about the implications of the fundamentalist political thesis that India is “one nation, one people and one culture”. This, in a way, undertones the sentiment of religious minorities.

In Conclusion: It is time that the government takes ‘zero tolerance’ stand to the communal violence. The perpetrators of violence should be immediately brought to the book, which is essential to deter them and to maintain the secular fabric of the country.

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Dalits in the one year of NDA Government

SC /ST Prevention of Atrocities Amendments Bill

The Scheduled Castes (SCs) and Scheduled Tribes (STs) have always faced exploitation and degrading practices of untouchability repeatedly. The disturbing fact is that in recent times inhuman and humiliating crimes like forcing to eat human excreta, physical assaults, grievous hurt, arson and mass killings, and individual and gang rape of their women have not seen a downward swing. Further, the victims of such atrocious crimes face issues with non-registration of cases; delays in investigation, delayed filing of charge-sheets; arrest and trial. The Amendments Bill to the SC/ST (Prevention of Atrocities) Act 1989 seeks to address some of these new forms of violence and increase public accountability of the judicial system.

Specifically, the amendments proposed would benefit speedy trials within a period of 2 months, with Exclusive Special Courts and Exclusive Public Prosecutors working on day to day basis. This would serve to improve conviction rate and curtail low acquittal rate under the PoA Act. These Amendments had been passed through an Ordinance but the Ordinance lapsed in the early months of the NDA government. The Bill is languishing in between an adhoc Joint Parliamentary Committee (JPC) and the Cabinet and is yet to be tabled in the Parliament.

Swacch Bharat Abhiyan

Swachh Bharat Abhiyan (SBA) is an ambitious programme promising for a clean India sanitation facilities including toilets, solid and liquid waste disposal systems, clean villages and Safe and adequate drinking water supply by 2019. All this is pegged at an investment of Rs 1.96 lakh crore over the next five years. However, the Swachh Bharat Mission guidelines have completely missed out on the psychosocial aspect of the clean India campaign. All the cleaners of sewage, drains and streets happen to belong to Dalit communities. The segregation of work based on caste does not find place in SBM. Most of the cleaners are contractual workers who have no social security. There are only 3,000 regular cleaners as against the 2 crore population of the country. And as a well known fact, the safai karmcharis end up living in sub-human conditions in areas that absorb city's garbage. No cleanliness drives have reached the slums and bastis of cleanliness workers and they live with constant health issues and lack of health care facilities.

The focus thus far is not on the localities which are full of garbage, with drains overflowing, septic tanks and sewers choked. These are places that are home to the poor and the marginalised. These are the dwellings without toilets. The inhabitants may differ in caste and religion but their distinct class is both an identifier and equaliser. These places are devoid of basic infrastructure. Among those who live here are sanitation workers, whose working hours are spent in removing the garbage from the streets and dumps and landfills. Does this campaign address their well-being? No. Sanitation has been linked to caste and class" writes Bhasha Singh in Outlook

This is not the first time such a cleanliness drive is introduced in India; what is more important is to take it to its logical end.

Budget allocations for Dalits and Adivasis

The Tribal Sub-plan (TSP) was introduced by the Planning Commission in 1974 and the Special Component Sub-plan (SCSP) in 1979 with the objective of bridging the development gap between the general population and the SCs and STs. Over time, these sub plans have become paramount and crucial for the SC and ST population.

However, most Ministries never allocate funds under the SCSP and TSP. Even if they do allocate, they are under-allocated. Further, the actual expenditure falls below the allocation, making the allocation only nominal and diverted to general schemes. In the 2015-16 budget as per the SCSP/ TSP guidelines, Rs 77,236 crore (16.6% of Plan Outlay) should have been allocated towards SCSP and Rs 40,014 crore (8.6% of Plan Outlay) towards TSP. However SCs have been allocated Rs 30,850 crore, while the STs have been allocated Rs 19,980 crore. This allocation falls 61% and 53% for SCs and STs below the recommendation of the guidelines.

The allocation of funds for SCs and STs in IITs, NITs, and IIMs has also seen a decline. The Rajiv Gandhi National Fellowship for SCs and STs has not been increased. The critical Post Matric Scholarship Scheme for SCs and STs has been reduced from Rs 1904.78 to Rs 1599.00 crores. The previous government recognizing the significance of the scholarships drafted a legislation, which rests with the Ministry of Social Justice and Empowerment, currently.

Imposition of Sanskrit

Since assuming power the NDA Government has been trying to discreetly impose the Sanskrit language such as introducing Sanskrit celebration week in central board education curriculum and renaming Teachers' day as Guru Utsav. This attempt is disturbing as historically Sanskrit has been monopolised by the so called upper caste. And there were several instances of violence unleashed on Dalits if they read out the Sanskrit shlokas. Some see it as an attempt to 'Sanskritise or Brahminise the education system'. Such move by the government may well be seen to be an 'imposition' on the people from Dalit caste and people from minority communities.

Banning of beef is more than what it's said to be

There has been a national level campaign to curb beef eating in many parts of the country and states of Maharashtra and Haryana have gone ahead and several have already banned beef. This has been done without considering the facts that leather industry occupies a number of Dalit labour. Several communities in India eat beef like people from the North East, tribal communities, Christians and Muslims and some sections of Dalit communities. Such an attempt would affect the access to food of these communities who have been traditionally beef eaters. Moreover, such a ban would again be seen as imposition of Hindu ethos on other religions and even groups who prefer eating beef.

Interpreting History and Portrayal of Ambedkar

Caste system, although practised in other religions in one form or the other, is traditionally known to be in existence in Hindu community for centuries and is legitimised by the scriptures of Hindu religion. In recently published books "Hindu Charkar Jati", "Hindu Khatik Jati" and "Hindu Valmiki Jati" Hindu-tva leaders have embarked on an exercise to rewrite history in claiming that that "Muslim invasion" was responsible for the emergence of the caste system and that the "Islamic atrocities" during the medieval age resulted in the emergence of Dalits and Adivasis. This delusional interpretation of history and public declaration has strong communal undertones creating a divide between the minorities and the Dalits.

There has also been a conscious attempt to co-opt Ambedkar by the some fringe organisations. Dalits do see Ambedkar as their leader, however this kind of co-option leads to negative politicisation. Some even see that the BJP has jumped into the band wagon to own Ambedkar as a well thought out strategy to woo the Dalit and Adivasi votes in the upcoming elections in Bihar and Uttar Pradesh, which might be crucial for the BJP.

Pradhan Mantri Jan-Dhan Yojana

Recognizing that financial inclusion as important aspect in development, the Government promised access of financial services to the poor. A package deal with a bank account with zero balance facility, an overdraft facility of Rs 5000 on satisfactory conduct of the account, general accidental insurance of Rs 30000, ATM card, and credit facilities were offered. The Government aid was directly linked with the account thus opened. *“If forty percent of Indians are not a part of the economy, how can we be successful in eradicating poverty?”* PM asked. However, 86% of the workforce is from unorganised sector including agricultural workers and contract labourers. Within that, Dalits and Adivasis, who together constitute 25% for India’s population, form the bulk of unorganised sector workers. They lack the means of having and maintaining a bank account. To them, access to a bank account is insufficient if they don’t have the much needed access to affordable credit services. This whole act of financial inclusion does not go well with the fact that over the period of 15 years, 4750 rural banks have been closed down.

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NDA Budget: Withering Social Sector?

