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EDITORS' FOREWORD | ARTICLES

Capability in Government in India:
Possibilities for Improvement.

RFI Smith

Legal Empowerment of the Poor
(LEP) in Fragile and Conflict-Affected
Areas (FCAS).

Naresh Singh

Review of Problem Structuring Methods
and Its application in application in
Understanding the Housing Needs of
Slum Dwellers in India.

Namesh Killemsetty

Illegal Migrants': Decoding an Undefined
Term With Special Reference to
Citizenship Policies.

*Saifuddin Patel, Akriti Kaushik,
Arindam Baruah*

The Changing Status of Indian Democracy:
A Case of Adverse Selection and Limited
Political Access?

Yashorooop Dey

Revisiting Fiscal Policy and A Case for
Automatic Stabilisers in Urban India.

Swati Yadav

Is Business Group Affiliation Profitable in the
Emerging Markets in the Post-Pandemic Era? -
An Analysis of India OFDI Tales

Rajdeepa Maity

The Tragedy of Vaccine Nationalism in the
Covid-19 Pandemic.

Poorva Israni

A Review on National Policy of
Rare Diseases, 2021

*Dhruvil Jakasaniya
Rutu Tekwani*

Comparative Study of Effects
of Self-Help Groups on Women
Empowerment-Evidence
from Jeevika

*Naveen Kumar
Atul Kumar*

TABLE OF CONTENTS

<i>Editors' Foreword</i>	1-2
Capability in Government in India: Possibilities for Improvement <i>RFI Smith</i>	3-15
Legal Empowerment of the Poor (LEP) in Fragile and Conflict-Affected Areas (FCAS) <i>Naresh Singh</i>	16-27
Review of Problem Structuring Methods and Its application in application in Understanding the Housing Needs of Slum Dwellers in India <i>Namesh Killemsetty</i>	28-44
Illegal Migrants': Decoding an Undefined Term With Special Reference to Citizenship Policies <i>Saifuddin Patel, Akriti Kaushik, Arindam Baruah</i>	45-53
The Changing Status of Indian Democracy: A Case of Adverse Selection and Limited Political Access? <i>Yashoroop Dey</i>	54-66
Revisiting Fiscal Policy and A Case for Automatic Stabilisers in Urban India <i>Swati Yadav</i>	67-79
Is Business Group Affiliation Profitable in the Emerging Markets in the Post-Pandemic Era?- An Analysis of India OFDI Tales <i>Rajdeepa Maity</i>	80-86
The Tragedy of Vaccine Nationalism in the Covid-19 Pandemic <i>Poorva Israni</i>	87-98
A Review on National Policy of Rare Diseases, 2021 <i>Dhruvil Jakasaniya, Rutu Tekwani</i>	99-105
Comparative Study of Effects of Self-Help Groups on Women Empowerment-Evidence from Jeevika <i>Naveen Kumar, Atul Kumar</i>	106-125
Authors' Biography	126-128
Review Board Bio	129-131

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EDITORS' FOREWORD

Dear Readers,

We are into the third wave of the most devastating pandemic of modern era. It seems that we are gradually learning to live with the virus and the disruptions it creates. The science and arts of dealing with the pandemic is being formulated day-by-day and is reaching people. There is hope that the worst might be over and life would eventually crawl back to 'normalcy'. At this juncture, it would be worthwhile to look back, count our losses, mourn, dissect what went wrong, cherish our achievements and also make a pledge to prepare ourselves better for future challenges. In this volume, our experienced and our young authors have brought out some important challenges that our society is facing, particularly the vulnerable sections of the society: poor and marginalized people, people living in conflict areas, urban slums, international migrants, and people suffering from rare diseases. They discuss various tools and approaches that need to be adopted to overcome these challenges.

The effect of the pandemic on the lives of people goes far beyond public health — on livelihood, hunger, education, on mental health — for it is certain that much of the medium and long term consequences are yet to unfold. The approach of the government establishment in dealing with the challenges, many argue, depicted the lack of understanding, insensitivity about the precariousness of the lives of the vast majority of urban poor, the incompetence in dealing with complex multi-dimensional problems, and autocratic and undemocratic tendencies among the political leadership. Yashroop Dey uses the framework of “adverse selection” to argue that in Indian society, political access is manipulated by a small political elite to gain rents, through a system of privileged and personal inter-elite relationships. Poorva Ishani's piece uses the case of Covid-19 vaccines to understand how the dominance of the elites and the rich countries plays out at the global level to produce the wide inequities in access in developing countries, while the rich have grabbed vaccines many times more than what they need. Saifuddin Patel and his co-authors deal with the issue of citizenship to critically reflect on the Citizenship (Amendment) Act, 2019, to argue that this Act has been brought out by undermining popular opinion and global opposition, and could be seen as an attack on the secular fabric of the Indian Constitution.

Any policy decision or effort to bring about changes in the lives of poor and vulnerable people should start with creating the systems, institutions and processes that provide spaces for people to participate in decisions related to their lives. RFI Smith emphasizes on the need to improve the capabilities of various levels of government so that the voices of the marginalized communities are heard and that the officialdom is able to relate to the issues, problems and challenges that they face; accomplish complex and sensitive tasks and deliver the services people need. He emphasizes the need for political leadership in creating 'virtuous cycles' in which improvements in one component drive improvements in others.

Namesh Killemsetty proposes to apply various Problem Structuring Methods (PSMs) which provides a holistic framework to identify the problems faced by poor and vulnerable populations from their perspectives in urban slums and would aid in more sensitive solutions to their problems and challenges. Naresh Singh emphasises on the need to extend the Legal Empowerment of the Poor (LEP) framework to ensure the

human rights of the poor and vulnerable, particularly those living in Fragile and Conflict Affected Areas (FCAS). Swati Yadav brings to the forefront the issue of developing a social security network for the urban poor which has the capacity to function as an automatic stabiliser during crises and emphasises on the need to augment public spending to ensure social security and create a sustainable environment.

In the current Indian context, where centralization of policy decision making is leading to policy paralysis on the one hand and reduced motivation and capabilities among various levels of government on the other, Smith, Singh, Yadav, and Killemsetty's insights have considerable significance and provide pathways for a more inclusive, democratic and developed society.

We are glad to inform you that we are able to bring out the journal within the regular interval for the fourth time consecutively in these trying times of the pandemic. This would not have been possible without the numerous contributions of our colleagues. We are particularly indebted to Vivekanand Jha for almost single-handedly managing all the correspondence with the authors, reviewers, editors and helping us in all possible ways. Special thanks are due to our esteemed colleagues, Shilpi Bhattacharya, Kaveri Ishwar Haritas, Rajeev Malhotra, Subaran Roy, Subhasish Ray, Sunaina Dhingra, Komal Sahai, and Naveen Joseph Thomas for patiently reviewing the submissions and resubmissions. Active involvement, mentorship and encouragement from our Dean R. Sudarshan has helped us at crucial junctures. Shweta Venkatesh took the pains to read all the pieces, made language and grammatical changes and also provided critical suggestions related to the content with impeccable efficiency. We are also deeply indebted to our international board of advisors for their continuous mentorship. Jaideep Mukherjee's prompt support in designing the issue and Naveen Kumar and Durgesh Nath Tiwari's support in uploading the content on the website came at a key stages. We deeply appreciate their efforts. We hope to come back with our next issue soon and provide young and experienced voices a common platform for a healthy discourse on public policy.

Enjoy reading and Stay Safe!

Thanks and Warm Regards.

Indranil and Manini Ojha,

Co-editors, Jindal Journal of Public Policy

CAPABILITY IN GOVERNMENT IN INDIA: POSSIBILITIES FOR IMPROVEMENT

RFI Smith¹

Abstract

This paper examines capabilities in government in India. Possibilities for improvement have implications for all levels of government. The intention of many proposals is twofold: to help citizens get what they need from officialdom and to enable different levels of governments to relate more effectively to diverse communities and to each other. The paper explores four topics: ways of thinking about capability in government; how strategies for politics can overshadow directions in government; how improving the management of relations between different levels of government can benefit all; and how opportunities for improving civil service capabilities, at the central, state, and local levels need political as well as internal leadership.

INTRODUCTION

This paper examines capabilities in government in India. Recent exploration of possibilities for improvement includes a wide range of policy and operational fields. It has implications for all levels of government. The intention of many proposals is twofold: to help citizens get what they need from officialdom and to enable different levels of governments to relate more effectively to diverse communities and to each other. Initiatives in economic management are proposed to generate more countrywide opportunities for employment. Improvements in design and delivery of health and education programs are promoted to enable citizens to develop their own capabilities. Improvements in relationships between levels of government are promoted so that community voices can be heard, and responses coordinated. As the Centre for Policy Research states in relation to its State Capacity Initiative, it should be a priority ‘to place the critical challenges of building state capacity at the heart of the field of policy research in India, where it has always belonged but remains surprisingly marginalised’ (Centre for Policy Research).

The paper explores four topics: ways of thinking about capability in government; how strategies for politics can overshadow directions in government; how improving the management of relations between different levels of government can benefit all; and how opportunities for improving civil service capabilities at the central, state, and local levels need political as well as internal leadership.

Two questions run through each topic. How can citizens make their voices heard? How can much-needed changes come about?

The answers are elusive and contingent. However, experience of selected past policy turning points may suggest where to look. Extensive popular participation in politics has given citizens experience in how to raise their voices. It has driven major changes in the political landscape.

¹ Melbourne, Australia. Bob Smith graduated MA in Politics from the University of Adelaide in 1965 and PhD in Political Science from the Australian National University in 1970. He worked in Australia in universities, state public services, and as a consultant in public sector management. He was until recently an Adjunct Professor at RMIT University, Melbourne, in the School of Management. He has also visited Varanasi regularly to study Hindi.

Within government, examples where thinking beyond current practice has been adopted suggest ways of working that may be extended within the public sector.

WAYS OF THINKING ABOUT CAPABILITY

Capability is the ability to do things. It suggests power and energy. The meaning of capacity is similar. In Hindi, the same word (क्षमता ksamata) can be used for both. For capacity, the term for power (शक्ति shakti) is also used. This paper uses the term capability. However, some relevant references use the term capacity. Whichever term is used, the same question arises: how do power, energy, and ability interact within the institutions and processes of government to produce results that citizens value?

In a recent book on public institutions entitled *Rethinking Public Institutions in India* (Kapur et al 2017: 30) the editors ask: ‘Can India transition to a new equilibrium—a virtuous cycle of an accountable, high-capacity, decentralized, information-based state that is responsive to citizens rather than superiors?’ Although mostly prepared in the last years of the UPA government up until 2014, the book was designed as a catalyst for analysis and action and much remains relevant. Contributors recognised in explicit terms the capability difficulties that public sector institutions face.

The book provides a continuing challenge in two parts. The first is to identify options for building improved capability. Change on the scale envisaged is difficult; identifying possibilities is sensitive. It involves questions about what governments can do well and whether effective approaches can be spread more widely. However, it can also probe weaknesses in uncomfortable places. The second is to use enhanced capability, as it is still developing, to make further sought-after transitions. In a public sector used to wielding substantial executive authority within slow changing institutions, both challenges set the bar high. Addressing them requires practicable proposals, communities receptive to change and leaders willing to take not only opportunities but also risks. It also requires time.

Practicable proposals start from the context in which governments work. Governments, unitary or federal, face a range of forces, local to global, and social to environmental, which mix and mingle and do battle. In India, a flexible national constitution shares responsibilities between central and state governments. It allows swings between centralisation and decentralisation. However, processes for managing relationships between levels of government are, in comparison with other federal systems, less developed. For ambitious union governments keen to make quick changes, centralisation is attractive. For citizens who prefer to deal with people and institutions close by, decentralisation of more official activities may be preferred.

Often identified generic public sector capabilities include the ability to:

- Propose feasible and legal options to benefit citizens that gain support from the leaders of the government
- Ensure effective coordination between levels of government, including consultation and negotiation where views differ
- Ensure effective coordination between government agencies within levels of government, including consultation and negotiation where views differ
- Ensure effective and wide community consultation, from citizens and families to

businesses and corporations

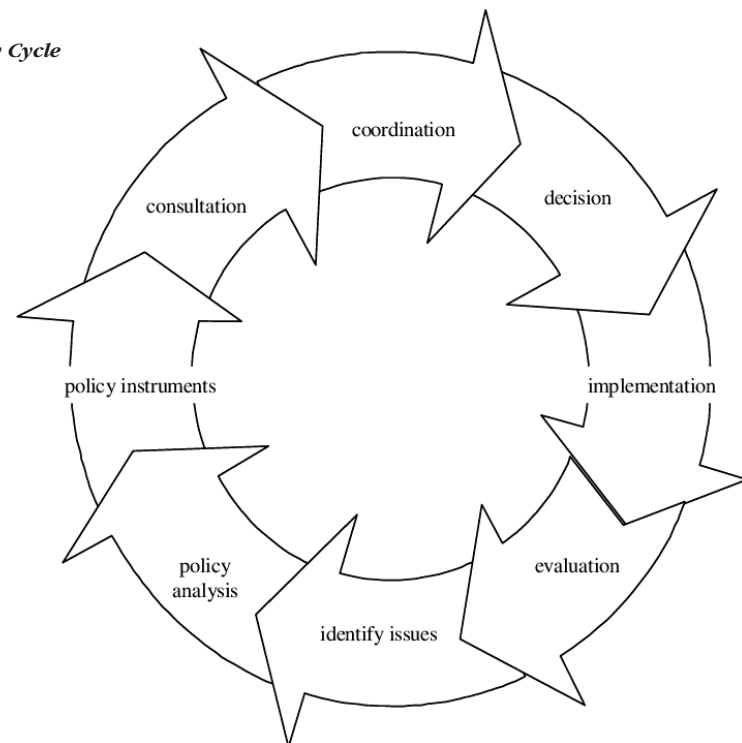
- Manage implementation, achieve objectives and be publicly accountable within available resources.

Political requirements and public management resources need to mesh. When current and emerging challenges are spread across boundaries, between and within existing organisations, feasibility and legitimacy depend on consultation and coordination.

Thinking about policy making as a cycle makes plain the number of points at which interaction between political leaders, public sector agencies and community and business organisations can take place. The following diagram was originally set out in a handbook for public servants in Australia (Althaus, Bridgman and Davis 2013: 38). The cycle begins with the identification of issues and continues through policy analysis, policy instruments, consultation, and coordination. It concludes with decision, implementation, and evaluation.

However, as practitioners and observers know, one turn of the cycle is rarely enough. Similarly, a neat turn with all steps covered never suffices. In complex issues, a linear sequence cannot be expected: a review can be prompted at any stage; steps are interdependent and can be repeated in any sequence. Issues and approaches are contestable throughout, and preferences may change at each step.

Figure 1: A Policy Cycle



Source: De Rango, E: <https://commonslibrary.org/windows-and-cycles-how-policy-gets-made/>

Appropriate analysis on its own is insufficient. Claims about insufficient consultation and coordination can derail otherwise sound analysis. This is especially so if proposals for implementation become problematic and political leaders have second thoughts. For this reason, effective thinking about implementation starts with policy analysis. However, at the outset of a policy project, the available information is often incomplete. Options

depend on estimates of 'what might work'. A proposed policy becomes a 'hypothesis' (Altman, Bridgman and Davis 2013:7). Advocates can expect questions about what a proposal, if adopted, will do. Political leaders are likely to ask: 'how do you know?'

Capability is a bundle: improvements in one field depend on improvements in others, abilities to analyse and advocate are linked to abilities to listen and collaborate, abilities to respond to political leaders and secure their support are linked to abilities to understand where political leaders want to go. Overall abilities in policy work are linked to abilities to understand and manage operations. Importantly, at every stage, capability must be linked to public accountability.

In these circumstances, transitions as sought by Kapur et al. will not happen without help. Two forces need to join: advocacy of cogent proposals and opportunities to make them such that political leaders find compelling. Advocacy can be prepared but opportunities are rare. Comparing strategies for politics and strategies for government suggests reasons why this is so.

STRATEGIES FOR POLITICS AND STRATEGIES FOR GOVERNANCE

When strategies for government are overshadowed by strategies for politics, governance suffers. Continuous campaigning tends to displace policy thinking. Politics extends deeper and deeper into programs and operations: quick fixes are preferred, public sector agencies lose effectiveness, and public trust in government is diminished. The phenomenon is widespread.

Countries with established democratic institutions and records of effective public management are not immune to this phenomenon, the causes and effects of which are still debated. However, reflections on public sector changes by a former department head in the Australian Public Service (Barratt) provide a glimpse of the perceived decline. That this insight comes from a former insider in a governmental system often recognised as well institutionalised is salutary. Reflections by a former head of the prime minister's department in Australia (Parkinson) on drift and on climate policies deepen the impact. As political will to tackle climate policy weakened, scientific assessments were side-lined.

In India too, politics and the practice of government interact in an uneasy combination. Forms of government and a constitution adapted from European and North American models by elite leaders and imposed on local culture and governance practices are under pressure to reflect more explicitly Indian values. Politics predominates.

In the assessment of a close observer, electoral democracy and high levels of electoral participation have led to the 'creolisation' of representative democracy (Yadav 2020:1). Leaders from provincial and rural backgrounds have become more and more prominent. Many communities formerly excluded from public life have found their voices. They tend to express their needs through political action. Communities still excluded strive to follow. Support for candidates and parties is conditional. Electoral appeals span a wide range of community, caste, ideological and personal incentives.

However, pre-election hopes transfer imperfectly to results in government. The wide reach of the government is without impacts to match. In India, governance is often seen as firm direction by strong leadership (Smith 2017). However, wide gaps exist between what electors vote for and what they get. For some leaders and their supporters, political action is simply about winning government.

Governments tend to deliver visible and tangible benefits and goods. Schemes for welfare and palliation for disaffected groups tend to take priority. Seen from above, governments are busy as ministers announce directives, civil servants provide information to ministers and receive instructions, and central directions are given about implementation. From below however, governments are often distant, compartmentalised, and difficult to approach. Approachable officialdom is spread unevenly, as is access to effective intermediaries. However, more and more citizens are willing to demand accessibility in governmental structures.

Political parties tend to be centralised. Party directions are characterised by broad electoral programs, ambitious promises, and tight and often dynastic centres. State leaders of national parties are subject to central nomination and removal. Regional parties too, tend to have dominant leaders. Policy directions come less from focused deliberation and more from adjustments seen as convenient at the time. As ministers make decisions and civil servants apply them, patterns build up. Deliberations on specific proposals tend to come only after consensus building on possible directions over time. Then, options must be negotiated and ministerial preferences determined.

Throughout, political will and how its manner of expression are critical. When deployed in a focused way, executive power is strong but taking big initiatives is risky. In the meantime, leaders want to stay in office. Institutions that frustrate political will face political consequences. Civil service institutions experience that at close range. However, judicial and regulatory institutions are not exempt. Nor are the institutions of internal and external security. Political will can easily balk at difficult policy problems while seeking to quieten sources of critique.

Two threads run through most political strategies since independence: options for accommodating diversity; and the attractions of centralised direction. The union constitution provides for a strong centre but with tiers of state, territory, and local government across a large population with different languages and cultures. After independence, the ruling Congress Party initially accommodated diversity and centralisation within itself. Following the breakdown of the 'Congress System' and the emergence of opposition and regional parties, union governments tended to oscillate between centralisation and coalitions. Assertive state governments run by regional parties combined with extensive periods of coalition governments in Delhi led to expectations that the trend to coalitions would continue. The electoral rise of the BJP and the composition and approach—ideological but consensual—of governments led by Prime Minister Vajpayee to 2004 did not discourage this view.

However, the election in 2014 of the government led by Prime Minister Modi reversed the trend. It also introduced explicitly strong threads of majoritarianism and homogenisation. Accommodating diversity and negotiating coalition governments gave way to centralisation and nationalism grounded in Hindutva. A dominant prime minister attracted strong personal support for his energy and drive. In many quarters, his rise from a non-elite, non-English speaking background deepened support. In 2019, the government won a re-election with an increased majority.

However, questions of capability persist. So do questions about the fruitfulness of centralised political direction. Even with a return to high economic growth, issues of economic management and equitable access to the benefits of growth and employment remain. Experience of high growth years, the rise of a new and aspirational middle class and expectations of continuing growth pose challenges of performance. Increments

towards a national mixed economy have yet to establish a regulatory environment which: supports competitive markets accepted as legitimate and is able to generate prosperity in which all may share; stimulates effectiveness in government businesses; enables divestment and privatisation of selected government businesses within a competitive and publicly accepted framework; and gives citizens confidence in their own prospects. The dominance of a public sector directed economy has been breached but preference for government provision of goods and services persists. Aspirations for exports are strong but so are instincts for protection. Relationships between business and government remain close and often obscure.

The range of issues at stake is wide. Without good information about actual conditions, and careful deliberations with interested communities and interests, difficult issues resist resolution. In these circumstances, the development of improved capabilities may become attractive. Enlisting more effort from the states and local governments may be one approach. Building up the policy and management capability of the civil service, state as well as central, may be another. Improving abilities to listen to citizens who are living in very different circumstances across the country may prove to be critical to all initiatives.

HOW WHAT HAPPENS BEYOND NEW DELHI MATTERS

When New Delhi directs, and state governments do, the states tend to get blamed for poor implementation and the union government for poor policy design. Union governments with strong majorities have tended to prefer executive federalism to cooperative federalism. In executive federalism, the national government sets policy. State governments carry out policies and report progress. In cooperative federalism, levels of government negotiate and adjust. The process is anything but neat. However, it brings national policy into more direct contact with local wishes (Smith 2021).

It also challenges official capabilities. From the initial step in the policy cycle, of identifying issues, proposed directions are subject to negotiation and adjustment between jurisdictions. Within jurisdictions, internal coordination is also needed. Negotiating ministry by ministry is not enough. There is a need for coordination across all relevant agencies. Such coordination requires, in each jurisdiction and before decision and direction, a skilled mix of listening and negotiation. It also requires skills in cross disciplinary analysis and presentation. These prerequisites themselves tend to stimulate capability building. Further, once initial challenges are addressed, the practice of cooperative federalism provides the foundations on which further initiatives in capability building can be built.

For this reason, where constitutional responsibilities are shared between jurisdictions, tackling complex issues of economic, social, and environmental policy tends to benefit from shared consideration. A central government can use legislative and financial power or technological innovation to override or bypass state views, but it may not be able to address the whole problem, especially as seen by diverse communities.

In India, a recent example is agricultural policy. Aiyar and Krishnamurthy (2021) have argued that despite union initiatives 'the policy priorities and strategies for increasing both farm and non-farm rural incomes will have to be state specific'. They have argued further that 'In order to respond we need to make two crucial shifts in our national debates. First recognise that there is no getting around states; we have to shed the disenchantment with state failure and yet place accountability firmly on state

governments. Second, we need to mobilise to invest in State capacity at the state government level.’

In terms of ‘not getting around the states’, mechanisms exist already to manage relationships between levels of government. One, rarely used, is provided for in the constitution, the Inter-State Council. Another, the NITI Aayog which has representation from state governments, works more closely to the centre. It is also involved in ranking performance in the states. Yet another is the GST Council set up to assist implementation of the goods and services tax introduced in 2016.

However, for such mechanisms to work, they need to be wanted. Neither the union nor state governments have shown conspicuous interest in this. Even the GST Council, recognised as a precedent worth following in intergovernmental relations, has had limited meetings. Outstanding issues regarding the administration of taxes and the sharing of proceeds have remained unresolved. Advocates of the tax acknowledged, even as it was introduced, that the design needed to be improved. Further difficult negotiations were envisaged.

The example of the GST Council suggests that for both the union and state governments to address complex issues of national importance, an overwhelming case must be made. Putting a case together is something people outside the government can do. Indeed, it may be essential if matters considered inconvenient or disruptive are to be addressed. However, for action regarding a case to be taken up by political leaders, especially those in the union government, it needs to be compelling. For this, a trigger point or crisis may be needed.

In terms of investing in capability in the states, the most effective investors are likely to be the states themselves. Self-generated motivations may be complemented by examples from other states and the centre, nonetheless, they need a reason to start. Questions from the centre and rankings by NITI Aayog may be influential for some. Others may act when they face local trigger points. One state has provided an example. In October 2021, the Meghalaya State Capability Forum began. As the Chief Minister states, the forum aims to ‘build a collaborative and empowered public sphere capable of collective problem-solving’ (The Shillong Times). One of the ideas embodied in the initiative is that those close to problems should be actively involved in problem-solving and implementation (Kumar, S et al 2020). The state and the Centre for Policy Research, which has a similar perspective, have agreed to collaborate.

As states improve their own capabilities, they may find it necessary to reconsider the role of local governments. Apart from receiving constitutional recognition, local governments have been treated well by neither union nor state agencies. For many citizens, though, it is the first and critical point of contact with the government. As Doron and Jeffrey (2018) show for waste management, gaps in capability at local levels expose the underbelly even of high-profile national programs such as Swachh Bharat. For ways of building up capability, they explore local initiatives.

More broadly, Harriss et al (2020:194) explore movements of working people ‘aimed at securing social rights and good public services’. Kruks-Wisner (2018) and Auerbach (2019) deepen the understanding of the potential of such movements. They explore, respectively, access to social welfare in rural areas and provision of public goods and services in urban slums. In their accounts, citizens are active in seeking out local officials and party workers to make claims and secure services and facilities. Bussell (2019) shows how such activity links to the states. Citizens dissatisfied with local responses escalate

their claims to state legislators. Legislators see handling such requests as part of their role. They also tend to provide help on a non-contingent and non-partisan basis.

Citizens’ claims to local government and state legislators reinforce propositions that state and local governments matter. As a recent review essay on some of the studies cited above has stated, they do so by bringing ‘the story of the increasing assertiveness of ordinary people a step forward’ (Maiorano 2021: 577). Information about patterns of claims can be invaluable to policy making not only regionally but also nationally. Fostering links between levels and institutions of government that facilitate information transfer and interaction may prove to be invaluable to capability building. Seizing opportunities for intergovernmental collaboration, including a stronger and wider ranging role for local government, would create further momentum. Reflections by leaders on the implications for political effectiveness of claim-making by citizens, whether through individual and small group action or broader social movements, may also stimulate initiatives; so might reflections on the benefits of enabling citizens not only to make claims but also to create their own opportunities as ‘active participants in the economy’ (Aiyar 2021).

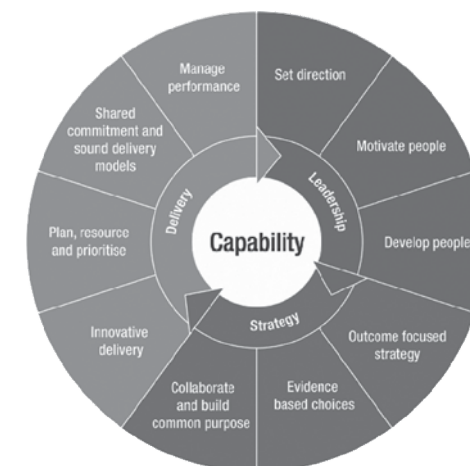
CIVIL SERVICE CAPABILITIES: UNION, STATE AND LOCAL

Indian civil services recruit very good people. The All India Services recruit through examination and interview only exceptional candidates. Workloads are generally very high. However, civil service agencies could do more with the people they recruit. A major issue in discussions of capability is the difference between how civil service work is organised now and how it could be organised.

A range of options is available: recruit different sorts of people, look for different sorts of skills, develop new and improved management and budget systems, make more use of new technologies, restructure jobs, restructure ministries, introduce new ways to judge performance, change approaches to training and development, and conduct regular organisational reviews. Examples of all of these can be seen in India.

A recent addition in other countries has been capability reviews. These are designed to refocus organisational arrangements to meet future challenges (Speagle et al). The following diagram illustrates the factors examined.

Figure 2: *Capability Review*



Source: Australian Public Service Commission: https://www.apsc.gov.au/sites/default/files/styles/full_page/public/202106/Model%20of%20capability.png?itok=LxTtd0W7

Such reviews are now regularly carried out in New Zealand and Australia.

However, capability reviews without committed political leadership lose their impact. Major changes in civil service arrangements depend on a double act. First, political leaders must show the way. They need to set overall directions for how the public sector is to work. They need to make clear priorities for policy advice, information, and management and enable civil servants to do their jobs. Second, civil servants at all levels need to work within the political parameters set. When shifts in capability are required, capability reviews and what civil servants themselves suggest, may well be good sources of options. But the flywheel for civil service change must be spun by ministers. If this means new ways of working, new sorts of skills and new sorts of people, civil servants must then manage according to government decisions.

Despite the aspirations of even the most prominent political leaders, the flywheel has rarely spun fast in India. Commissions of inquiry have provided many options but few have been taken up. As prime minister, Narendra Modi has emphasised political leadership and vision. For the late Arun Jaitley, this was the critical variable: 'It was the same Governmental machinery, the same political system, the same implementation instruments that the Government had at its disposal. It is both the motivation and the leadership which made the vital difference' (Jaitley 2019).

However, this reflects a view about the singularity of political action and political leadership. Effective government is about more than politics. Electoral success provides opportunity, not policy fulfilment. The extent to which the talents and organisational capabilities of public sector agencies can complement the focus, direction, effectiveness, and accountability of governments needs also to be considered.

In their analysis of public institutions, Kapur et al (2017:13-27) identified a wide range of civil service problems. In summary, they examined:

- Personnel failures, including an 'acute talent crunch'
- Legal ambiguities, including contesting views about the powers of federal institutions
- Coordination dilemmas, horizontally between agencies and vertically between levels of government
- Problems of external accountability, including a lack of transparency in the operations of parliament and of capacity in the civil service to respond to legally mandated requests for information
- Problems of internal accountability, including a preoccupation with inputs rather than outcomes
- Political interference, including easy transfer by politicians of inconvenient civil servants and strategically deployed inertia when powerful people are accused of wrongdoing.

They were conscious of debate about what should be done and with what priority. They were conscious also about questions of feasibility.

Existing arrangements have their basis in the constitution and in layers of bureaucratic rules and expectations. At independence, the All India Services were seen as a critical component of a 'holding together' federation. They were organised to regulate and control. Strong elements of control continue. Existing arrangements are valued within and outside the civil service by many interests. Points of potential resistance to

change are plentiful. In times of scarce employment, a government job is worth striving for. Any changes in skills sought and recruitment methods threaten expectations. So do changes in procedures for placement and promotion. IAS officers and others ranked by seniority and custom object when not promoted to jobs, in Delhi or the states, considered 'theirs by right'. While civil service employment is protected, politicians are accustomed to transferring civil servants who are seen to cause problems. To their dismay, civil servants can also be investigated and prosecuted for breaching rules and making decisions deemed to have caused losses in revenue.

In these circumstances improving policy and management capabilities in the union and state civil services means rethinking what people and governments expect of them. In the meantime, while much political discourse allows little space for policy analysis and advice, a useful step may be to improve ways of matching able people with existing jobs they are fitted for and can do well. Another may be to focus on improvements in management skills and processes. Yet another may just be to let civil servants do their jobs. However, in the longer term, the urgency for rethinking civil service roles at all levels of government cannot be expected to diminish.

The Modi government has recognised the need to improve capability. It has done so, at least at first, in increments. It has found people for tough jobs. It has initiated lateral recruitment to leaven existing structures and processes. It has developed shortcuts through bureaucratic hurdles to deliver benefits and services. By building on IT capabilities, including completion of the Aadhaar project, it has deployed the JAM trinity (Jan Dhan-Aadhaar-Mobile). It has also modified procedures for placements and procedures, including for training and development on entry.

However, IT and lateral recruitment, on which high priority has been placed, do not provide instant results. Commissioning successful IT applications requires skills in strategy and management as well as in IT. Public sector IT projects need to be carefully targeted and must avoid tackling problems for which information management is not the main problem. They take time, especially when significant problems become visible only after work has begun. Lateral recruits without a public sector background take time to find their way around. They also need to learn how to combine operational proficiency and sensitivity to bureaucratic processes with sensitivity to political demands. Recruits from business backgrounds tend to be challenged particularly by the long reach of political influence. Even recruits from other civil services (as happens between New Zealand and Australia and between jurisdictions in Australia) take time to adjust, as this author can attest.

Civil service capabilities in state and local government need to be included too. They need to share in capability improvement programs, especially in managing interactions with other levels of government. Improvements in capabilities in consultation and service delivery with local communities are also relevant. Complaints about civil service high-handedness at local levels are sufficient to suggest that such improvement will not be straightforward.

However, within existing arrangements, wider diffusion of examples of effective practice may provide a foundation for further initiatives. Two accounts by senior civil servants in Delhi about how they got things done provide a good start. One is about developing economic policy by Montek Singh Ahluwalia (Ahluwalia 2020). The other is about developing Aadhaar by Ram Sewak Sharma (Sharma 2020).

Mr. Ahluwalia joined the civil service as a lateral recruit to a very senior level only after

extensive overseas experience. The protocols of the civil service, he learnt on the job. Invaluable guidance came not only from his mentor, Dr Manmohan Singh, but also from 'old school' senior civil servants to whom he learned to listen carefully. Of relevance for capability building is his outline of how economic policy proposals evolved over several years and successive administrations. Of particular significance were discussions with colleagues and examples of economic reform in other Asian countries. In the event, these proposals contributed to the liberalisation decisions of 1991. When a crisis caused the prime minister of the day to call for new ideas, his senior advisers had a package ready.

In contrast, Dr. Sharma joined the Aadhaar project as a career IAS officer with a record of senior appointments and personal innovation in IT. In a project led by a distinguished IT business founder as chair, comprising civil servants and external staff all chosen because they 'wanted' to be there, he provided operational and civil service-compatible direction. He and the project faced a mixture of organisational and technological puzzles. They also faced conflict with other agencies that claimed the project should have been theirs or alternatively was impossible. Critical to progress was favourable reception at state level. Critical too, to continuation after the change of government in 2014 and approval by incoming prime minister Modi, was a successful trial of the identity project for monitoring attendance by civil servants at state level.

While these examples are about the experience of very senior officials, they nevertheless suggest that within the civil service there are people with much to demonstrate about effective work in public policy and management. Ahluwalia and Sharma have shown the benefits of expertise in specialist topics gained over time and in collaboration with colleagues. The proposals put forward were relevant, timely, and based on professional analysis. They met the needs of political leaders to address problems of significance. However, wider coordination and consultation were limited. Both the liberalisation decisions of 1991 and the introduction of Aadhaar still attract controversy. For this reason, any lessons from these examples need to be put into the contemporary context.

In launching its initiative on state capacity, the Centre of Policy Research recognised the importance of this task. It emphasised the need for public discussion and a shared vision. It envisaged that public discussion would need to be wide-ranging and extend beyond the civil service. As a senior spokesperson said: 'it would be focused on developing networks and communities of practice across states, sectors and spheres such as government, politics, development partners, academia, civil society and the media'. Further, controversy was to be expected. Capacity building would entail the 'art of balancing tensions' (Mekhala Krishnamurthy quoted in Krishnan 2020).

CONCLUSION

Possible agendas to promote improved government capability in India are formidably extensive. Capability is not simply an institutional or systems issue, although both are important, it is a bundle. Just as the interactions in a policy cycle, however tangled, underpin implementable decisions, how the components of public sector organisations interact shapes their ability to accomplish complex and sensitive tasks. Critical interactions that can build or diminish capability are between participants with widely different perspectives, political leaders, and the institutions of the public sector.

In the terms of Kapur et al., the aims of capability initiatives are to create 'virtuous cycles' in which improvements in one component drive improvements in others. Three

significant fields for initiatives stand out: increased emphasis on skills and knowledge to provide integrated policy analysis and advice to ministers; improved facility in coordination within and between civil service agencies and between levels of government; and improved emphasis on responsiveness to citizens and communities. In each of these fields, political leadership is needed to drive impacts.

