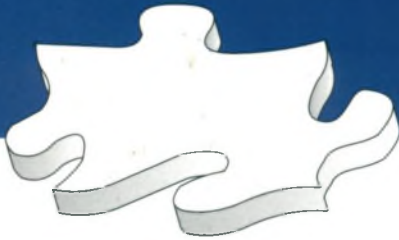


Excellence in
Leadership
Lecture Series

Leadership in 21st Century India

– Opportunities and Challenges



Jayaprakash Narayan



NATIONAL INSTITUTE OF ADVANCED STUDIES
Indian Institute of Science Campus, Bangalore 560 012, India

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JAYAPRAKASH NARAYAN

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Dr. Kasturirangan, friends,

I am very daunted today. In the past eight or nine years, I have had the privilege of interacting with maybe seven or eight thousand groups across the world. But rarely, rarely do I find such an occasion very daunting as I do today, due to the personal stature of Dr. Kasturirangan, the institution that he and many others built up, and the quality of people participating in this program with enormous experience, a wealth of insight and knowledge far superior to mine. I had an extremely stimulating conversation with Prof. Radhakrishnan just now, a man whose personal accomplishments and tastes exceed his pedigree, if it is possible. Son of the late C.V. Raman, Dr. Radhakrishnan is

Valedictory lecture given for the participants of the 19th NIAS Course for Senior Executives, on 29 January 2005.

even more exciting and interesting. All these make me feel incredibly humble, and make my task very daunting at this point in time.

I knew when I accepted this invitation that I would have this problem. You would not expect anything less from Dr. Kasturirangan in terms of quality of mind and heart, in terms of quest for excellence. So, why did I accept the invitation? For a very simple and straightforward reason – I suffer from an incapacity to say no, despite my 16 and odd years in government. Despite the fact that in this country, being in government means having to master the art of saying no all the time, I never mastered that art.

Abraham Lincoln had a similar problem. Lincoln once complained. He said, “Look, many people come and ask me for many things and I have no time or energy, and I do not know how to get out of those situations. Alas, I suffer from an incapacity to say no.” And then he went on to add, “Thank god, I was not born a woman. That would have been disastrous for my morals and for my health.”

I do not have anything original to say about leadership or about India or the future challenges. All of us, and a group like this more than most people, and certainly more than me, know what is happening. We all have the same pieces of the jigsaw puzzle, a wealth of experience. It would be somewhat imprudent on my part to try and recapture this.

I will only try and put things together in a way that will hopefully lend itself to some kind of possible solution. And

therefore, what I am going to say is going to be both original and good. As a critic remarked, "His book is both original and good. The parts that are original are not good. The parts that are good are not original." And that applies to my remarks too. There is nothing very original that I am going to say.

It occurs to me that we, as a society, have enormous strengths, phenomenal strengths. Often we overlook them. We do not count our blessings. Civilizational strength, strength of infrastructure – both social and physical – built by outstanding people over two generations, nurtured by men and women of the calibre of Prof.Kasturirangan. And many, many strengths which we don't often recognize while we are in India because we complain all the time. We have problems, we have difficulties, and so it is easy to think of what is wrong. It is so hard to remember what is right.

But leadership is not one of our strengths as a society. There are of course individual leaders of great excellence in various walks of life. But as a society, nurturing leadership is certainly not one of our strengths. That seems to me to be the case.

On the one hand, we do not treasure leadership. We only worship power, position. A person who is the scum of humanity suddenly acquires mythical proportions the moment she or he ascends to office. The moment that person is dragged down from that very position – and very often persons are dragged down – then we suddenly recognize that person is inconsequential. It is very uniquely

Indian to my mind. We recognize position and power – we are a power-centred society – but not leadership.

The second problem of leadership in India, in general, is that leadership is inextricably linked to communication. Communication is not merely facility of languages or the gift of the gab. Ideas, the potency of ideas, is the stuff of leadership. Marshalling those ideas, articulating them in a way that can conform to the experience of most people on a day-to-day basis, and finding answers, and reconciling the conflicting interests of various groups and communities in a vast and complex society. That is the stuff of leadership.