The NDA government's first full budget, presented in February 2015, continued the downward trend in the Centre's spending observed through the last few years (since fiscal 2009-10). The Union government's total estimated expenditure fell from Rs 17,94,892 crore in 2014-15 to Rs 17,77,477 crore in 2015-16 (12.6 per cent of GDP). This decline is mostly due to a reduction of Rs 1,09,723 crore in Plan expenditure in line with restructured Centre-State fiscal relations.

NDA's maiden budget presented in July 2014, indeed, had a positive note: It put to end the process of Union budget central scheme outlays for states bypassing the state budgets. Timed well, the 2015 budget coincided with the report of 14th Finance Commission (FFC), which gave a boost to fiscal federalism. FFC's recommendations have altered the Centre-State resource-sharing patterns. The states' share in the divisible pool of central taxes has gone up to 42 per cent from 32 per cent. While this would provide greater autonomy and untied resources to the states, this does not necessarily imply an increased spending capacity for them.

Under the new framework, the budget shows a sharp fall in the overall quantum of central assistance to states for Plan expenditure—from Rs 3.3 lakh crore in 2014-15 to an estimated Rs 1.96 lakh crore in 2015-16. This happened because the budget discontinued most forms of untied assistance for Plan spending by states and it would incur only capital expenditure for Plan schemes in many social sectors. The budget has restructured the pattern of resources provided to schemes, thus grouping them into three distinct funding patterns. Schemes in the first category represent national priorities and continue to get full central support. These include MGNREGS, Multi Sectoral Development Plan, Integrated Child Protection Scheme, National Nutrition Mission and Indira Gandhi Matritva Sahyog Yojana among 31 schemes in all.

The second group comprises schemes with a changed resource sharing pattern where the Centre would bear only capital expenditure. Many important social sectors schemes fall in this category. This includes National Health Mission, Swachha Bharat Abhiyaan, Rashtriya Krishi Vikas Yojana, National Rural Drinking Water Programme, National Rural Livelihoods Mission (NRLM), Rashtriya Madhyamik Shiksha Abhiyaan (RMSA), Integrated Child Development Services (ICDS) among 24 such schemes. The outlay for Swachha Bharat Abhiyaan, this government's pet campaign, has nearly been halved from Rs 12,100 crore in the 2014-15 to Rs 6,236 crore in 2015-16. With the expectation that the states will provide additional budgetary resources from their funds to meet the recurring expenditure (like staff salaries) in the long run, these schemes have thus effectively got transferred to states. The third category consists of schemes like Backward Regions Grant Fund, Rajiv Gandhi Panchayat Sashaktikaran Abhiyaan and few others that the Centre has totally discontinued. The Centre's restructured budget priorities clearly entail that the allotment of resources to social sector schemes by the states would be critical for their success.

The budget protected the outlay for Ministry of Minority Affairs with a nominal increase from Rs 3,734 crore in 2014-15 to Rs 3,738 crore in 2015-16. The Ministry of Social Justice and Empowerment witnessed a marginal hike from Rs 6,213 crore last fiscal to Rs 6,525 crore. The increase for Ministry of Tribal Affairs, too, was marginal. Outlays for specific schemes targeting SCs, STs, minorities, persons with disabilities and unorganised workers were protected, however these schemes have small budgets.

The Ministry of Women and Child Development, the nodal intervention agency for women and children, was not included in this category. It faced severe budget cuts for Integrated Child Development Services (ICDS) and other important schemes. ICDS allocation in 2015-16 is merely Rs 8,754 crore as against Rs 18,391 crore in 2014-15. The Centre will henceforth provide only capital expenditure (like spending on construction of anganwadi centres) and the states will have to bear all revenue expenditure (such as honorarium to anganwadi workers). The new funding pattern could expose children to greater vulnerabilities and adversely impact safety and wellbeing of women.

In its first year, NDA's budgetary policies attempted to indicate an adherence to fiscal federalism. But the efforts towards effectively transferring a host of important social sector programmes to States along with increasing their autonomy over the budgetary funds would have been laudable, provided the State Governments had adequate overall spending capacity. However, primarily because of the stagnant tax-GDP ratio of the Centre, the State Budget outlays for these crucial development programmes (like SSA, MDM, IAY, NHM, ICDS, NRDWP and RKVY etc.) may not increase by as much as would be required just to protect the overall budgetary outlays for these at the prevailing levels.

The low government spending to such crucial sectors can be largely attributed to lower revenues, especially from taxes. Higher tax accruals provide the government more room to spend without borrowing. At 27 per cent, India's fiscal policy space (government spending to GDP ratio) is quite low. The government wishes to maintain fiscal discipline through social sector spend cuts rather than augmenting resource mobilisation. Its focus is to garner more indirect tax revenues at the cost of direct taxes coupled with direct tax exemptions. Concrete proposals to tap revenues are missing. Consequently, the net projected increase in spending capacity of states (combined for all states) in 2015-16 was only 0.33 per cent of GDP compared to 2014-15.

The government over the course of one year has been in an overdrive to announce new schemes that can help the poor and disadvantaged. But concerns remain both with regard to new as well as old schemes. The government must address the challenge with higher resource mobilisation. It should rationalize tax exemptions granted to some sectors and adopt a progressive tax regime. Only a tight focus on higher tax-GDP ratio in India can help expand the overall spending capacity of the government in our country, and provide the fiscal space needed to safeguard the interests of all sections of the society.

Land and Environment

NDA's immediate amendment through an ordinance to the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, (LARR) 2013, requiring the land holders to relinquish their land and empowering the Government to take up the land without their "consent" and Social Impact Assessment of the affected population is being debated now. The government has so far not been able to convince people and society on how the land acquisition would not result in loss of rights of agricultural labour and farmers as is argued by it.

According to the National Land Development Policy (2013), granting land rights to 11 crore landless agricultural labourers would be the most effective medium for poverty eradication in the country. In addition, implementation of the National Homestead Land Rights Act (2013) would have resulted in providing identity, respect and rights to 5 crore homeless. However, the current government seems to be losing the opportunity to implement them.

Political commitments towards farmers and agriculture as manifested in political declarations and announcements remains confined to paper so far. Allocated budget of the central government for agriculture in reality remains meaningless for 65 percent of the farmers in the country. Less than 2 percent allocation in the name of agriculture has become a tragedy for farmers who are considered to be the backbone of Indian economy. Attempts by the central government to balance this out with the increased rate of compensation for crop losses accruing to natural disaster can by no means be treated as an important decision.

A simple explanation of the Real Estate Regulation Bill (2015) presented by the central government is that it is the responsibility of the government to provide land and related resources to cater to the increasing urban population. At the same time, the inhuman conditions in which poor people in the urban slums reside, and a complete neglect of their aspirations is a reflection on the discriminatory perspective of the NDA Government. Actually, to be able to bring to fruition the vision of "Housing for All" by 2022 (proposed by Government of India) where the plan is to convert slums and temporary houses to *in situ* houses, real estate sector could be made a part of the law. There is thus a need to make this effort more practical.

Government's perspective on environment can be understood from the Forest and Environment Ministry's High Level Committee report presented in November 2014. According to the report, under the Central Forest Conservation Act (1980), land transfer for non-forest programme has been simplified and a suggestion has been made to keep it outside the purview of the Gram Sabha (meaning no approval required from the Gram Sabha). Another important suggestion is to do away with the mandatory clauses in the existing environmental laws for new developmental programmes and schemes. This simply means that the NDA Government wants to do away with environmental laws in favour of Development. This also means compromising on the environmental indicators in the name of development, urbanization and increasing needs of the ever increasing urban population. It is this environment which is heritage for about 9 percent Tribal, 6 percent from Pastoralists and Fisher folks and Nomad. It is evident that silence from the central government in the last one year is self explanatory.

