



GUEST COLUMN | Pramod Kumar

Paradigm shift in 'good governance' needed

IS GOOD governance really unpopular, as made out to be? The aim of 'good governance' these days appears to reduce employment in the public sector without creating employment in the private sector. Besides, it is to encourage people to participate in self-help groups and launch small businesses in the face of intense global competition. 'Good governance' is also to tell people to mind their own health and give subsidies to private hospitals; and to teach them to pay for life-saving services even if they do not have the opportunities to earn a livelihood.

No wonder, people do not respond positively to the 'goodness' entailed in this kind of governance. It's another matter that this phenomenon is beyond the understanding of the well-educated planners.

However, it is not without reason that the government is working overtime to disinvest. And an inefficient state apparatus is efficiently trying to eliminate itself. It is because they have once again resolved to remove poverty and inequalities. Earlier, at the time of Independence, the government committed itself to eradicating poverty, unemployment, and inequalities through public sector investment. Now it is in the process of privatising the public

State govts in the region have the responsibility of evolving a positive agenda i.e. productive investment instead of disinvestment, employment rather than retrenchment and rationalisation of expenditure in place of expenditure reduction. Similarly, they need to go beyond the anti-corruption drive aimed at predecessor regimes for corruption-free governance.

domain. And the public interest is to be protected, promoted and sustained by private initiatives. It is for the people to appreciate the government's commitment to 'good governance' and make sacrifices to ensure the privileges of the few with the hope that they may find a place among them in the near future.

It is with this expectation from the people that the policy planners have initiated market reforms through certain negatives i.e. disinvestment, retrenchment, reduction in expenditure and anti-corruption. Through these negative initiatives, it is hoped that something positive shall emerge. Such is the faith in the fundamentals and tenets of market that even well-educated persons have succumbed to the glamour attached to this doctrine. They assert that even a competitive, efficient, em-

ployment-oriented and profit-making public sector unit has to be disinvested as per the tenets of market fundamentalism. Is this market fundamentalism any different from religious or caste fundamentalism? Isn't it equally dangerous?

Market-oriented reforms are called good and state-controlled development is considered evil. Everybody is being coerced to make a choice. The argument advanced is that the state-led mixed economy is nothing but 'common good as interpreted by self-seeking politicians and civil servants'. And in favour of market-led reforms is the argument that 'self-seeking actions of a multitude of individuals would lead to common good'.

Both are flawed.

Instead of reforming and rejuvenating governance, the thrust is

to replace an evil with another evil. Incidentally, all the dominant political parties have ideologically evolved an agreement around this philosophy. And consequently, successive governments have been enslaved by market-led reforms. In Punjab, it was the Akali government which constituted the disinvestment commission and the Congress government is taking it to its logical conclusion. Fiscal management is being presented as a model having these four negatives with a signpost that 'it is the market and not the government which will govern'.

And the market has no plan for the poor. In the pre-reform period, i.e. 1983-93, rural Punjab recorded a 7.09 per cent growth in unemployment and in the post-reform period i.e. between 1993 and 2000, rural Punjab experienced a 7.43 per cent growth in unemployment. A similar trend has been noticed in urban Punjab. From a 2.62 per cent growth in urban employment, it changed to 6.18 per cent growth in unemployment in the post-reform period.

It is, therefore, not without reason that all the dominant political parties have approved economic reforms in principle, but they have made electoral promises against these reforms. Consequently, the anti-incumbency factor provides an honourable exit to

a political party to be replaced by another with a similar track record.

All states in the region need to bring about a paradigm shift in governance. In Punjab, for example, Chief Minister Capt Amarinder Singh has distanced his government from a fundamentalist form of World Bank agenda by rolling back fees hike in educational institutions, mobilising private enterprises for generation of employment, rationalisation of reduction of government expenditure and also by devolution of powers to Panchayati Raj Institutions (PRIs). But he (and other state governments in the region) has a responsibility to evolve a positive agenda i.e. productive investment, instead of disinvestment, employment rather than retrenchment and rationalisation of expenditure rather than expenditure reduction.

Similarly, they need to go beyond the anti-corruption drive aimed at their predecessor regimes in order to provide corruption-free governance. This agenda must be implemented within the broader framework of putting in place social security and safety nets.

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