Unfortunately, particularly in the past 25 or 30 years, the art of true communication has dwindled in this country. People are far more capable today in terms of technological accomplishments and scientific knowledge. There is no question about that. But the ability to communicate in a creative way is certainly not our strong point. In fact, you and I have seen many parents who tell their children, “Why are you wasting your time studying language or studying the art of communication? If you do the same amount of work in math and science then you will go into engineering or medicine.”

Somehow there is an assumption that communication is actually a wasteful thing. When all societies really care for the future, the realm of ideas, the frontier areas of technology and social development, they recognize the need for communication. Not merely as language, not merely in terms of vocabulary, but in terms of both

generating and articulating powerful new ideas without which leadership is of no consequence at all.

The third problem, of course, is an ancient societal one – hierarchies. Leadership in this country has to be necessarily preordained on the basis of your date of birth, if not your birth in a particular family or community. And therefore, on the first day, when a civil servant, for instance, joins service, we can be reasonably certain that the following people are likely to be Cabinet Secretaries and the Chief Secretaries. What a ridiculous notion. What a disgraceful notion to the concept of leadership.

Nowhere in the world, in no self-respecting society, do you have a situation where your future 35 years later is more or less preordained on the basis of your date of birth. The assumption that almost anybody is the same as anybody else, the assumption that there are no unique qualities of leadership, the assumption that there is nothing that you can learn and acquire and mature into is a dangerous one, and a laughable one, if it wasn't so dangerous. Somehow, we harbour that notion and we see the disastrous consequences on a day-to-day basis in this country in a variety of walks of life.

Some wonderful human beings enter public service at a tender age with enormous power. Within 10-15 years, 90% of them become morons. Only India has that unique genius to convert very promising human beings into some of the most futile ones. My words may sound very harsh. These are not personal reflections. But our institutional

mechanisms are not geared towards building, nurturing, and developing leadership. We have to recognize that.

It is painful. But if we really want to be global players, meet the global challenges of the new era, then we have to recognize these problems as we celebrate our strengths. And very often, we are either complacent or cynical. Both are irrational responses.

Given that, let me try and offer a few reflections for whatever they are worth in three broad areas – government, business, and society. What are the possible contours we could look at? What are the opportunities and challenges for leadership in the coming years and decades in this country?

I am a great optimist. I am an incurable optimist. I believe that we live in the best of all possible worlds. I believe that things that are possible today would not have been dreamt of a generation ago. I remember some years ago visiting Britain. As many of you probably would have been housed if you went as a public servant, I was in St. James Court Hotel. I had a nice Lebanese chauffeur. He studied hotel management but could not find a job in his field and therefore he was a cab driver. And he was with me for that one week or so. There was no parking space at that hotel. He told me, “Wherever I am, I will be parked wherever it is convenient. Here is my mobile phone number. Please call me when you need me. I will be there in two or three minutes.”

I enjoyed the facility. But I was very envious. I thought, “When will we have a condition in my country when my chauffeur or plumber or a carpenter would have a mobile phone, when people can communicate with so much ease and so little expense?” little realizing that within the next decade that would actually happen.

And today most of our chauffeurs, our plumbers, our carpenters have that facility. It would not have been possible in earlier centuries. The power of technology, the power of knowledge, and the breakdown of the global barriers – the impact of these things, while we understand at one level, we have not yet internalised. How, with so little effort, and with so little expense, we can actually reach out now to millions of people instantly, so to speak, and shape their attitudes and sometimes even behaviours and build movements.

It is a unique privilege we enjoy because we live in this time and age. There are no problems which are really intractable any longer, except old age and death (and some people may say taxes). There are, of course, some incurable diseases, which some biologists would say are part of the normality of the aging process. There is nothing unique about that. We have to accept them just as we accept old age and death.