Status of the National Food Security Act (NFSA)

The National Food Security Act (NFSA) was enacted in 2013, to address India's nutrition situation. India has about one third of the world's poor and forty percent of children in the country are malnourished. This paper explores the provisions of the Act, the gaps in implementation and reasons for the same.

The Act

The NFSA seeks to “provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity...” Thus, the Act is not limited to providing merely the monthly food grain; it further aims to entitle people to sustained and timely nutrition and health interventions. The life-cycle approach is founded in the idea that interventions must be made from the beginning of a life and continue throughout. The Act transformed the existing food security programmes – which include the Midday Meal Scheme, (MDMS) Integrated Child Development Services scheme (ICDS) and the Public Distribution System (PDS)– into a legal entitlement. Under the provisions of the Act, children under age group of six months to six years, malnourished children, and pregnant and lactating women are entitled to free meal at local anganwadis. Children aged six to fourteen are entitled to free daily mid-day meal. Cash entitlement of Rs. 6000 is provided to pregnant and lactating women.

Although the central government issued figures for minimum state-wise coverage, the states are required to determine the criteria for selection of the beneficiaries. Under the NFSA, Priority households are entitled to five kilograms of food grain per person per month, and those enrolled under Antyodaya Anna Yojana are entitled to 35 kilograms per household per month at the rate of INR 3, 2 and 1 per kilogram of rice, wheat and coarse grains respectively.

Implementation of the Act & Gaps

Despite the expanded holistic vision of the Act, the Government's efforts continue to be focused on only one aspect of food security, i.e. the revised Targeted Public Distribution System (TPDS). The other two complimentary provisions i.e., nutrition and health interventions for women and children are currently neglected and under-resourced.

Even in the case of TPDS, the coverage remains sorely below the mandatory prescribed coverage by the Government. The scheme has received a meager budgetary increment of 8 percent in 2015-16, as against 27 percent in 2014-15. Considering the expansion under the revised TPDS, the allocation for

the implementation of the NFSA still has been substantial. In 2014-15, a total of Rs. 59,000 crores and subsequently in 2015-16 a sum of Rs 64,919 crores was allocated.

Moreover, only 11 states have laid down the criteria and guidelines for determination of rights-holders for TDPS under the Act. The Socio-Economic Caste Census (SECC) conducted throughout the country in 2011 is crucial for State Governments to establish eligible households but data for only nine states is available with the Central Government. The delay in census data has been an impediment in implementation of the revised TPDS denying subsidised food grains to about 25 crore people.

As of September 2013, 67 per cent children received supplementary nutrition under the ICDS. The figure was higher for MDM scheme with 78 per cent coverage. However this figure was considerably lower for mandatory facilities. For instance, drinking water and toilet facilities were available in only 67 per cent and 58 per cent schools, respectively.

Despite directives to implement these entitlements through the ICDS and MDMS, the Government slashed the budget by over 50 per cent and 30 per cent, respectively in 2015-16. This reduction, considering the status of infrastructure under both programmes, is unfounded. Additionally, no steps have been taken to ensure out of school children are not left out of the reach of food security schemes.

The IGMSY, a centrally sponsored conditional cash transfer scheme is meant to incentivize “appropriate practices, care and service utilisation” amongst pregnant and lactating women of 19 years and above. It was introduced in 2011 in 53 districts. From September 2013, the NFSA maternal cash entitlement of Rs. 6000, (Rs. 3000 within four months of pregnancy and Rs. 3000 after six months of birth) has been implemented through the IGMSY.

Despite implementing the IGMSY as part of the NFSA, the programme has not been scaled up to all the districts. Consequently, it is estimated that as many as 2.4 crore eligible women have lost their entitlement to maternal cash benefit in a single year in the remaining 621 districts.

NDA proposed revision in the scheme in December 2014 outlining expansion in three phases between 2014 and 17 with the final phase depending on availability of funds. It may be argued that though this phase-wise expansion of the IGMSY is not completely in keeping with the Act, yet for administering a conditional cash transfer (CCT) it is required. However, based on the poor target achievement in the initial 53 districts, the number of districts is not the challenge. The caveat attached to the final stage of implementation provides insight into the lack of commitment to the IGMSY on the part of the Government. This lack of commitment is further affirmed by the mere 80 crore increase in budget allocation from last year’s budget, totaling a Rs. 438 crores for the financial year 2015-16,

In the absence of Centre-State cost sharing for the phase-wise expansion, this increased allocation of approximately one-fifth of last year’s budget is disproportionate with the proposed expansion of nearly four times the current coverage. This indicates the Government’s decision to not scale-up the IGMSY, which is a clear violation of the NFSA.

The right to maternal entitlements is also violated by the eligibility criteria and the conditionality of cash transfer. The NFSA is required to provide maternity entitlements to every pregnant woman and lactating mother. The eligibility criteria defined by the IGMSY means numerous women are denied their entitlement.

A study conducted of Bihar, Madhya Pradesh, Chhattisgarh and Jharkhand by the Centre for Equity Studies shows high levels of exclusion as a result of the eligibility criteria for IGMSY. On average, approximately 39 per cent of pregnant and lactating women have more than two children and stand

excluded. Similarly, the minimum age criterion of 19 years leads to an average exclusion of 11 per cent women in the states.

Furthermore, exclusion amongst women who most require maternal benefits, such as traditionally vulnerable castes and tribes, is higher than the general population of women. In another study, using *Census of India, 2011* data Falcao & Khanuja show that the prevalence of poverty, infant mortality and exclusion from the IGMSY due to eligibility criteria is higher amongst Scheduled Castes (SCs) and Scheduled Tribes (STs) when compared with overall population. Approximately 47 per cent of women from STs and 41 per cent from SCs would be excluded due to the IGMSY selection criteria. This exclusion 'reinforces the existing marginalisation of these two communities who already fare worse than others on both economic and health indicators.'

Without considering existing exclusion, in December 2014, the Ministry of Women and Child Development (MWCD) proposed to recognise only Priority and AAY households as eligible for maternity benefits.

In light of the recommendations made in January 2015, by the High Level Committee on the restructuring of the Food Corporation of India headed by Shri. Shanta Kumar, several speculations were made regarding a reduction in NFSA coverage, an alteration in the subsidy provided to priority households, and a move to cash transfers solely etc. Budget cuts in social welfare programmes' proposals that violate the NFSA, failure to ensure basic infrastructure at village level for fulfillment of entitlements have raised doubts on the commitment of the Government in safeguarding food security for every citizen.

In conclusion: There is an urgent need for the Central Government to evaluate its approach to the issue. Implementation of the Act in a mission mode, in letter and spirit of the Act, through enhanced budget allocations and increased political will help address hunger and malnutrition.

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Transparency and accountability:

A backward move is witnessed

The NDA government came to power on the plank of fighting corruption and promising *ache din* to citizens who were disgruntled by the poor delivery of government services. The government has not operationalised important anti-corruption legislations like the Lokpal. There is, in fact, a very clear move to dilute and weaken the existing legislative mechanisms available to citizens to fight corruption.

For the first time since the RTI Act was passed in 2005, the apex appellate body under the RTI Act- the Central Information Commission- is headless now. The post fell vacant on August 22, 2014, and the current government has not appointed a successor. This has serious ramifications since the RTI Act envisages a critical role for the Chief Information Commissioner, including, superintendence, management and direction of the affairs of the Central Information Commission. In the absence of the Chief, therefore, the functioning of the CIC is seriously impaired.