The range of pressing policy issues is wide. Without relevant information about actual conditions, and careful deliberations within government and without, difficult issues resist resolution. Political action has provided opportunities for citizens to raise their voices. As they seek more complex services from the public sector, their political demands may become more complex too. In this event, improved capability in government will help political leaders do their jobs.

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LEGAL EMPOWERMENT OF THE POOR (LEP) IN FRAGILE AND CONFLICT-AFFECTED AREAS (FCAS)

Naresh Singh²

Abstract

The United Nations Commission on Legal Empowerment of the Poor estimated in 2008 that there were 4 billion people who lived outside the protection of the law¹. More recently, in 2019 it was estimated that 4.5 billion people are excluded from opportunities that the law provides². By 2030, 85% of those remaining in extreme poverty – some 342 million people – will be in Fragile and Conflict Affected Areas (FCAS), situations in which the rule of law is almost non-existent. For many of the excluded, the law is an abstraction or a form of punitive threat, not something that they can use to exercise their basic rights. The idea behind the inclusion of access to justice under Sustainable Development Goal 16 (SDG 16) on peace justice and strong institutions, was in part for legal empowerment of the poor (LEP), in conflict and post-conflict zones. The legal empowerment of the poor is rooted in a human rights-based approach in which markets and human rights interact. The four pillars of LEP are access to justice and the rule of law, and property, labour and business rights. It also admits the fact that every individual should have access to justice, which includes a due process of law and remedies to eradicate discrimination. This paper considers the special requirements for pursuing LEP in Fragile and Conflict Affected States (FCAS) such as legitimate politics, security, and rebuilding social and economic foundations.

Keywords: Legal empowerment, Justice, equality, Poor, SDGs, Fragile and Conflict Affected Areas.

INTRODUCTION

"Over 1 billion people in the world lack legal identity. More than 2 billion are employed in the informal sector and the same number lack proof of housing or land tenure. This makes them vulnerable to abuse and exploitation and less able to access economic opportunities and public services. In total, 5.1 billion people – two-thirds of the world's population – lack meaningful access to justice. While people in all countries are affected, the burden of this injustice is not randomly distributed among people"³. Among the most affected are those living in FCAS. While LEP is a challenging agenda in stable, less developed countries with mass poverty, such an agenda, while necessary, is sometimes considered impossible in FCAS. The reason is quickly grasped by looking at the nature of the situation at hand.

FRAGILE AND CONFLICT-AFFECTED AREAS (FCAS)

The key features of FCAS include a devastated infrastructure, destroyed institutions, a

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³Justice for All. (2019) Report of the Task Force on Justice. <https://www.justice.sdg16.plus/report>.

lack of professional and bureaucratic capacity, an inflammatory and violent political culture, and a traumatized and highly divided society. In many cases the degree of capacity, physical infrastructure, and public trust in the government and its institutions will be dramatically lower than in developing countries. Other common problems include a lack of political will, judicial independence, technical capacity, materials and finances, and government respect for human rights. In addition, in the post conflict context, a shadow or criminalized economy is likely to be entrenched and there is likely to be widespread access to small arms which is reflected in a high level of violence in the society. Given the lack of law and order, accountability, and trust, it is difficult to entrench major reform, and ultimately the reforms that are sustainable may be somewhat limited⁴.

The OECD characterises fragility as the combination of exposure to risk and insufficient coping capacity of the state, systems and/or communities to manage, absorb or mitigate those risks. Fragility can lead to negative outcomes including violence, poverty, inequality, displacement, and environmental and political degradation⁵. In the 2020 framework, the OECD identifies 57 countries and territories as in the FCAS category of which 13 are extremely fragile and 44 are other fragile contexts. The OECD concludes that fragile contexts test people and systems and that supporting societal transitions from fragility to resilience is complex, volatile and politically charged. However, that systems-informed strategy and adaptive operations across the nexus can and do deliver results in addressing fragility. The LEP agenda is a systems-informed approach which seeks to help people help themselves out of poverty with the support of human rights and markets. Clearly a two-pronged approach will be required to support LEP in FCAS humanitarian relief and peace building on the one hand and resilient development including LEP on the other.

The UNDP and the German Development Institute (2009) provide a comprehensive review of the definitions of fragility and the indices used to measure it⁵. They link state and societal fragility as follows: “When fragility refers to the state, it is in fact a property of the political system. A ‘fragile state’ is incapable of fulfilling its responsibility as a provider of basic services and public goods, which in turn undermines its legitimacy. This has consequences for society as a whole, threatening livelihoods, increasing economic downturn and other crises which affect human security and the likelihood of armed conflict. In this sense, such phenomena constitute consequences of fragility. When fragility refers to society as a whole, violent conflict and other human-made crises constitute fragility itself. In this sense, fragility is a property of society and thus, being defined much more broadly, includes any kind of political, social or economic instability. This understanding of fragility is termed a ‘fragile social situation’”. It is generally agreed that all states are, to some extent, fragile and a sharp line cannot be drawn between weak and strong or resilient and vulnerable (Carment and Sammy, 2012)⁶, (UNDP and GDI, 2009). However, only some are mired in deep rooted conflict and violent transitions. Some states might be middle income yet fragile while some might suffer from widespread chronic poverty and be stable. Others might have difficulty in governing spaces in which terrorists or drug lords operate with impunity, yet have other areas in which relative peace and stability prevail.

The resilient development (including LEP) agenda in FCAS is critical of whether the

SDGs will be achieved and if the core principle of leaving no one behind will be observed, as these chilling statistics from a recent report shows⁷. Just 18% of fragile states are ‘on track’. This means 82% are either off track or lack the data for an assessment of progress. FCAS will be home to nearly one-third of the population of (Low Income Countries) LICs and nine Middle Income Countries (MICs) in 2030, but will house disproportionate shares of people lacking electricity (96%) and people who are extremely poor (85%), among other deprivations. This finding indicates that people caught in crises risk being even more excluded from progress in 2030 than they are now. The absolute number of people in FCAS facing certain key deprivations will rise significantly – the number of undernourished people will rise by 84.5 million, the number lacking improved sanitation by 45 million, and the number living in slums by at least 106 million. This means that as of 2030, a larger number of people in crises, most of whom live in fragile states, are likely to face these unmet basic needs.

LEGAL EMPOWERMENT OF THE POOR (LEP)

The ADB⁷ indicates that at the heart of their process of poverty reduction is the critical concept of empowering the poor to “to participate in decisions that shape their lives.” They indicate that this requires citizens to have the knowledge and resources to interact in an informed manner with employers, the state, other citizens, and with private and public institutions in relation to their legal rights and obligations. They conclude that legal empowerment is critically linked to the participation of the poor on issues that affect their livelihood, basic rights and security.

The Commission on Legal Empowerment of the Poor (CLEP)⁸ examined the extent to which people across the world are able to use the law to protect their assets and create new opportunities to improve their livelihoods. It found that around 4 billion people, the majority of the world’s population, are excluded from the rule of law. This figure included the 2.6 billion people living on less than 2 USD a day, and another 1.4 billion slightly better off, but not able to use the law to obtain their rights or improve their livelihoods. At best, they live with very modest, unprotected assets that cannot be leveraged in the market due to cumulative mechanisms of exclusion.

The Commission declared that by design or by default, markets, laws, institutions, and politics often fail to serve the common good, excluding or discriminating against poor women and men. Democracy is often more of a mantra than a reality; the rule of law in practice is often rule by law, arbitrarily and unequally applied. While people in poor countries may have rights on paper, that is often where they remain. Frequently, the only laws that people know are informal rules, some traditional, others more recent. Even the most developed countries are far from eradicating exclusion and legal disempowerment.

The report of the commission⁹ is perhaps the most comprehensive global treatment of Legal Empowerment thus far.

⁴World Bank (2006). *Rule of Law Reform in Post Conflict Countries*.

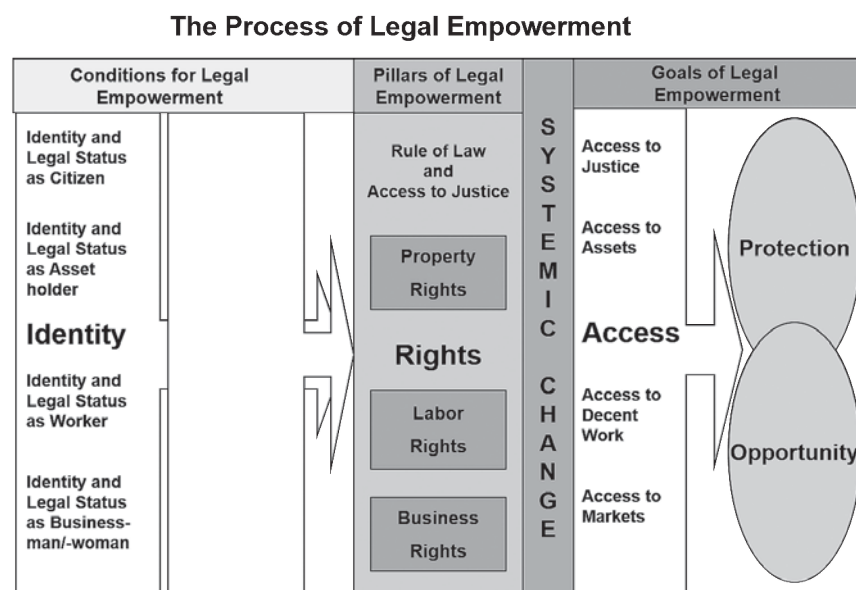
⁵UNDP/GDI/ 2009. *User's guide to Measuring Fragility*. www.undp.org/content/dam.

⁶Carment, D and Sammy Y. 2012. *Assessing State Fragility. A Country Indicators for Foreign Policy Report*. Carleton University.

⁷ADB. (2000) *Legal Empowerment: Good Governance and Poverty Reduction*. www.adb.org.

⁸CLEP. (2008) *Making the Law Work for Everyone*. Vol 1. Pg 19.

⁹CLEP (2008). *Making the Law Work for Everyone*. Vols 1 and 2.

Figure 3: *The Process of Legal Empowerment*

The schema above illustrates the analytical framework for the legal empowerment of the poor as developed by the commission¹⁰. It comprises four crucial pillars: access to justice and the rule of law; property rights; business rights; and labour rights. These pillars reinforce and rely on each other and a lot depends on their convergence and their synergy. Legal empowerment can only be realized through systemic change aimed at achieving the civic and economic potential of the poor. However, legal empowerment is not merely about legal reform. For legal empowerment to take place the poor must have identity and voice.

Legal identity is a cornerstone for access to justice. Despite the unequivocal provision for it in the Universal Declaration of Human Rights, tens of millions of people lack a formally documented legal identity. It is estimated that more than seven in ten children in the world's least-developed countries do not have birth certificates or other registration documents.¹¹ This prevents many of them from accessing education and healthcare. It leaves them more vulnerable to exploitation, such as child labour and human trafficking. Without documentary proof of their existence, their parents may find it hard to interact politically, economically, and even socially outside their local communities. Absence of legal documents may be used to block them from taking advantage of anti-poverty programs specifically intended for them.

Identity corresponds to proof of their civic and economic agency as citizens, asset holders, workers and business people. Without a voice, they will be unable to demand their rights and hold their governments accountable to their obligations. Crucially, this voice needs to be based on education, information and awareness on one hand and on organization and representation on the other.

As a reform process, legal empowerment requires parallel and coordinated interventions using a complex systems approach as recognized by the OECD. The whole process is to be understood as iterative and the relationship between the legal empowerment process and systemic change is mutually reinforcing. Poor people who are legally empowered will have increased voice and identity; they will have more influence on institutional and legal reforms and social policies, which in turn, will improve the realization of their rights as citizens, asset holders, workers, and business people. It is an advantage in practice and in principle that legal empowerment is less prescriptive to development than other approaches. By having as its aim the increased capacity of the poor, including in the public sphere, legal empowerment takes responsibility for development away from other outside forces and transfers it to the poor themselves. Development depends on more than markets and economic policy; it also depends on how laws and institutions function and relate to citizens. This in turn reflects how power and influence are distributed in society. We will now consider some substantive examples of policy change and legal reform which will be required to provide legal rights to the poor.

LEP IN FCAS

The human rights indivisibility principle establishes that countries should not apply human rights selectively because the protection and equal recognition of all human rights is required for the full enjoyment of human dignity¹². While there is general agreement at the conceptual level that human rights are mutually reinforcing, equal in standing, and therefore should all be treated as core to an indivisible system, there is significant debate on how the indivisibility principle should be implemented in practice¹³. Similarly, indivisibility is at the heart of the SDG agenda and as indicated earlier, a systems approach is needed for the effective implementation of the LEP agenda. In FCAS, the reality of dysfunctional basic governance institutions or their non-existence and scarcity or total lack of resources make the observance of indivisibility almost impossible. A way out of this conundrum is provided in Priorities and Human Rights, (Quintavalla and Heine 2019)¹⁴ in which the authors suggest the establishment of a key distinction that aims to prioritize human rights in implementation without disturbing the principle of indivisibility at the conceptual level: the distinction between 'a hierarchy of human rights' and 'a hierarchy of human rights at the implementation level' akin to the Maslow hierarchy of human needs. The 'hierarchy of human rights at the implementation level' is concerned with establishing the necessary sequence for realizing the full implementation of the human rights system based on policy priorities and objectives, or constraints that arise in the context of FCAS.

In FCAS, the lack of functional institutions, many of which in more stable countries work against the poor or at minimum do not include the poor, might be turned into an opportunity for LEP. A lot will depend on people and their leaders being able to mobilise and contextualise the political space for pro-poor policies, laws, and institutions. This political space is typically an informal one and it might be some time before formal elections are held. In the interim, informal power brokering might take place and there is an opportunity to build on informal norms, practices, and institutions which are people-

¹⁰Ibid. Vol. 1, pg. 27.

¹¹UNICEF. 2008. *The Rights Start to Life: A statistical analysis of birth registration*. www.childinfo.org/birth_registration

¹²Jack Donnelly, *Universal Human Rights in Theory and Practice* (Ithaca, NY: Cornell University Press, 2013).

¹³James W Nickel, "Rethinking Indivisibility: Towards a Theory of Supporting Relations Between Human Rights," (2008) 30:4 *Hum Rts Q*

¹⁴Quintavalla, A and Heine R, 2019. *International journal of human rights* 2019, vol. 23, NO. 4, 679–697 <https://doi.org/10.1080/13642987.2018.1562917>

oriented and based on local cultures. This is not normally easy as war lords and other power brokers might be seeking to maximise personal gains.

However, interlocutors who recognise that power can be a positive sum game and choose to negotiate towards win-win solutions might serve both the interests of the poor and the process of rebuilding a fractured society. In the next two sections, informality and power as a positive sum game are briefly introduced before the considerations of implementing concrete LEP action in FCAS are discussed.

INFORMALITY

The systems in which more than 4 billion poor people outside the legal framework make their living are variously described as informal, underground, black market, cash economy, slum, and extra-legal. These descriptors are not exactly synonymous although they share many common characteristics. Informality is a “way of doing things characterized by (a) ease of entry; (b) reliance on indigenous resources; (c) family ownership; (d) small scale operations; (e) labour intensive and adaptive technology; (f) skills acquired outside of the formal sector; (g) unregulated and competitive markets”¹⁵. From an economic perspective, the informal sector is broadly characterised as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. These small-scale units typically operate at a low level of organisation, with little or no division between labour and capital as factors of production. Labour relations—where they exist—are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.

As an example, in India the National Commission on the Unorganised Sector Report¹⁷ provided an analysis of the conditions of work and lives of the unorganised (informal) workers consisting of about 92% of the total workforce of about 457 million (as of 2004-05). For most of them, conditions of work were “utterly deplorable and livelihood options extremely few. Such a sordid picture coexists uneasily with a shining India that has successfully answered the challenge of globalisation powered by increasing economic competition both within the country and across the world”¹⁸. Most of India is, of course, relatively stable but some parts are in conflict and the combination of informality and conflict makes for a very difficult challenge of SDG achievement. Beyond the informal economic consideration are the broader social dimensions of informality which are also quite troubling and include characteristics such as:¹⁹

- Fear and insecurity: Squatter populations in big cities are highly vulnerable to dispossession. The consequences of these evictions are severe: besides destroyed property and lost assets, social networks are broken and access to essential services is absent.
- Environmental and socio-political repercussions: Urban migration is expanding the number and size of informal settlements, creating serious environmental and socio-

political implications that affect not only the residents of informal areas, but also the growing urban population as a whole. Informal settlements increasingly encroach on environmentally sensitive areas, near protected water reservoirs, on public land, and into terrain that cannot be made habitable at reasonable cost.

- Labour exploitation: Many of the world’s poor are forced into the informal labour sector, including illegal spheres such as child labour, where they receive fewer benefits and lower wages than formal workers, as well as endure longer hours and more hazardous working conditions. They also have less bargaining power and representation than the formal work force achieves through unions and other labour organizations.
- Lack of healthcare: More and more of the world’s poor — especially those in the informal sector — lack adequate access to healthcare. The poor, who already bear the brunt of the world’s worst maladies from malnutrition to HIV/AIDS and COVID-19, are made more vulnerable by their inability to access and pay for medical care.
- Social-political alienation: Informality cannot be viewed only in terms of individual needs and rights. Security of individual property rights, for example, must be combined with a broader, collective approach as regards the need to promote socio-spatial integration. Informality also breeds gender inequality, corruption, and political disenfranchisement—all of which compound the position of the under-classes.

MAKING POWER A POSITIVE SUM GAME

No one empowers another in the sense of one with power willingly giving up power to another without power. Least of all in FCAS, where there is either an ongoing struggle for power or a just-concluded violent power struggle. The negotiation of win-win options or strategies for making power a positive sum game become crucial.

The terms zero sum, positive sum and variable sum are drawn from game theory based on rational choice which is increasingly used in various disciplines to help analyze power relationships. In rational choice theory, human individuals or groups can be modeled as ‘actors’ who choose from a ‘choice set’ of possible actions in order to try to achieve desired outcomes. An actor’s ‘incentive structure’ comprises (its beliefs about) the costs associated with different actions in the choice set, and the likelihoods that different actions will lead to desired outcomes.

In this setting, we can differentiate between:

1. Outcome power – the ability of an actor to bring about or help bring about outcomes;
2. Social power – the ability of an actor to change the incentive structures of other actors in order to bring about outcomes.

This framework can be used to model a wide range of social interactions where actors have the ability to exert power over others. For example, a ‘powerful’ actor can take options away from another’s choice set; can change the relative costs of actions; can change the likelihood that a given action will lead to a given outcome; or might simply change the other’s beliefs about its incentive structure. In a recent paper, James Read provides a summary of the conditions that he believes need to be met for a theory which will persuasively show that power can be variable sum; as well as the challenges such a theory will face because of nearly 3000 years of human civilization thinking of power as

¹⁵ Hart, K. 1972. *Employment, Income and Inequality. A strategy for increasing productive employment in Kenya*. ILO.

¹⁶ OECD. 2003 *stats.oecd.org/glossary/*

¹⁷ National Commission for Enterprises in the Unorganised Sector. 2007. *Report on the conditions of work and promotion of livelihoods in the Unorganized sector*. www.prsindia.org/uploads/media.

¹⁸ Ibid.

¹⁹ Adapted from Singh, N. 2014. *Legal Rights of the Poor*. Authorhouse.

zero sum²⁰. Such a theory is important, however, because “We use the idea of power both to describe the social and political world, and to orient our action within it. To change our understanding of power is thus, to a certain degree, to change the political and social world itself”²¹. According to Read: “The most extensive and richly-detailed descriptions of power have assumed, explicitly or implicitly, that increased power for one necessarily entails an equivalent loss of power for another. There is no question that some important and enduring phenomena of the social and political world lend support to this assumption. But the zero-sum assumption cannot easily account for the peculiar blend of conflicting and shared interest, of competition and cooperation, which characterizes most important social and political relationships. Of course, the same is true in reverse for attempts to ground power on pure cooperation.”

In another work which challenged zero-sum relationships, The Strategy of Conflict, Schelling²² concluded that a lot of the preoccupation with power as a zero-sum game came from game theory applications which focused almost entirely on such zero sum or pure conflict situations. However, he argued that in reality, a pure conflict situation is only likely to arise in a war that seeks extermination of the opponent, in which opponents are completely opposed. Generally, this is not the case in war. In most cases of conflict, winning does not have a strictly competitive meaning. It is not winning relative to one's adversary. It means gaining relative to one's own value system, and this may be done by bargaining, by mutual accommodation, or by avoidance of mutually damaging behavior.

To study the strategy of conflict is to consider conflict situations as essentially bargaining situations. This allows us to avoid pre-occupations with pure conflicts or zero conflicts which might mean complete collaborations. Both of these are extremes and should be thought of as limiting cases. In practice, there is a powerful common interest in avoiding situations seriously damaging to the values of either side. For example, a successful employee strike might be one that does destroy the employer financially; but more commonly it may even be one that never happens. In this work, Schelling traces the definition of his use of the term strategy to game theory in which there are games of skill, chance, and strategy. The strategy game is one in which the best course of action for each player depends on what the others do. The focus is on the interdependence of the adversary's decisions and on their expectations of each other's behaviour.

Therefore, the LEP agenda must be based on the notion of self-empowerment in which the poor and deprived seek to take greater control over their own lives. People have to want to take power but doing so sensibly requires pursuing win-win strategies. A more detailed discussion of the nature of power and the conditions under which power can be a positive sum game can be found in Singh 2014.²³

LEP Action in FCAS

LEP action in FCAS will have to start with existing systems while having a vision of what might be. In FCAS, the existing justice systems are likely to be informal ones and it will be important to understand their strengths and weaknesses in order to build on them. The poor living in the informal sector have usually developed informal justice systems in

which they seem to have greater trust. Some of the strengths of informal justice systems include:

- They are understandable and culturally ‘comfortable’;
- They focus on consensus, reconciliation, and social harmony;
- They can be good partners with the formal justice system by reducing court congestion for non-serious offences;
- They offer swift solutions to disputes;
- They tend to enjoy social legitimacy, be trusted, and understand local problems;
- Informal justice systems often survive violent conflict; and
- They provide geographical and financial accessibility.

Despite informal justice systems being widely viewed by many communities as the most likely way of achieving an outcome that satisfies their sense of justice, there are situations in which they fall well short of realizing that ideal. The main weaknesses of informal justice systems include:

- Unequal power relations and susceptibility to elite capture – where power imbalances exist between disputing parties, the weaker party is vulnerable to exploitation;
- Unfair and unequal treatment of women and disadvantaged groups;
- Lack of accountability;
- Arbitrary decisions;
- Non-adherence to international human rights standards;
- They are unsuitable for certain disputes that are important for security and sustainable development e.g., the poor are highly vulnerable to conflicts over scarce assets such as land.
- Informal justice systems do not work in cases such as dealings with government service delivery, companies, complex cases such as serious crimes, and inter-village, inter-community and third-party disputes as the authority of the informal justice actors rarely extends beyond their own sphere of influence.

This understanding of what little of a justice system already exists, along with an analysis of its strengths and weaknesses provides a useful entry point and avoids the common error of imposing an alien system. The next step is to incentivise change through a range of incentives needed to ensure that those in the security sector, from high-level officials or officers to the rank and file, accept the rule of law reform including:

- Avoidance of revenge, or arbitrary “justice”
- maintenance of employment, some institutional prerogatives, salary, pensions or other material benefits such as housing
- addressing competing priorities between stability and security vs rights and redress by a sensible choice of parallel initiatives that mutually reinforce each other to reach a change from violent to nonviolent behavior through coercion by the rule of law.

Transitional justice actions are usually helpful soon after a degree of post conflict stabilization occurs. Transitional justice processes address past abuses, including trials of

²⁰Read, J.H. 2011. *Is power zero sum or variable sum? Old Arguments and New Beginnings*. Paper prepared for the American Political Association Meeting, Seattle. 2011.

²¹Ibid.

²²Schelling, T. 1980. *The Strategy of Conflict*. Harvard University Press.

²³Singh, N. 2014, Chapter 7. *Legal Rights of the Poor*. Authorhouse.

perpetrators, vetting or lustration, commissions of inquiry, amnesties, memorials and reparations, and traditional or non-state justice. This is followed by processes to resolve internal conflicts, with a rapid growth in multidimensional peacekeeping and peacebuilding operations accompanied by related development programming. These latter operations have included significant rule of law components addressing everything from constitutional and judicial reform to legal assistance and alternative legal dispute mechanisms. These conflict-mitigating activities have also promoted security sector reform (SSR), as well as ensure the disarmament, demobilization and reintegration of ex-combatants (DDR), with activities including vetting of members, particularly on the basis of past abuses, and retraining of those retained.

The New Deal is a key agreement between fragile and conflict-affected states, development partners, and civil society to improve the current development policy and practice in fragile and conflict-affected states²⁴. The goals of this deal are:

- Legitimate politics: Foster inclusive political settlements and conflict resolution.
- Security: Establish and strengthen people's security.
- Justice: Address injustices and increase people's access to justice.
- Economic Foundations: Generate employment and improve livelihoods.
- Revenues and Services: Manage revenue and build capacity for accountable and fair service delivery.

The New Deal recognised that transitioning from fragility is a long, political work that requires country leadership and ownership. Processes of political dialogue have often failed due to lack of trust, inclusiveness and leadership. International partners often bypass national interests and actors, providing aid in overly technocratic ways that underestimate the importance of harmonizing with the national and local context, and support short-term results at the expense of medium-to-long-term sustainable results that could be brought about by building capacity and systems.

Some of the lessons learned in carrying out legal empowerment-like processes in the context of the complexity of fragile environments and the political sensitivity of change are summarised by de Goor and van Veen as three game changers as follows^v:

- Game changer #1: Focus more on the political incentives and limitations of change. (Political interventions with a technical component)
- Game changer #2: Build justice and security programmes in a more evolutionary manner. (Establish results progressively, work iteratively, learn; use complex adaptive systems principles)
- Game changer #3: Engage more with local/non-state justice and security providers. (Politically challenging but needed)

ILLUSTRATIVE CASE STUDIES

Some country contexts in which the ideas discussed in this paper have been tried with varying degrees of success include Yemen and East Timor.

²⁴The New Deal was developed through the forum of the International Dialogue and signed by more than 40 countries and organizations at the 4th High Level Forum on Aid Effectiveness on November 30th 2011 at Busan, South Korea.

In Yemen, the EERRY (Enhancing Rural Resilience in Yemen) Program illustrates a way forward. In this case, four UN agencies, UNDP, ILO, FAO and WFP developed joint integrated programs based on cash for rebuilding community assets, agriculture value chains, revitalization of micro-enterprises, apprenticeships and BDS, solar energy, local governance, social cohesion and insider mediation. Insider mediators were drawn from local councils, INGOs, public service, trained in alternative dispute resolution (ADR), and supported through local projects and grants. Local Governance was revitalized through Local Community Councils, Village Coordination Councils (VCC) and District Management Teams. The nomination and election process of VCC members was preceded by various community awareness sessions on the importance of VCCs, their role and the democratic nomination process. Overall, just under half of the VCC members (just over 2000 in 8 districts) were women (44% in the South, and 46% in the North). The main role of the VCCs was to develop community resilience plans focused on service delivery, social cohesion, basic services and livelihoods recovery as a means to address the negative impacts of the conflict. Rule of Law and property, labour, and business rights were introduced through capacity-building and apprenticeship schemes rather than through an explicit rights-based approach, which would be impossible in the face of the lack of a functional government.

The case of East Timor deals with property rights in a post conflict context after the establishment of the nation of East Timor²⁵. Timorese notions of ancestral origin and legal principles of first possession, and the observation that “origin principles are resilient because of their potential to maintain social order and authority in a context of heightened fears of social disorder²⁶” have to be taken into account when formulating programs. Equally important was the Timorese adaptive capacity in the face of war and population movement, coupled with collective action and social ordering to ensure efficient resource use and to respond to fears of costly races for rights. Case studies provide examples of mediated land disputes varying from disputes between two related individuals to accommodation between the customary authority and the Land and Property Directorate to a complex conflict involving large numbers of claimants. Two broad alternatives for the legal regulation of land systems after armed conflicts were: 1) interpretively simple bright-line rules that reduce the costs of identifying, measuring, and enforcing rights to property and 2) interpretively complex ‘fuzzy’ rules that provide greater flexibility for social and political ordering. It is recommended to use a multidisciplinary approach including law, anthropology, and economics in data collection and analysis. It was a difficult balancing act between bright line rules and balancing expectations.

CONCLUDING REMARKS

Today, about 1.4 billion people live in fragile states^{vi}. Fragile and transitional situations comprise a broad spectrum of contexts – from middle income countries with strong institutions, such as in the Middle East and North Africa – to low-income aid-dependent countries like Haiti. Many countries like Yemen, Syria, and Afghanistan are in active turmoil with an uncertain future where poor people are unlikely to realize rights of any kind. Rule by (arbitrary) law rather than rule of law is likely to continue in Afghanistan

²⁵This case is drawn from the book: *Property and Social Resilience in Times of Conflict: Land Custom and Law in East Timor* by Daniel Fitzpatrick, Andrew McWilliam and Susana Barnes. Ashgate 2013.

²⁶Fitzpatrick D, McWilliam A, and Barnes B. 2013. *Property and Social Resilience in Times of Conflict: Land Custom and Law in East Timor*. Ashgate Publishers.

and Syria. Complete lack of any credible government is likely to persist in some countries. The agenda of legal empowerment of the poor depends on the poor organizing to take control of their own lives with support from partners. This agenda includes, but is very different from, legal or rule of law reform alone and requires voice, mobilisation, contestation, legal identity, and leadership from below. It is a difficult proposition but a necessary one. Without it, many will be left behind and SDG achievement will remain a distant dream.

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REVIEW OF PROBLEM STRUCTURING METHODS AND ITS APPLICATION IN UNDERSTANDING THE HOUSING NEEDS OF SLUM DWELLERS IN INDIA

Namesh Killemsetty²⁷

Abstract

This paper provides an extensive review of commonly used Problem Structuring Methods (PSMs) and studies their possible applications for understanding the challenges faced by slum dwellers living in informal settlements across cities in India. The study highlights the role of PSMs as a group of analytical methods for identifying the problems faced by poor and vulnerable populations and looks for possible solutions to increase their efficiency. Subsequently, the paper describes and compares commonly used PSMs such as Soft Systems Methodology, Strategic Options Development and Analysis, Strategic Choice Approach, Robustness Analysis, and Value-Focused Thinking. The paper finally draws attention to the nature of challenges involved in the application of PSMs for slum dwellers which is different from its typical application involving people in managerial positions across organizations who generally are domain experts in their fields

PROBLEM CONTEXT

With over a quarter of India's urban population living in slums and informal settlements, city governance systems in India have been facing large-scale challenges to improve their access to adequate housing, sanitation, essential services, and security. Informal areas like slums become a common sight in cities of developing countries like India where the provision of infrastructure and basic services often lags behind the pace of urbanization. Housing is a critical aspect in the study of slums being both a cause and outcome of poverty as it comprises differential access to resources and control over them (Kumar, 2002). Urban slum dwellers are especially profoundly affected by adverse living conditions, and their health threatened by a range of factors related to their housing (Zanuzdana et al., 2013).

Considering the importance of stable housing in the betterment of the livelihoods of slum dwellers, the Government of India has taken multiple developmental approaches to provide housing and access to basic services for the urban poor. However, these approaches have not achieved the desired results because of primarily being top-down in nature and not addressing the needs of the communities (Tiwari and Rao, 2016). The contemporary policies implemented by the government have been myopic to the lived reality of the slum dwellers because of a lack of understanding of the actual nature of the problems due to their sheer enormity, and/or an unwillingness from the government to deal with the complexities of the lived realities of the slum dwellers. While a community intervention approach would ideally want problems and solutions to be defined by

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community members, most developmental programs in the country ended up being implemented according to the state agendas (Bháird, 2013). The majority of the approaches do not necessarily happen as a consensual-driven participatory process, but through messy negotiations and the awkward meshing of grassroots processes with formal institutions (Kiefer and Ranganathan, 2018). The inconsistency remains far away from an ideal approach which should maintain a balance between the housing needs of the slum dwellers, and ensure improvement in the quality of shelter and services.

Policies formulated for improving the quality of lives of slum dwellers often ignore the study of slums in their process and consequently, fail to capture the perspectives of the very people for whom they are meant. Slums pose a challenge that could be considered a 'wicked' problem. Rittel and Webber (1973) originally classified policy problems that are tough to describe, have numerous causes, involve multiple stakeholders and do not have a right answer, as 'wicked' problems that others have referred to as 'messy' (Vennix, 1999) or 'swamp conditions' (Rosenhead, 1992). The challenges that slum dwellers face have many of these characteristics. First, slums are tough to describe as a policy problem. For example, there is an inconclusive debate about conceptualizing slums as a place vs. as a household's living condition (Mahabir et al., 2016; Nolan, 2015). The other related misunderstanding is that the concentration of poverty is erroneously equated to a slum. Second, there is no single cause of slum formation and their growth (A. Patel et al., 2014). There are multiple causes cited in literature that include extreme income inequality (Cavalcanti et al., 2019), high housing price-to-income ratio (Lall et al., 2007), rapid urbanization rates (Ooi and Phua, 2007), lagging infrastructure provision (Galiani et al., 2017), and lack of affordable housing supply (Gandhi, 2012) to name a few. Third, there are multiple stakeholders that are directly or indirectly related to this policy challenge, including the local, state, and the national level governments, non-government and community-based organizations (CBOs), slum dwellers, and non-slum residents in the neighborhoods. Finally, a long history of failed policies clearly suggests that there is no right answer to address this challenge so far.

Considering the dynamic characteristics of slums, our understanding has also largely ignored the perspectives of the slum dwellers. Slums have been traditionally studied and analyzed using multiple disciplinary approaches and varied perspectives but rarely are slum dwellers' voices treated as central to the inquiry. For example, common approaches include slum population estimations and enumerations using demographic surveys and censuses (e.g. Dupont, 2008; Patel et al., 2014); delineating slum boundaries and housing structures using satellite images (e.g. Gruebner et al., 2014; Kohli et al., 2012); and using simulations to test scenarios (e.g. Debnath et al., 2019; Patel, 2012). However, barring ethnographic studies that focus on a particular intervention or community (Doshi, 2013; Walker, 2016), none of these approaches consider slum dwellers' perspectives as central to their inquiry and rarely treat them as the context experts. Moreover, these approaches primarily rely on the aggregation of socio-economic data that fails to capture the complexity of slum dwellers' lives and their multi-tiered and interrelated connections within society and the environment (Mahabir et al., 2016). The need of the hour lies in identifying alternative approaches to identifying challenges in slums and ways to address them from the community's perspective.

Keeping these factors in mind, the purpose of this paper is to provide a review of various problem structuring methods from the field of decision sciences and operations research that could be used to understand the priorities and decision choices of slum dwellers living in Indian cities with respect to their access to housing and basic services such as

stable housing, access to sanitation, clean drinking water, drainage, sewerage, solid waste disposal, and street lighting. The challenges associated with making such choices would be multiple – there is no definitive formulation, issues are interlinked cutting across various disciplines, struggle drawing a balance between uniqueness and generalizability – and can be explained in numerous ways. All these factors can be associated as complex problems faced by slum communities concerning issues such as acquiring a stable housing unit and access to basic services. Delivery of such services involves coordinating with multiple departments in the city governments, each of which has its own way of functioning. These factors thus necessitate the use of problem structuring methods as a group of methods that enables participants to clarify their predicaments, converge on potentially actionable problems, and agree on commitments that will at least partially resolve them (Mingers and Rosenhead, 2004).

The following sections provide a literature review on commonly-used problem structuring methods and their possible application to the case scenario of understanding housing needs of slum dwellers in smaller cities of India.

