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## **The Political Order**

In our pre-occupation with economic data and analysis, we often forget the importance of social virtues to growth. Many economists, amongst them Dani Rodrick (*One Economics, Many Recipes: Globalization, Institutions, and Economic Growth*), have argued that the culture, the value system of a people are as important to economic development as institutions and policies. Francis Fukuyama has argued that social virtues like “honesty, reliability, cooperativeness and a sense of duty to others” are critical: in fact, the title of his book (*Trust*) itself focuses on one such social attribute. He argues that it is trust which allowed countries like the US, Japan and Germany to create giant corporations. In his latest book, *The Origins of Political Order*, Fukuyama lists the three major ingredients of a virtuous political order as an effective state, the rule of law, and accountability. Niall Ferguson in his recent book *Civilisation: The West and the Rest* identifies six “killer apps” (applications) as he calls them, that gave the West an unbeatable advantage over “the Rest”. These include work ethic, which Max Weber also emphasized in his *The Protestant Ethic and the Spirit of Capitalism*.

We are sadly weak in most such social attributes: the question is whether the recent unprecedented developments following Anna Hazare’s “fast into death” have improved things – or weakened the political order further. Clearly effective governance is our single biggest problem. The widespread, and increasing, corruption is a part of it, but will legislation drafted even by a Committee appointed by Mr. Hazare himself, with no interference from the government, solve it? (On corruption itself, I sometimes wonder whether we, as a people, are culturally/socially more tolerant of it than other societies? Consider the number of people with criminal records that we elect; the benign attitude we display towards the way too many politicians become rich on becoming powerful.)

Mr. Hazare, of course, does not trust our type of adult franchise democracy -- nor do the Maoists!. In fact, he believes that ordinary voters cast their vote under the influence of “Rs. 100 or a bottle of liquor or a sari”. No wonder therefore that he has no faith in the honesty or

efficacy of the elected government. Greek philosopher Plato was also contemptuous of democracy and argued in his *Republic* that countries should be ruled by “philosopher kings”. Mr. Hazare’s Lokpal seems to be such a philosopher king. Unfortunately, the philosopher king has remained only in philosophy and no society has been able to get such a ruler.

But is Mr Hazare’s contempt for our type of adult franchise democracy well-deserved? To be sure, the western countries which swear by such democracy today, introduced adult franchise only gradually – in the mother democracy, voting rights for a long time were limited to property owners. In most western countries, women got vote only in the 20<sup>th</sup> century – and most blacks in the U.S. had to wait until the 1960s to get their civil rights.

We introduced an adult franchise democracy right from the start. And, despite any number of governance weaknesses, we should not be unduly contemptuous of it. We are perhaps the only developing country in the world where the rulers have always peacefully left office, when defeated in elections (Mrs. Gandhi Sr. was an exception in 1975, but accepted the verdict two years later). This is not a small achievement. This apart, our democracy’s record in terms of economic growth has also been extremely good, once we abandoned our earlier, “socialist” model. And, lest we forget, growth is the best antidote for poverty. (One wonders of course whether the NGO types were more comfortable with the old model)

But to come back, for a week at least the media, the “activists”, the top political leadership were all focused on Mr. Hazare’s fast, and the middle class support it had attracted in Delhi and Mumbai. (One wonders of course how many of them have insisted on making real estate transactions by cheque only; never bribed a policeman (or winked when their drivers did so); or a ticket examiner in a train; or insist on buying goods and services only from vendors who give a proper receipt including sales/service tax.) Our rulers seemed to have few convictions on the issues involved, made no attempt to exercise leadership, articulate the dangers in allowing a very small group of self-appointed leaders of “civil society”, whatever it means, to hold the elected government to ransom. The mighty Gol continued making decisions by holding a wet finger in the wind, and succumbed to Mr. Hazare’s blackmail.

This apart, the faith of the self-appointed “People Representatives” in the efficacy of laws in solving problems is touching. But the neta-babu-oligarch/builder octopus has a stranglehold on the political economy, which no laws can shake, in the total absence of accountability for their implementation. To quote only one recent case, it required public interest litigation in the Mumbai High Court to question the Anti-Corruption Bureau and other investigating agencies why they have not registered any offence against Kripashankar Singh, a Congress leader, despite the crores in cash transactions, that have passed through his/his family’s accounts; the “loan” of Rs. 4.5 crores to his son from DB Realty, a company involved in the 2G scam etc.

In the 1970s, JP led a so-called Nav-Nirman movement. The coalition he created won a post-emergency electoral victory in 1977, but could not last even three years. Two of the *Nav-Netas* it helped create later became chiefs of arguably the most non-governing and corrupt state governments in India’s history. (There is ample evidence that neither practiced JP’s vows of celibacy and poverty.) Another anticorruption Messiah won a famous electoral victory in the late 1980s and later imposed a “Raid Raj”. His only lasting impact on the polity is its Mandalisation and rebirth of stronger caste identities on the one hand, and the Rathayatra to Ayodhya and communal disharmony on the other!

Will Mr. Hazare’s crusade have any better outcome? One doubts. A few administrative changes – allowing public servants to be charged and prosecuted by investigating agencies without the need for “government approvals”; and streamlining the legal processes – may do more for governance and accountability than yet another institution! Mr Hazare’s “success” has perhaps only further weakened our political order. Elected representatives of the people succumbing to the methods adopted by Mr. Hazare, or the Maoists, is perhaps the surest way to anarchy – or dictatorship!

A.V.Rajwade

Email: avrajwade@gmail.com