Several important public authorities have been allocated to the bench of the Chief of the CIC for disposing complaints/appeals related to violations of the RTI Act. These authorities include the Prime Minister's Office (PMO), Cabinet Secretariat, Ministries of Power, Steel, Defence, HRD, President's Secretariat, Parliament, CAG, Supreme Court, All High Courts, ECI etc. No appeals/complaints related to these public authorities have been disposed by the Commission ever since the post of the Chief fell vacant. This implies that for over nine months, critical authorities like the PMO have been effectively outside the ambit of the RTI law! This is violative of the letter and spirit of RTI law.

The RTI Act provides that the Central Information Commission can consist of up to 10 Information Commissioners and the Chief. Currently the CIC is functioning with just 7 Commissioners. The long delay in the appointment of the commissioners, including the Chief, has also had a huge impact on the backlogs in the CIC. At the time of the BJP government coming into power, the pendency in the CIC was 20,967 appeals and complaints. The backlog has almost been doubled in the last one year, and currently about 39,500 cases are pending in the CIC. Often, citizens have to wait for 2-3 years to get their complaints/appeals heard in the CIC. Of the pending appeals/complaints, more than 15,000 relate to the bench of the Chief.

Equally concerning is the completely non-transparent process which the government is adopting to appoint the Chief Information Commissioner and other information commissioners. In response to an RTI application seeking copies of the minutes of the meetings of the search committee set up to short-list

candidates for appointment of the Chief, the government stated that “Minutes of meetings have not been recorded in the file”. Further, they even refused to divulge the names of people who attended the search committee meetings, stating “Since minutes have not been recorded in the file, undersigned is not aware as to who attended those meetings.” The lack of transparency in the appointment process will irrevocably impact the credibility of the CIC and also raises suspicions that the process might be subject to undue political influence.

Unfortunately, despite PM’s unmissable election campaign focussed on anti-corruption and grievance redress, in the first year of the BJP government, the Lokpal law and the whistleblowers’ protection law (WBP act) have not been operationalised, nor has the government brought in any mechanism to ensure effective redress of citizens’ grievances.

In fact, the government introduced amendments in Parliament aimed at weakening the provisions of the Lokpal Act and the WBP Act. The Lokpal Amendment bill among other provisions, brought out by the current dispensation, severely dilutes the provisions related to disclosure of assets of public servants under the jurisdiction of the Lokpal. The proposed amendments exempt the spouses and children of bureaucrats from disclosing their assets. The Lokpal has been established to receive and inquire into complaints related to offences punishable under the Prevention of Corruption Act, 1988 (PCA) and one of the major grounds of criminal misconduct under the PCA relates to a public servant or any person on his/her behalf, being in possession of pecuniary resources or property disproportionate to his known sources of income. For the Lokpal law to be effective, it is critical that disclosure of assets and liabilities of public servants be of a high standard and be uniform across all categories of public servants covered under the Lokpal Act. As illegally amassed assets could be handed over to family members, it is important that the declaration of assets include the details of assets of the spouse and dependent children of the public servant.

Despite being passed by the Parliament and published in the official gazette in May 2014, the Whistleblowers’ Protection Act has also not been operationalised by the government till date. The Act was passed in 2014 after a long struggle by whistleblowers, their families and the likeminded people who stand for protection of the whistleblowers. Families of slain whistleblowers and activists of NCPRI (National Campaign for Right to Information) protested for more than 20 days outside offices of political parties and the Parliament to demand the passage of the WBP Act. In the face of continuing grievous attacks and even deaths of whistleblowers, it is not clear why the government is attempting to dilute and weaken this legislation through the introduction of an amendment bill in Parliament which was passed by the Lok Sabha on May 13, 2015. It may be noted that the ruling party has a clear majority in the lower house. The amendment bill severely weakens the provisions of the original Act. The biggest blow to the WBP Act is that the amendment has removed the clause which provided a safeguard to whistleblowers from prosecution under the Official Secrets Act (OSA), 1923, if they made a disclosure under the WBP Act. The delay in implementing the WBP Act is inexplicable especially, since in the interim more than 4 people who exposed corruption have been killed. These whistleblowers could have been afforded some protection had the law been operationalised. One would have thought that given the government’s stated commitment to tackle corruption, it would prioritise implementing the law as it encourages citizens across the country to reveal wrong-doing and corruption and also provide government with actionable complaints.

Finally the performance of the government, in terms of achieving its election promise of ensuring delivery of services and amenities to citizens, can be judged by whether it has put in place any effective mechanism for time bound delivery of services and grievance redress. Only a robust grievance redress mechanism, which empowers citizens to hold authorities accountable for failure to deliver services in a time-bound manner, can protect people from the menace of everyday corruption and inefficiency which denies them their basic rights like rations, pensions, healthcare and education. Unfortunately, there has

been no perceptible effort so far by the new government to put in place a strong system for resolving complaints. Also, the government has not re-introduced the grievance redress bill in Parliament, which had lapsed with the dissolution of the 15th Lok Sabha.

In conclusion: Undoubtedly, it would be naïve to expect that the mission to deliver good governance would be achieved in a year's time. Yet the absence of decisive action on any of critical issues relating to addressing corruption and protecting whistleblowers and in fact the rollback of some existing robust mechanisms, raises serious questions about the commitment of the government towards ensuring transparent and accountable governance.

Civil Society Space under NDA regime

Voluntary organisations in India have helped immensely in improving the common person's quality of life by providing services, support, capacity building and research-based advocacy. These organisations work in almost all areas that concern people's socio-economic development and protecting people's rights guaranteed under the Constitution of India. Yet, the voluntary sector faces massive challenges today. Archaic laws and unclear policies add to problems for the sector. Lack of a transparent regulatory environment invariably leads to excessive control. Voluntary organisations are passing through this very crisis. All stakeholders, including the State, therefore, need to address the problem upfront.

The first national conference on the role of voluntary sector was called by then Prime Minister Atal Bihari Vajpayee in April 2002. The deliberations gave birth to the idea of a 'National Policy on Voluntary Sector'. During the UPA regime, the now-redundant Planning Commission acknowledged its engagement with voluntary organisation since the Sixth Plan (1980-85). Subsequently, in May 2007, the Union Cabinet approved the formulation of the national policy. The document laid the ground for partnership between government and voluntary organisations. But Parliament is yet to approve the policy by enacting it into law.

Hopes of the voluntary sector soared when the NDA government assumed office in May 2014. But it has been greeted with the so-called leakage of "Intelligence Bureau" report selectively to the media, which paints almost the entire sector as an impediment to GDP growth. Although the government did not act on the report, media sensationalisation has strengthened the belief that the new dispensation is not appreciative of the work done by the voluntary sector.

The NDA regime's development blueprint intends to address the persistent shortcomings in basic infrastructure like electricity and water supply, while pushing for futuristic investments in high-speed rail and smart cities. The government's stress on an infrastructure-driven development model poses a real threat to the poor their lands and natural resources. The fear of undemocratic acquisition of land without the consent of people and greater displacement of the poor and marginalized looms large. The government, however, appears to be desperate for road rolling amendments to the land acquisition law without even implementing it despite vociferous opposition from many quarters. It may be mentioned that the amendments brought to the existing land acquisition law by the present regime weakens the consent clause by the affected people.

On a positive note, the voluntary sector is actively involved in programmes of national importance like sanitation, education and protection of the girl child. But in a clear departure, corporate are also getting increasingly engaged with such programmes. Many voluntary organisations now work with corporate to deliver essential services. However, the sector is gripped by a sense of lingering doubt over the fate of rights-based organisations under the present regime. The sector leaders have also raised this issue strongly by writing an open letter to the prime minister highlighting the threats faced.