Otherwise, to my mind, we have now an opportunity, which certainly was never before available, which I am sure, will be surpassed in the future but not by a very wide margin. We probably have reached a reasonable level of

societal well-being which is well within our grasp globally. And India is no exception because we are certainly not Eritrea or Ethiopia or Somalia. We have civilizational strength despite our relative poverty. So, from that perspective, I would approach a few of these things.

The second reflection I would like to offer is that most problems, therefore, are amenable to simple, practical solutions. And, sometimes the solutions seem to be ridiculous. They seem to be small, but the outcomes are disproportionate. If you remember, about a century ago, mankind knew the problem of smallpox. Jenner, Louis Pasteur did phenomenal work on that. There was nothing spectacular subsequently in terms of understanding it or even developing a vaccine. We had the vaccine for decades. But ultimately, in 1974, suddenly smallpox was eradicated. What happened? Somebody inventing something very simple and something seemingly silly made a huge difference and that was the bi-forked needle.

I am sure many of you do remember, and I remember myself in childhood, getting a smallpox vaccine when they used to have a cylindrical needle. They used to insert it and then twist it. Therefore, the muscle was torn, there was lots of bleeding, pain, and infection, the vaccine did not work, and so people ran away. In villages, I remember, when the vaccination teams came, people ran in droves, children ran in droves. Then, if you remember, for a short time in between, they decided that this was not the way, this was not working well. So they tried by poking a needle several

times. My wife hates injections. When she was pregnant with our first child, I almost had to take her to the breaking point to push her to go to a doctor to get a blood test done. She hated injections that much.

Now, for somebody who hates injections – and many people do not like injections – to have several pokes, each one is a separate assault on your body, there is that fear. So that did not work either. Then, somebody came up with this bi-forked needle. It had two forks. Just one single parallel stroke puncturing the skin, but only subcutaneous, so that the vaccines actually works subcutaneously. The moment that was invented, within five or six years, small pox was eradicated globally. If you leverage your knowledge, the sum total of what is already available, if you add a little bit of value but in the right way, it has disproportionate consequences. That is the kind of age in which we are.

We do not have to do anything spectacularly new. We have to see where that leverage comes from. Sometimes the effort is seemingly simple, but the outcomes are remarkable. And we are lucky because this is the age where many things are possible. Many people have already done most of the work and we only have to do that extra bit. Suppose there is a huge boulder and you have to move it. An audacious young man, passionate but not particularly wise, will go and hit his head on the boulder. The boulder will not move, the head will break. Somebody who is less audacious, but not particularly wise, will go and try to lift it with his bare hands. The limbs will ache, he will perspire

and collapse eventually. But the person who knows the principle of levers, will go and pick a sturdy rod, take a small little pebble, use it as a fulcrum and use the rod as a lever. And with a minimal muscular energy, he will be able to lift the boulder.

In this time and this age, there is a greater opportunity to do that. Let us take the government. One way of looking at the government is that everybody in government is a scoundrel – politicians, bureaucrats, the judges – and that, therefore, all the rotten people in the country go into that endeavour. And all the good people remain behind. Many people believe that. In moments, even I believe and say that the best solution to India's problems is to go and bomb Delhi city. Hopefully, India will be quite all right. And that is what many countries believe. They hate their capital cities. There are many people who believe that the best government is one that is destroyed. You just wish away the government and everything will be okay. But the reality is the government is there. The reality is that without governments many things that are so vital cannot be done. And the reality is some very fine people are there in government just as there are very fine people in science and technology, and business, and professions. It cannot be our case that there is a self-selecting group of scoundrels that enter the government, and that there is another self-selecting group of saints which is outside of government. This is an absurd assumption.