PROBLEM STRUCTURING METHODS

Problem structuring methods (PSMs) are a group of methods used to model or map the nature of a situation or state of affairs that people want to change (Rosenhead, 2013:1162). The methods are a class of qualitative operational research modeling approaches that were first developed 40 years ago for making progress with ill-structured problems. Various definitions of PSMs have been proposed over time, some focusing on the types of problems that PSMs typically address, others on the ways the problems are resolved. In general, they are defined with respect to the problem characteristics, method of analyzing problems, and philosophical dimensions (see Smith and Shaw, 2018 for further details).

PSMs are generally used by individuals in collaboration to create a consensus about, or facilitate negotiation about issues on what needs to change. These methods usually involve an openly outward-looking phase that pulls together readily-available information about a problem and invites individuals to state their opinions and interpretations regarding the situation. Following this phase, a problem statement must be developed – an explanation of what is to be used as input, what the desired outputs, decisions, and the ranges are within which it is necessary to understand the relationships between all these variables (Keisler, 2012). The problematic situations for which PSMs aim to provide analytical assistance are characterized by multiple actors, differing perspectives, partially conflicting interests, important intangibles, and perplexing uncertainties (Rosenhead, 2006; Rosenhead and Mingers, 2001).

PSMs explore systemic issues (Midgley et al., 2013), that aim to build a shared understanding and commitment across stakeholders (Ackermann, 2012) through facilitation (Franco and Montibeller, 2010), participation (Rosenhead, 1996) and stimulating dialogue (Mingers and White, 2010) through a structured decomposition of issues. A crucial advantage of using PSMs over traditional OR models is its qualitative form, often being diagrammatic (Ackermann, 2012) and representing differing perspectives. PSM allows the building of models both in the expert and the facilitator forms. In the expert form, the problem situation faced by the client is given to the OR consultant who builds a model to develop an optimal situation. While in the facilitator form, the consultant jointly develops a model through participant interaction, possibly in

a group workshop (Franco and Montibeller, 2010).

There are many PSMs based on the needs and the scenarios where they can be used. Based on methods that incorporate facilitator modeling, the following sections describe some of the commonly used PSMs – Strategic Options Development and Analysis (SODA), Soft Systems Methodology (SSM), Strategic Choice Approach (SCA), Robustness Analysis (RA), and Value-Focused Thinking (VFT). The following subsections elaborate each PSM and their application in the Indian context.

STRATEGIC OPTIONS DEVELOPMENT AND ANALYSIS (SODA)

The SODA method is an approach designed to provide consultants with a set of skills, a framework for developing problem-solving interventions and a set of techniques and tools to help their clients work with messy problems (Eden and Ackermann, 2001:21). The basic theories that inform SODA derive from cognitive psychology and social negotiation, where the model acts as a continuously changing representation of the problematic situation – changing as the views of a person or group shift through learning and exploration (Eden and Ackermann, 2006). SODA builds cognitive maps²⁸ that are designed to represent the way in which a person defines an issue.

SODA is an approach that allows the skills of a facilitator of the processes involved in helping a problem-solving team to work together efficiently and effectively to reach feasible agreements; provides skills to construct a model of, and appropriately analyze, interconnected issues, problems, strategies and options that members of the team wish to address (Eden and Ackermann, 2001:21). SODA builds models from different subjective views of the situation as expressed through individual interviews which are framed into individual cognitive maps. A composite of individual cognitive maps creates a merged group map that establishes a joint understanding of the problem, and reflects on the emergent issues that consequently arise, to negotiate an agreed strategic direction (Eden and Ackermann, 1998).

The primary advantage of using SODA over other PSMs is its ability to highlight the diverse subjective views of a problem situation. In the context of the case scenario, SODA would be useful in understanding the varied nature of challenges faced by slum dwellers at household and community levels. Cognitive maps can be constructed for the individual problems faced by the households, which can then be combined to create a merged map highlighting the significant challenges faced by the communities for each slum. The maps would highlight the interconnections between the challenges based on what an individual perceives to be his/her problems.

Figure 1 shows the cognitive map created to highlight the challenges associated with housing as identified by residents of a slum community in Brahampur city, India (Killemsetty et al., 2021). The cognitive map highlights the community challenges in two distinct themes – challenges faced by the residents at their proposed resettlement housing where they were due to be forcefully relocated, and challenges at their existing location which lacked primary infrastructure facilities. The map shows how multiple issues are connected to each other and how this affects their daily lives.

Problems identified by slum community

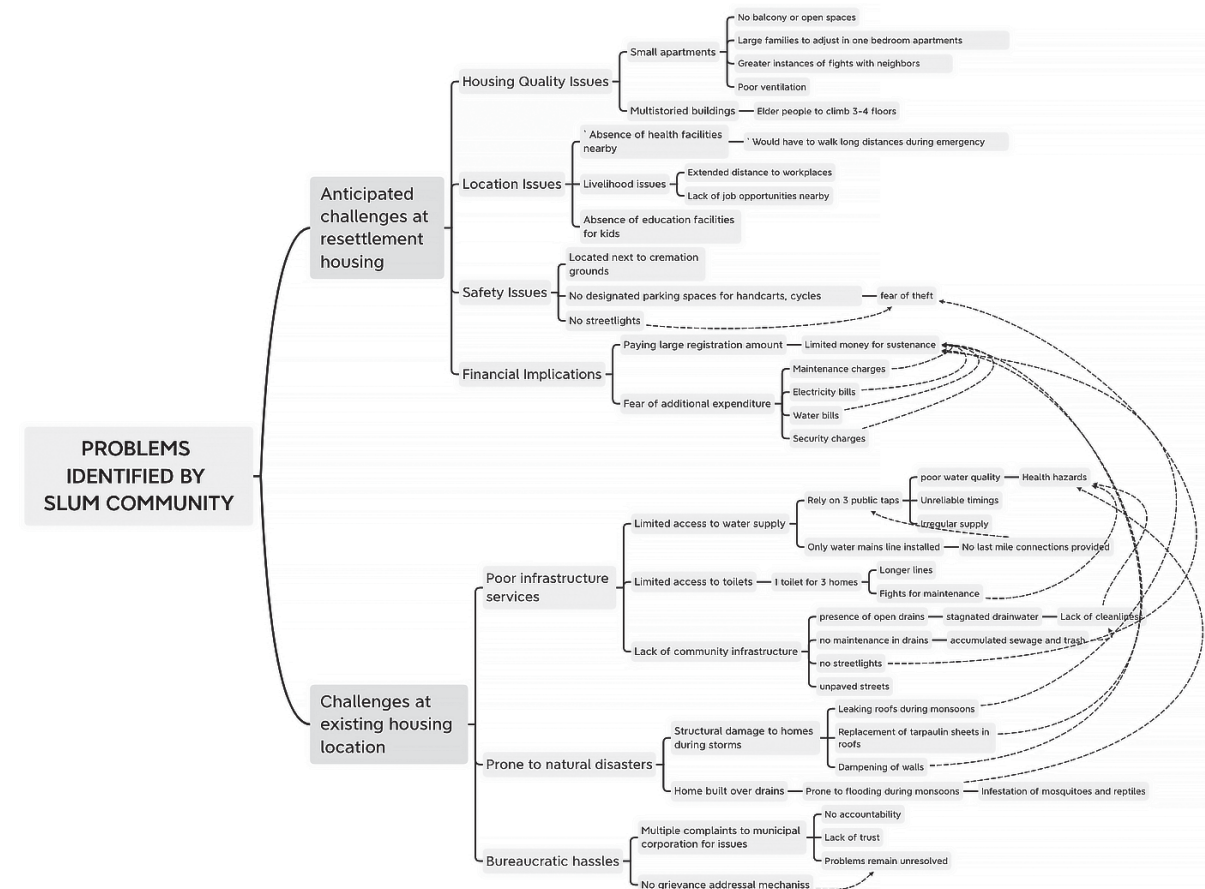


Figure 1-Cognitive map highlighting challenges as identified by slum community at a case study slum in Odisha, India (Killemsetty et al., 2021)

SOFT SYSTEMS METHODOLOGY (SSM)

Soft Systems Methodology is an approach for tackling problematic and messy situations where users learn their way by finding out about the situation through an action-oriented process (Checkland and Poulter, 2006). The learning emerges via an organized process where the situation is explored using a set of models of purposeful action each built to summarize a single worldview, to inform and structure the discussion about a situation, and discussion on how the models could be improved. SSM is a problem-solving approach developed from systems engineering²⁹ in which a purposeful system is modeled in the systems world from multiple perspectives to elicit the critical feature of subjectivity (Checkland, 1981).

SSM is an organized process of inquiry based on systems models which leads to the choice of purposeful action. The models are used in the problem situation to provide structure to a debate about what to do by comparing the model with real-world

²⁸ Cognitive maps are made up of constructs (nodes) linked to form chains (shown by arrows) of action-oriented augmentation (Eden and Ackermann, 1988)

²⁹ Systems engineering focuses on how to design and manage complex systems throughout their life cycles using the systems thinking process. The approach looks at the selection of an appropriate means to achieve an end which is defined as a start and thereafter taken as given (Checkland, 2001)

perceptions and happenings. The purpose of the debate is to uncover the different constructions people in the situation place upon the happenings and to find some accommodation between different and conflicting constructions (Checkland, 1985: 822).

The core idea of SSM is to build a rich picture of the problem situation through its root definitions, which are the names of relevant systems using the CATWOE principle. The root definitions are built from a thorough understanding of the customers©, actors(A), transformation process(T), worldview(W), owners(O), and environmental constraints(E).

Table 1 shows the formulation of root definitions for the case scenario on housing issues for slum dwellers in India.

Definition (CATWOE)	Case Scenario
C – customer – who would be the victims/beneficiaries of the purposeful activity?	C – Slum Dwellers
A – actors – who would perform the activities?	A – government officials
T – transformation process – what is the purposeful activity expressed as?	T – the need for stable housing with access to essential services – need to be met with corresponding welfare programs
W – weltanschauung – which worldview makes this definition meaningful?	W – rational planning is desirable where the housing requirements of the slum dwellers are met with programs that provide the desired services
O – owner – who would stop the activity?	O – the government
E – environmental constraints – what constraints in its environment does this system take as given?	E – requirements of the slum dwellers to be similar across all slums

Table 1 - Formulation of the rich picture for housing in slums using CATWOE principle(adopted from Checkland, 2001)

The root definitions are thus used to build a rich picture of an affordable housing scheme (see Figure 2). Next, this model is compared with the real-world actions happening on the ground to identify possible changes which are both desirable and feasible. Subsequent actions could thus be taken to improve the problem situation.

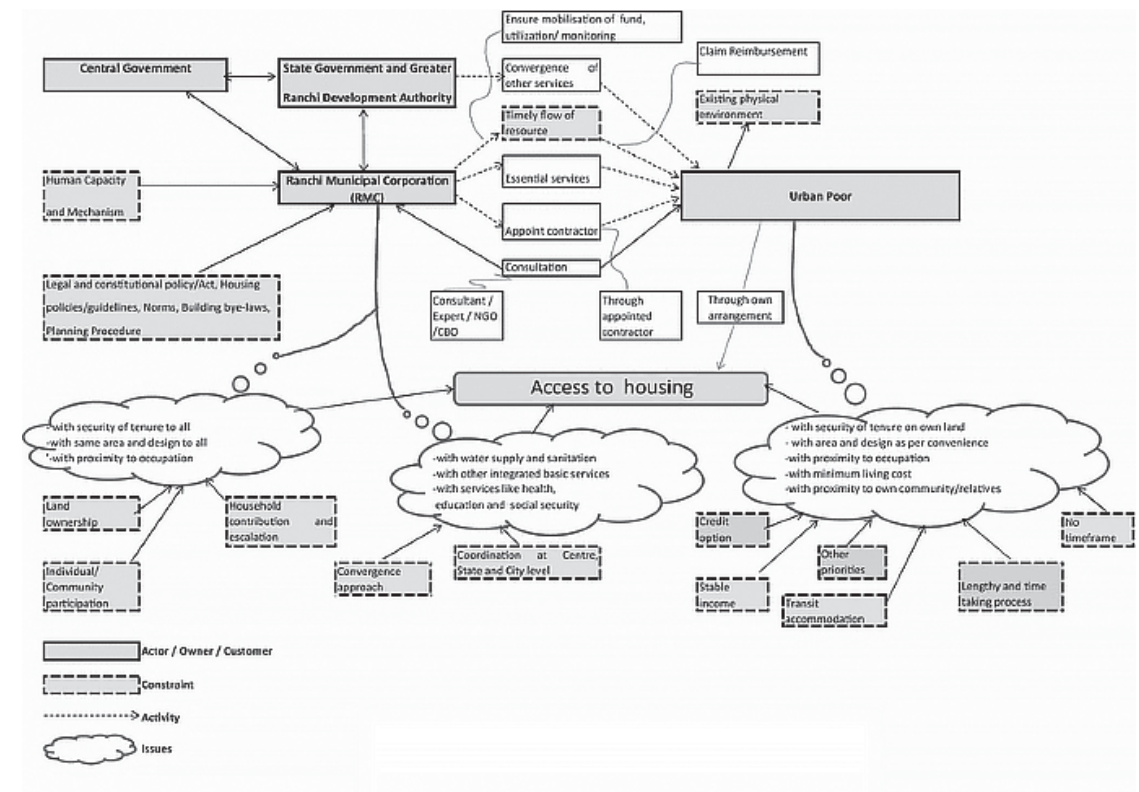


Figure 2 - Rich picture of an affordable housing program (Ghosh, Roy and Sanyal, 2016)

STRATEGIC CHOICE APPROACH

Strategic Choice Approach (SCA) deals with the interconnectedness of issues in an explicit yet selective way by helping people working together to make noticeable progress towards decisions, and focusing their attention on possible ways of managing uncertainty as to what they should do next (Friend, 2001). SCA was developed as a response to a number of operational problems identified as characteristic of any public planning or allocation process, regardless of organizational setting (Ferguson, 1979).

The SCA is a framework tailor-made for complex planning issues involving uncertainty. The most distinctive feature of the approach is the way it helps the users in making incremental progress towards decisions by focusing their attention on alternative ways of managing uncertainty, each calling for a different kind of response (Khakee and Stromberg, 1993). The uncertainties could be:

- Pertaining to the working environment which could be dealt with by responses of a relatively technical nature such as surveys, forecasting exercises, costing estimates, etc.
- Pertaining to guiding values which call for a more political response from say, a higher authority
- Pertaining to related decision fields that call for a response in the form of the exploration of the structural links between the decision in view and others with which it could be linked.

SCA consists of four interconnected stages or modes – the shaping, designing,

comparing, and the choosing modes. Opportunities exist to switch freely from any one of the four modes to work for a short period in any of the others. In our case scenario, SCA can be used for sustainable water and sanitation planning in the slums:

- **The Shaping Mode:** In the shaping mode, problems are formulated as questions that need to be addressed by the ongoing planning and decision-making process. For a general issue of 'the water and sanitation system in the slum is not working properly,' the questions that could be defined are what is not functioning today? What desires do the population and the authorities have at the service level? In what way can water supply be arranged, given the local water shortage and low quality of the water source? How can proper sanitation be implemented?
- **The Designing Mode:** In the designing mode, those involved in the planning process identify and explore the different options available to address the various problems using the knowledge of local stakeholders. Table 2 provides examples of some solutions and related different options for questions regarding water and sanitation in slums.

Table 2 - Possible options for water and sanitation problems persisting in slums

Problems	Possible Solutions	Options
Personal Hygiene	Increased Water Supply	Connection to urban water supply Use of local wells Collection of rainwater.
	Behavioural Change	Increased public awareness Education of schoolchildren Advocacy campaigns.
Unhealthy Environment	Proper Sanitation	Use of dry latrines and collection services. Use of water closets and piped sewers. Use of diverting systems and collection services.
	Behavioural Change	Use of demonstration facilities. Community-led sanitation improvement. Prioritize sanitation service delivery.
Groundwater	Greywater Treatment	Connection to the urban sewer system. On-site treatment. Use of treated effluents for irrigation Pollution.

- **The Comparing Mode:** The aim of this mode is to weigh the pros and cons of different decision schemes by defining the criteria for comparing different plans that are formulated by participants during meetings. Examples of evaluation areas to be used for water and sanitation in slums could be health, environment, economy, and socio-cultural aspects
- **The Choosing Mode:** This mode addresses the management of uncertainty by focusing on the timing of decisions and sorting issues into immediate actions, deferred choices, and contingency planning. The action schemes, in this case, may include initiation of concrete and immediate measures to implement water and sanitation systems; a commitment to explore further remaining uncertainties, and formulation of contingency plans to deal with future events.

ROBUSTNESS ANALYSIS

Robustness Analysis is an approach used for the evaluation of alternative initial strategic decisions, first proposed by Gupta and Rosenhead (1968). Robustness provides a way of supporting decision-making when there is radical uncertainty about the future, and where decisions can or must be staged sequentially. It resolves the paradox of uncertainty in the future by assessing initial choices in terms of the attractive future options that they keep open (Rosenhead, 2001:181).

Robustness Analysis falls under the heading of a decision-aiding approach rather than a decision-analytic approach, where decision-aiding sidesteps the practical difficulties of identifying individual preferences, aggregating utilities, and estimating probabilities (Wong and Rosenhead, 2000). Decision-aiding throws the burden of forming these judgments and trade-offs back to the decision maker. Robustness analysis can be applied to situations where it is expected that a number of decisions will be made in sequence. Commitment to an initial decision is needed now, and the effect of this initial decision and of the others that may follow is to generate a range of possible future configurations of the system that is being changed by the decisions (Rosenhead, 2001: 189).

Robustness analysis involves the matching of early commitments against differentially beneficial future system configurations under a range of plausible future conditions. As seen in Table 3, robustness analysis can be used in the case scenario in the implementation of a participatory approach where the provision of essential services in slums could be associated with their core requirement on a case-by-case basis.

Table 3 - Stages for providing a participatory housing program in slums using Robustness Analysis

STEPS OF ROBUSTNESS ANALYSIS	APPLICATION IN CASE SCENARIO
1. Choose a future	Provision of basic services on a case-by case basis for each slum.
2. Identify a configuration which would work well with it	Establishment of a structure which allows demarcation of problems associated with each slum.

- | | |
|---|---|
| 3. Identify initial steps towards configuration | Incorporate a participatory approach in each program which allows problem identification from the communities. |
| 4. Check compatibility of each commitment– configuration pair | The problems associated with each slum would be associated with necessary interventions with respect to the available government resources. |
| 5. Check suitability of each configuration in each future | Based on available resources and budget, necessary interventions would be selected for each slum. |

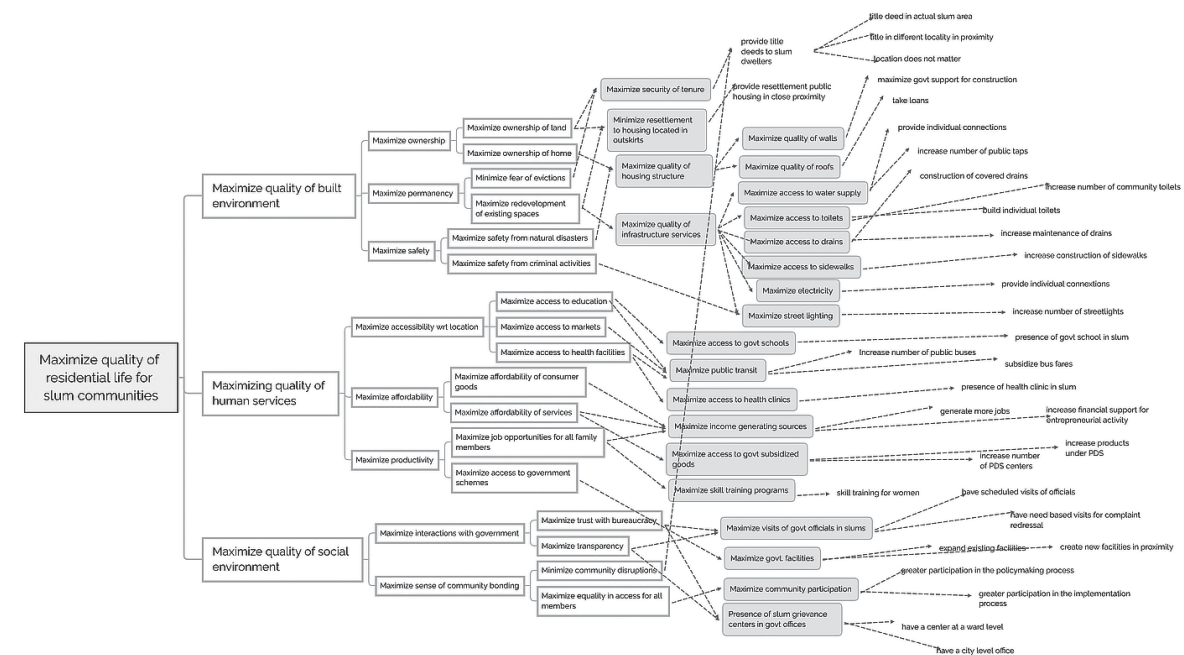
VALUE-FOCUSED THINKING

Values are fundamental to every event, making them the driving forces of decision-making. It is these values that are fundamentally important for any decision situation which helps to shape the alternatives. Thus, the iteration between articulating values and creating alternatives forms the basis of the manner of rationale called 'Value-Focused Thinking' approach. Value-Focused Thinking (VFT) provides concepts and procedures that allow the articulation and appraisal of fundamental values in a decision situation; use values to create better alternatives for decision problems; and identify decision opportunities that are more appealing than the decision problems (Keeney, 1992). VFT is a critical philosophy that advocates a more fundamental view of values in our decision making in private as well as professional lives. The tools used in VFT provide a systematic approach to structuring complex decisions and subsequent analysis, thus contributing important insights to decision making (Morais et al., 2013).

Value-Focused Thinking primarily consists of deciding what is essential and discovering how to obtain it. VFT can be thought of as a problem structuring method as it lays out all the various concerns of stakeholders and structures them into a smaller, more tractable and measurable set of variables from which it is clear how a formal utility model can be built, assessed, and calculated (Keisler, 2012).

Proponents advocate starting first with the values of the decision makers, and then using the values to create decision opportunities, evaluate alternatives, and finally develop improved alternatives (Parnell et al., 2013). The first step lies in identifying the objectives by engaging in a discussion of a decision situation. The decision context is defined by having an understanding of the nature of the problem and its environment; relevant players; economic, technical and resources factors; and the best-known decisions (Osei-Bryson, 2018). After collecting the list of objectives, this step distinguishes between the fundamental objectives (the ends that decision makers value in a specific context) and means objectives (methods to achieve ends). The next step in the VFT approach is constructing the means-end objective network. The objectives are displayed in terms of the relationship between end objectives and means objectives. The network provides a model of the specific interrelationships among the means objectives and their relation to the fundamental objective, if any. Figure 3 shows an example of a VFT hierarchy network highlighting the list of objectives that elaborate the housing needs and preferences of slum communities, along with their identified solutions listed at the end (Killemsetty et al., 2021).

Figure 3 – A VFT objectives network for housing needs of slum dwellers



A clear listing and structuring of the fundamental objectives provide considerable insights into the creations of the alternatives. When the means objectives are identified, the measurement of their achievements provides useful insights which leads to the construction of valuable options (Keeney, 1992; p.99).

Table 4 summarizes the key aspects of all the problem structuring methods discussed in the previous sections highlighting the basic overview, key themes, steps, assumptions, limitations, and their potential applications. While problem structuring methods have a wide range of applications with respect to their sectors of application and the stakeholders involved, a common theme that runs across all methods is the level of expertise required by the participants in their implementation. PSMs have generally been applied to managers, and officials in government offices who have a minimum level of education, have a clear idea of their problems and can express it adequately. The final section of this paper highlights the possible challenges of implementing problem structuring methods in the case scenario of slums in India where the participants primarily would be slum dwellers.

	SOFT SYSTEMS METHODOLOGY	COGNITIVE MAPPING/ SODA	STRATEGIC CHOICE APPROACH	ROBUSTNESS ANALYSIS	VALUE FOCUSED THINKING
Overview	Takes traditional, hard systems engineering methodologies, and deal with the humanness of transforms them to be able to human beings.	Representation of a person's perceptions about a situation in terms of bipolar constructs, where terms are seen as contrasts with each other.	Recognizes different stakeholders and viewpoints, as well as significant elements of uncertainty and lack of information.	Allows participants and analysts to assess the compatibility of alternative initial commitments with possible future configurations of the system.	Involves decision-makers and other stakeholder groups to identify a broad range of societal values on which policy objectives should be based, and elicit tradeoffs between those objectives.
Importance to	Irrationality, creativity, and values.	Problem identification.	Uncertainty.	Maintaining flexibility under uncertainty.	Structuring multiple objectives.
Foundations	System Redesign.	Subjectivism, Personal Construct Theory.	Interconnectedness.	Flexibility.	Multiple-Attribute Utility Theory.
Assumptions	Different individuals and groups will make different evaluations leading to different actions.	Each individual perceives the world subjectively; the organization is made up by processes and negotiations more than structures.	Decision-makers must learn to make judgments as to how broadly or strictly to focus their attention; and how to strike a balance between current commitment and future flexibility.	Assumption that problems and objectives are well defined. Therefore, robustness analysis is mainly directed towards action and decision-making.	A need for greater depth, clear structure, and a sound conceptual base in developing objectives for strategic decision contexts.
Best Potential Application	Helping managers face day-to-day problem situations.	Used when groups of people, both individually and as a group, may have difficulties in defining and structuring their perception of a problematic situation.	Issues calling for extensive interaction among participants in workshop settings, with skilled guidance from a facilitator if progress towards agreed outputs is to be maintained.	When there is radical uncertainty about the future. Its low-tech accessible character makes it particularly suitable either for a participative workshop environment or it must be staged sequentially.	Useful when there are multiple stakeholders involved in a decision and there is disagreement about the desired direction to achieve improvement.
Primary advantage as compared to other applications	Provides a set of principles which a user can draw upon to create a specific approach relevant to a particular situation involving particular people with their specific views.	Does not necessarily seek the optimal way forward, but preferably one that the groups are willing to agree and commit to.	Has a greater focus on structuring communications than reinforcing exercise; facilitating decisions than exploring systems; managing uncertainty rather than assembling information.	Addresses the paradox on how one can be rational in making decisions today if the most crucial fact that one knows about future conditions is that they are unknowable.	Develops an objectives hierarchy of the objectives and sub-objectives (attributes) for the decision situation.
Limitations	Practitioners, honed and chastened by the experience of the complexity of the everyday world are more likely to understand SSM.	Limited emphasis on official power relations.	Draws on extensive experience in observing and subsequently supporting and facilitating decision groups.	Does not offer a general-purpose problem identification methodology.	Identifying and structuring objectives are difficult tasks, and the relationships between different objectives are not specified.

DISCUSSION - CONTEXTUALIZING PSMS IN THE INDIAN CONTEXT

Problem structuring methods have typically been applied in the European and the American contexts in government and private organizations, community development organizations, and nonprofits. The guidelines and the scale of each of these methods have been discussed extensively keeping in mind the previous conditions of their implementation. However, the settings change when PSMS need to be used to understand the problems faced by dwellers living in slums and informal settlements across Indian cities. The nature of challenges and limitations associated with the implementation of these methods would change considering the primary stakeholders. In this case, the primary stakeholders are slum dwellers who, in most cases, would not have received any formal education, and would not be able to read or write. Therefore, it becomes essential to explain the difference in context in the application of PSMS between the developed world and that of an informal setting such as slums.

As mentioned previously, a primary challenge would be the building up of maps and flowcharts of the problems faced by the slum dwellers. Traditionally, the participants of a PSM help the researcher in the creation of cognitive maps and diagrams which go through repetitive iterations after their formulation based on the comments provided by the participants. However, the process would be a problem in this case-scenario where the slum dwellers may not be able to read the issues that the maps mention or understand the relationships between problems as built and shown in the flowcharts. Therefore, it would be useful to have someone, such as volunteers from local NGOs who have local knowledge and are working in the slums, in the data formulation process. Their experience would be relevant in the evaluation of the links between the problems that are identified for further assessment.

Another critical challenge would be the time factor. Usually, PSMS are implemented in organizations with people in managerial positions who are domain experts and are adept in the knowledge of the critical problem they are facing. The entire process can thus be conducted in one or two sessions in a day where the participants have clarity both about the issues and the possible alternative solutions. However, that would not be the case for slum dwellers. The communities might not be very receptive and open to expressing their core values in the very first sitting. Also, slum dwellers would not be able to spend an entire day participating in the study as most households are daily-wage earners. Therefore, it would be essential to spend a considerable amount of time with the communities to establish a rapport before the implementation of any PSM. The study would have to be executed in parts over time by interacting with the communities when they have the time to do so.

Finally, the implementation of PSMS in the context of slums would also have to consider the assumptions that are taken for granted during its deployment in the developing world. The best example of such an assumption would be the role played by organizations in the provision of welfare for poor communities. While it is taken for granted that by and large, local governments and community development organizations are the primary focus for any kind of developmental work in poor communities, it is the local NGOs that often play a vital role in developmental activities across slums. Another critical aspect would be the role of informal approaches in the provision of services for poor communities. Access to provision of services in many cases would be through bribes and taking advantage of the existing corrupt practices in the local government, all of which have to be incorporated while thinking of pathways for possible solutions for the problems identified by slum dwellers.

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ILLEGAL MIGRANTS': DECODING AN UNDEFINED TERM WITH SPECIAL REFERENCE TO CITIZENSHIP POLICIES

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Abstract:

The Citizenship (Amendment) Act, 2019 is one of the most controversial pieces of legislation passed by the Parliament against popular opinion and amidst worldwide protests. Its prima facie discriminatory and arbitrary provisions intend to grant citizenship based on religion to people coming from selective countries. While most scholars have debated on the religious aspect, there has hardly been any debate on the vagueness in terms of definitions and implementation. This paper shall attempt to delve into these issues and analyse the manner in which these issues make the legislation short-sighted and unimplementable owing to ambiguities. Further, it shall also look into allied policy decisions that make way for the Amendment of 2019. Examining the contradictions and ambiguities in the definition, or lack thereof, of the term 'illegal migrant' and detailing the implications it holds for people seeking Indian citizenship will be the aim of this paper.

INTRODUCTION

Every country has its own kaleidoscopic strategy when granting citizenship and recognizing the rights of the citizens. The Drafting Committee for the Indian Constitution devoted much-required time to look at the limitations and the boundaries when formulating a working definition of citizenship.⁵ As the grounds to grant citizenship are laid, one has to keep in mind the secular principles enshrined in the Constitution of India, and do no harm to the peace, tranquility and brotherhood amongst different religions that have so far survived the test of time. In a globalized world, granting citizenship to a person without much scrutiny can prove to be harmful for a nation. This is also a reason why the provisions of granting citizenship are strict. Amongst others, there are people who enter countries without valid proof via porous borders and remain after the expiry of their travel documents. These matters must be kept in mind while relaxing the provisions of granting citizenship, as wrongful use can be made of it. When persons are termed as illegal migrants, one should have a clear understanding as to the conditions of definition of a citizen and the people they exclude.

This paper dwells on the meaning of illegal migrants in the context of citizenship laws of India. As the issue of granting of citizenship to illegal migrants who are seeking refuge in India due to religious persecution has been in the headlines, an attempt will be made to analyse the clarity of the requirements necessary to be termed an illegal migrant in order to be eligible to apply for Indian citizenship and other incidental benefits as per the recent Citizenship Amendment Act, 2019 (hereinafter referred to as 'CAA, 2019').⁶ An examination of the laws that are aimed at identifying and expelling illegal migrants from India, which were suitably amended to exempt illegal migrants from their applicability and aid the implementation of CAA, 2019 will also be undertaken. This Amendment, amongst others, has stated that people who have entered India on or before 31st December, 2014 due to religious persecution, from Afghanistan, Bangladesh or Pakistan belonging to Hindu, Sikh, Jain, Parsi, Buddhist or Christian faiths "shall not be treated as illegal migrants".⁷ The reasons why only these religions are considered and not others, and whether this is violative of the basic structure of the Constitution is not within the scope of this research paper. This paper specifically focuses on the illegal migrant issue by attempting to analyse the definition of an illegal migrant which has been provided in the Citizenship Act, 1955 and has not been omitted in the Amendment Act of 2019. In the course of this paper, various related Acts are also examined in order to ensure that the benefit of the statute in question i.e., CAA, is to grant citizenship to persecuted people⁸, and that it is interpreted and implemented in a manner that ensures that the target population is legitimately benefitted. An examination of the documents required to be classified as an Indian citizen, or conversely, to be excluded from Indian citizenship, and of Indian citizenship laws will also be undertaken and questions will be raised. In the concluding section, an attempt will be made to answer these questions which seem to be creating a gridlock concerning the implementation of CAA, 2019.

ILLEGAL MIGRANTS AND CITIZENSHIP

The provisions for Citizenship are provided in the Constitution of India in Articles 5 through 11.⁹ To substantiate these provisions further and to provide for the acquisition and termination of Indian citizenship, the Citizenship Act, 1955¹⁰ came into being. In 2019, an amendment was brought to this Act for granting citizenship to people as mentioned above. The CAA, 2019 inserting a proviso Section 2 in sub-section (1), in clause (b) of the 1955 Act, states,

"Provided that any person belonging to Hindu, Sikh, Buddhist, Jain, Parsi or Christian community from Afghanistan, Bangladesh or Pakistan, who entered into India on or before the 31st day of December, 2014 and who has been exempted by the Central Government by or under clause (c) of sub-section (2) of section 3 of the Passport (Entry into India) Act, 1920 or from the application of the provisions of the Foreigners Act, 1946 or any rule or order made thereunder, shall not be treated as illegal migrant for the purposes of this Act;"

The portion that this paper focuses on is the one that states that persons who came before the said date from the three countries mentioned therein and belonging to the 6 enumerated faiths shall not be treated as illegal migrants. Now, as this is an amendment to

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⁴UNITED STATES COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM, 2021 Annual Report – India Chapter, available at India.pdf (uscirf.gov), (downloaded on 21.12.2021).

⁵See generally, Dr. P. S. Deshmukh, C.A.D. Vol. IX 11th Aug. 1949; Rammarayan Singh, C.A.D. Vol. XI 18th Nov. 1949.

⁶The Citizenship (Amendment) Act, 2019, Act No. 47 of 2019.

⁷Ibid., Section 2 (1) (b).

⁸Supra note 3, Objects and Reasons of the Act.

⁹INDIA CONSTI., Part II, Citizenship, Art. 5-11.

¹⁰The Citizenship Act, 1955, Act No. 57 of 1955.

the Citizenship Act, 1955, (hereinafter 'Principal Act') for the definition of the term illegal migrant, we shall look to the Principal Act. A thorough reading of the Principal Act reveals that the definition of the term "*illegal migrant*" has not been provided in the Act, either in definitions or in any other provision and can only be understood only through assumptions and interpretations. As this remains a missing piece in the puzzle, it becomes pertinent to ask the question: who can be called an illegal migrant?

The proviso mentioned above states that these persons have been exempted by Section 3 (2) (c) of Passport (Entry into India) Act, 1920¹¹ or from provisions of the Foreigners Act, 1946¹². The Passport (Entry into India) Act, 1920 in Section 3 grants power to the Central Government to make rules which in Sub-Section (2) Clause (b) provides for an exemption to any person or class of persons from Rules made under the Act¹³. It establishes that though the Central Government has the power to make rules for the purpose of the Act, it can exempt certain persons from the application of the Rules and further, from the application of the Act, which mandates the requirement of a passport to enter India¹⁴. In the context of illegal migrants, the Section 3(2)© of the Passport (Entry Into India) Act, 1920¹⁵ read with Rule 4(1) of the Passport (Entry Into India) Rules, 1950¹⁶ has been suitably amended by Section 2 of the CAA, 2019 to exempt a class of persons, namely the Hindu, Sikh Buddhist, Jain, Parsi and Christian communities who have entered India from Afghanistan, Bangladesh or Pakistan on or before the 31st day of December, 2014, from being required to hold a passport to enter India. Moreover, by amending the Third Schedule of the Citizenship Act, 1955, the requirement of aggregate period of residence for these exempted classes of people has been reduced from eleven years to five years. Thus by necessary implication, these classes of persons cannot be treated as illegal migrants.