The Foreign Contribution Regulation Act (FCRA) has often been used (rather misused) to attack the space for voluntary action in India. The FCRA wing under the Ministry of Home Affairs (MHA) remains unaccountable for its actions. Enquiries on suspension of FCRA accounts are lost in timeless delays

while old communication problems persist. Selective leaks to the media, which began during the UPA regime, continue unabated. The throttling of Greenpeace India by suspending its FCRA registration is a recent case of attack by the Ministry of Home Affairs on the dissenting voice. The Delhi High Court also passed a judgement in this regard that right of free speech and expression “necessarily includes the right to criticise and dissent” and thus cannot be muzzled. It is however shocking that despite the judgement by the high court in favour of Greenpeace, the government froze all the accounts of organisation including its domestic accounts.

Some major international NGOs, which had been providing flexible funding and supporting entitlements, are being put in the “prior approval” category. The latest such case is of Ford Foundation which has had a huge stake in the country’s development since 1952. It provided fiscal aid to Green Revolution and institutions like IIMs, IITs and JNU, beside numerous other contributions. There was no communication with the foundation or with its recipients on this action. Most organisations got the information from the media or their banks. Such selective attack on INGOs may well squeeze funding for rights-based work. While the government pursues an extremely liberal policy on foreign investments, it has put in place an iron-clad foreign funding regime in the voluntary sector. It’s an irony that the foreign funds are treated differently in case of business and in case of voluntary action. So far, no procedural guideline is in place for getting funding approvals from MHA.

The year 2015 is crucial for FCRA-registered organisations as they will seek renewal for the first time. The amended FCRA of 2010 makes such renewal mandatory every five years. This has caused worry, too, because MHA has not issued any guidelines for the renewal process. Clouds of suspicion loom large over the voluntary sector due to unending attacks on the civic space through the FCRA route. Further harassment is not ruled out.

Insecurity runs high in the sector after rampant cancellation of FCRA registration of around 9,000 NGOs on the grounds of wrong address furnished. The truth is that MHA hardly bothers to reply to relevant queries from organisations. Workshops conducted by VANI (Voluntary Action Network in India) reveal several instances when the ministry never responded to change of address or bank account requests. It did not even address problems relating to filing of annual returns, which, incidentally, happens to be second big reason for penalising voluntary organisations. FCRA, perhaps, is the only department that does not acknowledge the receipt of any letter. Organisations, therefore, do not possess any proof of compliance and are totally left at the department’s mercy.

Finance Minister Arun Jaitley’s budget speech has, however, rekindled hope on the regulatory front. The limit of business income has been redefined at 20 per cent of the gross receipt, up from the earlier limit of Rs25 lakh. VANI had been demanding this change. Jaitley also informed Parliament that the ministry intends to re-examine Section 2(15) of the Income Tax Act which defines “charitable purpose”.

Nevertheless, the civil society space seems to be shrinking. Apparently, the unaccountability of FCRA is being used as a weapon to punish dissent and create scare. The government must look into the regulatory regime and reform it. The government’s adversarial relation with the voluntary sector today is somewhat like the relations it had with the private sector in 1970s. The situation began to change only after economic reforms were initiated in the early 1990s. Subsequently, even an exclusive corporate affairs ministry was created. The hope for the voluntary sector lies in a similar proactive policy approach. The government must recognise the crucial role played by the sector in nation building and strengthen it.

The way the government has attempted to scuttle voluntary action goes against the spirit of democracy which provides space for dissent. The democracy can thrive well when there are different viewpoints. Freedom of expression being cornerstone of the Constitution, it must be respected by the current regime. Curtailing the voices of individuals and the NGOs will not augur well in long term as voluntary sector plays a key role in protecting the interest of the poor, marginalised and the vulnerable. The government

must not forget the fact that while business may be important for the country, it should not be pushed through against the will of the people. Many actors of civil society are opposed to diluting the land acquisition bill and taking away the right of people to decide if they want to cede with their land. It is hoped that the government appreciates this and promotes voluntary action instead of strangulating it.

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Upping the ante: Economic diplomacy under NDA regime

In India shifts in foreign policy take place incrementally, often over decades, and one year is too short to glean a Modi imprint, a punishing travel schedule notwithstanding. When it assumed power in May 2014, the National Democratic Alliance (NDA) government inherited complex and multiple challenges on domestic and external fronts. Domestically, the Indian economy was beset with weak macro-economic fundamentals and serious structural infirmities, the manifestations of which included a deep-seated agrarian crisis, stagnating industrial production, declining public services and rising unemployment. This was of course a legacy of India steadily shifting gears to the right from 1991. Since then coalition governments at the centre, of various hues, have doggedly pursued policies of economic liberalisation that brought increased foreign investment and high growth rates, albeit with rising inequality and marginal impacts on decent jobs and social indicators.

Externally, India was implicated on several counts. In the post-2008 financial crisis world, growth continued to be sluggish in Europe and the United States. The World Trade Organisation (WTO) is crippled by a two-pronged impasse. While free trade apologists have jettisoned it for bilateral and regional free trade and investment agreements, developing countries are hard pressed to show benefits on long-pending issues such as access to northern markets for industrial and agricultural products. Democratisation of the World Bank and IMF continues to be a non-starter. This situation has also opened the door for institutions proposed by the BRICS such as the New Development Bank (NDB) and the Contingency Reserve Arrangement (CRA) to counter the Bretton Woods twins. Fifty-six countries, including India, have joined the China-led Asian Infrastructure Investment Bank (AIIB) that was launched in October 2014. Assessment of the NDA's foreign policy needs to be situated within this context.

Trade and Investment Liberalisation

Agriculture continues to be the key to break the WTO Doha Round logjam. Flawed rules under the Agreement on Agriculture (AOA) allowed rich countries in the OECD subsidies up-to \$258 billion in 2013. In a travesty of justice, developed countries are using the same AOA to challenge the ability of developing countries to subsidise their poor farmers through price support for food security purposes. At the Bali Ministerial in December 2013, India won the right to use a 'peace clause' that would then pave the way for a permanent solution on food security. It also refused to sign a deal on trade facilitation (TF) unless both deals were part of a single package with similar time frames. Inexplicably in November 2014 (after Prime Minister Modi's visit to the US), the NDA government inked a bilateral agreement with the US on both food security and trade facilitation. Close to 200 global civil society organisations had cautioned against rushing to sign the TF agreement without a clear commitment on issues of interest to developing countries. They argued that TF would lead to further privatisation of ports and impose regulatory and cost burdens on developing countries with the main beneficiaries being transnational shipping and logistics firms. With the next WTO Ministerial slated for December 2015 in Nairobi, news from Geneva indicates

that major developed countries, led by the US and the EU, have taken intransigent positions, clearly indicating that they will not allow a permanent solution on food security any time soon.

Unrelenting US pressure against the Indian Intellectual Property Rights (IPR) regime has been another contentious area. This includes putting India on a priority IPR watch-list, investigations by the US International Trade Commission and a forceful pitch by President Obama on behalf of US pharmaceutical companies at the January 2015 US-India business summit in Delhi. Longer and broader monopoly patent rights over medicines have been opposed by health groups across the world. India's patent regime, legislated in the public interest, allowed for the creation of a robust generics industry. It is now a key supplier of low-cost essential medicines, including over 80 per cent of all HIV medicines used in developing countries, earning it the title of 'pharmacy of the developing world'. Rather than resist this pressure from the US and other developed countries such as Japan, here again, the NDA has faltered. As part of its attempt at revision of various laws, a draft IPR policy has been released for comments and in a brazen show of its priority, the government formally invited US experts to provide inputs. Analysis by the National Working Group on Patent Laws shows that the draft policy reflects the interests of big business by taking on a maximalist IPR agenda and if implemented could further compromise India's self-reliance and technological advancement not only in pharmaceuticals but also in manufacturing, services and agriculture.