Those in public office are victims of a vicious cycle. They are not villains. They are you and I. We could be there. We could be here. It is an accident of circumstances or a product of our proclivities. It cannot be taken as something inevitable. If that is the case, then is it morality that is distinguishing their behaviour or is it a set of incentives that compels them to behave in the way they do? If morality is the issue, you can never find an answer, you only become part of the problem, because whatever we say becomes descriptive and it can never have the power of solution.

From Gautama Buddha to Gandhi, many sages and saints talked about morality and quite rightly so. But I am afraid that did not change the morality of human beings. The world is run on institutions, run on incentives, run on creating a framework in which the right behaviour is rewarded and the wrong behaviour is punished. Long years ago, Gladstone said, "The purpose of government is to encourage good behaviour and to prevent bad behaviour." There is nothing more moral or grandiose about government process. If all of us are wonderful human beings, if all of us know how to reconcile individual greed with societal needs, then there is no need for law or state. There is no purpose for government at all. But because human beings are frail by definition and because the bulk of human beings respond to institutions and incentives, we have states and the government.

Therefore, this whole obsession in this country with morality and values, to my mind, is actually counterproductive beyond a point. It is necessary as a beacon, it is necessary as the goal, but the means have to be institutions in most of our real-life situations. Take political recruitment. In the past 25 or 30 years, we have created such conditions in our political systems, such disincentives for the right kind of people, and such huge incentives for the wrong kind of behaviour that we have only five or six channels of recruitment.

The first, of course, is hereditary. Prof. Radhakrishnan did not once in our whole conversation mention that he was Prof. C.V. Raman's son. After a few minutes of conversation, suddenly I remembered having read about him and things fell into place. When I asked him, even after that 45-minute conversation, he never said he was Raman's son. When I asked, "Are you related to Prof. Raman?" he only said, "That is not important. Yes, there is some relationship." Some relationship! He is his son. And a worthy son of a worthy father. But the norm in public life in this country is that about 40% of the people in elected public office are there because of their pedigree. Even the nine or ten new Members of Parliament, the young Members of Parliament, people we talk about, I am sure, they are all fine young men – all of them men, if I remember correctly – but none of them is there because of his qualities. Each of them is there because he is the son of so and so.

The second biggest source of recruitment in politics in the country is abnormal money power. Sometimes ill-gotten and occasionally honestly earned. But money power is the reason, not because the person is suitable for public office.

The third of course is caste leadership. The fourth is muscle power. I do not have to elaborate on it any further after the recent spate of murders in Allahabad, in Anantapur, and even in Tamil Nadu, I am told – Alladi Arun.

The fifth is accidents of fate. Circumstances propel some people mysteriously and miraculously to positions of high office. They are there and they don't even know why they are there. It could be a Deva Gowda who became Prime Minister. It could be a Dharam Singh who became Chief Minister – I don't think there could be one person here who voted for Dharam Singh as Chief Minister. It could be somebody else.

In all of India, in the past 25 to 30 years, I dare say we do not even have one politician, not even 50 legislators in the country today, who entered public office and politics with competence, commitment, and integrity, with a passion for public service, and could survive for any length of time because of those qualities. If the political recruitment is so rotten, how can leadership emerge?

It has to be necessarily a foisted one. It has to be a positional one. It cannot be a natural leadership in a society. It cannot be a problem-solving leadership. There are ways of addressing this problem once we start understanding the

problem, instead of looking at it as demons and angels. If you understand the nature of the problem of allowing leadership to rise, then we can find solutions. I do not want to go into that detailed analysis of solutions now.

But there is a problem we have to respect and recognize. Everybody is a victim of that vicious cycle. There is no point blaming politicians. And to pretend that politics does not matter is irrational. Politics is perhaps the noblest of all endeavours because politics is about reconciling the limited resources with unlimited wants. Only in that boring place called heaven do we have a situation where there are unlimited resources and limited wants. That is why it is not worth going there. Where is the challenge? Where is the opportunity? It is tedious. In real life, we always have limited resources – time and money and other material resources – and unlimited wants. How do we reconcile these two? How do we prioritise? It is a great challenge politicians meet day in and day out.