The Foreigners Act, 1946, was made for the purpose of regulating the entry of foreigners into India. The CAA provides that any person exempted from the application of this Act will not be an illegal migrant¹⁷. The Foreigners Act defines a foreigner as "*a person who is not a citizen of India*,"¹⁸. Now, if a person is not a citizen of India, he is deemed a foreigner¹⁹. To ascertain the said person's country of origin, whether they have in their possession the necessary documents, or whether they are unable to produce those documents, Section 8 of the Act titled "Determination of Nationality" prescribes the required procedure²⁰. Section 2 of the CAA, 2019

has also declared that by passing orders under Section 3A of the Foreigner's Act, 1946, the Central Government shall exempt the aforesaid classes of persons from the application of the Foreigner's Act²¹. Now, if a person is exempted from the application of the Foreigners Act, 1946 it means that they are no longer required to undergo the scrutiny of the statute as well as the Indian Evidence Act 1872 to prove their nationality where their nationality cannot be determined by the Central Government. Alternatively, the Central Government is also no longer under any statutory obligation to identify the nationality of any foreigner and as a result, to pass any orders under Section 3 to arrest, detain, confine or deport them.

This discussion raises the question as to whether nationality and citizenship are different from each other. The Citizenship Act, 1955 provides the definition of citizen stating "*citizen*", in relation to a country specified in the First Schedule, means a person who, under the citizenship or nationality law for the time being in force in that country, is a citizen or national of that country;..."²². This definition provides for a distinction between citizenship and nationality. It uses the conjunction "or" in between, which according to interpretation doctrines means two distinct terms having two different meanings²³. Nationality has a reference to a jural relationship which may arise of consideration under international law. Nationality determines the civil rights of a person, natural or artificial, particularly with reference to international law; citizenship, on the other hand, has reference to the jural relationship under municipality law and is intimately connected with civic rights under the municipality law²⁴. Citizenship is a more political term meaning that a person has political rights within a country such as the right to vote and protection of fundamental rights within the country and so on. In light of the Foreigners Act, 1946 which talks about the determination of nationality as different from citizenship, it leads to an asymmetry in the application of the Foreigner's Act to that of the application of the Citizenship Act, 1955. Any person who is exempted from the operation of the Foreigner's Act, 1946 is no longer considered a foreigner. A perusal of Section 2(a) of the Act defines "foreigner" as "*a person who is not a citizen of India*"²⁵. Therefore the amendment made by Section 2 of the CAA, 2019 to exempt certain classes of people from Afghanistan, Pakistan or Bangladesh would automatically mean that such persons would be considered citizens of India. Therefore, a necessary corollary to this would be that there was perhaps no requirement for the Parliament to introduce CAA, 2019 at all. Merely the passing of an order by the Central Government under Section 3A of the Foreigner's Act, 1946 exempting the specified classes of people coming from the specified countries would have had the effect of deeming them as citizens of India. Even though a person's nationality may be determined, as he is exempted from the operation of the Foreigner's Act, 1946, he is not required to prove his nationality as per the Foreigners Act, 1946 and Passport (Entry into India Act), 1920 and the rules made thereunder including amendments. In this scenario, it cannot be conclusively established whether the intended beneficiary of the CAA, 2019 is actually an illegal migrant belonging to the specified community from the specified countries. Therefore, the entire objective of the CAA, 2019 stands frustrated. The fact that the Rules pursuant to the CAA, 2019 are yet to be framed and notified makes the exercise of conferring citizenship under the CAA, 2019 fail to achieve the nexus which is the objective that the Parliament seeks to achieve.

¹¹The Passport (Entry into India) Act, 1920, Act No. 34 of 1920.

¹²The Foreigners Act, 1946, Act No. 31 of 1946.

¹³Passport (Entry Into India) Act, 1920, Section 3. Power to make rules- (1) The Central Government may make rules requiring that persons entering [India] shall be in possession of passports, and for all matters ancillary or incidental to that purpose.

(2) Without prejudice to the generality of the foregoing power such rules may- (c) provide for the exemption, either absolutely or on any condition, of any person or class of persons from any provision of such rules.

¹⁴The Passport (Entry into India) Act, 1920, Act No. 34 of 1920, Long Title. "An Act to take power to require passports of persons entering [India]. WHEREAS it is expedient to take power to require passports of persons entering [India]"

¹⁵Supra note 8, Sec. 3(2)©.

¹⁶The Passport (Entry into India) Rules, 1950, Rule 4(1).

¹⁷Supra note 3.

¹⁸The Foreigners Act, 1946, Act No. 31 of 1946, Section 2 (a), Subs. by Act 11 of 1957, s. 2, for the former clause (w.e.f. 19-1-1957)

¹⁹Ibid.

²⁰The Foreigners Act, 1946, Act No. 31 of 1946, Section 8: "Determination of nationality.—(1) When a foreigner is recognised as a national by the law of more than one foreign country or where for any reason it is uncertain what nationality if any is to be ascribed to a foreigner, that foreigner may be treated as the national of the country with which he appears to be most closely connected for the time being in interest or sympathy or if he is of uncertain nationality, of the country with which he was last so connected:

Provided that where a foreigner acquired a nationality by birth, he shall, except where the Central Government so directs either generally or in a particular case, be deemed to retain that nationality unless he proves to the satisfaction of the said authority that he has subsequently acquired by naturalization or otherwise some other nationality and still recognized as entitled to protection by the government of the country whose nationality he has so acquired.

(2) A decision as to nationality given under sub-section (1) shall be final and shall not be called in question in any Court:

Provided that the Central Government, either of its own motion or on an application by the foreigner concerned, may revise any such decision."

²¹Supra note 3, Sec. 2

²²Supra note 7, Section 2 (b).

²³Justice L.P. Singh, P.K. Majumdar, Judicial Dictionary, 3rd Edition, Reprint 2010, ORIENT PUBLISHING COMPANY, p. 1026.

²⁴Id. At p. 969. ²⁵Supra note 9, Sec. 2(a).

Section 3 A of the Foreigners Act, 1946²⁶ grants power to the Central Government to exempt citizens of the Commonwealth countries and other persons from application of the Act. The effects of this exemption, especially after the formulation of the citizenship rules, will be dealt with in the next section. However, what is of essence here is the word ‘citizen’. Apart from the definition of foreigner, the word ‘citizens’ is used in the phrase ‘citizens of Commonwealth countries’. Other provisions of the Act, such as the previously-discussed Section 8, talk about nationality. Does the usage of the word ‘citizens’ imply that citizens of commonwealth countries must not only be citizens of their countries in every political and legal sense, but also that they must prove it before they can be exempted from the application of this Act? If that is the case, then which documents will be required to prove their citizenship? If they can prove that they are citizens of another country, then they will be classified as ‘Foreigners’ as per its definition in the Foreigner’s Act, 1946. This nationality and citizenship dilemma is further substantiated by the provision that grants additional power to the Central Government to make rules, a provision which is also provided in Rule 3.

AMENDMENT TO CERTAIN RULES AND ITS NEXUS TO CAA, 201

The power of the Central Government to make rules under the Passport (Entry into India) Act, 1920 and the Foreigners Act, 1946 to exempt certain persons or class of persons from the application of the Act has already been discussed. Using this power, an amendment has been made by the Central Government in 2015 firstly to the Passport (Entry into India) Rules, 1950 by inserting Clause (ha) in Rule 4 Sub-Rule (1) after Clause (h) stating,

“persons belonging to minority communities in Bangladesh and Pakistan, namely, Hindus, Sikhs, Buddhists, Jains, Parsis and Christians who were compelled to seek shelter in India due to religious persecution and entered into India on or before the 31st December 2014-

(i) Without valid documents including passport or other travel documents; or

(ii) With valid documents including passport or other travel document and the validity of any such documents has expired.”²⁷

are exempted from Rule 3 of the Passport (Entry into India) Rules, 1950 which provides that “no person from any place outside India shall enter, or attempt to enter, India ...

(a) Unless he is in possession of a valid passport...”²⁸

The question that this amendment proposes is that whether a Rule under the Act can go against the principles of the Act itself, which in its objects and reasons has mentioned that it is:

“An Act to take power to require passports of persons entering [India].

WHEREAS it is expedient to take power to require passports of persons entering [India];”²⁹

²⁶Ins. by s. 4, *ibid.* (w.e.f. 19-1-1957). Section 3A-“Power to exempt citizens of Commonwealth Countries and other persons from application of Act in certain cases.—(1) The Central Government may, by order, declare that all or any of the provisions of this Act or of any order made thereunder shall not apply, or shall apply only in such circumstances or with such exceptions or modifications or subject to such conditions as may be specified in the order, to or in relation to—

(a) the citizens of any such Commonwealth Country as may be so specified; or

(b) any other individual foreigner or class or description of foreigner.

(2) A copy of every order made under this section shall be placed on the table of both Houses of Parliament as soon as may be after it is made.

²⁷The Passport (Entry into India) Amendment Rules, 2015, Ministry of Home Affairs Notification, G.S.R. 685(E). [F. No. 25022/50/2015-F.1]

²⁸The Passport (Entry into India) Rules, 1950, Rule 3.

²⁹The Passport (Entry into India) Act, 1920, Act No. 34 of 1920, Long Title.

Exempting such persons from entering without a passport should categorise them as illegal migrants in general terms. However, the CAA, 2019 provides they shall not be treated as illegal migrants. Now, if persons enter without valid documents or passports, how will it be ascertained from which country they have migrated into India? As they are also exempted under the Foreigners Act, though they are foreigners according to the definition of the Foreigners Act, Section 8 of the Act dealing with the determination of nationality will not apply to them³⁰. Even if they are nationals of the countries they are from, without documentation, it is extremely difficult to determine whether they are or were citizens of said countries before entering India. These issues further obfuscate the undefined term “illegal migrants”.

Secondly, the Foreigner (Amendment) Order, 2015³¹, amending the Foreigner Order, 1948³², Rule 3 which provides for “Power to grant or refuse permission to enter India”³³ adds Rule 3A to it stating,

“3A. Exemption of certain class of foreigners-

(1) Persons belonging to minority communities in Bangladesh and Pakistan, namely, Hindus, Sikhs, Buddhists, Jains, Parsis and Christians who were compelled to seek shelter in India due to religious persecution and entered into India on or before the 31st December 2014-

(a) Without valid documents including passport or other travel documents and who have been exempted under Rule 4 from the provisions of rule 3 of the Passport (Entry into India) Rules, 1950, made under Section 3 of Passport (Entry into India) Act, 1920 (34 of 1920); or

(b) With valid documents including passport or other travel document and the validity of any of such documents has expired, are hereby granted exemption from the application of provisions of the Foreigners Act, 1946 and the orders made thereunder in respect of their stay in India without such documents or after the expiry of those documents as the case may be, from the date of publication of this order in the Official Gazette.”

The argument made above in pursuance of the Passport Act is also applicable to the present Rules made under the Foreigners Act. An express exemption granted by this Amendment to the Rule further substantiates the paper’s query of who qualifies as an illegal migrant, specifically if all persons take protection under the amendment of CAA, 2019. There is no mechanism to determine the citizenship of a person if they do not produce the required documents. The other mechanism of determining nationality has been rendered inefficient due to inapplicability of the Foreigners Act to persons of the listed communities from the countries listed in the act. Having examined these contradictions, the undefined term “illegal migrant” becomes more unclear.

CAN ILLEGAL MIGRANTS BE DEFINED?

The lack of clarity regarding the term illegal migrant is further highlighted by recent developments that have rendered it more difficult to ascertain its true meaning, as it is defined neither in the Citizenship Act, 1955 nor in the CAA, 2019. According to the principles of interpretation, if a term is not defined in the statute, it can be found in the

³⁰Supra note 17. Section 8

³¹Foreigners (Amendment) Order, 2015, Ministry of Home Affairs Notification, G.S.R. 686(E). [F. No. 25022/50/2015-F.1]

³²Foreigners Order, 1948, Ministry of Home Affairs Notification No. 9/9/46-Political (EW).

³³Ibid., Rule 3.

General Clauses Act or in another special statute dealing with the subject in particular. As it has not been defined in the General Clauses Act, the only special statute in India that defines the term is the Illegal Migrants (Determination by Tribunals) Act, 1983³⁴.

There have been intense debates on whether the terms citizenship and nationality are interchangeable or whether certain fundamental differences exist³⁵. Citizenship as a concept is complex and is quite narrow. It refers to a specific legal relationship between a state and a person, in which the person is bestowed with certain rights and responsibilities³⁶. Nationality on the other hand refers to the membership of a state that is acquired by birth or adoption, marriage or descent and has its foundation in international law³⁷. These criteria may differ from one country to another. International Law recognizes the concept of nationality under Article 15 of the Universal Declaration of Human Rights (UDHR) by declaring every person's right to a nationality and that no human being shall be deprived of the same³⁸. Further, it also states that the right to change one's nationality shall also not be denied. However, nowhere is the term citizenship mentioned under such qualifications. Therefore, it has been argued by scholars such as Hemant More that citizenship does not have to accompany nationality³⁹ and examples have been cited of Latin American countries such as Mexico, wherein nationality is acquired by birth but citizenship is only bestowed only upon attaining the age of eighteen. The children of those countries are therefore nationals but not citizens⁴⁰.

According to the International Justice Resource Center, nationality is a pre-requisite to acquiring citizenship⁴¹ and the concepts of *jus soli*, *jus sanguinis*, registration or naturalization determine the acquiring of nationality. Further, the citizenship laws of different countries determine which of these concepts are to apply in the said country and the requirements for citizenship. For instance, in countries recognizing *jus soli*, citizenship is acquired by birth within the territory of the country. Countries have the power to set one or more of these criteria to bestow citizenship⁴². The question that arises is whether the omission of all criteria but one, or any of the above-mentioned criteria that tends to make an individual unable to acquire citizenship, would be violative of international law. Since nationality can be acquired by all or any of the above-mentioned ways, an individual may not be eligible to be a citizen as per the law of the country despite qualifying as a national. As international law only recognises the right to a nationality and not to citizenship, addressing this situation proves to be a challenge.

³⁴Illegal Migrants (Determination by Tribunals) Act, 1983, Act 39 of 1983.

³⁵Swati Chawla, Jessica Namakkal, Kalyani Ramnath, Lydia Walker, *Who Is a Citizen in Contemporary India?*, EPICENTER Blog, Weatherhead Center For International Affairs, HARVARD UNIVERSITY (Feb 11, 2020), available at *Who Is a Citizen in Contemporary India?* | Epicenter (harvard.edu) (last accessed on 23.12.2021). Also read Prachi Raj, *Understanding Citizenship and Refugees' Status in India*, ECONOMIC & POLITICAL WEEKLY, Vol. 55, Issue No. 23, 6 June, 2020, ISSN (Online) – 2349-8846. Also Read Ornith Shani, *Conceptions of Citizenship in India and the 'Muslim Question'*, *Modern Asian Studies* 44, 1 (2010) pp. 145-173, CAMBRIDGE UNIVERSITY PRESS 2009, available at <http://www.jstor.org/stable/27764650>.

³⁶Supra note 23.

³⁷Supra note 23.

³⁸UN General Assembly. "Universal Declaration of Human Rights." United Nations, 217 (III) A, 1948, Paris, [udhr.pdf \(un.org\)](#) (last accessed on 23.12.2021)

³⁹Hemant More, *Concept of Domicile, Nationality, and Citizenship*, THE FACT FACTOR (April, 2019), available at *Citizens and benefits of their citizenship, Concept of domicile, nationality (thefactfactor.com)* (last accessed on 23.12.2021) See also S.W.L., *What is the difference between nationality and citizenship?*, THE ECONOMIST (Jul 10, 2017), available at *What is the difference between nationality and citizenship?* | The Economist (last accessed on 23.12.2021)

⁴⁰S.W.L., *The Economist explains What is the difference between nationality and citizenship?*, THE ECONOMIST (Jul. 10, 2017), <https://www.economist.com/the-economist-explains/2017/07/09/what-is-the-difference-between-nationality-and-citizenship>

⁴¹Citizenship & Nationality, INTERNATIONAL JUSTICE RESOURCE CENTER (May. 3, 2020, 1:45 PM), <https://ijrcenter.org/thematic-research-guides/nationality-citizenship/>

⁴²Id.

In the context of CAA, 2019, it is necessary for uniformity regarding nationality and citizenship and whether they are recognized as synonymous or are meant to be different. Whether a national who is not recognized as a citizen of the countries mentioned under Section 2 of the CAA, 2019 would also be eligible to apply for Indian citizenship is a question left unanswered. Most often, the proof of nationality is manifested in the citizenship of a person. Therefore, for the purposes of CAA, 2019, making amendments to the Foreigners Act and the Passport (Entry into India) Act and dispensing with the requirements of possessing passports and other necessary documents would not waive off the requirement of producing some kind of citizenship proof of the countries from which applicants claim to have fled religious persecution. Concerning whether the Indian government has devised any mechanism to ascertain the legitimacy of these applications, a senior Home Ministry official stated: "*that is a cause of concern. There is no proof, we will see.*"⁴³. Therefore, the Amendment is a very haphazard policy decision of the Indian government and was passed without proper parliamentary scrutiny. The text of the CAA, 2019 goes into a confusing circle owing to a lack of proper definitions. The definition of the same in the IMDT Act, 1983, if consulted, clearly states that such person "*is a foreigner*⁴⁴ and has entered India without being in possession of a valid passport or other travel document or any other lawful authority in that behalf"⁴⁵. Further, the Foreigners Act, 1946 defined foreigner as a person who is not a citizen of India⁴⁶. This implies that the persecuted minorities listed in the Amendment would have to be recognized citizens of the five listed countries and only upon the production of evidence of the same, shall they be eligible to benefit from the CAA, 2019.

CONCLUSION

Throughout this paper, an attempt has been made to point out the ambiguities and loopholes in the recently concluded CAA, 2019. Aside from the political implications and popular opposition to the same, an attempt has been made to objectively scrutinize the Act to show how ill-drafted and haphazard it has been. The Central Government had exempted illegal migrants from the purview of their respective Principal Acts much before the Citizenship Amendment Bill, 2016 and the CAA, 2019 were ever tabled or passed by the Parliament by passing the Passport (Entry into India) Amendment Rules, 2015 and the Foreigners (Amendment) order, 2015. The same Orders have also been called into question before the Hon'ble Supreme Court in the matter of *Tripura People's Front v. Union of India*⁴⁷ and is currently at the stage of reply to notice⁴⁸. At this stage therefore, the matter is *sub-judice* and hence any implementation of this Act without determining the validity of the Orders based on which CAA, 2019 is effected would be a

⁴³Vijayta Singh, *Common documents enough to prove citizenship: Home Ministry, The Hindu* (Dec. 20, 2019), <https://www.thehindu.com/news/national/no-indian-will-be-harassed-by-asking-to-submit-old-documents-to-prove-citizenship-mpa/article30360670.ece> (last visited on May. 3, 2020, 1:59 PM)

⁴⁴Illegal Migrants (Determination by Tribunals) Act, 1983, Sec. 3(c)(ii), Act 39 of 1983.

⁴⁵Ibid.

⁴⁶The Foreigners Act, 1946, Act No. 31 of 1946, Section 2 (a), Subs. by Act 11 of 1957, s. 2, for the former clause (w.e.f. 19-1-1957)

⁴⁷*Tripura Peoples Front v. Union of India*, W.P.(C). 62/2019.

⁴⁸Samantwara Rantray, *Changes to Passport, Foreigners Acts still pending in top court*, THE ECONOMIC TIMES (Dec. 6, 2019, 7:04 AM), <https://economictimes.indiatimes.com/news/politics-and-nation/changes-to-passport-foreigners-acts-still-pending-in-top-court/articleshow/72392806.cms>. See also: Supreme Court notice to Centre on plea challenging passport rules, HINDUSTAN TIMES (Jan. 25, 2019, 11:14 PM).

grave injustice. Meanwhile, the CAA, 2019 may be suitably re-amended to reduce such ambiguities in application. It is no longer moot that the CAA, 2019 is one of the most contentious laws to have disrupted millions of people in India and the rest of the world in terms of its sheer perversity and lack of foresight. The CAA, 2019, in the humble opinion of the authors, was unnecessary as suitable amendments in the Foreigner's Act, 1946 alone could have served the purpose sought to be achieved by the Parliament. Further, while the international concerns of refugees and religious persecution remain very relevant, the discriminatory and politically motivated manner in which these concerns have been sought to be addressed have tarnished the secular fabric of this nation state, as well as the basic structure of the Constitution of India, which must stay intact at all costs in order to preserve the secular democracy that India was meant to be.

THE CHANGING STATUS OF INDIAN DEMOCRACY: A CASE OF ADVERSE SELECTION AND LIMITED POLITICAL ACCESS

Yashoroop Dey¹

Abstract

A democracy is widely accepted to be a system that efficiently manifests public opinion of the electorate while also maintaining a checks and balance on power through free elections. However, India continues to show an increasing incidence of rent-seeking and criminal politics, even while the exercise of democracy remains intact. This paper employs North, Wallis and Weingast's conceptualisation of social organisation as access orders in a society to show that Indian democracy has a system of political representation with an inefficient system of political access. The analysis further contributes to the literature by conceptualising the means of access in societies and argues that India is a society of limited access orders. Using this framework, the paper argues that the limited access in Indian democracy occurs as a result of manipulation of the means of access by a small politico-economic elite, using a system of privileged and personal inter-elite relationships that results in a growing convergence of rent-seeking practices in Indian politics.

INTRODUCTION

A common sentiment about multi-party democracies has been that the democratic mechanism allows voters, media and opposition parties to act as checks and balances to the power of the ruling governments in order to best provide and protect the public good (Sen, 1981, 1999). The system of elections and political representation is argued to have an inbuilt correction mechanism through the people's political access and expression wherein political access is not merely the ability of the electorate to cast their vote but also the capacity of the electorate to communicate their political opinions through channels such as the media, access to political representatives or demonstrations (Austin and Pinkleton 1999; Baum and Lake 2003; Deacon 2003; United Nations Human Rights Council, Resolution 39/11). Multiple studies have shown that democracies are likely to produce more public goods and invest more in public services (Ross 2006; Acemoglu and Robinson 2006; Ghobarah et al. 2004; Niskanen 1977).

However, according to widely accepted indicators of democracy, India continues to record high rates of voter turnouts and robust elections even as its status as a democracy worsens. A significant area of inefficiency in Indian democracy lies in political rent-seeking² and criminality, which remains prevalent and unchecked; instances of criminality or rent-seeking seem to be *rewarded* by the democratic machinery even as the negative externalities caused by criminality and rent-seeking in Indian politics are passed on to the

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²Rent-seeking is often used to refer to bribes or personal profit- the desire to collect "rents". In this scenario, rent-seeking politicians refer to corrupt politicians.

common citizen. Such externalities of adverse selection in politics are quite grave, especially for those that greatly depend on public services and representative-led development (which often tend to be lower income and socially depressed groups); criminality within politics has been shown to depress economic growth and increase the incidence of crime and poverty in their constituencies (Prakash et. al, 2015). A larger alarming, yet subtle effect, of such externalities is the weakening of citizen confidence in democratic processes themselves.

This paper argues that Indian democracy, paradoxically, offers democratic processes and institutions but is unable to ensure efficient accessibility to the same. This inefficient or limited political access results in certain patterns of socio-political organisation and resource allocation that prevents the intended results of democratic processes to be realised. This analysis uses North, Wallis and Weingast (2009, hence referred to as NWW) conceptualisation of socio-political organisation in a society as the basis for the discussion of the level of political access in India. The paper further contributes to NWW's conceptualisation by characterising the means of access in a society through which socio-political communication is affected. This characterisation allows for an observable metric by which one can analyse the underlying causes for the level of access in a society. The paper then discusses how the nature of accessibility in a society is greatly influenced by the interactions of the means of access with the socio-economic and political elite.

PRESENT STATUS OF INDIAN DEMOCRACY

On no basis can it be claimed that India is not a robust and thriving democracy. The most recent Lok Sabha election of 2019 saw the historically highest voter turnout of 67.1% across 542 constituencies barring Vellore (Jan 2019, 21 May, Times of India), becoming the largest instance of fundamental democratic exercise in the history of the world. A rather magnanimous instance of democracy occurred as recently as 2021- 4 states and 1 union territory held their assembly elections just as the second wave of Covid-19 swept the country. The West Bengal (4th largest state) Assembly Elections of 2021, held over 8 phases during a nationwide second-wave of the Covid-19 pandemic saw a turnout of almost 80%, which, while less than the turnout of 2016 (about 84%), is still a strong example of a democratic exercise in the face of a severe pandemic (Hindustan Times, 2021). Assam, another state that went to polls amidst the second wave, saw the voter turnout go from 76.05% in 2016 to 82.52% in 2021 (The Hindu 2021). Given that universal elections are a strong and fundamental democratic principle of a representative parliamentary system such as India, a *prima facie* glance would suggest that democratic representation through voting seems to be robust and commendable.

Yet, India happens to be in a worse-off place in its classification of a democracy than before. Two globally cited indicators of democracy, the Freedom House Index and the V-Dem Institute, have both demoted India to a lower position on its list of democratic countries. The V-Dem Report published in 2020 suggested that India was on the verge of losing its status as a democracy and in 2021, confirmed this by labelling India as an “electoral autocracy” from 2019 (Feb 2020). While the rest of South-Asia and India's demographically and geographically smaller democratic neighbours have consistently improved in recent years, India's democratic status has had a steady decline. The Freedom House Index has changed India's status from “free” to “partly free” in 2021. Peculiarly, at the same time, India has performed well on political representation and indicators of free

and fair elections (Repucci 2021).

Criminality and rent-seeking among politicians are indicators of politicians exploiting public goods for personal gain. Vaishnav (2017) has highlighted instances of party leaders openly accepting that public funds that are allocated to politicians are diverted to the party coffers. Public funds are directly in service of the public good, the custodian of which in many cases in India is seen to be a criminal politician. As many political theorists suggest, such negative externalities to political office should be corrected by the electorate in subsequent election cycles. However, the structural prevalence of corruption and criminality among Indian politicians persists even within a democratic setup as there continues to be significant adverse selection to political office.

It appears that even though the exercise of representative democracy persists and thrives in India, the benefits of democracy seem to be non-existent (and in some cases, maybe worsen). One of the major threats to a democracy is the structural creation and maintenance of a politically corrupt elite that unfairly exploits the public good to achieve private interests of itself and a few other large players (Stephenson 2015, 2019). India reflects so- there is an abundance of corrupt and criminal politicians whose actions negatively impact the socio-economic life of the citizens (Vaishnav 2012; Prakash et.al 2015)—and this scenario continues to thrive within a democracy. This paper argues that for such a situation to arise within a democratic setup, the disconnect between democratic representation and its expected benefit lies in a compromised system of the people's political access.

A CHARACTERISATION OF POLITICAL ACCESS

A citizen is not said to have adequate political access by merely casting a vote; political access constitutes the ability of the electorate to gain the effective attention of the political representatives whenever it feels that its interests are at stake (Truman 1951, 1960). While the ability to cast a vote is accessing politics through elections, the ability to demonstrate in times of authoritarianism or the questioning of elected representatives through the media are examples of political access as well (Eckstein 1960; Truman 1951, Klapper 1960). Political access is a complex space heavily reliant on plurality, encompassing all agents and channels that act as a form of information aggregator and communicator between the public and the political representation (Urbinati et. al 2008; Lijphart 2012).

The political accessibility in a society is determined by the patterns of socio-economic behaviours that organise the people and processes of a society. NWW characterised patterns of social organisation to achieve, limit and protect political and economic access in societies as “orders”- whereby limited access orders referred to societies with imperfect political and economic access, with the powers controlled by a group of elites (individuals or institutions). Limited access orders (termed as the ‘natural state’ by NWW) typically enjoy a set of elite privileges (inter-elite personal relationships) that are leveraged to create organisations that preserve the elite control over rent-creation and resource management. NWW compared these with open access orders, characterised by impersonal relations and non-elite control of organisations that further limit the ability of the elite to create personal relationships to leverage personal rents in society. Societies with open access typically manage public goods and services in impersonal ways, through the aforementioned impersonal perpetual organisations. NWW argued that the impersonal non-privileged access in such societies allow for the creation of new

organisations to oppose elite rent-seeking ones, with democratic processes such as elections and multiple party politics being highly relevant methods of reorganisation on impersonal terms. Democracy, therefore, is not a mere selection and organisation of political actors but it is also a system of plurality, inclusion and space creation for political ideas and will to be communicated. If a citizen is unable to access information regarding the political choices, they are likely to vote with an inefficient understanding on whether their interests are being served.

The means of political access therefore can be any channel through which the electorate can, 1) obtain information (government websites or records, news media, internet accessibility, etc), 2) express opinions (citizens forums, communication with political representatives etc.) or physically demonstrate (demonstrations, right to assembly etc) and 3) directly participate in political selection (elections, nominations). The level of political access in society is thus the entire space and ease with which different means of political access interact with the electorate. The management and commitment to the means of access in a society is largely shaped by the type of access order that a society has.

This paper centres its exploration of Indian democracy and political access by arguing that India has a strong system of limited access orders. The system of political representation is governed and strongly managed through inter-elite privileged and personal relationships, leading to a situation of manipulation of the means of access by those in privileged positions. This discussion is structured in the following section with a characterisation of limited access in India, followed by a discussion on the nature of management of the means of access.

INDIA: A SOCIETY OF LIMITED ACCESS

Political parties are central to the democratic process; they act as aggregators of the people's will and represent opposing viewpoints on the management of public institutions (Sartori 1976). The capacity of the political party to dispense these functions depends on its ability to access and be accessed by the electorate. Yet, as Sarangi (2016, 2020) argues, parties in India have become more inaccessible in recent years. In order for representative politics to be efficient in its functioning, the predominant culture of motivation must be one that attracts individuals with non-corrupt commitments to the people.

In recent times however, the rise of rent-seeking parties within politics has raised the costs of electoral politics. The report by the Association of Democratic Reform (2019) has shown that about 84% of sitting Lok Sabha representatives declared assets above 1 crore INR (about 134,702 USD). This has effectively come about due to a culture of motivation that has normalised and perhaps even biased itself towards individuals that are able to afford higher rents towards the various stakeholders in electoral processes and public goods management. This has resulted in a limiting of access to electoral participation on economic grounds for individuals who are unable to meet high levels of personal socio-economic capital. Electoral representation, as has been discussed previously, is a means of access to political spaces in democracies. Economic inaccessibility at the representation level ensures that the bundle of choices to the electorate has become increasingly privileged and corrupt. Higher rents have attracted more people with a rent-seeking mindset towards politics than a democratic one (Vaishnav 2012, 2017), while Chandoke and Kumar (2013) have shown that the inclusion of disadvantaged groups through representation in legislature has not translated to

policies aimed at their well-being.

Given that Indian politics has fostered a culture of rent-seeking, it has created barriers to access in the event in which rents *cannot* be collected. Take for example the case of the mining industry- Asher and Novosad (2020) have shown that the greater the mining rents, the more likely it is for a criminal politician to be elected. At the same time, elections during mining booms show great turnouts even as the politicians are charged with *new* crimes during their terms.

A strong instance of access manipulation in Indian politics lies in influencing public spaces and processes through violence. Vaishnav (2012, 2017) has highlighted several cases where rent-seeking and violence are blatantly and comfortably displayed as crucial aspects of electoral behaviour- take for example the scenario of the earlier BSP government in Uttar Pradesh, that openly claimed that portions of publicly allocated funds to civic bodies for development must be routed to the party. Such demands were accompanied with a threat (and several instances) of severe violence, in cases of non-compliance. The incidence of criminal politicians and rampant wealth accumulation has *risen* over the past decades with about a 106% increase of elected MPs in Lok Sabha with serious criminal charges since 2004 (Association of Democratic Reform, 2019). After the 2019 elections, 43% of the newly elected members of the Lok Sabha (Lower House of Parliament) reportedly have criminal charges against them, while 29% of them face serious criminal charges such as murder, rape or kidnapping (Association of Democratic Reform, 2019). Criminal incentives and muscle power are strongly enforced by vast socio-economic capital, as well as a privileged treatment that ignores the criminality. This phenomena in Indian politics reflects the interaction of elites with privileged relationships in limited access orders, whereby the personalisation and inter-elite treatments are leveraged in such a way as to ignore harmful activities.

The discussion so far reflects two defining characteristics of limited access orders: 1) the biased and privileged application of the rule of law in favour of the elite and 2) the privileged channels of management of the public goods, office and services in lieu of personal rents. It cannot be claimed that there is no exercise of political rights- elections have taken place and voter turnouts remain quite high. However, we can see a situation whereby the channels of political selection have been manipulated to either reflect a superficial situation of stability or political violence is used to force a voter to *accept* the situation. The growing prevalence of criminality and use of intimidation and violence without legal repercussion reflect a privileged legal relationship among the powerful political representation and the justice system. The management of public goods and services have also been co-opted to achieve compliance among voters through personal relations between theoretically impersonal institutions such as the civic bodies and the political representation. There is a network of inter-elite personal relationships that threaten the disbursement of the public good in an impersonal and, by extension, in an equitable way. The poor and disenfranchised, while being the most needful of public service are unable to reach (or realise) their political discontent whereas any player with enough money can access politicians in lieu of rents. While the poor are likely to have more public goods related demands such as healthcare, sanitation and security, the wealthy are likely to leverage their access to the politicians to make private gains (Bussell 2013).

An aspect of limited access orders lies in the inability and ineffective incentivisation of the non-elite to collectively oppose elite relationships and their control of resources. As has been discussed, the political access of the rich is far greater than the poor and such is

welcomed by the rent-seeking terrain of the political class. As a result, the poor have to rely on personal relationships with powerful elites or representatives to obtain an effective share of the public good. This creates, and maintains, a system where the non-elite public have to compete within themselves to obtain essential services. As is the case with competition for resources, a large homogenous group characterised as non-elite has to be forced to define characteristics within itself that distinguishes and helps in the formation of groups to better compete for limited public resources. Such intra-nonelite fragmentation into groups can take the form of socio-religious conflicts and rivalries, resulting in violence and demand for representation along social, cultural and identity lines. Kunt, Klapper and Prasad (World Bank, 2017) show extensively how unequal access to public resources reinforces horizontal inequalities. The access of the non-elite to form larger organisations that can threaten the corrupt political class is now replaced by the splintering of the homogenous identity of non-elite, into several splinter social groups that organise themselves horizontally as a means of lobbying with the elite for obtaining resources.

Criminal politics manipulates access not just through direct intimidation of the electorate but also through stifling or corrupting the channels of political information distribution. In the previous case of mining for example, a number of environmental activists in the mining sector that work to better manage the mines for public good are murdered every year for trying to expose the crimes to the electorate (Godin 2020, July 29 Time Magazine). Journalism and news media is another significant channel of political access. However, the World Press Freedom Index 2021 shows India to be one of the world's most dangerous places to be a journalist (Kaushik 2021). A severe method of information manipulation that has taken centre stage in recent times has been the employment of fake news circulation through social media to achieve political gains in the national elections of 2019 at a much higher degree than before (Poonam and Bansal 2019, April 1 The Atlantic).