The NDA government is also inexplicably negotiating a Bilateral Investment Treaty (BIT) with the US when its Finance Ministry is in the process of revising India's current treaty framework. The revision process was necessitated due to several arbitration cases against India by foreign companies. There has been a global backlash against BITs with countries like South Africa and Brazil revoking the right of companies to sue governments. Institutions such as UNCTAD have also cautioned on BITs' ability to attract Foreign Direct Investment (FDI) and impacts on the democratic policy space. It is prudent that the NDA puts on hold all BIT negotiations until inputs are sought from interested parties, including parliamentarians and civil society groups. There is also concern that the US BIT framework, which is skewed towards investor protection, will unduly influence the outcome of India's revision.

The NDA's misplaced enthusiasm for BITs fits in well with the Modi government's flagship programme—the 'Make in India' campaign—that is expected to attract FDI which will, in turn, spur manufacturing and help tide over the crisis of jobs. Of course, the beleaguered manufacturing sector needs a boost (it contributes only 12 per cent to the GDP), especially small and medium enterprises, which hold the key to job creation and fostering entrepreneurship. The problem is that 'Make in India' is not about domestic small and medium enterprises, the backbone of manufacturing through the supply of ancillaries. Neither is it about ensuring transfer of technology and fostering innovation. So far, it has been about road shows in Davos and Hannover, convincing foreign companies about the 'ease of doing business' with a slew of deregulatory initiatives that will undermine labour laws, environment protection and ensure easy access to land. Responding to industry demands (foreign as well as national), NDA has initiated a move to harmonise central labour laws. The new codes on wages and industrial relations indicate easing of conditions for firing workers with restrictions on collective bargaining, formation of trade unions and enacting a national minimum wage. The recent land ordinance facilitates the acquisition of productive agricultural land by exempting social impact assessments and dilutes farmers' consent.

Whither South-South Cooperation and Solidarity?

The July-2014 BRICS Fortaleza Summit announced the creation of the New Development Bank (NDB). With an initial capital of \$50 billion, NDB is expected to shake up the world of development finance and challenge the hegemony of institutions controlled by the US and Japan such as the World Bank and Asian Development Bank (ADB). While NDB would be located in Shanghai, India won the right to nominate its first president. New Delhi has been a long-standing critique of the lack of democracy in the North-dominated Bretton Woods Institutions and policy conditionalities attached to loans. It is, therefore, im-

perative to ensure national democratic oversight over new multilateral institutions from the South. This also applies to India's engagement with the \$100-billion China-led Asia Infrastructure Investment Bank (AIIB). Further, rather than competing with the World Bank on large-scale infrastructure funding, these institutions should, through a process of consultations within the country and between its members, arrive at lending priorities that are reflective of the goals of equity, justice and sustainable development. With the recent nomination of banker K V Kamath as the first president of BRICS Bank this task just got harder. Kamath's main expertise is in private sector banking; he is the non-executive chairman of ICICI Bank-India's largest private bank and has had a long stint at the Private Sector Department of the ADB.

India has consistently punched above its weight on foreign policy. Sixty years ago in Bandung, Prime Minister Jawaharlal Nehru played a key role in advancing the idea of an independent development path for the third world nations based on solidarity, cooperation and peaceful coexistence. The 1955 Bandung spirit then coalesced into concrete international projects like the Non Aligned Movement (1961), Group of 77 (1964) and the United Nations Conference on Trade and Development (1964). On April 24, southern leaders once again gathered in Bandung to celebrate the historic event. Prime Minister Modi chose to skip its 60th anniversary and India registered a notional presence. Bandung 2015 was an important moment for leaders from the South to catalyse new projects on south-south cooperation for a more equitable world order. Clearly, the current global context, of multiple crises, requires the articulation of a vision of internationalism from the South for a new development model that is economically, socially and environmentally just. The NDAs first year belies any hope of such expectations from India.

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The Ordinance Raj

Parliament is the fountainhead of Indian democracy. People have immense faith in the supreme legislative body. In the past few sessions, however, our bicameral legislature has shown varied results and the Rajya Sabha has performed much better than the Lok Sabha.

In its last *Four* sessions, the Lok Sabha held 90 sittings. It sat for 562.29 hours, but lost 24.75 hours due to disruptions. The Rajya Sabha held 74 sittings in the last four sessions (231 to 234) and sat for 342.17 hours. It lost as much as 114.46 hours due to interruptions and adjournments. The Rajya Sabha, however, made efforts to recover the lost hours by skipping lunch recesses and sitting longer, adding 67.40 hours to its total sitting time. Yet, the Rajya Sabha worked for just about 60 per cent of its scheduled time during which the Elders passed the Rights of Transgender Persons Bill, 2014, the first private member's bill in 45 years.

The Lok Sabha, in contrast, worked for almost 97 per cent of its scheduled time. During its last *Four* sessions, the government introduced 61 bills of which 55 were passed. Two important bills to be passed were the Regional Rural Banks (Amendment) Bill and the controversial Insurance Laws (Amendment) Bill. The first legislation will help Regional Rural Banks (RRBs) raise their authorised capital and enable them to raise funds from the capital market. The Insurance Laws (Amendment) Bill raises the foreign investment cap in insurance sector from 26 to 49 per cent. It is expected to bring thousands of crores of rupees into India. It also provides for imprisonment of up to 10 years for selling policies without registration with the Insurance Regulatory and Development Authority (IRDA).

Parliament also passed the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment Bill, the Merchant Shipping (Amendment) Bill, the Mines & Minerals (Development and Regulation) Amendment Bill, the Indian Institutes of Information Technology Bill, the Constitution (Scheduled Castes) Orders (Amendment) Bill, the Central Universities (Amendment) Bill 2014, the Coal Mines (Special Provisions) Bill 2015 and the Constitutional (122nd Amendment) (GST) Bill 2014.

Despite the effort, some important Bills are still pending.

Women's Reservation Bill: Also called the Constitution (108th Amendment) Bill, it has been pending in the Lok Sabha for more than 18 years. It proposes 33 per cent reservation for women in Lok Sabha and state Assemblies. The Bill was first introduced in Parliament in 1996 and subsequently in 1999, 2003, 2005, 2008 and 2010. The Rajya Sabha passed it in 2010. With the dissolution of the previous Lok Sabha, the Bill will have to be reintroduced in the present Lower House.

Child Labor (Prohibition and Regulation) Amendment Bill, 2012: This Bill has been pending since December 2012. In its present form, the Act prohibits children up to the age of 14 from working in certain occupations and regulates their work conditions. It also covers children between 14 and 18 years of age and bans their employment in hazardous occupations like mining, with inflammable substances, and in hazardous processes.

Rights of Persons with Disabilities Bill: This Bill was tabled in the Rajya Sabha in February 2014 by the UPA Government. It aims to increase reservation for the disabled in public sector jobs from existing 3 per cent to 5 per cent, besides reserving seats for them in institutions of higher education. The Bill seeks to increase the scope of disability from seven to 19 sub-categories. Its approval will provide wide opportunities to people with disabilities in education and employment and help them lead a dignified and independent life. The bill also prescribes stringent punishment to those who violate the rules of the legislative provision.