And the second is reconciling seemingly irreconcilable conflicts among various groups in society, particularly in a very diverse and complex society like ours. How do you satisfy both the dalits and the non-dalits when you talk about reservations? How do you satisfy the Leftists and the Rightists when you talk about economic liberalization?

You can go on and on, multiplying those questions in real life. It is one of the most difficult tasks to somehow create conditions in which social harmony can prevail even as conditions for growth are fostered. Politicians grapple

with these problems on a day-to-day basis. Yes, we do criticize and complain. But when the hard questions come, we take the easy option. They are the ones who have to take the decisions and pay the price. It is not easy.

There is no substitute for politics. We have to make sure that the best enter the political process. Dr. Manmohan Singh, irrespective of his political affiliations, is one of the most desirable politicians in India, and I think there is not one amongst us who is not happy that he, instead of somebody else, is the Prime Minister of this country. He went to South Delhi, India's richest and most sophisticated constituency, and India's most literate constituency and a relatively small constituency, in 1999 and lost hands down, and had to go to distant Assam to become a Member of Parliament by a false declaration of residence (his official residence is declared as c/o Chief Minister of Assam) to be in the Rajya Sabha. And that is how, luckily for us, he is available to be Prime Minister of India.

If this is despite his broad acceptance across the country, and if a Pappu Yadav or a Paritala Ravi or an umpteen number of other people win hands down, then there is something deeply wrong with the way we recruit people into politics. There is something wrong with the way we define the goal posts.

A very distinguished professor who wrote a remarkable book on choice theory, Kenneth Arrow, said, "You tell me who should win. I will design a system to make him win." Then he set out to prove that. "It doesn't

matter how much popularity that person enjoys. You just tell me who should win and I will make sure that person wins.” And it is more or less true. Absolutely fair and in a mathematical manner.

The kind of goal posts that we set determines success as leadership. And once leadership is imparted on some people who do not have the qualities of leadership, then the society pays a heavy price. In other words, the answers are systemic. It is not because Indian people are stupid or irrational. In fact, if you look at the electoral process in this country and if we are honest to ourselves, on the whole, in most elections, we would have roughly voted the same way as most people have voted. We pretend that we are different. We pretend that ‘they’ are voting and therefore things are bad. It is not true.

Given the compulsions of the circumstances, given the choice on offer, on the whole, our verdicts would not have been radically different from the people. Any number of empirical studies have conclusively established this. So there is no point in believing that the masses out there are the cause of our problems. They are actually a consequence of our problems, consequence of the problems we create and we never solve, those of us in leadership, foisted.

Let us take a few sectors, for instance, apart from the issue of political recruitment. Let us take, for instance, some mechanisms. There are 47 countries in the world which have any length of democratic history after the Second World War. There are many countries which claim

that they are democracies. As you all know, if a country calls itself a People's Democratic Republic it is neither the people's, nor democratic, nor a republic. But there are 47 true democracies. 37 of them have a system other than ours. Only 10 countries, all of them Britain and its former colonies, have our kind of electoral system and yet that is the only system that all of us can think of as natural. There is no other system for us. Amazingly, two of the former British colonies, New Zealand and Australia, have given up that system. New Zealand has proportional representation. Australia has a very sophisticated system called 'alternative voting system' which very few countries have adopted.

And, wonder of all wonders, Britain itself is changing. In Britain, the European parliament election is held on a proportional representation basis and not the current election system that we have in India, and for the House of Commons in Britain, namely the First-Past-The-Post system instead of proportional representation. In Britain, Tony Blair has created regional parliaments in Scotland, Wales, and Northern Ireland. In all these regional parliaments, the election is by proportional representation. In Britain, the Mayor of London is elected directly by the people. The country with the First-Past-The-Post system and indirect democracy and parliamentary democracy has the Mayor of London, representing 20% of the people of the country, elected directly. In the last election, Livingston was opposed tooth and nail by Tony Blair. But the people said 'boo' to Tony Blair and voted Livingston to office, and

Blair had to live with him. And Livingston is giving a pretty good account of himself as Mayor of London city. As Macaulay said long back, we Indians are the last living Englishmen. We are sticking to the system that the British have actually rejected, increasingly. Much of the world has rejected this system. We then try and find answers within this disgraceful situation. Then we wonder why there are so many criminals in politics.