Open access societies create greater ability for people to create organisations to punish and resist corrupt ones through impersonal relationships between stakeholders, whereby each citizen has an impersonal incentive (rather, displays a *collective* incentive) to organise in ways that can create impersonal institutions that control the elite. This is not the case in India- a network of personal, privileged connections and investment in channels of misinformation depresses the ability of the citizens to organise in groups that are effective at resisting the elite control. Increasing press intimidation and inadequacies in journalist freedoms are instances of manipulation of access by fostering and preserving information asymmetries within the electorate. This predominantly occurs in two ways, by influencing the supply and demand of channels of information. On the supply side- first, the criminal intimidation of the press narrows the intake funnel of motivated individuals by creating a sense of discouragement of investigative motivations; second, the fostering of profit-minded investment in information channels by rich inter-elite agreements biases the incentives away from honest investigation by diverting private capital flows away from areas of political scrutiny. On the demand side- the rise in the use of fake information and denouncement of political scrutiny as a form of dissent depresses the demand for investigative scrutiny of the elite leaders at all. The use of information institutions become involved with the management of the image of the political elite instead of their scrutiny- any information is aimed at the people to consume, as dictated by the privileged personal control.

A concise image of the growing delinking between structural democratic processes and democratic ideals of access can be summed up through India's score on the Freedom In The World Report of 2021 by Freedom House- India scores a 34/40 for political rights while scoring a 33/60 for civil rights. The political rights score is an indicator of the incidence of free and fair elections, democratic handovers of power and functioning of the electoral process. India scores quite highly on all metrics of political process. However, civil rights are the source of citizen freedoms to participate in socio-economic life and are a determinant of the citizen's ability to access political structures and express oneself politically. On this metric, India has performed worse than its previous years, even while maintaining its high score on political plurality.

DISCUSSION AND CONCERNS FOR POLICY

Limited access societies are not doomed to be in that state forever and one would assume that India's commitment to democratic ideals should correct for imbalances in its democratic access and representation. NWW provides a range of 'doorstep conditions' by which limited access orders can transition into open access ones, whereby there is 1) an expansion of elite privileges to non-elites as a result of impersonal incentives for the elite to extend privilege, 2) the creation of perpetually lived impersonal organisations that do not require the personal relationships and privileges of the elite to sustain themselves and 3) the formation of impersonal non-elite organisations that establish political control over the privileged elite. The analysis so far does not point to India having any significant presence of the necessary doorstep conditions.

This paper suggests that for doorstep conditions to be met requires an analysis of the means of political access available in Indian society. Any inquiry into the nature and future of access order in a society needs a discussion on the management of the means (and the related conceptual framework for such means) that allow for any sort of access to take place. In limited access societies, the means of access are managed using personal and privileged relationships, resulting in the means acting as a tool of organisational control by the elite. The same means, however, in open access societies may be managed impersonally by non-elite perpetual institutions that do not require privileged permission from the elites to be sustained. Therefore, the public non-elite organisation of the management and means of access, after the privileges have been expanded by the elite, are crucial to be *sustained* significantly enough that they can override the creation of new personal inter-elite privileges and incentives to regain any expansion of privilege (indeed, NWW has discussed the situations in which expansion of privilege does not automatically imply a transition to open access). Therefore, a framework of management of the means of access must be conceived that creates a sustainable base for the transition.

It can be argued that the personal inter-elite management leads to a moral hazard, while the inefficient application of rule of law has an adverse selection effect in political accessibility in India. To the economist, both these effects are typically characterised as exploitations that occur with respect to public goods or the 'commons' (Samuelson 1954; Hardin 1968). The moral hazard suggests that any influential group that stands to make private gains is willing to threaten the access of other groups that are in conflict with it and in this case it does so by bribing and using corrupt channels to buy up and prevent greater access. In the event that such groups are influential and resourceful, any political party that wants to win and retain power finds it in their interest to cater to these

influential groups. Therefore, any hint at a doorstep condition of extending impersonal non-elite access is unstable. The creation of impersonal open-access organisations are rapidly converted and brought under a larger structure of personal elite management. A necessary transition to this state lies in the tenacity of new organisations to sustainably challenge the inefficient elite ones. The adverse selection effect suggests that the prevalence of rents within politics may be attracting more self-interested politicians to politics as a way to make money. With the continuous incorrect application of the rule of law to the elite organisations, fewer criminal-minded individuals are deterred from entering public office. Thus, the political choices that are available to the electorate are increasingly criminal; voters are forced to choose between more corrupt than non-corrupt politicians over time.

Given that policymaking and developmental goals are largely determined by the interests of elected representatives, inefficient representatives are highly likely to steer the developmental conversation towards inefficient ends, while prioritising those means that maximise personal rents. To the policymaking institutions, the issue then becomes to create structural incentives that identify and steer political attitudes away from this convergence of rent-seeking incentives, across the ruling and opposing factions in Indian politics.

The objective for policy makers towards efficient management of the means of access must begin at rigorous identification and analysis of the underlying infrastructure surrounding the existing means of access. Given that the current means of access are in a stable, self-fulfilling equilibrium that maintains the limited nature of access, there is a growing need for an exploration into phenomena or events that can affect the stability. Pierson (1984) and NWW have discussed the need for external shocks to affect the stability of path-dependent stable systems. For the policymaker, then, correct and timely identification of external shocks should act as a necessary precursor to using the event as a jumping off point for effectively bringing the means of access closer to doorstep conditions. With correct identification, there can be policy suggestions to be made for processes and institutions that can enable the non-elite stakeholders to use the external shock towards structural change and gaining more access.

Take for example, the 2020-2021 farmer protests in India against a set of farm bills that eventually resulted in the withdrawal of said bills. As discussed previously, collective agitation and protests are a strong means of access towards the political and economic elite, and as NWW has discussed, collective force from the non-elite can force the elite to extend its privileges. Effective collectivisation can lead to the creation of new impersonal elite organisations that counter the elite network of privileged relationships. To the policymaker, an instance such as the farmer's protests of 2020-2021 should pose the question of how the present farmer's agitation was different from the ones before (for example, the Tamil Nadu farmers protests of 2017), and whether the pressure from the protests could perhaps lead to structural change in agricultural policy. The questions for the policymaker then become- can or has effective structural and legislative change come through strong agricultural agitation over the years? If not, then what are the missing institutions that prevented a strong protest from affecting the stability of political bargaining vis-a-vis agricultural policy? For example, one could compare the nature of political access for the farmer's protests and other relevant stakeholders from 2021 with the nature of political access of the stakeholders from 1970s West Bengal during Operation Barga. Operation Barga has generally been discussed to have caused structural positive changes in agricultural land-holding, enabled largely through an effective

political action by the then West Bengal government (De 1994; Leiten 1996).

The discussed identification of external shocks and gaps in the means of access could result in a steering of policy that consciously generates opportunities for more public non-partisan management of the means of political access. This can be achieved by increasingly treating the means of access in society as a public good, similar to Stiglitz's (1999) famous conceptualisation of knowledge in a society as a global public good. There is growing evidence that treatment of a good as public orientates its management with national objectives (Hazelkorn et. al 2018)³. In this regard, a crucial assessment of the commitment to the public goods in a society lies in the constant assessment of its use, trends and shortfall- something that would greatly benefit any knowledge and shortfalls of political access in India in the first place. Policy making should seek ways to assess the trends and inequalities of regional and social political access in India, with the use of metrics other than simplistic voter turnouts. The steering of larger systems towards putting political access at the forefront of democratic decision-making in an electorate may see the strengthening of existing institutions that act as a means of political access. Constant monitoring and availability of government data through government websites and publications should be encouraged and resources for its interpretation should be readily available in all languages. Data collection in this regard needs to be more robust and frequent. A culture of public scrutiny and objective reporting of the news needs to be fostered and policy initiatives must be undertaken to create programs that decentralise access to politics. These could take the form of programs that foster grassroots journalism and workshops on how to identify fake news. The mere act of acknowledgement by influential politicians or interest groups of the concept of political access may go a long way in instilling a sense of awareness among the population.

CONCLUSION

There is a strong limited access order in India that does not show signs of immediate doorstep conditions to transition to one of open access. A system of criminal and inefficient political representation is sustained by a fractured system of political access, with the means of access being largely controlled by a group of privileged, elite institutions. The need for adequate access in politics is not just a political problem, but a civic and inter-institutional one. Widespread political access does benefit the public, even those who do not participate in politics (George et al 2018, Sen 1981, 1999, Austin 1999). A strong degree of political access in society is likely to greatly improve voter information asymmetries and political selection. Better political selection and electorate information can translate to a better management of public institutions, benefiting everyone. There should be a structural incentive to invest in creating better channels of public access so as to better exchange information with the electorate. The casting of one's vote does not impact another person's ability to vote- similarly, democratic political access is non-excludable as it does not allow (structurally as a system and philosophically, in spirit) one

³The framing of certain goods as public has an effect on the policies that manage it, since public goods are likely to be tied in with aspects of broader development. Stiglitz (1999) famously argued that knowledge should be a global public good with the purpose of governments the world over creating targeted policies for its use. An example of this is in when Hazelkorn et. al (2018) discussed the recent adoption of higher education as a public good by some governments, leading to education policies that aligned higher education along with national objectives. They argued that as more governments recognised the social benefits of higher education as serving the public good by reducing inequality and improving social mobility, there was growing support for the allocation of public funds towards higher education.

from being excluded to engage with politics. A culture of questioning of all things bureaucratic is needed at all levels, from basic to higher education and community spaces in the country. A democracy of access must replace a democracy of hollow representation; the vote should be cast, but also must be felt.

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REVISITING FISCAL POLICY AND A CASE FOR AUTOMATIC STABILISERS IN URBAN INDIA

Dr Swati Yadav⁴

Abstract

Every crisis teaches important lessons. India's urban poor have borne the brunt of large scale employment due to lockdowns and restrictions enforced due to the COVID-19 pandemic. This brings to the forefront an important issue of developing a social security network for the urban poor which has the capacity to function as an automatic stabiliser during crises. In this paper, I have put forward a case for developing expenditure stabilisers intended for urban India and suggested a way to design and finance it. The role of discretionary fiscal policy in the changing environment is also discussed with reference to the new macroeconomic consensus (NMC).

INTRODUCTION

The Global Financial Crisis of 2008 and the recent slowdown of the economy partly owing to the COVID-19 crisis have shown the efficacy of fiscal policy during these stressful times. It is a well known fact that the use of discretionary fiscal policy has certain drawbacks in the form of time lags. On the other hand, the automatic fiscal stabilisers (AFS) inbuilt in the system are not handicapped by time and information lags that are involved in the decision making process.

Every crisis highlights the need for developing new automatic stabilisers and strengthening the existing ones. This is happening irrespective of the status of development of the economy. During the current COVID-19 crisis, countries in Europe with comparatively strong stabilisers benefitted from it. The USA is also looking for a way to further strengthen them. The effective AFS will help the governments in developing countries to leave the general task of stabilization to AFS and monetary policy (except in exceptional situations as seen during the recent global slowdown) and use fiscal policy to achieve the objectives of economic growth and provision of quality economic and social infrastructure. For a country like India, with large population and where only 0.23% of the population pay 77% of the total income tax collected in 2017-18, AFS working on the revenue side are not enough. Having strong expenditure stabilisers is a requirement that India should prepare itself to deal with as it becomes more integrated with the world economy. Since 1950, the proportion of population living in urban areas in India has doubled with around 65% of the population now living in rural areas and 35% living in urban areas. Therefore, any cyclical or external disturbance created by a shock will have an impact in both rural and urban areas. The official data shows that the urban unemployment rate more than doubled in the first three months of the lockdown from the corresponding quarter a year ago (20.9% from 8.9%)⁵. India had imposed the strictest

form of lockdown as compared to the rest of the world. It also resulted in mass scale reverse migration from urban to rural areas. The GDP shrank by 24.4%, an unparalleled level, during the first quarter of fiscal year 2021. Therefore, it becomes all the more important to think about the plight of the urban poor.

The aim of this paper is to look at the ways in which the Indian government can try to provide support to its residents in urban areas just as it is doing for rural poor. This paper is divided into five sections. The following section, the second section, deals with the literature and background of AFS followed by a section on slowdown trends in India and existing stabilisers in India. The fourth section suggests an AFS for urban India followed by the final concluding section.

BACKGROUND

Between the mid-1980s to the mid-2000s, developed economies experienced satisfactory real output growth, low inflation and low unemployment rates. This led to emergence of a new macroeconomic consensus (NMC) among Friedman's monetarists' followers, Lucas' rational expectations supporters, New Classical economists of the real business cycles and even New Keynesians regarding the role of monetary and fiscal policies. According to this consensus, there will be no long run trade-off between inflation and unemployment with both the Phillips curve and the real output level being vertical in the long run. The trade-off may occur in the short term. As Nassiff et al (2020) pointed out, in NMC fluctuation, the output associated with changes in aggregate demand are mainly because of either the money illusion (Friedman, 1968) or Lucas' price surprise argument (Lucas 1973), or even temporary price or wage rigidities (Akerlof & Yellen, 1985). The resulting policy implication is that (i) the role of monetary policy is to focus on price stability with inflationary expectations as the monetary anchor (ii) due to the assumption of Ricardian equivalence, the counter-cyclical power of expansionary fiscal policy is discarded. The NMC seems to be in need of introspection after the GFC of 2008 and the current recession giving rise to a new consensus which recognises the importance and increasing role of the fiscal policy in times to come. This is despite the fact that DFP has its inherent weaknesses associated with time lags, information lags, and Ricardian Equivalence. The review of empirical literature on the impact of fiscal policy on macroeconomic variables shows that there is a vast contradiction in the results for different countries varying from insignificant to significant, both beneficial and adverse (Yadav, 2014). When it comes to automatic stabilisers, their potential as an effective counter-cyclical tool is well recognized but empirical research on the same is fairly limited (Blanchard, 2006).

Van de Noord (2000) and Fatas & Mihov (2001; 2003) were the first to show that measures of automatic stabilizers are highly correlated with government size. Suescun (2007) evaluated the role of automatic stabilizers in Latin America by using a dynamic multi-sector small open economy model. The results are in sync with the Latin American business cycle facts, with stabilizers being comparatively stronger on the expenditure side. For the Indian economy, findings by S. Yadav et al (2012) indicate that the tax variable has a larger impact on private consumption as compared to the government spending variable. In the short run, the impact of expansionary fiscal shocks follow Keynesian tradition, but the long run response is mixed.

Rejda (1966) was the first to empirically analyze the effectiveness of unemployment insurance as automatic stabilisers. Swanponoel, J.A. & Schoeman, N.J. (2002) on

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⁵Source: Quarterly periodic labour force survey

evaluating the effectiveness of tax revenue and unemployment insurance schemes as automatic stabilizers for the South African economy from 1970-2001, found that cyclical fluctuations in revenue are much larger than those of expenditure as unemployment benefits are only a small part of public finances in South Africa. Floden (2009) examined the responsiveness of the Swedish public budget to business cycle conditions between 1998 and 2009. Peichi, A. et al (2010) compared the existing stabilisers in the USA and in Europe. They found that social transfers played a key role in stabilising disposable income and consumer demand. 38% of a potential income shock will be absorbed by automatic stabilisers in the EU as compared to 32% in the case of the US. Unemployment benefits which form a large part of the stabilisation programme in Europe will absorb 47% of the shock in comparison to only 34% in the US.

Social transfers, especially the unemployment insurance in Europe, has always played a key role in stabilisation (Todter et al, 2004) (Darby, J. and Melitz J, 2008), even during the current crisis (Bouabdallah et al, 2020). The US also relied heavily on monetary transfers for supporting its population. In fact, the focus of research in recent times has been shifting to analyse the role of discretionary and non-discretionary fiscal policies in the stabilisation of the economy (Lee, V. and L. Sheiner, L 2019; Dolls, M., et al. 2019; Brătian, V., 2015; and Yadav, S., et al. 2012). More recently, Blanchard and Summers (2020) argued for a bigger role of fiscal policy and semi-automatic stabilizers designed for reducing unemployment slumps rather than output recessions.

Even though restraining the role of the government and embracing privatisation is constantly being emphasised, the role and responsibility of the government will only continue to increase. In such a scenario, the role of discretionary fiscal policy becomes more relevant. Unfortunately however, it has been observed that countries do not adhere to the Keynesian prescription of following counter-cyclical policies in totality. Generally, it is seen that fiscal policies are pro-cyclical in developing countries, a phenomenon dubbed as “when it rains it pours” by Kaminsky (2009). Unfortunately, for a democratic and federal country like India, the crisis deepens further because of the presence of political budget cycles (Sen & Vaidya; 1996, Khemani; 2004).

An important argument against the use of fiscal policy for the purpose of stabilisation is the issue of debt and its implication on growth. The Keynesian school of economic thought argues in favour of government debt as an outcome of government spending that is vital to boost up the economy. Governments raise debt to enhance public investment in both physical infrastructure and human resources. The degree of growth of gross fixed capital formation affects the level of government debt. During the current crisis, the debt to GDP ratio has increased considerably, breaching all ideal limits. According to Reinhart and Rogoff (2010 & 2012), there is no link between debt and growth when government debt is below 90% of the GDP. Thus, the adverse impact of debt on growth is not strong when the debt is not high.

During 2020 and 2021, the debt to GDP ratio has scaled new heights (Figure 1). Thus, preparedness for the future requires controlling this debt when the economy begins to embark upon revival.

SLOWDOWN TRENDS IN INDIA AND FISCAL POLICY

The Indian economic system has undergone major changes since the inception of economic reforms in 1991. The economy is more open and market-oriented as compared to the pre-reform era. As a result, it has now become more susceptible to slowdowns resulting from economic crises, which have their origin elsewhere. Moreover, the nature of business cycles has also changed drastically. Earlier, the crises were mostly monsoon driven but now they are more in tune with the economic crises happening in a market-oriented country. The current data shows that the Indian economy was struggling even prior to COVID-19 (Figure 2). The shocks to the economy due to demonetisation and GST implementation worsened the existing situation.

Figure 1: Debt to GDP Ratios (2020)

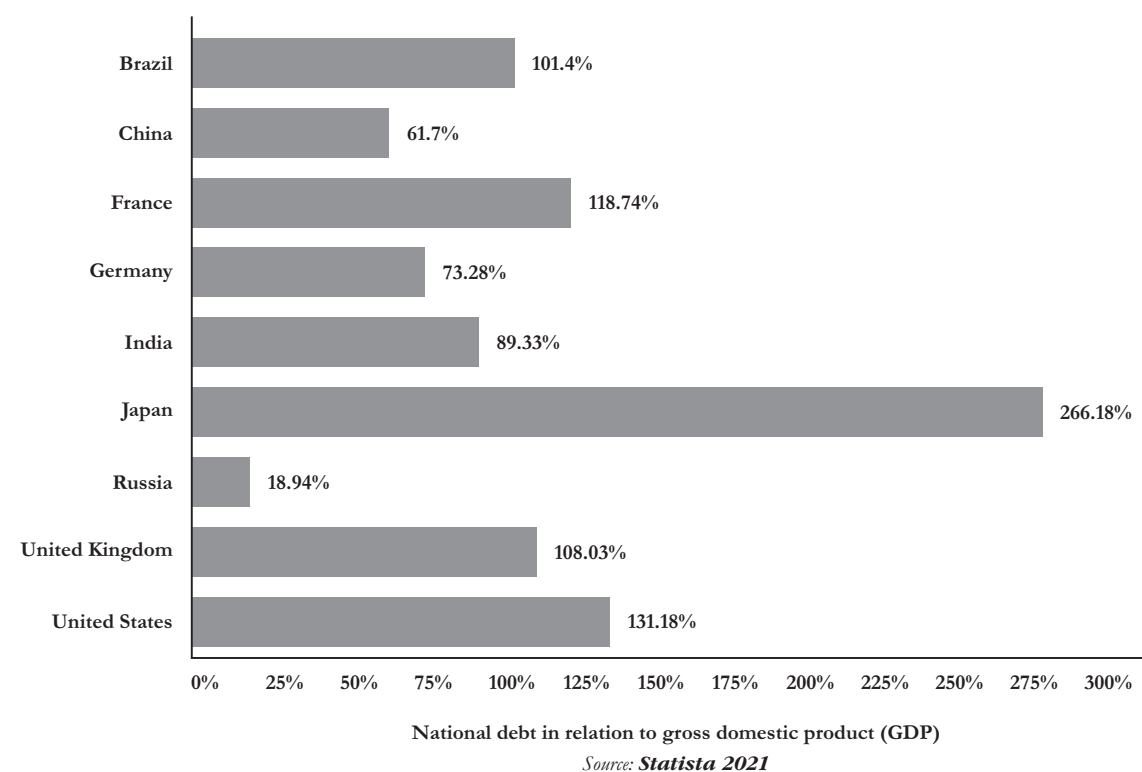
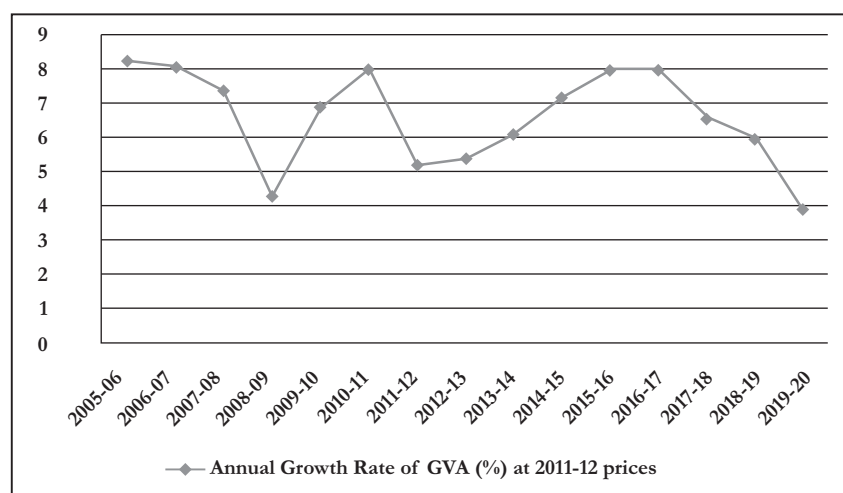
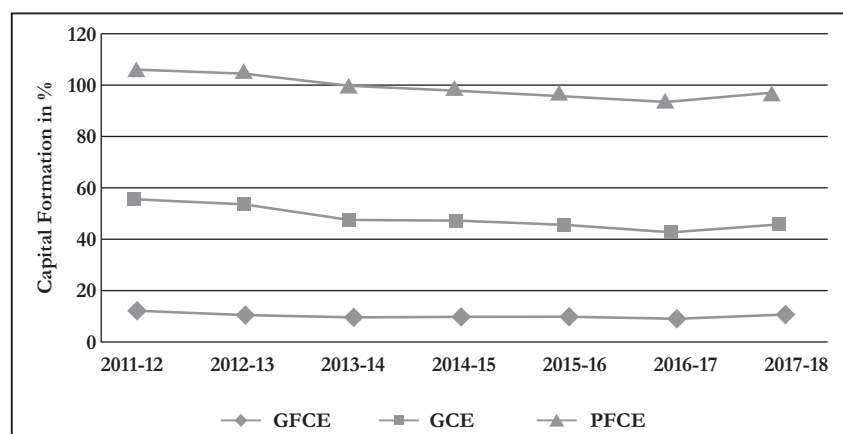


Figure 2: Annual Growth Rate of GVA at Constant 2011 Prices



Source: Handbook of Statistics by RBI

Figure 3: Capital Formation at current prices



Source: Handbook of Statistics by RBI

Total employment figures show a decline from 474.2 million to 465.1 million from 2011-12 to 2017-18 respectively, with a rise in unemployment rate by usual status from 2.2% to 3.1% during the same period. Both savings rate and investment declined steadily between 2007-08 to 2017-18 (Table 1).

Table 1: Savings and Investment Rates as a Percentage of GDP (at current prices)

Year	Gross Savings Rate	Gross Investment Rate
2007-08	38%	36.4%
2017-18	30%	29%

Source: National Accounts Statistics

For any economy to grow, high savings and investment rates are prerequisites. Such a decline in savings and investment rates has adversely impacted the Indian economy's potential output growth. Studies (S.Mahendra Dev & Sengupta, 2020; Subramaniam & Feldman, 2019) point towards the fact that economic slowdown is because of structural, cyclical and global factors. The way out of this problem is to follow the Keynesian prescription in totality and not to become rigid with fiscal targets. Given the low interest rate scenario and poor demand for credit by the private sector, the public infrastructure investment would, in fact, help bring in private investment by creating the required demand in both urban and rural areas. Increase in domestic debt to finance-productive infrastructure will provide a big boost to the economy in the long run. Budgetary prudence may be resorted to once the economy is back on track; rise in private investment would help in the creation of jobs in the economy. Such a policy will not only help in the revival of the Indian economy but also tackle the twin issues of the unemployment crisis and the infrastructure shortfall.

The current pandemic has highlighted the importance of provision of merit goods. The pandemic, unrelenting and presenting new challenges before the world, has brought forth the realisation that the health sector cannot be left with only private players. Large scale funding is required and the overall upgradation of health infrastructure is a must. Regional variation due to differences in income will prove to be a big hurdle in the growth of the economy. No region can be sidelined without having repercussions for the entire economy.

Moreover, the requirement to bridge the digital divide among the rich and poor, thus ensuring equal opportunity for education for all again requires intervention and funding by the government. The pandemic has reiterated the fact that merit goods – education and health – cannot be left with the private sector alone. Any fiscal intervention means a role for the Discretionary Fiscal Policy (DFP) in the presence of fiscal rules. The countries across the board have realised that the government cannot withdraw from key sectors of the economy. The role of the government and of fiscal policy, has become more important and challenging. Thus, a new form of inclusive and interventionist capitalism is required. For a country with the second largest population in the world which has glaring inequalities (the richest 1% of Indians own 58.4% of wealth), the role of the government and of discretionary fiscal policy has become more relevant. Understanding the importance of DFP brings us to another important component of fiscal policy - automatic stabilisers.

The talk about expenditure stabilisers affecting social sector in India started in the post-reform period, although India always had various unemployment, and poverty eradication programmes. Every ruling government started a new set of schemes or reinvented the existing programmes by merging them. The cyclical fluctuations seen today are also due to the integration of India with the world economy in a major way in the post-reform phase. Keeping the volatility in mind, the central government began another employment programme Mahatma Gandhi National Rural Employment Guarantee (MNREGA), previously known as NREGA, in 2005. This programme aims to provide the guarantee of 100 days of employment to households in rural areas. Over the years, the coverage of MNREGA has increased with budgetary allocation in the programme, increasing to 60,000 crores in 2019-20.

In recent times, the central government has also started PM KISAN, a Direct Beneficiary Transfer (DBT) scheme, under which 6000 rupees is transferred to the accounts of farmers annually. Several states have launched schemes of their own as well. For instance,

the KALIA (Krushak Assistance for Livelihood and Income Augmentation) scheme in Orissa, and RYTHU BANDHU in Telangana have begun in recent years. Under the KALIA scheme, the state government provides financial assistance of 10,000 rupees to all eligible and needy families of every small and marginal farmer for their crop and farming needs (5,000 each for kharif and rabi seasons). This targeted financial assistance will be provided for five cropping seasons spanning three years from 2018-19 to 2021-22. The government of Telangana state launched the Rythu Bandhu scheme for the development of the farmers of Telangana in the year 2018-2019 with a budgetary allocation of more than 12,000 crores. An incentive of 4000 rupees per acre of land is provided to all the farmers of Telangana under this scheme.

Recently, the Government of Delhi has started registering the construction workers in the capital. Around 2.7 lakhs out of a total 10 lakhs have registered. The government aims to provide productive jobs to these workers apart from other forms of social assistance.

Other than these schemes, there is no noticeable initiatives undertaken by other states. Although the central government has started various schemes related to the health sector such as Ayushman Bharat and insurance schemes like PM Jan Dhan Yojana, these schemes do not have the capacity to act as automatic stabilisers. Almost all the schemes focus on the rural poor and the farmers, consequently leaving the urban poor exposed to the vicissitudes of business cycles. The current COVID-19 pandemic saw a reverse migration of enormous proportions. The workers from urban areas went back to their villages during the lockdown as they were left with no jobs and no rent to pay for their homes. With nothing left and having difficulty to provide even the basic necessities for their families, they returned to the solace of their villages hoping for some respite in the form of MNRGA jobs. Various empirical studies have shown that MNRGA has contributed to provide relief to the urban poor in stressful times (Table 2). It has even led to an increase in the average wages in rural areas.

Table 2: Employment Creation under the MNRGA Scheme

Employment Provided			
Month	2019	2020	Increase
April	273940403	141308625	-48%
May	369515900	568693697	54%
June	321428565	640708960	99%
July	194174791	391630385	102%
August	153052762	238976142	56%

Source: Ministry of Rural Development

As can be seen from the data (Table 2), the reverse migration resulting from the pandemic caused the number of job seekers to rise significantly from May 2020 to August 2020. This led to an increase in employment provided under the MNRGA scheme in rural India. This human tragedy demands strong expenditure stabilisers for the urban poor in India on lines similar to those of MNRGA. The next section will suggest one such option of designing such a programme in urban areas.

AFS IN URBAN INDIA

India's GDP growth saw a decline by 23.9% in the real gross domestic product (GDP) during the first quarter of 2021 (April, May, June). However, the data also shows that economic slowdown was happening even before the COVID-19 crisis (GDP growth in the fourth quarter of FY 2019-20 fell to 3.1% from 4.1% in the third quarter). The major reasons were structural problems which requires solution. Structural reforms (including on the fiscal side) are needed to deal with these long-term or permanent shocks. Other than the long-term or permanent shocks, where automatic stabilisers may lead to an increase in government debt and bring risks to fiscal sustainability, India needs to remain prepared for huge economic fluctuations on three different counts:

1) Business Cycle

The global economy has experienced 18 recessions of various degrees since 1870. The contraction in GDP, as a result of the global recessions, varied from -17.6% to -0.8%. India too, has started to experience market-linked recessions. As per the Reserve Bank of India (RBI)⁶, since independence, India has witnessed four recessions. The recessions occurred in 1958, 1966, 1973 and 1980. These recessions saw contractions of -1.2% (FY58), -3.66% (FY66), -0.32% (FY73) and -5.2% (FY80). Weak monsoons and the energy crises were the main reasons for these contractions in India's GDP. India entered a "technical recession" in the first half of 2020-21 (fall in GDP for two consecutive quarters) with 23.9% and 8.6% contraction in GDP growth in first and second quarters of FY 20-21 respectively. Even during the Global Financial Crisis of 2008, both China and India did not experience a recession, but rather experienced a milder counterpart called a slowdown (Dua & Banerji, 2009), meaning a downshift in the pace of positive growth in economic activity. A recession, on the other hand, is much more severe, resulting in a cycle of marked and persistent cascading declines in output, income, employment, and sales. With increased globalization and strong global interdependence of the Indian economy in terms of both financial and trade linkages, India cannot escape the impact of global recessions.

2) Pandemics

The current pandemic is considered to be similar to the Spanish flu in impact but the havoc and deaths caused by it has surpassed even the most deadly flu faced by the modern world. Since then, many pandemics have affected the world economy but not to the extent of COVID-19. This also means that our health care system should remain prepared for similar pandemics in future. This requires large scale funding in research and development. A pandemic as severe as COVID-19, can bring even the well-functioning economies to a standstill. The private sector cannot respond efficiently to such problems without intervention by the government. Therefore, the Indian government should not think of withdrawing from the basic public and merit goods; the education and health sectors.

3) Unemployment due to advance of Artificial Intelligence (AI) and machine learning

Countries mostly concentrate on the first reason for economic fluctuation with regards to being prepared. However, before the COVID-19 pandemic, there was talk about how

⁶Source: RBI Bulletin November 2020

jobs would be transformed with advances in artificial intelligence and with the advent of robots for routine tasks. This would lead to the emergence of new jobs for skilled professionals and creative personnel, leaving masses in lurch. By one estimate, 40% of all the jobs created will require AI skills; the percentage will keep on increasing with time (McKinsey; 2017). This would also have enormous consequences for a labour surplus economy such as India.

Therefore, India needs to be prepared to deal with situations arising from all three counts. On one hand, relevant skills must be taught to its population and on the other hand, strong automatic stabilisers must be developed in both urban and rural areas.

To design an automatic stabiliser for urban areas:

1) Registration

The Indian government (central and states combined) should register all urban poor with complete details about their education, employment status, place of residence, gender and age. A unique stabiliser number may be created which can be linked to their Aadhar cards.

2) Infrastructure-based AFS

All existing and potential infrastructure programmes may be listed along with their requirements and their benefits to the economy, expenditure details, ability to create jobs. During times of recessions, elasticity estimates are very high for public expenditure whereas the value is low during booms when public investment actually crowds out private investment. The overall multiplier effects of expenditure stabilisers will help keep the economy afloat during slowdowns.

The infrastructure sector with its strong linkage with the development of economies has attracted much renewed interest from policy-makers in current years. The IMF report points towards the potential of infrastructure being part of counter-cyclical measures (International Monetary Fund, 2014; Asian Development Bank, 2017; Fay & Rozenburg: Beyond the Gap, 2019). Several studies have also focussed on the impact of infrastructure investment on economic growth supply-side capacity and unemployment (Aschauer, 1990; Calderon & Servén, 2004; Allcott, Collard-Wexler, & D O'Connell, 2016). Canning and Pedroni (2004) investigated the long run impact of infrastructure provision on per capita income in a panel of countries over the period 1950-1992. The results provide clear evidence of infrastructure-induced long run growth effects. A recent study by Han, Su and Thia (2020) emphasised that the share of gross capital formation devoted to infrastructure should be higher in developing economies as increasing infrastructure per worker has a larger relative impact on developing economies.

3) Counter-cyclical Fund

The creation of a countercyclical fund is a requirement that no country, including India, can ignore. The governments in emerging economies need to think seriously about setting up counter-cyclical funds to hedge their economies from frequent cyclical changes and shocks. These funds should be part of a wider macro-prudential policy framework acting as a buffering mechanism. Money received from disinvestment proceeds and asset monetisation such as giving unused railway land on lease, could help build these funds. The Indian government is undertaking asset monetisation on a large

scale. The money thus acquired should not be spent on achieving political gains, and if required a Countercyclical fund (CCF cess) can also be levied. The receipts from disinvestment proceeds, asset monetisation, and (if required) cess during booms can all be used to maintain this counter-cyclical fund. This fund can be designed and calibrated in a manner so as to act as a shock absorber for the Indian economy. The government began a Make in India programme in the year 2014 when the share of manufacturing (expressed as percentage of GDP) was 16-17%, with the target to increase this share to 25% of GDP by 2025. Now, along with Make in India, the government is emphasising Atmanirbhar Bharat in the expectation that the ripple effect of localisation will result in the creation of jobs and a subsequent reduction in dependence on imports. The government has also started the Production Linked Initiative (PLI) scheme, where the government will pump in 1.97 lakh crore rupees over the next five years in thirteen selected sectors to incentivise manufacturing. India can benefit from all these schemes only when it possesses sufficiently skilled and trained manpower. Otherwise, it will be a precarious situation with a lack of skilled workers to meet increasing demand of labour and a large number of unemployed unskilled workers who would continue to be dependent on state support. Therefore, a major initiative should be undertaken to skill and train our youth at the college level instead of churning out unemployable graduates every year.

WORD OF CAUTION

Undoubtedly, investment in infrastructure has its advantages in the form of strong linkages with the rest of the productive sectors. It also acts as an inducement to invest in any economy. Good overall infrastructure- communication, transport, electricity, water and roads - all have the potential to attract private and foreign investment. Infrastructure also requires labour which results in the generation of productive employment. Unfortunately, the Indian experience has shown that infrastructure projects generally do not finish on time, thus resulting in increased project cost to the extent of rendering the projects financially unviable. The real estate sector witnessed a boom beginning in the 2000s. Companies started taking loans from not just banks but from Non Banking Financial Corporation's (NBFCs) as well. In the absence of effective regulators, these companies kept diverting their funds from one project to another without completing any of them. The result was a rise in Non Performing Assets (NPAs) of banks and Non Banking Financial Companies (NBFCs). What started with a twin balance sheet problem has now translated into a four balance sheet problem (Subramaniam & Feldman; 2019).