SC/ST (Prevention of Atrocities) Amendment Bill 2014: The 16th Lok Sabha referred the bill to standing committee after the demand of opposition parties. The objective of the bill is to amend SC ST (Prevention of Atrocities) (POA) Act 1989 to deliver members of ST and SC greater justice and enhanced deterrent to the offenders. The Parliamentary Standing Committee on the Social Justice And Empowerment (2014 -15) on the Bill had submitted its report to both houses of the Parliament in December 2014. The major recommendations of the Committee is to set up of special courts for speedy trials; protection of and information to the victims and witness; setting up of special courts for women with a women judge and woman public prosecutors, preferably belonging to SC/ST community among others.

Many other bills are also pending, including the Real Estate (Regulation and Development) Bill 2013, the Consumer Protection (Amendment) Bill 2011, the Right of Citizens for Time Bound Delivery of Goods and Services and Redressal of their Grievances Bill 2011, the Undisclosed Foreign Income and Assets (Imposition of Tax) Bill 2015, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Bill 2015.

Also pending are two crucial proposed legislations—the Lokpal and Lokayuktas and other related Law (Amendment) Bill 2014 and the Prevention of Corruption (Amendment) Bill 2013. Both were introduced in the Lok Sabha and the Rajya Sabha.

Ordinance Raj

For the first time in 30 years, a party with full majority came to the Lok Sabha. But the BJP-led Government rushed to take the ordinance route for making policy changes. It promulgated ordinances on the Land Acquisition Act, increasing FDI in insurance, coal auction and regularising 895 unauthorised colonies in Delhi. An ordinance was even issued to allow e-rickshaws ply on Delhi's roads. When Nripendra Mishra, former chairperson of the Telecom Regulatory Authority of India (TRAI), was appointed the principal secretary to Prime Minister, the move violated the TRAI Act. So the government amended it through an ordinance. The NDA government also promulgated ordinances to give life visas to Persons of Indian Origin and to amend the Textile Undertakings laws, the Citizenship Act 1955, the Motor Vehicles Act, the Arbitration and Conciliation Act 1996, besides issuing the Mines and Minerals (Development and Regulation) Ordinance.

The NDA's pathetic lack of majority in the Rajya Sabha was the reason for the government taking to the ordinance route. Although the BJP holds an overwhelming 334 of the 543 Lok Sabha seats, its presence in the 250-members Rajya Sabha is limited to merely 62 seats. Getting bills passed in the Rajya Sabha is a major challenge for the Narendra Modi government. The flurry of ordinances may be the government's way of showing that it means business, but it exposes the party's weakness.

Weak Opposition

Absence of a strong Opposition is a major drawback in the functioning of the current Lok Sabha. The Congress could win only 44 seats in the 2014 general elections. Although it was the second largest party after BJP, it did not qualify to stake claim for the Leader of the Opposition slot in the House. Parliamentary procedure rules stipulate that a party must hold at least 10 per cent of the total seats (or 55 seats) to field a candidate for the crucial Leader of the Opposition post in the Lok Sabha. Fragmented as they are on various issues, the Opposition parties could not form a group to stake claim for the key post. The Rajya Sabha, on the contrary, seems to be playing a more constructive role by holding debates and discussions on important bills.

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MGNREGA under the NDA regime

Uncertainty has gripped the fate of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) ever since the NDA government assumed office in May 2014. An assessment of the government's performance on MGNREGA requires a close look at the political developments, policy pronouncements and progress in implementation over the past year.

Tale of three ministers: Political developments

As far as political positions are concerned, different rural development ministers have given out different messages on MGNREGA. The top leadership, however, has distanced itself from the programme and, at best, supports it grudgingly.

Gopinath Munde's appointment as rural development minister in June 2014 was well received by the MGNREGA supporters, given his track record in Maharashtra. But his sudden death and the coming in of Nitin Gadkari cast a shadow over the future of the programme. Gadkari initially defended MGNREGA against Rajasthan chief minister Vasundhara Raje's suggestion that it be converted from an Act into a scheme. But he later initiated amendment of the labour-material ratio provision in favour of material, making the programme vulnerable to the entry of contractors. This, too, was a suggestion of Raje and her Madhya Pradesh counterpart Shivraj Singh Chouhan.

What ensued was a series of rapid decisions and announcements without public consultation. Gadkari's speech in Parliament on July 30, 2014 laid ground for the rollback of MGNREGA through change in labour-material ratio and confining it to backward blocks only. This sought to strike down fundamental provisions of the Act. Increasing the material component, for instance, would weaken labour-intensive design of the programme, which primarily seeks to generate employment. The decision to focus on backward areas would undermine MGNREGA's universal and demand-driven nature.

The developments sparked protests. Eminent citizens and economists wrote to Prime Minister Narendra Modi, sourcing studies which show the programme's positive impact. Around 10,000 people marched in protest in the national capital on December 2, 2014, opposing the move to dilute MGNREGA.

A press note released by the rural development ministry in October 2014 had dismissed people's concerns and termed the group as a "network of vested interests". However, subsequent to this, the handing over of the rural development portfolio to Mr. Chowdhary Birendra Singh in November 2014, seems to have at least temporarily stemmed this tide. The new minister ruled out any dilution of MGNREGA and promised to protect the labour-material ratio. He said the coverage area would not be curtailed and denied any financial pruning.

The debate raged but the Prime Minister maintained silence. Finally on February 27, 2015, during his address to Parliament ahead of the budget session, he pledged to support MGNREGA—not because it provides social security to 10 crore rural poor every year, but since he wanted to showcase it as a "living example of the Congress' failure". The Prime Minister attributed this to his shrewd political acumen, but the disparaging remark mocked the millions employed by MGNREGA and, indeed, the very concept of dignity of labour and the right to work.

Put your money where your mouth is: Budgetary allocations

A day later in his budget speech, finance minister Arun Jaitley expressed the government's "commitment to providing employment through MGNREGA". He claimed to have provided it the "highest ever" allocation of Rs 34,699 crores. Given that several other social sector schemes faced severe budgetary cuts, maintenance of the previous year's outlay was a respite, but it was far from celebratory.

The finance minister's claim that the 2015-16 allocation is the "highest ever" is incorrect. The highest allocation for MGNREGA was Rs 40,100 crore in 2010-11. The 2015-16 allocation is only Rs 699 crore more than the 2014-15 allocation of Rs 34,000 crore. Funds allocated to MGNREGA are decreasing in nominal and real terms. As a ratio of GDP, the Centre's expenditure on the programme dropped from 0.6% in 2009-10 to 0.3% in 2014-15. In real terms, there has been a 30% decline in MGNREGA expenditure since 2010-11.

Since MGNREGA is a demand-driven legislation, budgetary allocations to it can only be tentative, subject to demand. Yet, the practice of revising outlays based on demand has been discontinued. Instead, there is now a system of quota to states and rationing of funds to run the programme.

This can be understood by comparing labour budget projections with actual allocations. State governments undertake a planning exercise to make an estimate of the work to be done and the expected expenditure every year. For 2015-16, the states projected 332 crore person-days. The Centre approved in-principle expenditure for 239 crore person-days only. The cut can be seen at this stage itself. Further, the funds required for even the approved labour budget would be about Rs 51,000 crore. The planning exercise is followed only to arrive at an estimate, which is invariably slashed at the allocation stage.

This was not always the case. Earlier, the states would show the expenditure to the Centre and it would be reimbursed. This system underwent a reversal in 2014-15, with an acute shortage of funds to run the program. The states began the year with huge payment liabilities due from the previous year, amounting to over Rs 6,000 crore. The fund released to them in the first installment for 2014-15 was sufficient only to cover these liabilities and to generate employment for the month of April. This led to a severe shortfall of funds to generate employment for the peak months of May and June. In an unprecedented move, the Centre decided to give states a fixed budget allocation with an implicit understanding to not expect any funds over and above the allocation. At the end of 2014-15, the states had an overall pending liability of Rs 2,897.33 crore. Beginning and closing the financial year with pending liabilities clearly indicates the shortfall of funds to run the program to its true potential. By continuing to underfund the programme, the Centre is signalling further pruning and downsizing of the scale of the program.

Wither cooperative federalism: States oppose fund cuts and delays

Liabilities and non-provision of adequate funds to states has damaged MGNREGA's credibility severely. The situation is exacerbated when funds are not released on time. The states, therefore, implement the programme with funds advanced from their own treasuries.

In December 2014, then Jharkhand chief minister Hemant Soren wrote to the Prime Minister appealing to him not to dilute the provisions of MGNREGA. Andhra Pradesh chief minister Chandrababu Naidu also wrote to the rural development minister in December 2014, requesting the Centre to release more funds to the programme. Clearly, lack of funds is compelling the states not to register more work despite the demand.

The Centre's disregard for the rural job scheme reflects its disrespect for the federal structure. It also penalises better performing states with higher expenditure. Legislative assemblies of Jharkhand and

Tripura passed resolutions on August 6, 2014 and August 29, 2014 respectively, opposing the dilution of the Act and for increasing the amount of funds allocated to MGNREGA. The Telangana assembly, too, passed a similar resolution.

Potentially positive policy pronouncements

The Centre has made a number of policy changes vis-à-vis MGNREGA. These include linking 60% of works to agriculture, assistance to strengthen social audits and the Intensive Participatory Planning Exercise (IPPE).

In 2014, the Act was amended to provide for 60% of the works to be directly linked to agriculture and allied activities through development of land, water and trees. Given that most works under MGNREGA—like farm bunding, water conservation and individual livelihood assets—already contribute to enhancing agricultural productivity, there is no harm in making it a statutory requirement. While MGNREGA's future is in question, the outcome of several other development schemes such as irrigation, horticulture, sericulture continue to rely on it for its scale, reach and administrative capacity. The ministry issued a number of convergence guidelines and state convergence plans to this effect.

Social Audits, a unique tool of participatory monitoring of MGNREGA and a statutory requirement under the Act, got a boost with the ministry sanctioning central assistance of Rs147 crore to states for this purpose. These funds are to be used for institutionalising independent social audit units, which facilitate audits of the programme. While this scheme was conceptualised well before NDA came to power and due credit should be given to the Comptroller and Auditor General (C&AG) for pushing for its implementation, considerable progress has been made in 10 higher spending states over the last year to operationalise the social audit units.

IPPE was, perhaps, the most defining policy push for MGNREGA in 2014-15. To address the criticism of poor planning and lack of quality assets being built under the programme, the Ministry undertook an intensive participatory planning exercise in 2,500 most backward blocks. 2.5 lakh youth were trained in participatory rural appraisal methods like resource mapping, social mapping, seasonality mapping and transect walk. The plans arrived at through this process would be the basis for the projected expenditure for 2015-16 and, therefore, assumed to be more genuine and reflective of peoples' needs.

This exercise has had a direct impact on the allocation of funds for 2015-16. Blanket formulas were applied. In the selected 2,500 blocks, projected employment generation is assumed to be double the average of the previous three years and funds will be released accordingly. In the remaining blocks, the average employment over three years has been taken into account for fund allocation. Emphasis on backward blocks can be viewed as a positive step that acknowledges the huge unmet demand in these areas combined with poor administrative capacity. But rationing of funds violates the hard won principle of universal coverage, striking at the heart of the demand-driven nature of the program which caters to the poorest through a self-targeting mechanism.

Cat and mouse game: Aadhaar is mandatory, no it's not

In December 2014, MGNREGS was notified as a Direct Benefit Transfer (DBT) scheme. Following from this, the rural development ministry made it mandatory for payments under the MGNREGS to be done only through DBT via Aadhaar in 300 districts from April 1, 2015. The instruction is in violation of a Supreme Court order which states that "no person shall be deprived of any service for want of Aadhaar number in case he/she is otherwise eligible/entitled."

There have been numerous incidents of workers being denied their entitlement because they do not have Aadhaar. They were either refused to be registered for work or their job cards were cancelled. When these incidents were brought to the notice of officials, the ministry was compelled to retract with a clarification in April 2015 that “registration of demand for work shall not be denied under any circumstances”. Further, “none of the processes under the Act, including provision of work on demand and payment of wages, shall be denied or withheld simply because the person concerned does not have an Aadhaar number”.

Yet the ground situation remains largely unchanged. The conflicting messages have confused the field functionaries and workers continue to be denied employment due to the forced application of Aadhaar on MGNREGA.

Implementation Report Card: Crashing employment, soaring delays

For now it seems that political attacks on MGNREGA have been put to rest. But it is important to present an assessment of implementation based on official figures. The direct impact of the fund squeeze can be seen in the continuous decline in employment over the last five years. However, the sharpest decline of 25% was seen in 2014-15 when the number of person-days generated fell from 220 crore in 2013-14 to 166 crore in 2014-15. According to ministry's online reports, 72% of the total wages disbursed in 2014-15 was delayed. This, too, is part of an alarming trend of increasing delays—61% wages were paid on time in 2012-13 but this figure slumped to a pathetic 28% in 2014-15.

Yet for as much as the programme is accused of being unable to do, its steady achievements by virtue of scale and being a pro worker legislation go unacknowledged. A round up of the past years performance by the Ministry points out that it continues to provide employment to one in every three rural households, provision of work to women improves nutritional standards of households, increases risk resilience of small and marginal farmers and has positive effects on consumption and poverty of SC/ST households. Even on the assets front, an oft cited ‘Achilles heel’ of MGNREGA, a comprehensive study conducted in Maharashtra found that the assets created under the programme were of good quality and 90% of the survey respondents found them useful.

Cautious optimism

MGNREGA's performance leaves much to be desired and there is reason to be cautiously optimistic about its future. The extreme fund squeeze faced by the states has brought to light the pattern of budget allocations and rationing being done to the demand-driven programme. The only way to counter this is by forcefully claiming all prescribed entitlements. Several chief ministers have responded strongly to the Centre's tight-fisted approach. IPPE can, at best, push funds to areas where it is needed the most. Figures of work provision and average work days for households may go up in such areas. Given the fall in crop prices, compounded with unseasonal rain and crop damage and predicted low rainfall, the need for such a program will be even higher this year. Against this backdrop, if rural employment continues to decline, rural incomes will reduce and demand will be depressed. This will certainly have an adverse impact the national economy.

Sant Ram a resident of Dumarbhona village in Surajpur district, Chhatisgarh had a strong piece of advice for the Prime Minister when asked about the faltering implementation of MGNREGA in his state and the future of the NDA government- “If my path crossed with him (Modi), I would tell him, don't look in the distance, watch your feet, else you would trip and fall.”

MGNREGA sorely needs untied budgets with an assurance that its demand-based nature would be honoured. Only then, will the government stay true to the right to work. The finance minister promised

Rs5,000 crore to the programme in Parliament if there is “tax buoyancy”. Hopefully by next year, we will report on not only having claimed this Rs5,000 crore but with figures of soaring rural employment and wage payment delays coming down substantially.

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