Therefore, infrastructure projects need to be time-bound and require regulation with penalty clauses. While the infrastructure sector has the ability to generate employment and help the economy to absorb cyclical shocks, care must be taken while designing policies for its involvement.

CONCLUSION

The role of the government will become increasingly important in times to come with fiscal policy playing an important part in the stabilisation of the economy. The Global Financial Crisis of 2008 and the COVID-19 pandemic have again outlined the importance of fiscal policy. The problems associated with discretionary fiscal policy related to time lags have not impacted economies as expected. However, the fiscal deficit

and debt are something that governments cannot ignore. Therefore, it is very important to ensure that governments follow counter-cyclical fiscal policies not only during slowdowns but also during booms. It has been observed that monetary policies have their limitations and effective time lags involved are not insignificant. Therefore, governments all over the world are returning to a dependence on fiscal policy. The importance of a strong social security net has been realised during the human catastrophe unleashed by COVID-19. The assumption that the global situation will return to its pre-pandemic state must not engender complacency; preparation for shocks is an absolute must. Strengthening the health-care system and embracing sustainable development will help India tackle future crises. Shocks to the economy may also happen due to climate change; a recent avalanche in Uttarakhand's Chamoli district that destroyed the Tapovan project highlights the fact that nature cannot be ignored. India needs to walk on a tightrope because it has many simultaneous precarious problems: unwanted strife with neighbouring countries, environmental concerns, large population, and the inability of the manufacturing sector to create enough jobs leading to a subsequent increased pressure on the agriculture sector. Economic reform is essential as is obtaining FDI in order to boost production but the government cannot withdraw from key areas and leave the masses to the vulnerabilities associated with private ownership. To remain prepared for any adverse situation, the Indian government needs to build a strong set of expenditure stabilisers for the urban poor, as outlined in this paper.

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IS BUSINESS GROUP AFFILIATION PROFITABLE IN THE EMERGING MARKETS IN THE POST-PANDEMIC ERA? -AN ANALYSIS OF INDIA OFDI TALES

Rajdeepa Maity⁷

Abstract

Indian economy has experienced a boom in outward FDI (OFDI) since 2006, which is primarily a two-stage process: one is the internationalization decision and the second is how much to internationalize. Indian firms have been actively making outward foreign direct investments (OFDI) in both developed and other emerging markets, amidst widespread institutional voids and without explicit support from policymakers. Erstwhile, business group affiliated firms were the major players for India's OFDI as being a part of the business group provided access to internal as well as external markets. Now, with the onset of Covid-19 and the new economic policy focused on "Atmanirbhar Bharat", there is an ambition for India to become an important player in the global supply chain. The paper definitely aims at providing a touch base for future research that encourages a structured dialogue between academia and policymakers and cross-disciplinary collaboration.

INTRODUCTION

International Business (IB) studies were mainly focused on Anglo-American firms at their nascence, and expanded to incorporate European and Japanese corporations. It was not until the recent decades that the studies have embraced developing countries, with a special focus on China and India. One of the issues in studying OFDI from developing economies is that the mainstream FDI theories are built on the observations of developed countries (The United States and European countries) and thus may fail to capture the unique characteristics of MNEs from developing economies.

Until the initiation of broad-based structural reforms in 1991, India's OFDI policy was highly restrictive in nature. The government's stance on OFDI policy started shifting with the adoption of a new economic policy in 1991. The steady improvement in foreign exchange reserve position has encouraged progressive relaxation of OFDI policy and simplification of procedures, leading to a significant increase in OFDI flows from India after 2000. The financial sector reforms since 1991 have resulted into the creation of a more liberal, efficient, and transparent banking and stock market with adequate governance mechanisms (Ahluwalia, 2002). Furthermore, since OFDI requires approval, predominantly through foreign exchange reserves, it is postulated that a higher level of international reserves lead to the adoption of a more liberal policy on OFDI flows (Bano and Tabadda, 2015). The availability of financial resources and foreign exchange reserves

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enable firms to overcome one of the major constraints in their OFDI decision. Indian firms have been actively making outward foreign direct investments in both developed and other emerging markets, amidst widespread institutional voids and without explicit support from policymakers and stakeholders (Nuruzzaman et al., 2019).

I mention a few relevant and significant studies to figure out the gap of existing literature on internationalization of Indian multinationals. Previous studies such as Das and Banik (2015) examined the location factors which influence OFDI from India. Hattari and Rajan (2010) dealt with the drivers of OFDI. Buckley et al. (2012) explored how host-home country linkage influences OFDI. Elango and Pattnaik (2007) investigated the significance of networks in building capabilities of firms to participate in internationalization. Gaur et al. (2014) investigated the factors that caused the shift of Indian firms from exports to OFDI. Pradhan (2004) explained the influence of firm-level attributes such as age, size, R&D intensity and export orientation on OFDI w.r.t Indian manufacturing sector. The study of Buckley et al. (2016) investigates how the external financial resources along with the internal resources of the firms impact the internationalization of Indian multinationals. Nayyar (2018) proposed a conceptual framework relating to the mechanism through which institutions at the sub-national level in India influence the propensity of firms to invest overseas.

TATA- INDIA'S LARGEST OFDI

Moreover, I cite one of India's largest conglomerate firms to showcase India's classic outward investment and global footprint. The TATA group was founded in 1874 by Jamsetji Tata, a Persian from the Zoroastrian community. It is at the vanguard of internationalization and its global presence makes it a useful case for scholars of international business for studying outward-investment decisions. The group has operations in several countries and export products and services to many nations owing to their competitive advantages in the sectors of information technology, communications, engineering, materials, energy and so on. The conglomerate strongly emphasizes corporate social responsibility and philanthropy, revolutionizing business practices in India and pioneering several firsts in the Indian industry. The onset of internationalization of TATA firms dates back to 1907 with the establishment of TATA Limited in London and then expanded its international presence by setting representative offices and subsidiaries in the USA, Europe, Singapore and Switzerland. The institutional reforms of 1991 and the election of Mr. Ratan TATA as the Chairman in the same year marked a new phase in the internationalization journey of the group manifested in the pace, scale, mode, and destination of overseas investments made by the affiliates. This includes the acquisition of British Tea company, Tetley Group (USD 432 million) by TATA Tea in 2000; Europe's second-largest steelmaker, Corus (USD 11 billion) by TATA Steel in 2007; British carmaker, Jaguar and Land Rover (USD 2.3 billion) by TATA Motors in 2008. These outward investments were driven with the motive of accessing markets and strategic assets in the developed economies and placed the group as a prominent player on the global stage. The historic TATA-Corus outward investment was built on a global strategy to address new markets. TATA steel is one of the most profitable steel companies in the world. The steel giant of India-TATA Steel after acquiring Anglo-Dutch steel firm Corus, Europe's second-largest steelmaker formed a notable deal (\$12 billion) from the emerging-market private sector far from the government or state influence (Khanna, 2007).

Erstwhile, business affiliation groups were more significant for OFDI decisions. Given the advancement in digitalization, would business affiliation groups stay that influential for India's OFDI especially in the post-pandemic era?

Networks are an interconnected system that is built upon goodwill and trust which forms alliances among members, disseminates information, and provides tangible resources, financial and other kinds of support among each other. It links individuals through interactions that consist primarily of social exchanges, but information and business exchanges can also take place through them. Members in the network communicate and construct consistency in order to create and maintain trustworthy, long-term relationships. Thus, manager's and business owner's social networks may be valuable resources for the organizations. Granovetter defines norms as traditions that people agree on and behave accordingly. Norms are easier to be held and to be enforced in a denser social network. Thus, the increased density in network enables information, ideas and influence to be communicated more repeatedly and to be better enforced. Figure 1. shows the dense and sparse network with the same number of nodes within the network.

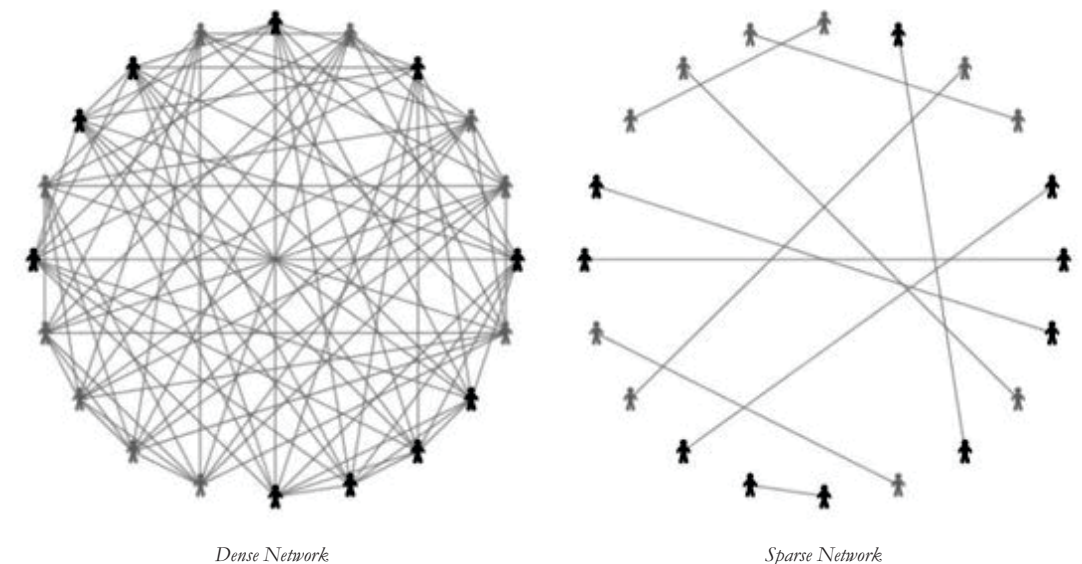


Figure 1: **Dense and Sparse network: Interpersonal Ties and the Strength of ties**

Institutional uniformity is absent in emerging markets; they fall short in varying degrees to support basic business operations. I believe- “institutional voids,” christened in a 1997 HBR article—hampers the implementation of globalization strategies. The institutional void in product, labour, and capital market, as well as regulatory weakness and ineffective judicial system, makes it difficult and expensive for firms to conduct business operations in emerging countries like India (Khanna and Palepu, 1997).

BUSINESS GROUP AFFILIATION-PRE & POST PANDEMIC

Business group as a strategic network has helped to fill the institutional voids and were considered legitimate. Due to their strong position, credibility, and reputation in the home country, business group affiliated firms can access product, labor, and capital

market relatively more easily than unaffiliated firms (Khanna and Rivkin, 2001). In other words, being a part of the business group provided access not only to internal markets but also to external markets. Therefore, business group affiliated firms were the major players in India's OFDI.

Business groups can reduce information and knowledge barriers by providing financial and marketing support, information of opportunities in foreign markets, referrals, and knowledge of internationalization/international business know-how; thus, facilitating cross-border business operations and improving transaction cost efficiency with enhanced trust and solidarity. In addition to this, business groups usually have contacts and/or affiliates in the foreign market that results in their ability to benefit from their relationships with important institutional agents such as policy makers, market regulators, etc. These contacts and/or affiliates are an important source of first-hand information about opportunities in the foreign markets, which is shared with other affiliates via formal and informal connections (Lamin, 2013). Affiliation to business networks enable firms to obtain knowledge regarding business practices, culture, norms, and about doing international business in general from other firms in the group, who have prior FDI experience and established clients and suppliers in the foreign markets thereby helping affiliated firms reduce uncertainty, bringing down the entry barriers and associated liability of foreignness involved in internationalization (Lamin, 2013). These information advantages and resources are not commonly available to unaffiliated firms who have to build it from the scratch, which is an expensive and time-consuming process.

Many researchers have recently adopted a network approach to examine firm internationalization from emerging markets. Although a degree of networking between firms and the external governmental entities can materially affect the process of their internationalization and is undoubtedly present in all economies and OFDI decisions as an outward foreign direct investment involves substantial resource commitment in an uncertain environment. The lack of information and knowledge about operating in foreign markets present an important impediment to firm's investment activities, that they overcome using traditional modes of internationalization such as exporting (Johanson and Vahlne, 1977) which embeds them into vital networks notably export networks (Johanson and Vahlne, 2009).

During and post-pandemic, Prime Minister of India Narendra Modi and the Government of India popularized **“Atmanirbhar Bharat”**, a phrase articulated in the Hindi language which loosely translates to 'self-reliant India' in order to foster economic development in India. The new economic policy enacted in May 2020 about “Make in India for the world” emphasized on exporting and PLI (production-linked-incentive) scheme. Since 1991, the process of economic liberalization started, resulting in a new institutional regime. The intensity of institutional reforms caught firms unprepared to adapt to the changing economic order. In this context, business group's connections with important institutional actors helped reduce cognitive complexity owing to access to privileged information. Business group affiliation acted as complementary to reforms (Chittor et al., 2015), helped firms to adapt to institutional changes. However, the dual forces of adapting to the changing external institutional conditions and internal group mechanisms left deeply embedded affiliated firms less nimble and agile to respond to outward-oriented institutional reforms (Stucchi et al., 2015). The new institutional regime where the Indian government initiated outward-oriented institutional reforms, on the other hand, opened up various channels of internationalization, which presented an opportunity for less embedded stand-alone firms in a better position to take benefits

and adapt their strategies to the new institutional logic and to take the first step towards internationalization as they are inherently responsive, nimble and agile.

DISCUSSION&CONCLUSION

Finally, the author suggests a post-pandemic increase in OFDI from India owing to the uprooting of economic globalization due to COVID-19. Global production networks being disrupted on a scale never witnessed before; the pandemic has pushed countries to rethink their international trade strategies in order to reduce their vulnerability to global economic exogenous shocks. According to Zhan (2021), Director, Investment & Enterprise, UNCTAD: “GVC (global value chains) will undergo substantive transformation in the decade ahead, reshaping the global trade and investment landscape due to five major forces: economic governance realignment, the new industrial revolution, the sustainability endeavor, corporate accountability and resilience-oriented restructuring”. This may offer a window of opportunity for governments to re-examine their approaches to investment attraction and retention. Now, with the onset of Covid-19 and the new economic policy focused on self-reliant India, PLI scheme, and exporting, there is an ambition for India to become an important player in the global supply chain. The national interests and institutional logic founded in the evolving institutional regime would facilitate more productive stand-alone firms gradually exploit and extend the export networks, and do OFDI.

One type of measure specifically can be very fruitful in the long term and thus deserve increased attention from policymakers. It is the development of a system regarding quality certification that is often required to enter into the supply chains of foreign firms, and improvements in digital infrastructure or integrating the use of information and communication technology (ICT) would allow firms to operate remotely both along global value chains and in reaching out to foreign markets. The key to understand GVCs is to comprehend MNEs that control them. Global value chains (GVCs) will undergo substantive transformation in the decade ahead, reshaping the global trade and investment landscape (Zhan, 2021).

This is why, it is crucial for supra-national organizations and country groupings, like the United Nations and the G20, to respond by advocating and facilitating cooperation in the area of international investments and trade policy. The West has always been complacent regarding OFDI from India as compared to China. One thing that can work in favor of India is that countries around the world are diversifying their supply chains and reducing their reliance on China. Probably, how the government's emphasis on exporting in the past led to increased FDI- mostly in the IT sector and now the manufacturing sector, which is currently being given a lot of focus-to increase exports; India will witness several outward investments spear-heading its global drive to growth and secure commanding heights in the OFDI scenario in years to come.

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THE TRAGEDY OF VACCINE NATIONALISM IN THE COVID-19 PANDEMIC

Poorva Israni⁸

Abstract

The pursuit of all the countries to end the COVID-19 pandemic has shed light on the development and distribution of the available vaccines to the global population. However, the emergence of “vaccine nationalism” has posed a predicament to solve the global crisis. Vaccine nationalism seems to be delaying the process to achieve global victory on the COVID-19 due to a lack of supply of vaccines. It is in this background that the context of the paper has been set. It initially discusses the global COVID-19 vaccine development process. It examines the approach of vaccine nationalism by rich countries and perceives the concept of vaccine nationalism through the lens of various political philosophies, such as capitalism, Marxism, liberalism, Rawls's theory of justice, utilitarianism, and Nozick's theory of justice. Further, it attempts to understand India's approach to vaccine diplomacy and vaccine nationalism. Lastly, it comprehends the need to recognize a framework to change the narrative of the COVID-19 vaccine development and distribution.

COVID-19 AND VACCINE DEVELOPMENT

COVID-19, which is caused by a severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), emerged in the Chinese province of Wuhan in December 2019. Since then, COVID-19 has speedily spread to other countries in Asia, North America, Europe, and the rest of the world. The World Health Organisation (WHO) declared COVID-19 a global pandemic on 11 March 2020, when almost every country had a reported case of COVID-19 infected individuals. According to the WHO COVID-19 Dashboard, as of 22nd October 2021, the total number of COVID-19 cases globally has been more than 240 million, with over 5 million deaths, and the number of infected individuals is progressively rising across the globe (“WHO Coronavirus (COVID-19) Dashboard”, 2021). The COVID-19 outbreak is associated with a major health burden and has caused significant damage to the global economy.

Since the outbreak of the COVID-19, there has been an unprecedented global research effort to find a vaccine against SARS-CoV-2. Many advanced countries including India, are in a race to kill the COVID-19 to protect humanity. Against this background, the race to develop antibodies that will help to guard humans against the COVID-19 was initiated on approximately 191 vaccine candidates, and over 800 clinical trials for COVID-19 vaccine development are still going on globally (Gupta, 2021). However, what occurred even before the end of the final stage of human trials or approval by regulatory authorities has come to be known as “vaccine nationalism.”

Vaccine nationalism happens when a country tries to secure vaccines for its own citizens or residents and prioritizes its own country before the vaccines are made available to the other countries (Gupta, 2021). It is based on the philosophy of **communitarianism**, which argues how people's identities and values are linked to the communities that they belong to, and therefore the moral obligations are first and predominantly to the community (Brunton, 2012). In this case, during the COVID-19 pandemic, it was observed that the political community of several wealthier nations like Britain, the United States of America, France, and Germany entered into pre-purchase agreements with the COVID-19 vaccine manufacturers (Attard, 2021). As a result, there exists a looming fear that such advanced arrangements between the wealthier nations and the COVID-19 vaccine manufacturers will make the vaccines unaffordable and unreachable to the people who do not belong to the rich countries.

Until now, notably, a range of vaccines such as Pfizer-BioNTech, Moderna, and Sputnik V has been rolled out to protect people from the infectious COVID-19. In India as well, largely two vaccines known as Covaxin and Covishield are being used at large to fight back against the deadly virus. However, despite the growing number of vaccine options, the current manufacturing capacity and distribution system serve only a fraction of the global needs. This is mainly because a growing number of countries are adopting a **“My Nation First” policy** to develop and distribute potential vaccines or other medical treatments. The chief executive of the Serum Institute of India, the primary producer of vaccine doses in the world, stated that “most of the vaccines would go to our countrymen before the doses are made available in the markets abroad (Weintraub et al., 2020).” In this view, the nationalistic behaviour is arising amidst the pandemic where global strategy is needed to combat the COVID-19 and its aftereffects. Many scholars are condemning countries that are taking the approach of vaccine nationalism, as it is becoming an obstacle to equitable global distribution.

Figure 1 demonstrates the countries that have secured the highest number of COVID-19 vaccines. It shows the percentage of the total population of countries across the globe that have secured the COVID-19 vaccines until 22nd October 2021. Through the illustration, it can be regarded that major COVID-19 vaccine supplies were concentrated in the wealthy and developed nations.

Figure 1: *Secured Vaccines by Countries Across the Globe (In Percentage of the Total Population of the Country), 22nd October 2021*



Data Source: International Monetary Fund (IMF), 2021

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Since the inception of the vaccine development initiatives by the developed nations, a capitalist and profit-generating approach were prevalent in vaccine development (McKinley, 2021). Public funds were discharged for research and development projects which were run majorly by corporate pharmaceutical companies. Even before the efficacy of the COVID-19 vaccines was known, bilateral deals were made for billions of doses by the wealthier nations. In this view, it could be held that the urge of the world leaders to succumb to vaccine nationalism and capitalistic grasp is bearing many consequences, such as reducing the chances of vaccine development as the best chance to bring the COVID-19 pandemic under control. The weak cooperation between nations can slowly become a major barrier to achieve worldwide vaccination to end the pandemic.

Furthermore, vaccine nationalism can have economic consequences. Vaccine nationalism can prove to be economically detrimental to the developed nations as migrants from developing nations contribute greatly to the economies of the developed countries. Immigrants help to drive growth in certain sectors in the developed nations. For instance, in the USA housing industry, data shows that migrant-headed households constitute 39.5 percent of the total household growth in the economy (Sherman et al., 2019). In this view, it could be argued that vaccine nationalism is not only harmful to the developing nations and less-resourced countries, but it can negatively affect the developed nations also. With the COVID-19 pandemic, there have been a limited movement of the people and extreme protectionism relating to international borders. This has had adverse consequences on the livelihoods of the migrant population and on the economies of developed nations simultaneously. The failure to ensure access to treatment, including vaccines, is bound to undermine any single nation's independent response to COVID-19 in the long run. Therefore, it becomes important to have an inclusive international response to COVID-19.

In the initial part of the pandemic, it became apparent that producing COVID-19 vaccines alone wouldn't facilitate eliminating the COVID-19. Therefore, it will be important to make sure that everybody within the world has access to them. In this light, **COVAX (COVID-19 vaccines global access)** was launched. COVAX was initiated by the WHO, the European Commission, and France at an early stage of the pandemic to ensure that the poorest of the countries have access to the COVID-19 vaccines. This initiative brings together governments, vaccine manufacturers, global health organisations, the private sector, civil society, and philanthropy to provide equitable access to COVID-19 vaccines and treatments to all corners of the world. The Gavi COVAX Advance Market Commitment pooled resources to create collective purchasing power through its donors to deliver people in lower-income economies with vaccine doses ("Intellectual Property and COVID-19 vaccines", 2021). Its key objective was to ensure the availability of the COVID-19 vaccines across various countries irrespective of the wealth of the countries (Berkley, 2020). However, COVAX has not succeeded in its purpose. The ineffectiveness of COVAX is due to excessive dependence on a few vaccine manufacturers and donors, fund shortage, and the vaccine nationalism approach of some countries (Varshney, 2021). There have been challenges in funding the COVAX initiative as the funds from the wealthier nations have not been forthcoming. This has led the poor nations to turn to private banks and capitalist markets to source the funds. Hence, vaccine nationalism and capitalist structures seem to have threatened the efforts of the COVAX initiative to curb the spread of the virus by aggravating the existing global inequalities.

In terms of the COVID-19 crisis, one of the most important priorities for any country is

to ensure cost-effective supply and management of medical provisions, including the COVID-19 vaccines. However, in the context of the COVID-19 vaccines, the issue of **intellectual property rights** is one of the key challenges in ensuring fair and equitable access to vaccines. The 1995 agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) requires the signatory countries to adopt the minimum standards of intellectual property (IP) rights to protect innovators, along with promoting invention and novel creations. The retention of the IP rights for the COVID-19 vaccines has been with GAVI, the vaccine alliance, and the Gates Foundation. For the COVID-19 vaccines, many countries, including the United States of America are supporting the waiving of Intellectual Property protection to secure incentives for developing domestic vaccine capacity. For instance, in accordance with South-South cooperation, India and South Africa have proposed a waiver of certain provisions of the TRIPS Agreement, such as waiving patents, copyrights, and trademark rights. The manifestation of waiving these provisions is being done to aid all the countries, across the globe, equitably in preventing, containing, and treating the COVID-19. The waiver, if granted, will accelerate the measures adopted by countries to vaccinate their populations by refuting the claims of illegality under the TRIPS agreement (Ito, 2021). The waiver on the COVID-19 vaccines will assist in lifting the monopoly of the drug companies that own patents and are authorised to manufacture COVID-19 vaccines, in reducing the vaccine costs, and by bridging the gap between the wealthier and developing nations through addressing the inequitable distribution of vaccines. Moreover, the patent waivers on the COVID-19 vaccines can contribute to augmenting the production of the vaccines along with increasing their affordability. However, conversely, waiving IP protections have the potential to impact vaccine quality and safety. Against this background, it can be congregated that waiving IP protections independently cannot increase vaccine access to the lower-income and middle-income economies. The countries have to work in collaboration with each other to expand each other's manufacturing capabilities and trade formulas. In this case, the **North-South cooperation and South-South cooperation are important to identify and address the concerns of patent holders, with the aim to ensure that vaccination drive in the developing nations is not compromised.** With the help of the development community in the North and South, lessons, development solutions, and resources can be shared to respond to the crisis in an effective manner.

Anarchy in capitalist production has been unfolded as a consequence of global COVID-19 vaccine production and distribution. Karl Marx describes anarchy in production as an allocative inefficiency of the market in the process of economic production and distribution (Lwere, 2021). He argues that capitalists are fundamentally driven by profit, and they direct resources where there is the highest return, not essentially where there is a human need. As a result, there is underproduction of the goods, and where there is sufficient production of goods, they are unaffordable for the people of modest means (Lwere, 2021). The current global vaccination production and distribution ascertains the critique of capitalism by Marx. **The anarchy in production has been aggravated by the approach of vaccine nationalism** by many rich nations. Vaccine nationalism has been aided by the dependence on the market in vaccine production and distribution. Subsequently, reliance on the market and profit-driven corporations have generated inequity in access to the vaccines as poor countries are getting less and delayed access to the COVID-19 vaccines. For instance, the USA, whose population is less than 5 percent of the world's population, has administered more than 100 million doses of the COVID-19 vaccines (Foy et al., 2021). Therefore, the logic of vaccine nationalism appears

distorted. To protect a portion of the population at the expense of others is futile, because in an interconnected world, the world cannot recover from a pandemic if a large part of the population bears the brunt of the COVID-19.

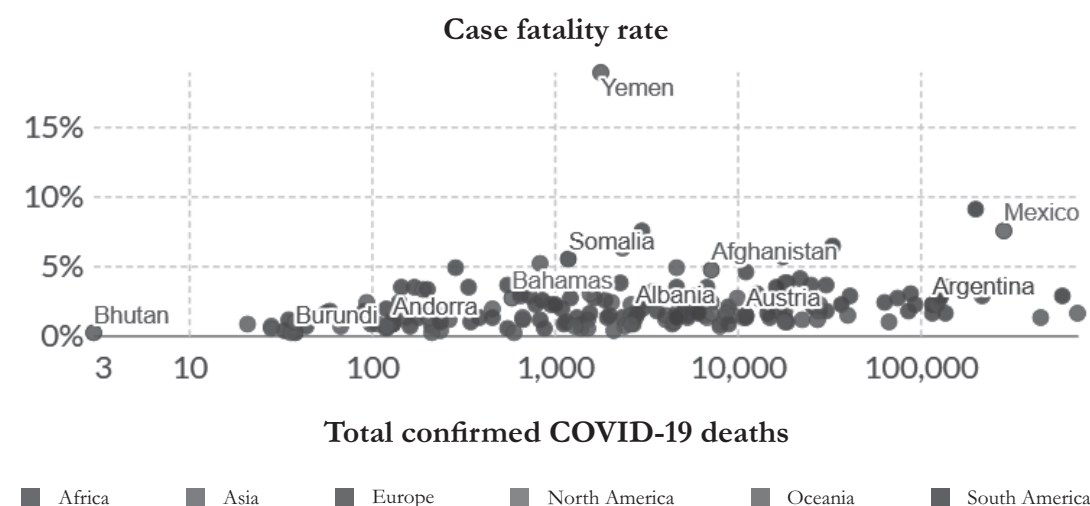
VACCINE NATIONALISM: A GLOBAL PERSPECTIVE

COVID-19 has revealed the interconnectedness of the world. It has also shown the socio-economic inequalities prevailing in the societal structures in all parts of the world. Through the practice of vaccine nationalism by rich countries amidst the COVID-19 global humanitarian crisis, the supremacy of neoliberalism, capitalism, nationalist paradigm, injustice, inequality, and inequity has been demonstrated. These prevailing standards have endangered the lives of billions of people, especially the poorest of the poor people (Hafner et al., 2020). It can be observed that the people in the middle and low-income countries are being deprived of their basic requirements, such as access to the COVID-19 vaccines, at the cost of the advancement in the strategic interests of the high-income countries and pharmaceutical companies.

The figure below shows the case fatality rate (the ratio between confirmed deaths and confirmed cases) with respect to the total confirmed cases in various countries till mid-October 2021. The assessment of the data shows that the case fatality rates are higher in countries mainly situated in the African, Asian, and South American regions. From this data, it can be collected that the people belonging to the countries of the above-mentioned regions have a higher mortality risk of the COVID-19 disease.

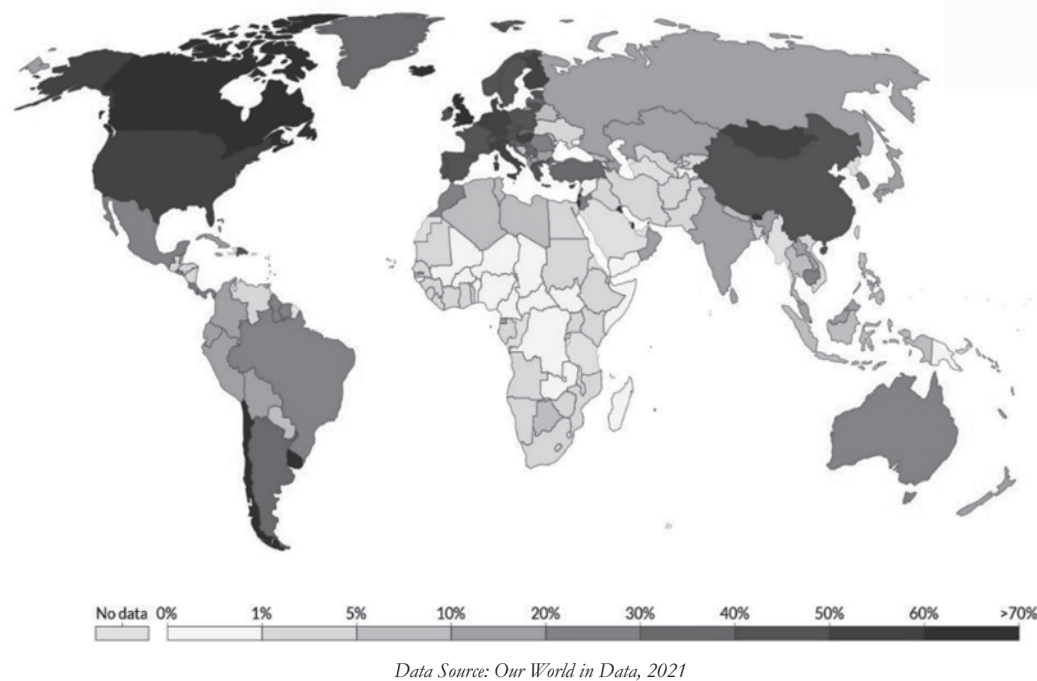
It has been determined in the COVID-19 pandemic that health is a domain that cannot be neglected by the global players. This is mainly because health is interrelated with global wellbeing and domestic health, and this interrelatedness relies on the cooperation from various actors including the state and the non-state actors. In that context, it is important in global health governance to determine the accountability and responsibility of various actors and lay down the parameters for efficiency and equity. Global health is in complete congruence with the principles of justice, and in the area of international governance, health justice cannot ignore the individuals at large across the globe. Vaccine nationalism has shown how the widespread global inequalities are distressing the poor sections of society. By treating vaccines as a commodity rather than as a public good, vaccine nationalism has impacted the COVID-19 treatment process by displaying how wealthy countries have secured vaccines at the cost of poor countries. The data shows perplexing differences between the wealthier nations and poor countries in the administration of the COVID-19 vaccines. The rich nations amount to only 13 percent of the world's population, and they control approximately 82 percent of the world's COVID-19 vaccines. Conversely, the low-income and poor countries have access to less than 1 percent of the COVID-19 vaccines ("Decrying Covid-19 Vaccine Inequity, Speakers in General Assembly Call for Rich Nations to Share Surplus Doses, Patent Waivers Allowing Production in Low-Income Countries | Meetings Coverage and Press Releases", 2021). Due to the standard of panic purchasing and stockpiling along with the practice of vaccine grab, many countries have acquired vaccines more than their domestic requirements. For instance, the United Kingdom (UK) has acquired four times the vaccines required for their residents (Kirk et al., 2021). Against the abovementioned statistics, it could be apprehended that these procurement policies are in contradiction to the international human rights standards, causing excessive injustice to the larger part of the global society.

Figure 2: *Case Fatality Rate with respect to the Total Confirmed COVID-19 Deaths, 15th October 2021*



This injustice is embedded in the broader structural inequalities and pre-existing challenges in the health sector, such as lack of health infrastructure and basic equipment, non-availability of basic medicines. With the emergence of the COVID-19, there has been a further impact on the inadequate health care system of these low-income and poor nations. The inequalities in the vaccine rollout programs have put some populations at greater risk than others, such as the minorities, the homeless, migrants, refugees, and other marginalized groups. This discrimination has led to the neglect of the needs and requirements of such persons by the state. The international human rights standards bind the states to cater to the needs of the people and provide them with easy access to vaccines and treatment without any discrimination. However, with the emergence of vaccine nationalism, the governments have failed to comply with the human rights standards, such as equal access to vaccines.

The global effort to develop an effective COVID-19 vaccine has brought results to the human community in some parts of the world. However, the global community has been facing a scarce supply of vaccines. Experts have predicted that 80 percent of the population in low-resource countries will not have access to the COVID-19 vaccines in the year 2021 (Katz et al., 2021). Hence, vaccine distribution remains non-existent in many poor countries. This can be owed to the faulty global vaccine delivery strategies that have left many countries, such as Chad, Eritrea, Burkina Faso, and Tanzania, ill-equipped to end the global pandemic (Vaccine Deserts: Some Countries Have No COVID-19 Jabs at All, 2021). The map layout below shows the proportion of people who have received at least one dose of the COVID-19 vaccine in various countries by mid-June 2021. It demonstrates a sharp contrast between rich countries and poor nations. It shows that the accessibility of the vaccines to high-income countries is superior to the accessibility of the vaccines to low-income countries. It can be observed that many people in less-resourced countries remain vulnerable to the COVID-19 because of low vaccination rates. This can especially be seen evidently in countries that largely belong to African, Caribbean, Middle-eastern, and South-eastern Asian regions.

Figure 3: *Proportion of People with At Least One Dose of the COVID-19 Vaccine, 15th June 2021*

Vaccine nationalism and the commodification of global public goods have enforced inequities in access to vaccines and have worsened the disparities in the health wellbeing of global humanity. However, in the case of the COVID-19 vaccines, and in the growing discourse about injustice, inequality, and inequity in the distribution of the COVID-19 vaccine, there are a lot of questions that arise, such as – Who should get the vaccine first? Who is getting the vaccine first? Is the equal distribution of vaccines just, or equity is needed in the global vaccine distribution programs? Is the present vaccine distribution structure equitable and sustainable enough to end the pandemic?

The **theory of distributive justice proposed by John Rawls** states that social structures should be organised in a way that the people who are at the least advantage fare better than they would in any other economic arrangement (Latif, 2020). The COVID-19 pandemic has revealed that money, power, and influence all are in play, and the quest for fairness and justice is being hampered even in the worst of times. Against this background, Rawls' concept of the Original Position can be considered. The concept is based on a thought experiment in which the society members act from beyond a veil of ignorance, that prevents the individuals to know what position in the society, in terms of societal status, ethnicity, and gender, they would occupy in an imagined world. In this view, the principles of liberty and difference could be held. The liberty principle offers everyone liberty without interfering with the freedom of other individuals. The difference principle offers every person an equal opportunity to grow and prosper. In either of the principles, the most disadvantaged ones at the beginning of the Rawlsian social contract would fare better on the implementation of the contract (Latif, 2020). In the contemporary world, where the world is battling with COVID-19, this contract would mean the contrast between the life and death of individuals. Hence, in a **Rawlsian**

global order, COVID-19 vaccines would be offered to the most vulnerable so that the moral structure in a developing world can be restored. In the COVID-19 era, the ideas of Rawls should remain intact because the wealth and power that structures the political economy of the nations can prove to be ineffective in controlling the pandemic.

The idea of distributive justice gives an impetus to a concept known as “vaccine cosmopolitanism.” According to **vaccine cosmopolitanism**, the distribution of vaccines according to community membership, or on the basis of national identity is inappropriate and unethical (Ferguson & Caplan, 2020). In this light, justice demands that the global vaccine distribution strategies should disregard the national identities as the criteria for vaccine allocation, and recognize other vaccine allocation conditions. Vaccine cosmopolitanism entails harmonization and collaboration amongst all the countries and **ensures a just and equitable approach to vaccine allocation**. This is in accordance with the Rawlsian thought experiments to alert humans to the possibilities of alternative living.

Taking into consideration the **theory of justice by Nozick**, any distribution of holdings, no matter how unequal, is just if it arises from a just distribution through legitimate means. One of the legitimate means that Nozick gives is the allocation of something that is unowned in circumstances where the acquisition would not disadvantage others. However, vaccine nationalism puts humanity in danger as the poor nations are at a disadvantage, and the people of the poor countries are endangered because of the stockpiling of the COVID-19 vaccines by the rich nations. A study by the Global Vaccines Alliance states that if the vaccines, having 80 percent of the effectiveness, are distributed equitably on the basis of the population of each country, 61 percent of the global deaths could be prevented. If the stockpiling of vaccines by rich nations continues, then only 33 percent of global deaths can be avoided (Nyabola, 2021). In view of these statistics, it can be said that the appropriate way to save lives is by distributing the vaccines fairly and equitably.

Furthermore, according to the **utilitarian framework**, the countries shouldn't prioritize their own citizens but should primarily treat them as the citizens of the world. However, in the light of the COVID-19 and vaccine distribution, the current framework of the COVAX initiative and other vaccine distribution strategies are based on an egalitarian basis. As of now, the vaccines are distributed in proportion to the population of the country instead of their needs. A utilitarian framework will suggest that vaccines should be made available based on the needs of a country, to benefit the vulnerable population the most. Thereby, in the case of COVID-19 vaccines, the most susceptible and exposed population needs to get the priority.

Additionally, the rise of populist nationalism and capitalist structures amidst the COVID-19 pandemic has challenged the liberal values of international cooperation and human rights. For instance, the USA faced a lot of criticism from liberals across the globe. This is because the USA hoarded its own stockpiles of the COVID-19 vaccines along with hindering the access of vaccines to the other countries. The access to COVID-19 vaccines was stalled for other countries because of the USA directing the private companies through laws, to meet the needs of the country's national defence. Liberalism promotes individual rights, civil liberties, democracy, and free enterprise, and against this background, vaccine nationalism is proving to be a threat to liberal values. The condemnation of vaccine nationalism stands rational because, at a time when the world is facing one of the worst humanitarian disasters, all the countries should be encouraged to act with solidarity instead of exhibiting disunity. The ability of the world to defeat the

pandemic will originate when the poor and the rich countries both stand and act together.

VACCINE DIPLOMACY AND VACCINE NATIONALISM: INSIGHTS ON INDIA

When the pandemic arrived at the beginning of 2020, South Asian countries including India were seen to be less affected as the morbidity rates were higher in the European nations. However, at present, India is the second-highest in the world, in terms of the number of individuals infected with COVID-19 and the mortality rate. As a result, India is a plummeting economy with high unemployment rates and a high fiscal deficit. For India, the solution for this self-inflicted chaos lies with its position on vaccine production and distribution of COVID-19 vaccines.

India is the world's largest producer of vaccines, and pertaining to the vaccine nationalism approach, the country has had a unique stand. It has used its scientific ability to innovate vaccines for the development of its national identity as India's vaccine diplomacy approach was in congruence with the "Neighbourhood First" policy of the Government of India. Though India's vaccine diplomacy benefitted India's foreign policy, undesirably it has had an impact on the wellbeing of its own citizens. The focus of the Government of India on the exports of the COVID-19 vaccine in the initial phases of its vaccine rollout program has resulted in fewer resources for its own citizens (Sarkar, 2021). India's vaccine diplomacy has raised questions regarding the domestic availability of the vaccines and about the moral responsibilities of the government machinery.

Correspondingly, in the COVID-19 era, Indian pharmaceutical companies are struggling to produce sufficient doses to be able to manage the pandemic. The Indian-made vaccines were low in supply till July 2021. However, in August, new production lines were set up with the aim of increasing the domestic production capacity. As of 21st October 2021, India has administered more than one billion doses of the COVID-19 vaccination. However, **India needs to pick up its pace to further vaccinate its entire population, as the number of vaccine doses since January 2021 have not been consistent and the COVID-19 vaccine strategies have not been in full steam.** In India, economic liberalization has transformed the federal structure from cooperative federalism to competitive federalism. This has led to the Indian states contending for private capital. Along with the problems associated with competitive federalism, challenges in the domestic cold chain and storage facilities, and India's vaccine diplomacy strategy has resulted in the deficiency of the COVID-19 vaccines.

India has been at both the receiving and the conveyance end in the context of vaccine nationalism. Vaccine nationalism in the USA has affected India when India's request to the USA for the raw materials of the vaccines was turned down. The hoarding of raw materials and vaccines by the USA has been discouraging for India, a country that is highly distressed because of the vaccine shortage and the increasing number of COVID-19 infected individuals. Conversely, it has been argued that citing the vaccine shortage in India, there has been vaccine nationalism in the major producer country of the vaccines. This practice by India is eventually hitting the disadvantaged nations of the world. The narrative of vaccine diplomacy has shifted in India from April 2020 as more vaccine supply is being kept for domestic use. It can be congregated that limited national partiality in allocating COVID-19 vaccines is justified by virtue of community ties and social obligations. The ramifications for the changing systems of India in vaccine diplomacy and vaccine nationalism policy have led to fragility to the prospect of global

solidarity in fighting the COVID-19 pandemic.

In India, the question of access to vaccines is being driven by India's domestic and international politics (Rutschman, 2020). In a country that is facing massive inequalities in income, wealth, and social status, equal access to vaccines remains a pertinent question. At the present time, the best global practice of vaccine allocation remains to be seen. However, presently, there is an ardent need to recognise the balance in distributing and allocating COVID-19 vaccines on moral grounds. The current discourse of the COVID-19 vaccines needs to acknowledge these challenges by taking multiple perspectives at once.

CONCLUSION

There isn't denying the fact that there is a need to enforce frameworks in vaccine development and distribution to foster the international sharing of vaccines. During this time, there are four elements that are significant for global cooperation – **international forum, frameworks, enforceability, and time.** The first element, the international forum, relates to an adequate and well-equipped international medium that can be seen as credible to generate global cooperation. The WHO already exists to provide such a forum, but lately, its activities are being seen as politicised. Therefore, a forum is needed where all the world leaders meet to brainstorm and align the production and distribution process of the vaccines.

A framework is vital to adopt the basic principles needed in the procurement and allocation process of the vaccines. The challenges, such as export bans and seizure of supplies need to be addressed. A framework that can enable global sharing of knowledge based on the best scientific knowledge will be valuable. The third element, enforceability, is crucial for aiding the stimulation of the framework. In the light of vaccine nationalism, countries should work collectively to mitigate the risks involved with vaccine development and distribution.

The international efforts to support the vaccination needs have to be sustainable as vaccine development and distribution is a long-term and evolving exercise. Largely, vaccine development will be extending beyond political cycles, and bearing that in mind, the focus should be on the long-term wellbeing of the global population and the subsequent economic development of the world. For instance, with a view to helping countries in their COVID-19 responses and equitable vaccine distribution, China is offering financial assistance to developing countries. The challenge of uneven vaccination amidst the COVID-19 pandemic is crucial, and to find solutions to increase the production capacity and distribution of vaccines, it is important for the richer nations to renounce vaccine nationalism and move towards equitable vaccine development and distribution. Vaccine nationalism has several negative consequences for the production and equitable distribution of vaccines across the world. In the long run, it will be important to restore vaccine development and distribution to public good status. Moreover, the allocation of vaccine doses globally should ensure that they are affordable for the people in need. A framework should be prioritized to bring together all the countries and institutions. This is because the world is interconnected more than ever before, and an inequitable vaccine distribution system can have an undesirable spiralling effect on both developing and developed nations. Without a suitable framework, nationalistic behaviours are likely to continue, and this will hinder the goal of equitable distribution of vaccines globally, regardless of the geographical borders.

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A REVIEW ON NATIONAL POLICY OF RARE DISEASES, 2021

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Abstract

In a country like India that already struggles to provide basic health facilities to its vast population, it becomes very difficult for people suffering from rare diseases to access treatment options. Currently, about 96 million people in India are living with a rare disease with almost no access to any kind of treatment. The National Policy of Rare Diseases was approved in 2017 but had limited impact as it faced a lot of implementation challenges. In the light of this, the policy was reframed after stakeholder's consultation and reviews from an expert committee. The reframed 'National Policy of Rare Diseases' was approved in March 2021. The study attempts to critically evaluate the policy in terms of its reach to the wider population and access to treatment for the most vulnerable population in India. An in-depth analysis reveals several limitations of the newly designed policy. The lack of availability of data to define the disease as per Indian standards, the absence of a framework for communication between the stakeholder institutions at all levels, and the lack of incentive to domestic drug manufacturers to invest funds into the research and development of the medicines for rare diseases severely limits our ability to deal with this public health concern. The Government needs to work towards developing a more holistic and empathetic policy to address the issues of lakhs of people suffering from rare diseases in India.

INTRODUCTION

Rare diseases are diseases that affect a very small percentage of the overall population. Globally, there is no unanimity on a cut-off number for a disease to be considered rare. WHO does have its definition, but different countries have different definitions based on studies conducted in their country and the rarity of the disease. The United States defines a rare disease as a disease that affects less than 20,000 people in the country. (Genetic and Rare Diseases Information Center (GARD) Europe, Canada, Japan, South Korea, and Australia consider a disease as a rare disease if the prevalence of the disease is less than 5.0, 5.0, 4.0, 4.0, 1.0 per 10,000 population, respectively. ("National Policy for Rare Disease, 2021) A study states that the average prevalence thresholds used to define rare diseases ranged among different jurisdictions from 5 to 76 cases/100,000 people, with a global average prevalence threshold of 40 cases/ 100,000 people (Richter et al. 2015) This range of cases varies based on different factors such as location, level of rarity, study ability, etc. There is an exhaustive list of rare diseases which list 7000 diseases considered as rare diseases.

These rare diseases are majorly thought to be genetic and are passed on from one generation to the next. There are many rare diseases like autoimmune diseases and

cancers, that might not be inherited ("FAQs about Rare Diseases | Genetic and Rare Diseases Information Center (GARD) – an NCATS Program" 2017). Rare diseases are also known as orphan diseases since the market is not large enough to invest money and resources into research and development for discovering treatments of such diseases. Progress is being made on different fronts in terms of prevention, diagnosis, and treatment. Different countries have policies in place to deal with rare diseases affecting their population.

RARE DISEASES AS A PUBLIC HEALTH CHALLENGE IN INDIA

To address challenges pertaining to rare diseases requires collection and study of complex epidemiological data, challenges in research and development for prevention and treatment, accurate diagnosis, and a robust tertiary healthcare system that involves long-term care, including the high costs of treatment. With the limited availability of resources, it becomes a tough call for India to decide between increasing spending on general healthcare problems, which will benefit a large number of populations in compare to allocating more significant resources towards a relatively small number of people suffering from these rare diseases.

In the majority of the cases, these rare diseases are serious, debilitating, chronic, and life-threatening. The treatments are specialized and long-term. Children are disproportionately affected by these diseases as compared to adults. 50 percent of new cases are observed to be in children, out of which 35 percent of children die before the age of one year, 10 percent die between the ages of 1 to 5 years, and 12 percent between the ages of 5 to 15 years. (Ministry of Health and Family Welfare 2017) The trauma on families of patients suffering from rare diseases is emotional as well as financial.

India does not have its standard definition for rare disease and neither does sufficient data on prevalence exists. The Government of India launched the Indian Rare Disease Registry only in April 2017. Only 450 rare diseases have been recorded in the registry as per data available from tertiary hospitals. Although no official data exists on the number of people in India, suffering from rare diseases, an estimated 70 million people in India are victims of a rare disease (Kurian, Krishnan, and Sappani 2021). Approximately 50 percent of the rare diseases are onset at birth. The most common reported rare diseases are Thalassemia, Haemophilia, Sickle-cell Anaemia, auto-immune diseases, Primary Immuno Deficiency in children, Hirschsprung disease, Gaucher's disease, Lysosomal storage disorders such as Pompe disease, Cystic Fibrosis, Hemangiomas and certain forms of muscular dystrophies.

POLICY INITIATIVES AND CHALLENGES IN THE CONTEXT OF INDIA

The National Policy on Rare Diseases was first put out by the Central Government in 2017. The policy was put on hold citing implementation challenges. As pointed out by the States, some issues with the policy were lack of clarity regarding cost-sharing, disease coverage, and patient eligibility for getting treatment of the rare disease under this policy. To address these queries, a review committee was formed in 2018 which submitted its recommendations in January 2021, following which further consultations were held. The new National Policy on Rare Diseases was finally released in March 2021 (Perappadan and Koshy 2021). Despite addressing the challenges of the previous policy by providing

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guideline under which scheme of central government and other clarification, the new policy still falls short of developing a strong framework, with processes that might make treatment affordable and accessible for the commoner.

India does not have its definition of a rare disease. The new Policy states that sufficient data is required to arrive at a definition that will be best suited to India. A National Registry was set up by ICMR to prepare a database of rare diseases in India in 2017 for the same. Under this initiative, the Government identified centres and institutions that have the facility of qualified investigators for the identification and diagnosis of rare diseases. Only 12 States and 4 Union Territories in the entire country have approved institutions with such facilities available, with even bigger states like Gujarat, Madhya Pradesh, Kerala, etc being left out ("Centers" 2017). As a result, the registry has not made any significant progress in terms of data collection, with only 450 diseases being available on record as of now. There cannot be any informed decision-making without the availability of data. With a lack of sufficient data, it takes up to seven years for a patient to be diagnosed with a rare disease. It takes a minimum of three misdiagnosis before a correct assessment is made for a patient and treatment is started (Economic Times 2021b) the diagnosis becomes almost difficult without the database, and precious time is lost in starting the correct treatment.

The policy suggests notifying nine institutes as Centre of Excellence which will act as premier tertiary hospitals with facilities for prevention, treatment, and diagnosis of rare diseases. Similarly, the setting up of five Nidan Kendras is suggested for screening, testing, and counselling of rare diseases and also provide treatment if the facilities exist. For pan India coverage, the policy heavily relies on the health care workers to undertake screening activities for the early diagnosis of diseases. It becomes very evident that there is a need to layout a detailed procedure, which underlines the steps to be taken after the disease is diagnosed by a health care worker. The patient needs to be guided in terms of whom to approach at every level of diagnosis, referral to institutions, and treatment. There also has to be a framework for reporting the screening and diagnosis data from health care workers to tertiary hospitals, Centres of Excellence, and Nidan Kendras. The policy does not lay out clear guidelines regarding the coordination required among the various levels between all stakeholder institutions. A country like India with a significantly higher chunk of masses must have the appropriate service delivery framework. In which, policymakers should bifurcate the responsibilities at the block and district level. One nodal institute at state will not be sufficient to detect and prevention of rare genetic diseases. The government of India has tackled various major health problems such as leprosy, dengue, tuberculosis, Chikungunya, malaria etc., by ensuring adequate service delivery. The policy has not defined any such mechanism to address such service delivery issues. Counselling and guidance centres should be in place at least at the district level to guide people suffering from rare disease in terms of prevention and cure.

Moreover, there is no referral mechanism to access the NidanKendras and centre of excellence stated in the policy. This would result in the unavailability of data to build the registry. Furthermore, this lack of framework would make the treatment inaccessible to the commoner. In the previous policy there was no clarity on cost sharing, the new policy has addressed this challenge and states that cost will be taken care by central government but again there is no clarification on implementation of the proposed benefits. Cross controlling mechanism for diagnosis prevention and disbursement of financial assistance is lacking in the policy.

Under the policy, central government will financial assistance of up to Rs 20 lakh to each

individual suffering from a rare disease as one-time assistance for treatment under the umbrella scheme of Rashtriya Arogya Nidhi. Diagnosis is a challenge in the case of rare diseases. Even after a diagnosis is made, no treatment is available for a majority of rare diseases. Available research suggests that despite the recent advancements in this field, only 5 percent of the diseases have a cure (The Lancet Diabetes & Endocrinology 2019). In the case of certain rare diseases, even though no cure exists, the person can live a longer and improved life with medicines. The budget of the government towards public health expenditure is limited and with resource constraints. For effective utilization of the limited budget cases in which the diseases have an existing cure should be prioritized to save maximum lives. Current policy states that it will provide the same financial assistance of 20 lakh to all diseases whether it costs ten lakh or ten crores. Disease wise financial assistance cap needs to be defined for effective utilization of funds, and a more concentric approach to the problem is required.

Moreover, there is no guideline on empanelment of hospital and claim of funds in case of any rare disease diagnosed. The policy has stated that Separate arrangements should be made for cases with no cure and requiring lifetime support of medicines and pain management therapies under the policy.

It is stated in the policy that pharmaceutical industries would be encouraged to develop drugs for rare diseases. The Department of Pharmaceuticals, Department for Promotion of Industry and Internal Trade (DPIIT) will be roped in to create a conducive policy framework for domestic pharmaceutical companies to focus on the research development and manufacturing of indigenous drugs for curing rare diseases with the provision of tax benefit and research grants along with notification of developed drugs as notified drugs which will be available at affordable rates. Currently, the number of pharmaceutical companies manufacturing drugs for rare diseases is very few. There is no domestic manufacturer in India except for the Food for Special Medical Purposes (FSMP) that manufactures food formulations for nutritional support to patients suffering from certain medical conditions. However, too much focus on making the drugs affordable when there is a complete absence of interest from the companies may not be such a good idea.

For example, to solve this problem, a pioneering decision was taken by the United States Government in 1982 by passing the Orphan Drug Act. Before its passage, only ten drugs existed for orphan diseases; by today, that number had grown up to more than 600, which highlights the Act's success (Huron 2021). The Act's incentives, coupled with the fact that pharmaceutical companies can set any price they like for a drug in the US, have made the orphan drug market astonishingly profitable. An analysis found that the 'economics and investment case for orphan drug development' was 'more favorable than for non-orphan drugs' (Meekings, Williams, and Arrowsmith 2012). Pharmaceutical companies, thus, generate greater returns by developing orphan drugs rather than developing drugs for common diseases.

After the act was passed in 2010, about 30 percent of drugs approved by the FDA were orphan drugs, even though only 10 percent of the population is affected by orphan diseases. Moreover, out of the total drug sales in 2012, more than 30 percent of sales were accounted for by orphan drugs. The market for orphan drugs is expected to grow at double the rate of the normal prescription drug market by 2022 (Delton n.d.).

At a conference held by the Indian Drugs Manufacturers Association in 2001, a group of pharmacologists requested the Indian Government to formulate the Orphan Drug Act

in India (Sharma et al. 2010). A lack of interest from concerned authorities, combined with the absence of any legislation aimed at encouraging orphan drug research and development, frequently deters the pharmaceutical industry from showing any interest in this field. In 2019, the Indian government introduced the regulatory guidelines for gene therapy, 30 years after US conducted its first successful clinical trial. Despite not having incentives or other benefits, Indian pharmaceutical companies like Zydus Cadilla have received approval from foreign approval authorities and are selling such drugs and therapies in overseas markets (The Economic Times 2021). India needs to come up with a policy allowing manufacturing of orphan drugs as soon as possible. With India's growing market and increasing urban population, the number of middle-class people who will be able to afford the drugs is increasing. For those who cannot afford these drugs, government can devise health coverage schemes like the Mukhyamantri Amrutum Yojna in Gujarat and cover the costs of the drugs under it. It is high time that the Government addresses the issue, and frames a relevant regulation for encouraging the development of orphan drugs for rare diseases.

THE CURRENT SITUATION

The Policy states that the cost of treatment of rare diseases may vary from INR 10 lakhs to INR 1 crore on an annual basis. In addition to the treatment, some diseases require lifelong support. There are other associated overhead costs. The amount of 20 lakh sanctioned under the Rashtriya Arogya Nidhi is barely enough to cover the costs of treating a rare disease in an average Indian household.

Currently, people are left at the mercy of a few NGOs and Foundations to help them collect the cost of treatment. As of August 2019, Takeda Pharmaceutical Company's programme has covered 199 patients from 13 countries including India, and Sanofi Genzyme has provided free drugs to more than 100 patients in India in the past 21 years (Salian 2021). In recent times, people are increasingly relying on crowdfunding platforms along with social media campaigns to gather funds for patients with rare diseases. This method has been successful in garnering funds for a lot of people. Recently, a whopping 16 crore was collected by a Hyderabad-based couple to procure a drug called Zolgensma for their three-year-old son who was suffering from Spinal Muscular Atrophy (Rao 2021). A similar story was of two-year-old boy Aayansh Gupta, whose parents raised 14.3 crores for a drug to treat his rare disease in November 2020 (Economic Times 2021).

With the success of crowdfunding-led initiatives, the Government took note of it and proposed crowdfunding as one of the solutions in the new Policy. The Central Government recently informed the Delhi High Court that a digital platform has been made operational for crowdfunding of treatment and medicines for rare diseases.

The private initiatives are leading the war, but without support from the Government, such solutions are not sustainable. Support from foundations, NGO's and crowdfunding-led initiatives, though extremely helpful, will not be accessible to all and is only a stop-gap solution. The treatment for rare diseases can take a financial toll on the suffering families. Recovery takes a long time after the treatment. This requires sustained medical and financial support to the patient, which can only be obtained with support from Government. There is a need to address the highlighted issues and come up with a more robust and inclusive policy in consultation with the State Governments. It needs to be ensured that this public health concern is addressed sustainably to provide respite to thousands of victims of rare diseases and their families in India.

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COMPARATIVE STUDY OF EFFECTS OF SELF-HELP GROUPS ON WOMEN EMPOWERMENT- EVIDENCE FROM JEEVIKA*

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Abstract

Self-help groups (SHGs) were originally formed to provide savings and loans, but their function has evolved to include strengthening governance, and tackling social concerns such as gender and caste discrimination. Low cost credit to the poor through SHGs has been hailed as a significant poverty reduction tool in developing nations, although there is no evidence of its effectiveness. This paper, using primary survey data, compares the changes in different socio-economic factors of SHG women and non-SHG women. Three main dimensions have been assessed in this paper i.e. loan size, savings pattern, and women empowerment. We found that SHG women have higher scores in the average women empowerment index than women with no exposure to SHGs. SHG women on average use more loans for business purposes than non-SHG women.

INTRODUCTION

Bihar, according to Hora and Tiwari (2007), is one of India's poorest and most patriarchal states, with serious ramifications for women's personal and socioeconomic advancement in the state. This difference can be observed in the 2011 Census survey in the comparison of women with their male counterparts. According to the 2011 survey, the female to male sex ratio stood at 935 and women's literacy rate stood at 51.5%. Women involvement in formal economic activities was reported at just 9% which is the lowest in the country. On the contrary, the male literacy rate and involvement in formal economic activity were reported to be 71.2% and 79% respectively. Women's health conditions are a matter of concern as the National Family Health Survey IV reports that 53.1% women are anaemic and 22.9% are underweight in the region (Hora and Tiwari, 2007).

Self-Help Group (SHG) as a program has been widely applauded and accepted across India. It is considered as a vehicle for women empowerment and poverty reduction. The Planning Commission of India considers SHG as a self-governed program where members of disadvantaged homogeneous backgrounds come together to utilize their pooled savings for income-generating activities as well as for other empowerment

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activities. As the group dictates, members meet weekly or monthly to keep track of each activity, to discuss problems encountered by individuals and to solve problems so that members do not feel alone in their uphill battles. What is interesting is that SHGs first started as a pilot program but has now become a ray of hope and transformation in changing the lives of the rural disadvantaged women. The popularity and success of this program has drawn the government's attention and as a result, SHGs are now included in the government's annual plan. Along with this, various studies are being conducted to assess and evaluate the impact of SHGs on women empowerment.

The Bihar Rural Livelihoods Promotion Society, also popularly called JEEViKA, was started in 2006 focusing on 42 blocks in the six poorest districts of Bihar. The core strategy of the programme is to build vibrant community institutions of women, which through member savings, internal loaning, regular repayment and economic activities, become self-managed institutions. They aim to do so by establishing a self-sufficient community where members can create savings among each other which is then utilized to loan, create savings, provide insurance and create transfers among members to carry out various economic activities. The criteria to grant loans to the members is done based on three broad objectives of JEEViKA SHGs: to empower the poorest households, to provide economic empowerment, and to reduce poverty. Each SHG receives an initial grant from JEEViKA. JEEViKA (promoter agency) also integrates members in the formal banking channels through the self-help bank linkage programme to create future entrepreneurs; and extends this social service program to the larger society and reaches the most vulnerable communities. If the SHG program is properly implemented and regulated, it can be a powerful tool to eradicate poverty and empower disadvantaged communities.

As the severity of poverty varies across India, we have chosen two districts of Bihar in which to analyse the impact of SHGs. Bihar is majorly composed of rural areas which are deprived of basic facilities. The chosen districts have an average intervention of 50 months under the JEEViKA Programme. Our research is aimed at comparing women who are associated with SHGs and with women who are not part of SHGs. As Bihar ranks the lowest in the gender equality index as mandated by Sustainable Development Goal No. 5 (SDG 5), women and girls in the state experience inequalities in every aspect of life. We used the analysis of covariance (ANCOVA) specification to analyse the impact of SHG membership on savings, women empowerment and loan size.

Empowerment of women is a multi-faceted concept and has been variously defined by different authors. The main essence of empowerment is the ability of women to strengthen their capacities, their participation in the decision-making process, and most importantly, their self-reliance. This idea has been reinforced in the paper by VeneKlasen and Miller (2002) where they define women empowerment as the process of transforming women with limited power into women with voices and decision-making powers in the household.

The Oxfam GB framework for constructing the Average Women Empowerment Index (AWEI) takes into account changes at three levels: personal, relational and environmental (Lombardini, Bowman, and Garwood, 2017). A change at the personal level implies that there is a change in the perception of oneself from within. In this process, a woman redefines her role as an individual, her place in the society, her decision-making ability in the household (both economic and social), and her ability to take action and have her voice heard. Change at the relational level implies a woman translating and exercising her redefined change at the personal level with other women in the community. Here, the

community includes all the decision-making bodies in the community ranging from the household to the marketplace to other local-level decision making bodies. A change in the environment encompasses changes (both formal and informal) in the broader context such as changes in the attitude to and perception of social traditions, beliefs, norms, and the legislative (or governing) framework. When these changes are conceptualized and practised, this can transform our society into a new generation filled with empowered men and women.

This study helps us discover many underlying impediments, and the actual outreach and performance of SHGs as well as the perceptions held by women about the program. It is important to note that the poor and disadvantaged groups are distant from the formal sector (financial system) due to illiteracy, poverty, and a high degree of risk which systematically prevents them from availing these services from the formal sector. Therefore, most of them rely on the informal sector which usually charges higher rates for the services, which traps people in a vicious cycle of poverty. In this paper, we have conducted a loan-use analysis and a savings analysis of SHG members and non-SHG members to evaluate the contemporary scenario against the backdrop of the SHG program.

In our analysis, for comparability of the control and treatment groups, we used a balance table and compared the difference in means. We found no significant difference between SHG and non-SHG women based on different socioeconomic characteristics. Using the ANCOVA specification, we found that SHG memberships have no effect on loan size and savings. Women associated with SHGs have a higher average in the women empowerment index than non-SHG members. We also found that women above 35 have positive effects in the Average Women Empowerment Index (AWEI). Women belonging to nuclear families have a greater average on the Average Women Empowerment Index (AWEI).

LITERATURE REVIEW

Self-help groups (SHGs) and their impact on members has been a widely-researched subject in the recent past. Various papers have been published regarding effectiveness of SHGs in promoting empowerment, employment and social development in its members.

The concept and definition of the term empowerment has been defined and redefined based on different grounds and circumstances. Kabeer (2005) defined empowerment as an ultimate power to decide, while he defined disempowerment as when a person is denied his/her ability to decide although the person is capable of doing so. These two terms are equally important and relevant in India's context, especially in rural India where due to patriarchal constructs and socio-economic dynamics, women have been either suppressed or are in denial and have been easily and readily accepting their role in the hierarchy.

In order to break this chain of fixed roles which has denied or obstructed women's involvement and presence in decision making, this societal construct needs to be broken. Men and women need to be given similar exposure and voice. In a broader context, Alsop and Heinsohn (2005) defined empowerment as being able to make functional choices. They stated that one must be able to transform their choice into their desirable outcome through an independent course of action. However, to describe empowerment in the Indian context, especially in the context of rural women, we can borrow the definition

from Kishor et al. (2008). They described empowerment as giving decision-making ability to powerless people so that they can make choices to change their circumstances. Here, the idea of empowerment is not to create dominant people, which can cause a vicious cycle of suppression, but to uplift people who are and were oppressed or silenced due to social constructs, economic factors and/or cultural norms (Upadhyay and Prata, 2014).

Kabeer (2005) suggested in his paper that empowerment can be measured in terms of three dimensions: agency, resources, and achievements. He defined agency as an ability to make choices which are then translated into actions. Kabeer (2005) uses resources as a person's ability and reach to utilize resources for their respective utility maximization and defines achievements as recognition of a person's work and effort. The idea of agency has been reinforced in the paper by Rowland (1997) as well in the paper by Samman and Santos (2009) where they have also emphasized on the role of agency and associated it with empowerment. Rowland goes further and extends empowerment as an ability to resist manipulation, create attainable possibilities, and as an ability to be recognized and gain respect for one's efforts and contributions.

The idea of empowerment and recognition of capabilities has been studied and highlighted by Alsop and Heinsohn (2005). They highlight empowerment as a person's ability to contribute meaningfully and purposefully in the decision-making process. This process helps a person realize and access their importance in the broader context and their presence in the institutional and societal frameworks. Along these lines, Samman and Santos (2009) highlight that empowerment occurs at different dimensions: household level (micro), society (meso), and the state or the country (macro). This acts as a measuring gauge of where an individual stands in terms of empowerment.

Various techniques and methodologies have been used in the surveyed literature to measure the levels of empowerment. However, empowerment in essence is a broad concept that touches a wide spectrum of rights and issues. To generalize a method of measurement can give inconsistent results. Nevertheless, context-specific measurements can be carried out keeping in mind the geography and culture-specific characteristics and the respective weights they carry as well as their impact on disadvantaged individuals. In this regard, the Women's Empowerment in Agriculture Index (WEAI) has been designed to assess the level of empowerment, agency and women inclusion in the agricultural sector. This survey-based index has been aggregated at different levels (country, regional, and individual) to decompose and identify where work needs to be done, and of course to recognize where work has been successful. The speciality about this index is that it captures the raw nature of things as the data is collected at the micro level by interviewing both men and women of the same household. Then, the data is indexed into two sub-indices: 1) the first measures the degree of women empowerment based on five domains; and 2) the second is a measurement of the Gender Parity Index (GPI). In WEAI, to measure the degree of women empowerment, it takes into account the following five domains: i) decision in agro production; ii) access and decision-making power and resource utilization; iii) control and use of income; iv) leadership presence in the community; v) time allocation. The WEAI captures the percentage of women who are empowered and have had achievements at least as much as their male counterparts. Likewise, the GPI measures gender parity and highlights the empowerment gap between men and women (Alkire et al., 2013).

Similar to WEAI, the Hunger Project measured the Women Employment Index (WEI) using five domains: agency, income, leadership, resources, and time. In the composition

of the index, the domains were equally weighted. In order to capture the domain effect as much as possible, each domain was further composed of two to three other proxy variables. For example: to capture leadership, two other proxy variables were used: i) percentage of women in community organizations or groups ii) percentage of women who were comfortable voicing their views in public.

After the composition of empowerment indices, the impact of SHGs have been evaluated across different literatures. Aloysius (2007) notes that the impact of SHGs goes beyond the empowerment of marginalized communities and has also been successful in fighting oppression in the household and community at large. Another study by Painoli (2011) observed that SHGs have been successful in instilling entrepreneurial skills in women. This movement of rising entrepreneurs and new entrants to the labour force will definitely be a positive force and a stimulus to the economy.

Additionally, the study by Sudipta and Debnarayan (2011) in support of SHGs suggested that extending microcredit and SHG programmes for longer periods of time can be beneficial and reinforcing for beneficiaries of the program. The study further reports that the extension of these programs will trigger higher levels of empowerment among the program beneficiaries. The study also confirms that women were earning more from access to savings and credit as the earning variable was found to be significant. MinakshiRamji (2009) showed through his survey that SHG books show enhanced savings patterns. It was found that SHG members save 1 USD per month. The compulsory nature of saving rules has resulted in regular savings and financial discipline in SHG members.

The impact of SHGs on financial inclusion can also be found in literature. In the study by Supravat and Maniklal (2010), the financial inclusion of rural women prompted by SHGs was assessed. For this study, primary data was collected from the Bankura district of West Bengal. The sample was composed of 541 women who were beneficiaries of SHGs. For the study, access to formal financial services (specifically institutional savings and credit) were used as a proxy for the intensity of financial inclusion. The study found that SHG-promoted inclusion among the sample was significant. There was strong evidence that women participating in SHGs showed increased frequency of savings and borrowing.

Literature also suggests that SHGs have had a significant impact in fighting social evils. In the paper by Minimol and Makesh (2012), the impact of SHGs on fighting domestic violence against women, women and child abuse, alcoholism, discrimination, exclusion, and exploitation has been highlighted. These social evils have not only affected women but have also threatened the lives and livelihoods of families involved. Minimol reports that SHG programs not only focus on empowerment but also work on women development in their environment. The study discusses how the SHGs discuss common immediate problems faced by the members and together, propose solutions to solve them.

The literature is well established highlighting the impact and influence of SHGs on women of different socioeconomic backgrounds. It is evident that SHGs have successfully ignited a sense of empowerment, belonging, and drive to make a difference in its members. But the important questions still remain — how long can these programs be sustained? What happens when these programs end and/or the groups are disbanded? Can women break the cycle of poverty and launch themselves into lives more prosperous than before? To answer some of these questions, this paper studies the composition of

women participating in SHGs, analyses their saving patterns and will also conduct an analysis of their loans.

METHODOLOGY

a. Sampling

A survey was conducted in two districts of Bihar, namely Samastipur and Paschim Champaran, during May-July 2019. Six villages were selected randomly in these districts. The units of study were rural women. We had two sets of samples: a set for women who were associated with SHGs which was the treatment group and a set of women who were not (non-SHG women) were the control group. After Focused Group Discussions with the women, a detailed questionnaire was prepared for both sample sets. A rough draft of the questionnaire was constructed and put to test in a pilot survey that we conducted in Kankar village of the Samastipur area. We refined our questionnaire by removing questions which were similar in nature.

Six SHG groups were a part of the survey. We also interacted with women living in the same localities with no membership in SHGs. A total of 82 respondents agreed to interact with us voluntarily. 45 women were associated with SHGs and were provided with training and funds by JEEViKA. The remaining 37 were not associated with SHGs and had no experience or training given by JEEViKA.

b. Questionnaire

We prepared a questionnaire for study in two parts. Part one consisted of questions on different socioeconomic factors which included information on caste, frequency of loans and their uses, savings patterns, and age. We also had questions on the respondents' possession of a bank account, frequency of visiting banks, sources of loans and income-generating activities taken up by them.

The second part of the questionnaire was framed to capture empowerment in the respondents for both sets of samples. For this study, we have taken a similar approach as that of Oxfam India in its impact evaluation work. The framework suggests that women empowerment is a multifaceted idea and encompasses dimensions at personal and relational levels. The personal level has three dimensions which are self-confidence, opinion on economic rule, and personal autonomy. The three relational level dimensions are group participation and degree of influence, household decision making, and mobility-communication level.

The domain of self-confidence had questions for the respondents related to equality to their peers and self-worth. Opinion on economic rule had questions about basic financial understanding. The domain personal autonomy contained questions about decisions about meal choices, questions about decisions to travel outside the respondents' villages of residence, and questions about decisions in general and to what extent the female respondent could influence that decision.

The sub domain of household decision making had a set of questions on the women's degree of influence on the major decision-making process in house whereas in the domain of group participation and decision making, questions on the women's degree of influence of major decision-making process in the group. Non-SHG members were associated with small, localised, religious groups and microfinance groups other than JEEViKA. In the sub domain of mobility and communication, we asked questions that

pertained to the levels of personal mobility that respondents would experience such as 'in the past 30 days, how many times have you gone outside your village?', 'In these visits, to what extent has a male member accompanied you?', 'To what extent can you communicate with an outsider without a veil?'

c. Construction of Average Women Empowerment Index (AWEI)

All the responses to the questions asked were recorded on the Likert scale as 'To large extent', 'To some extent' and 'not at all' and were replaced by numbers one (1), two (2) and three (3) respectively. The six dimensions of self-confidence, opinion of economic rule, personal autonomy, group participation and decision making, household decision making and mobility and communication level have a different number of questions that map the personal and relational levels of women empowerment. The average score of each respondent is calculated for each dimension. For calculating AWEI, the average of the averages is calculated for all six dimensions and the specific number that is obtained will be the Average Women Empowerment Index.

$$AWEI = ((a.SC + b.OER + c.PA + d.GPD + e.HDM + f.MCL)/6)$$

a, b, c, d, e and f are different weights that can be assigned to different dimensions capturing personal and relational levels of women empowerment. 'n' indicates the number of units in the sample.

- SC-Self-confidence $SC = ((a+b+c+d)/4)$,
- OER-Opinion of Economic Rule $OER = ((e+f+g)/3)$,
- PA-Personal autonomy $PA = ((h+i+j+k)/4)$,
- HDM-Household decision making $HDM = ((l+m+n+o+p+q)/6)$,
- GPD-Group participation and decision making $GPD = ((r+s)/2)$,
- MCL-Mobility and communication level $MCL = ((t+u+v+w)/4)$

We have twenty-three questions from the six dimensions. All the questions were coded as the English alphabet starting from a to w. While calculating AWEI, we had taken weight one for all the dimensions. Weight to all dimensions was given as one as all six dimensions are equally important for calculating the empowerment of women. Vast literature is available to give reasons for equally weighting each dimension while calculating the empowerment index (R, Liebman, and Katz, 2007).

d. Data

The source of data was a primary survey done under the Krishna Raj Summer Travel Fellowship at the Centre for Development Economics, Delhi School of Economics.

e. Empirical strategy

Association with SHGs can potentially lead to increased savings and increased sizes of loans taken. SHGs also increase member participation in groups, self-confidence, and participation in household decision making. SHGs also empower women.

In our analysis, we test the impact of SHG memberships on savings, loan size, AWEI, and its different dimensions. We use the ANCOVA specification where

$$y_i = \beta_0 + \beta_1 \cdot (\text{Association with SHGs}) + \sum_{i=1}^k \beta_i X_i + \epsilon_i$$

Where y_i is the outcome of interest for women 'I'. Association with SHGs is members associated with SHGs. X_i is the vector of pre-specified controls used in primary specification, ϵ_i is a random individual level error.

$$y_i = \beta_0 + \beta_1 \cdot (\text{Association with SHGs}) + \beta_2 \cdot (\text{Association with SHGs}) \times \text{Age} + \sum_{i=1}^k \beta_i X_i + \epsilon_i$$

In specification (2), we add an interaction term 'age' which is a binary variable taking value '0' for women less than 35 years of age and 1 for women above 35. Specification (2) is a mirror of Specification (1) with 'age' as an interaction term.

Many empowerment measures in the surveyed women increase with age such as mobility and communication levels, participation in household decision making, group participation and decision making powers. In a field survey, it was also discovered that older women were more confident and communicated more effectively. In general, women in nuclear families have greater freedom and decision-making powers than women in mixed families. We also look into how age and being from a nuclear family affect women's empowerment if they have SHG membership.

In specification (3), we use the ANCOVA specification to show the impact of age and family type on women empowerment.

$$y_i = \beta_0 + \beta_1 \cdot \text{Age} + \sum_{i=1}^k \beta_i X_i + \epsilon_i$$

In the next specification we introduce family type as an interaction term.

$$y_i = \beta_0 + \beta_1 \cdot \text{Age} + \beta_2 \cdot \text{Age} \times \text{Family type} + \sum_{i=1}^k \beta_i X_i + \epsilon_i$$

We add village level fixed effects in the above specification to control for village level characteristics.

JEEViKA was targeted at the ultra-poor in a phased manner. Members were selected initially on socioeconomic parameters, and later memberships were done by community mobilisers (CM) randomly in the village panchayat. This reduces the issue of self-selection in our analysis. We also did a balance control difference in the mean analysis for our sample and noted no significant difference in both the control and the treatment groups.

DESCRIPTIVE STATISTICS

a. Sample profile and background

Our research site was based in Samastipur and West Champaran districts. The main occupation of the people here is agriculture and livestock. According to the Census 2011, literacy rates are 55.99 % in Champaran and 61.86 % in Samastipur. Both the districts have access to government hospitals. This is an aggregate picture of the districts but our field survey was mainly focused on the ultra-poor women of these districts.

In our field survey, we encountered many facts and instances which could be regional and cultural specific aspects which we have nonetheless included here as a sample profile. We can see in Table 1 that the SC category is 18% more than the OBC category. We observed that in a group, most of the people are from the same caste. This is because the village

structures in most parts of Bihar are based on caste. We found that villages were divided into tolas (streets/avenues) which were based on the caste and religion of the people living there, so the SHGs which were formed mostly have their members from the same caste. When we asked the reason for this, official staff said that as SHGs had to organize meetings every week, members would find it cumbersome to visit another tola to attend SHG meetings weekly.

Table 1: **Sample profile**

Indicators	SHG Members	Non-SHG Members
Average Age	39	36
Max. Age	60	64
Min. Age	22	18
Married	93%	95%
Widow	7%	5%
Primary Education	23%	13.5%
Secondary Education	6%	10.8%
Illiterate	71%	75.6%
Hindu Religion	88%	73%
Muslim Religion	12%	27%
Other Backward Caste	41%	40.5%
Schedule Caste	59%	59.5%
Agricultural occupation	17%	10.81%
Non-agricultural Occupation	62%	59.45%
Self Employed	21%	29.74%
Average Annual Income	92046	80756.56
Max. Income	250000	200000
Min. Income	10000	10000

The average age of the respondents of SHGs is 39 whereas the average age of non-SHG respondents is 36 years. The maximum age to join self-help groups is 60 years. Due to typos in their Aadhaar cards, a few women were not permitted to join SHGs. The marital statuses of women in our sample for SHG and non-SHG members were similar, 95% of the sample consisted of married women. Generally, daughters-in-law are allowed to be members of SHGs so that they can participate in the events of SHGs regularly; this is why we interviewed non-SHG members of the same marital status as SHG members.

The education level was extremely poor in the area but with the advent of SHGs, women have become signature literate i.e. those who have never received formal education and were able to write their names.

65% of non-SHG women interviewed were a part of joint families whereas 51% of the SHG women interviewed had joint families. Usually, women in joint families have restrictions which is more evident in the scores on the AWEI. Most of the young women less than 30 years of age said that most of their decisions are taken with the permission of their mothers-in-law. Women in our sample are mostly housewives who spend most of their time in household work. Since we collected data for household income, we also gained knowledge of the occupational structure of the male members in the family. Most of the people are daily wage labourers, and a large chunk of people have migrated to the cities for work as the districts we were basing our survey in had very limited employment opportunities.

Table 2: **Balance table- Characteristics of respondents**

Variable	Non SHG Women	SHG Women	Difference
Age	36.78 (2.01)	39.33 [1.23]	2.542 [2.284]
Education(in yrs)	1.95 [0.65]	2.05 [0.47]	0.101 [0.784]
Marital Status	0.89 [0.05]	0.93 [0.04]	0.038 [0.064]
Type of Family	0.41 [0.08]	0.49 [0.08]	0.083 [0.113]
Family size	0.38 [0.08]	0.51 [0.08]	0.133 [0.112]
Total landholding	0.54 [0.20]	0.56 [0.19]	0.018 [0.278]
Land holding-rented	0.62 [0.22]	0.60 [0.22]	-0.017 [0.314]
Milch cattle	0.59 [0.11]	0.56 [0.07]	-0.036 [0.128]
Farming assets	0.05 [0.05]	0.05 [0.03]	-0.008 [0.061]
Annual income	80027.03 [9392.63]	93000.00 [9626.64]	12972.973 [13551.622]
N	37	43	80

The average income of SHG members is higher than non-SHG members. While interacting with them, we learnt that a few people in one of the villages were cheated by fraudsters who impersonated agents. On account of this, people were hesitant to interact with us at first, so we had to devote extra time in convincing them. This is one of the reasons for our small sample size. We encountered a few cases in which both the mother-in-law and the daughter-in-law were the respondents in our sample so their responses were related to some extent. However, we also got to know from such cases the significance of age, which plays a vital role in determining the decision-making power of a woman in a household.

The major source of loans in both types of samples was from moneylenders. Moreover, the purposes of loans were also seemingly related for both the groups. This provides data for further study that in spite of financial inclusion, people are not actually reaping the benefit of it, which indicates a dearth of financial literacy. Thus, emphasis should be given to financial literacy.

From Table 2, no significant difference between SHG women and non-SHG women can be observed. We find no difference in total landholding, rented landholding, farming assets, and milch cattle. No difference in income was observed. From Table 2, we can infer that both the treatment and the control groups are similar in nature in all characteristics.

We also calculated balance (Table 3) to see the difference in SHG women and non-SHG women in the AWEI and its six dimensions. From Table 3, we see that SHG women have higher AWEI scores than non-SHG women. We also find that SHG women have higher scores in Personal Autonomy (PA), Household decision making (HDM), Group participation and decision making (GPD), and Mobility and communication level (MCL).

Table 3: **Balance table- Difference in Average Women Empowerment Index**

Variable	Non SHG Women	SHG Women	Difference
AWEA	1.82 [0.04]	2.04 [0.03]	0.222*** [0.054]
Savings	352.70 [92.19]	333.72 [65.81]	-18.982 [111.085]
SC	2.24 [0.07]	2.04 [0.05]	-0.203** [0.090]
OER	1.85 [0.07]	1.90 [0.07]	0.052 [0.104]
PA	2.08 [0.08]	2.28 [0.06]	0.198** [0.094]

HDM	1.80 [0.09]	2.08 [0.07]	0.284** [0.115]
GDM	1.03 [0.03]	2.02 [0.08]	0.996*** [0.095]
MCL	1.93 [0.08]	1.93 [0.08]	0.005 [0.115]
N	37	43	80

b. Vignettes from the field

During our fieldwork, we encountered non-SHG members who intended to join SHGs but due to some family responsibilities, they were unable to join. The woman's husband's occupation and income (or lack of both) are important factors in spurring women to join SHG. This reply from one of the respondents explains the scenario:

“Bhaiya I am illiterate and I was married at the age of 18 now I am 27 and I have three children. My husband is a cobbler and I don't know how much he earns daily, exactly. Usually, he gives me some money (50 or 100) to bring groceries every day. Many times he doesn't get any work so I use to purchase groceries in credit. We don't have savings, most of the time when money comes we use to repay the debt of shopkeeper so that he continues to give us necessary grocery when we don't have any money. I have tried to join SHG but my husband asked me not to join SHG and take care of children and the house.”

Among SHG members, those who have productively used the loans in income-generating activities have managed to ensure an income source for their family. After strengthening their financial condition to some extent, they can take out loans for their children's education, which they can confidently repay. This reply from one of the respondents explains the scenario:

“I have joined SHG in 2012. My age is 35, I have two children and I cook food in Anganwadi, where I get around Rs. 2000 per month. I and my husband work as harvesting labourers in agricultural season. My husband used to work as daily labourer earlier and sometimes he found it very difficult to get work. He was planning to purchase a tempo for quite some time but due to the high interest rate charged by moneylender he could not purchase. I have taken 80,000 loan from SHG and on EMI he has purchased a tempo. Now he does not need to go in search of work. My son is studying polytechnic in the city. He was in need of a laptop for his studies. I have loaned Rs. 30000 (INR) from SHG recently to purchase him a laptop. These days my husband also helps me in repaying the loan and I also try to save more and deposit it in the SHG for the future use.”

Interactions with SHG members who have quit the group shows that there is no rotation of leadership positions in the SHGs. There is a lack of grievance-redressal mechanisms at the ground level. This reply from one of the respondents explains the scenario:

“I was a member of SHG but our group has broken. Everyone in our group felt that our CM (community mobilisers, who are JEEViKA representatives at the village level) is biased so we walked out. Now each of us have around 1000 rupees saved in our SHG

accounts but she (the CM) is not helping us to withdraw it back. I have personally gone three to four times to bank but I could not withdraw back my money. Now I have stopped going to bank also because of transportation cost. I don't trust any of the SHG members and I will not join back. Every CM supports the group of their village. No one is there to listen to our problems.”

MAIN RESULTS

a. Impact of Association with SHGS on Savings

In our sample, all the members have bank accounts, which shows better accessibility and availability of financial services. However, when we look at the regular visits of the members (minimum once in a month) to the bank, then we found 62% of the women from SHG groups and 48% of SHG members visit the bank regularly, which is comparatively low. This lowers the overall financial inclusion of women as the usage of financial services is quite low. Most of the savings are used for non-productive work. Women invest their savings in maintenance, which includes spending for festivals and for consumption purposes. Only a few women used to deposit their savings in savings accounts in banks. Six members from the SHG sample and one from the non-SHG sample deposit their savings in banks. This meagre number is due to their lack of involvement in income-generating activities. This can also explain the high incidence of lack of savings in the SHG sample.

As per the rule of the group, every member has to deposit a minimum amount of Rs. 10 per week which is used for intra-lending among the group. This organized setting infuses a sense of importance of savings in the members. They also help each other by intra-lending whenever someone is in need. Despite this, from Table 4 we found a negative relationship between the association of women with SHGs and savings. Savings and annual income have a significant positive relation. This phenomenon of less savings in SHG women than in non-SHG women can be explained by the fact that the main source of loans for SHG members are moneylenders, for which they do not have to visit the bank often. The high interest rate charged by moneylenders is an extra burden on their expenditure due to which they save less. We further disaggregated our data on members according to their age distribution. We found that SHG members below the age of 40 are more likely to visit the bank than members older than 40. We infer from Table 4 that women associated with SHGs and who are above 35 years of age tend to save more than non-SHG women.

Table 4: *Impact of association with SHGs on savings and loan size*

	(1) Savings	(2) Savings	(3) Savings	(4) Loan-Size	(5) Loan-Size	(6) Loan-Size
1. Association with SHGs	-62.61 (-0.62)	-37.87 (-0.38)	-77.66 (-0.41)	-8758.1 (-0.47)	-23038.8 (-1.24)	36110.6 (1.07)
Annual income (Rs)	0.00346*** (3.69)	0.00376*** (4.09)	0.00377*** (3.99)	0.490** (2.82)	0.402* (2.35)	0.429* (2.53)
Farming Assets	-25.68 (-0.13)	80.00 (0.42)	83.78 (0.43)	-6182.3 (-0.17)	-25304.9 (-0.72)	-27142.2 (-0.78)
Milch Cattle	73.71 (0.76)	-4.102 (-0.04)	-7.843 (-0.07)	-5237.7 (-0.29)	9634.0 (0.50)	20884.7 (1.06)

1. Family size	6.955 (0.05)	-148.7 (-0.96)	-150.1 (-0.95)	-21952.7 (-0.78)	11675.9 (0.40)	14487.9 (0.51)
1. Type of family	46.62 (0.34)	120.7 (0.84)	120.9 (0.83)	13753.2 (0.55)	4542.3 (0.17)	1915.4 (0.07)
1. Caste category	206.3 (1.74)	374.4 (1.84)	377.6 (1.79)	16532.9 (0.75)	-73378.0 (-1.94)	-67962.0 (-1.79)
1. Age			-28.65 (-0.19)			8646.9 (0.32)
1. Association with SHGs			60.78 (0.27)			-75694.7 (-1.85)
*1. Age						
Village Fixed Effect	No	Yes	Yes	No	Yes	Yes
N	80	80	80	80	80	80

t statistics in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

b. Impact of association with SHGs on Loan Size

SHG members are involved in intra-lending among themselves with their weekly savings. They also receive funds as Rotating Fund and Initial Capitalization Fund from JEEViKA, which varies from 30,000 INR to 60,000 INR per SHG. These funds are given to promote a loaning habit and simultaneously to remove the fear of the word 'loan'. SHGs also get loans from banks through the SHG-Bank linkage scheme. Non-SHG members have no formal sources of loan due to the unavailability of collateral.

In our study, we found that SHGs have multiple sources of loans which includes SHGs, banks, micro finance institutions, moneylenders, relatives and so on. The major source of loans for non-SHG members is moneylenders. The average frequency of loans is higher in SHG members as compared to non-SHG members. Higher frequency of loans in SHG members can be explained by the small size of the loans and the timely repayment of the loans.

Despite the high interest charged by moneylenders, we noted a high percentage of SHG members going to moneylenders for loans. Removal of women from the hands of moneylenders was one of the reasons to form SHGs. The need for women to approach moneylenders can be explained by the small amount of funds available with SHGs. Households tend to ask for large amounts of loans for building houses, marrying their daughters, and so on. Big loans are easily available and accessible with high interest from moneylenders. Both SHG and non-SHG members have used a major portion of their loans on consumptive purposes which includes marriage, building houses, medication, and education. These trends highlight the poor infrastructure of health and education, prevalent dowry system, and corruption.

Table 4 suggests that women with SHG memberships take less loans than non-SHG women. Our results remain consistent with the village fixed effect in Model 5. This can be explained by the availability of less funds from SHGs and the Village Organisation (VO) as well as easy access to loans from moneylenders with high rates of interest. In Model 6, we saw that women above the age of 35 tend to take loans that are 8649.5 rupees greater than women less than 35 years of age.

c. Impact of Association with SHGs on average women empowerment index (AWEI)

Empowering women and supporting gender equality are the stated aims of many development projects; this is an area of focus that is also expressed in the Sustainable Development Goals (SDGs). Different understandings and definitions of 'empowerment' abound and the contested nature of the concept makes it challenging both to define and to measure, with the added complexity that different measurement approaches can themselves serve to strengthen or undermine empowerment. This study follows an approach similar to the one followed by the Oxfam India impact evaluation study.

The Average Women Empowerment Index is the weighted average of six dimensions namely, self-confidence, opinion of economic rule, personal autonomy, household decision making, group participation and decision making, and mobility and communication level. These indicators broadly measure empowerment at personal and relational levels.

Table 5: Impact of association with SHGs on Average Women Empowerment Index

	(7) AWEA	(8) AWEA	(9) AWEA
1. Association with SHGs	0.192*** (3.88)	0.176*** (3.79)	0.279*** (3.49)
Annual income (Rs)	0.00000157** (3.41)	0.00000195*** (4.55)	0.00000179*** (4.45)
Farming Assets	-0.108 (-1.12)	-0.119 (-1.35)	-0.146 (-1.78)
Milch Cattle	0.126** (2.65)	0.175*** (3.65)	0.159** (3.40)
1. Family Size	0.224** (3.01)	0.191* (2.65)	0.192** (2.86)
1. Type of family	-0.125 (-1.88)	-0.0471 (-0.71)	-0.0365 (-0.59)
1. Caste category	-0.0819 (-1.41)	-0.271** (-2.87)	-0.326*** (-3.64)
1. Education	-0.0685 (-1.24)	-0.00558 (-0.11)	0.0108 (0.22)
1. Age			0.227*** (3.54)
1. Association with SHGs*			-0.223*
1. Age			(-2.31)
Village Fixed Effect	No	Yes	Yes
N	80	80	80

t statistics in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

From Table 5, we infer that SHG membership has a positive impact on the Average Women Empowerment Index (AWEI). We added village fixed effects in Model 8, and found that the positive impact of association with SHGs on AWEI, rather than non-SHG women, remains valid. In Model 9, SHG women above 35 years of age had negative AWEI than non-SHG women above 35 years of age. From Table 5, we saw that SHG membership has a significant positive impact on income, milch cattle, and family size. Since its inception, JEEVIKA has been providing training and resources for the development of women in rural Bihar. The Average Women Empowerment Index (AWEI) score for SHG members is significantly higher than the scores of non-SHG members, which can be attributed to the training and facilities provided to SHGs members.

d. Impact of association with SHGs on different dimensions of average women empowerment index

Personal autonomy and opinion on economic rule of women has been increased with the association of women with SHGs. SHGs hold weekly meetings to discuss their agenda on savings and loan decisions. This enables the members to put forth their ideas and suggestions on concerned matters, which increases their confidence.

Table 6: Impact of association with SHGs on six dimensions of AWEI

	(10) SC	(11) OER	(12) PA	(13) HDM	(14) GDM	(15) MCL
1. Association with SHGs	-0.0577 (-0.35)	0.0614 (0.31)	0.319 (1.96)	0.260 (1.21)	1.144*** (6.12)	-0.0551 (-0.28)
1. Age	0.173 (1.30)	0.0799 (0.51)	0.170 (1.30)	0.299 (1.73)	0.141 (0.94)	0.498** (3.13)
1. Association with SHGs* 1.Age	-0.332 (-1.65)	-0.0598 (-0.25)	-0.263 (-1.34)	-0.165 (-0.63)	-0.285 (-1.26)	-0.230 (-0.96)
Annual income(Rs)	0.00000212* (2.54)	0.00000169 (1.71)	0.00000257** (3.13)	0.00000163 (1.51)	0.000000738 (0.79)	0.00000197 (1.98)
Farming assets	-0.155 (-0.91)	-0.0715 (-0.35)	-0.138 (-0.83)	-0.149 (-0.67)	0.0178 (0.09)	-0.377 (-1.85)
Milch cattle	0.142 (1.45)	0.199 (1.73)	0.104 (1.09)	0.271* (2.14)	0.0200 (0.18)	0.219 (1.89)
1. Family size	-0.132 (-0.94)	0.291 (1.76)	0.277* (2.02)	0.331 (1.82)	0.00402 (0.03)	0.380* (2.28)
1. Type of family	0.178 (1.38)	-0.256 (-1.68)	-0.165 (-1.31)	-0.0774 (-0.46)	0.141 (0.97)	-0.0388 (-0.25)
1. Caste category	-0.317 (-1.70)	-0.494* (-2.24)	-0.344 (-1.88)	-0.0992 (-0.41)	-0.143 (-0.68)	-0.556* (-2.50)
1. Education	0.195 (1.90)	-0.357** (-2.94)	0.0918 (0.91)	0.0711 (0.53)	0.0873 (0.76)	-0.0240 (-0.20)
Cons	2.042*** (12.52)	1.940*** (10.08)	1.865*** (11.68)	1.319*** (6.25)	0.894*** (4.88)	1.633*** (8.40)
Village Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
N	80	80	80	80	80	80

t statistics in parentheses

*p < 0.05, **p < 0.01, ***p < 0.001

During our interviews, SHG women stated that prior to joining SHGs, they used to veil their faces while talking but now they could talk without any veil. Women from non-SHG were not associated with any formal savings group which can be observed in the difference between the GDM coefficient of SHG and non-SHG women. There is not much difference between Indicator MCL in Table 6, which can be attributed to decreased restriction for movement of women in society. Around 80% of the respondents who were less than 30 years of age stated that to a large extent, one male member of their families accompanied them during travel outside of the village.

Household decision making had improved in SHG women than in non-SHG women. Participation in SHGs had given them exposure and awareness. Most of the decisions about sales and the usage of that money is being undertaken by both the respondents and their husbands in both groups. Respondents were free to make choices in the decisions such as the education of their children and the kind of food to cook for the family.

Table 7: Impact of association with SHGs on six dimensions of AWEI

	(16) AWEA	(17) AWEA	(18) AWEA	(19) AWEA
1. Age	0.202** (3.28)	0.241*** (4.21)	0.305*** (3.70)	0.352*** (4.59)
1. Caste Category	-0.0693 (-0.98)	-0.350** (-3.09)	-0.0678 (-0.97)	-0.377** (-3.42)
Years of education	0.00478 (0.57)	0.00738 (0.95)	0.00119 (0.14)	0.00476 (0.61)
Family size	0.139 (1.94)	0.143* (2.12)	0.188* (2.19)	0.174* (2.14)
Loan Size	0.000000251 (0.73)	4.73e-08 (0.14)	0.000000181 (0.54)	-7.48e-08 (-0.22)
Land holding	-0.0375 (-1.42)	0.0226 (0.78)	-0.0328 (-1.25)	0.0219 (0.78)
Rented-land holding	0.0116 (0.49)	0.00784 (0.35)	0.0122 (0.53)	0.00615 (0.28)
Do you have Milch Cattle	0.0815 (1.40)	0.120 (1.99)	0.0564 (0.98)	0.101 (1.70)
Do you own other farming assets	-0.140 (-1.29)	-0.150 (-1.49)	-0.0811 (-0.75)	-0.103 (-1.02)
1. Type of family			0.0399 (0.37)	0.0835 (0.81)
1. Age*. Type of family		-0.222	-0.238* (-1.93)	(-2.27)
Cons (18.74)	1.730*** (18.95)	1.827*** (18.32)	1.705*** (18.51)	1.809***
Village Fixed Effects	Yes	Yes	Yes	Yes
N	80	80	80	80

t statistics in parentheses

*p < 0.05, **p < 0.01, ***p < 0.001

e. Relationship of empowerment with age and type of family

During our interactions with the members during the survey, we observed that members who were above 35 years of age and who belonged to nuclear families were more confident and had a greater say in decision making. Our hypothesis was that these women above 35 and in nuclear families have a greater higher score in the Average Women Empowerment Index than women less than 30 who live in nuclear families.

From Table 7, we can see that women above 35 have a 0.202 greater score in the Average Women Empowerment Index (AWEI) than women less than 35. This result holds in all the models, including village fixed effect models. This can be explained by women above 35 having greater freedom and more of a say in household decision making. We controlled for village characteristics in Model 17 and Model 18 and found that scheduled caste women scored less on the Average Women Empowerment Index (AWEI) than non-scheduled caste women. Women belonging to a nuclear family had greater scores in AWEI than joint family women. Nuclear family females above 35 years of age had lower AWEI scores than their joint family counterparts.

f. Other results

We enquired the reasons for women to join SHGs. We found that 40% of the women joined to increase their savings, followed by 'for accessing government schemes (10%)', and for accessing loans (10%). Few women also cited reasons such as pressure from relatives, to repay old debts, and to become involved in income-generating activities.

We also enquired 'why women in non-SHG didn't join JEEViKA?'. Women replied that previously, an organisation had duped them of their money by purporting to provide insurances and loans. Trust was the major factor missing which led them to not join SHGs. Women also cited that ten rupees of weekly savings would not have a huge impact.

We also found that most SHGs have no rotation of leadership. Due to the lack of rotation of leadership, a SHG is governed by the same set of people. Rotation of leadership can help in increasing confidence and imparting leadership qualities.

CONCLUSION

Bihar has allocated 8.7 % of its expenditure on rural development. This is higher than the average (5.6 %) of the 18 other states. Under the JEEViKA scheme, 10 lakh self-help groups (SHGs) and 15,000 village organisations will be set up. Further, 2.25 lakh SHGs will be provided with 3,500 crore INR from banks (Bihar budget 2018). These statistics highlight the seriousness of the Bihar government towards alleviating poverty and improving growth in rural areas with the help of the JEEViKA Scheme.

In our study, we have seen that SHG women are comparatively more empowered than non-SHG women. Our sample had approximately 48 month old SHGs. With SHGs gaining more experience, it will ensure a more organised and systematic framework for the empowerment of women. JEEViKA emerged as the force which had led to the alcohol ban in Bihar.

SHG women save less than non-SHG women. They visit banks more often than non-SHG women. Women who are members of SHGs have a higher score on the Average Women Empowerment Index than women who are not members of SHGs. We also discovered that women over the age of 35 have a favourable impact on the overall

Average Women Empowerment Index (AWEI). The Average Women Empowerment Index for women in nuclear families is higher.

SHGs have become a major driving force for rural development, poverty alleviation and empowerment of women. Many women have turned into entrepreneurs by their association with SHGs. To further encourage women entrepreneurship, the current Minister of Finance and Corporate Affairs, Nirmala Sitharaman, recently gave a speech that drew praise from lawmakers on account of the positive changes in the budget related to women, including expanding the interest subvention scheme for women self-help groups (SHG) to all districts and allowing loans of up to 1 lakh INR for one woman in each self -help group (SHG) across the country.

This paper aims to highlight the importance of SHGs in rural development with women at the centre. We had seen significant differences in different socio-economic factors by using methods such as the AWEI, loan analysis and savings patterns. Since our study was limited to six villages in rural Bihar for policy implication purposes, impact evaluation must be done with a larger data set to ensure a more in-depth understanding of the factors that enable women empowerment in order to create more meaningful and effective policy.

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Namesh Killemesetty Dr Namesh Killemesetty is an Assistant Professor in the Jindal School of Government and Policy, O.P. Jindal Global University. He completed his Ph.D. in Public Policy from the University of Massachusetts Boston in 2021. He also has an M.S. in Public Policy from the University of Massachusetts Boston, M.Tech in Infrastructure Management from CEPT University Ahmedabad and B.Tech in Civil Engineering from MNNIT Allahabad. Prior to joining UMass Boston, he worked as an Assistant Professor at the Department of Civil Engineering, O.P. Jindal University. He also has relevant industrial experience working in the Civil Engineering sector. As a transdisciplinary researcher working in urban governance and poverty, Namesh's work particularly focuses on housing, tenure security, and community rights of slum dwellers integrating theories and methods from Urban Studies, Policy Analysis, Operations Research, and Decision Sciences. His research looks at identifying and using participatory approaches that amplify the voices of marginalized populations such as slum dwellers for effective policymaking. Namesh is the recipient of the 2021 Urban Affairs Association Alma H. Young Emerging Scholar Award, USA. He has been previously awarded as one of the global winners in a Research competition on Urban Development by Woodrow Wilson International Centre for Scholars, USAID, and the World Bank Group. Namesh teaches courses on Urban Poverty, Statistics, and State & Governance.

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Naveen Kumar is a second-year Ph.D. Student(Economics) at Delhi School of Economics and a former TRIP fellow at Jindal school of government and public policy. He completed his internship at RIS and BRLPS(JEEViKA). He also got a prestigious Krishna raj summer travel fellowship at the Centre for development economics(DSE). His topic for research was 'Comparative study of JEEViKA program on women empowerment through SHGs'. Naveen's research interests lie in the area of macroeconomics and applied econometrics, with a focus on social issues. His recent work was focused on women empowerment and women entrepreneurship through Self-help groups.

Atul Kumar is a Risk Analyst in the Scenario Design team of a standard chartered bank. He worked as a Research Assistant for a year with the Centre for Budget and Policy Studies. He completed his Master's in economics from the Delhi School of economics. He was awarded the Krishna Raj travel fellowship by the Centre for Development Economics. His interest includes macroeconomics, governance, microfinance, and econometric modelling.

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Sunaina Dhingra is an Assistant Professor at the Jindal School of Government & Public Policy. Her research interests are in the area of development economics, health economics, education and public policy. Prior to joining JGU, she was a Post-Doctoral Associate with the Tata Cornell Institute (TCI) in the Dyson School of Applied Economics and Management at Cornell University. She completed her Ph.D. in Economics from the Delhi School of Economics, University of Delhi (2018). Sunaina's current research focuses on addressing questions broadly related to health, nutrition and educational outcomes, and how they interface with poverty reduction. She has extensive field work experience in the villages of Bihar for her Ph.D. dissertation which evaluates the principal drivers of nutritional and education outcomes for children in rural India in general, and for girls in particular. At TCI, her research analysed the drivers of child stunting and other forms of undernutrition, including new concerns on rising adult overweight and obesity issues in developing countries. Apart from these topics, she is working on the role of women's bargaining power in intra-household decision making and how it may influence the gender bias in human capital investments on children. Through her research, she has contributed to, and is building on, the understanding of nutrition and educational challenges in India with a special focus on the disadvantaged and vulnerable population. Along with research, Sunaina has mentored Ph.D. and other graduate students at Cornell University on developing research and planning field visits. She also brings wide-ranging undergraduate and graduate teaching experience to JGU. She has taught courses at IIM Rohtak, the Delhi School of Economics, and various undergraduate colleges of Delhi University. Sunaina has earned her B.A. (H) in Economics from Delhi College of Arts & Commerce, University of Delhi in 2007, and M.A. in Economics from Jamia Millia Islamia in 2009.

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Rajeev Malhotra bridges the world of academics and policy making. A development economist and a civil servant with over 28 years of experience, he has worked with the Government of India, where until August 2012 he was Economic Adviser to the then Union Finance Minister. From 2002 to 2008, he worked at UN Office of the High Commissioner for Human Rights in Geneva and prior to that at the Planning Commission, New Delhi. Over the years, he has been a consultant to several international organisations. He has expertise in macroeconomic issues in development policy; fiscal policy and budgeting; planning, monitoring, evaluation and impact assessments; poverty estimation and human development; and human rights and development. He has led research on human rights and rights sensitive development indicators at the UN and is recognised as an international expert on that subject. He also worked on conceptual and operational framework for the right to development and human rights-based approaches. He has published widely. His most recent publications include India Public Policy Report 2014 (Oxford University Press, 2014); 'India @ 100: Giving wings to the lumbering elephant', Futures: Journal of Policy, Planning and

Futures Studies, Elsevier 56 (2014) 8-21; and A Critical Decade-Policies for India's Development (Oxford University Press, 2012).

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Subhasish Ray is trained in Political Science and Economics. He received a Ph.D. in Political Science from the Department of Political Science, University of Rochester. He has MA and MPhil degrees in Economics from the Centre for Economic Studies and Planning, Jawaharlal Nehru University. Prior to joining JSGP, he was an Assistant Professor in the Department of Political Science, National University of Singapore, and a Visiting Assistant Professor in the Department of Political Science, University of Rochester.

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Naveen Joseph Thomas completed his Ph.D. in Economics at the Department of Economics, Delhi School of Economics, University of Delhi. He received his M.Sc. in Economics from the TERI School of Advanced Studies and his B.Sc.(H) in Physics from St. Stephen's College, University of Delhi. His research interest lies in the areas of Household Economics, Growth Theory, Labour Economics and issues of the MSME sector. His current research focusses on the role of intra-household conflict in explaining low labour force participation of women in patriarchal societies, the scope of Mutual Credit Guarantee Schemes for the development of the MSME sector in India, and the analysis of education choice of parents under constrained supply of public-funded education in rural India using the ASER dataset. The papers that he has taught include Mathematical Methods for Economics, Financial Economics, International Trade, Economics in Public Policy, Applied Econometrics, Data Analysis, Development Economics and Microeconomics.

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