I watch sometimes, with great interest, a number of television debates and I read a number of columns in the newspapers. I find we say the same thing over and over again. There is not one effort to find a solution. It is a description of problems. We have mastered the art of self-flagellation instead of finding answers to real problems in real life. And there are plenty of answers if we keep our eyes and ears open.

Take the case of health care. We have one of the most disgraceful institutions in the world. Indian public health expenditure is 17% of the total health expenditure of the people of this country. 83% is spent out of pocket, mostly by the poor. Now we rank with four countries – Cambodia, Burma, Afghanistan, and the Republic of Georgia – all these four countries are at the nadir, at the bottom of the pile. These are countries that have suffered civil war conditions for about 25 to 30 years, they are countries without organized governments or civilized conditions. And India, sadly, is at that level. The only four countries comparable to India are these.

And there are answers. We have a unique opportunity to create something like a national health service which was a lifetime passion and, in 1946, in war-torn Britain, an accomplishment of Attlee's and still an enduring institution, no government dare touch it. It provides access to reasonable quality health care to every single citizen, irrespective of the circumstances of birth. That is the least we can expect in this time and age. We can create something similar at a remarkably low cost. We are lucky because we have the basic institutional strengths. We have the human resources. There are many flaws but we can easily correct them if we mean business. We can create institutional mechanisms. Let me give an example of how to run hospitals in a different way.

I had an opportunity to visit China some months ago. They told me they were privatising hospitals. That sounded very strange to me. We have heard of privatising many things but privatising hospitals? How would they do it? I asked them. For every citizen in China they raise 30 Yuan per annum, one-third from the central government in Beijing, one-third from the local government, and one-third as tax on every single individual at the local level. The money is pooled in a local health fund and the people have the choice of going to any one of the 20 or 30 hospitals in the county – public hospitals, but people have a choice to go to any one, it is an entitlement now. The hospitals do not get any budget, apart from that for building the hospital. Money follows the patient. You have to attract the patients

and provide services on a standard cost and standard services basis. Money is reimbursed from this health fund at the county level. Incentives are dramatically altered. The people have a voice because they pay. It may be a small amount but they can say, "I paid, why don't I get service?" And paid at the local level, not to some distant, central government. People have choice, and therefore, they can vote with their feet.

Also, in any system, there are good people and bad people. Earlier, if ten fellows are good in the hospital and five fellows are bad, the good did not have enough of an incentive to fight the bad fellows because of peer pressure and lots of delicacies. But now all the 15 are not going to get their wages and the budget without the hospital functioning well. It is almost like a private sector situation. So the ten good ones are now going to discipline the five bad ones. And where a hospital is failing abysmally to collect the cost of service or maintenance, they are saying, "You are unfit. Therefore, we are privatising this institution. Get lost."

Now we do not have to go up to privatisation. China is way ahead of us in some respects. But here is a beautiful model which is locally accountable, which dramatically alters the incentives, provides choice and gives voice to people. Hospitals can be dramatically transformed. How many of us ever dared to go to a government hospital in recent years? Even those of us who are Health Secretaries or Directors General of Health Services? Our idea of

improving the health system is building five more All India Institute of Medical Sciences-like institutions so that our children are okay. What kind of health system is this?

There are answers. Leadership is about identifying those answers, leveraging our strengths, and dramatically transforming the situation in the shortest possible time, because, as I have said before, we have an opportunity that beckons us as never before.

Take a simple case of our justice system. Our judiciary is in shambles. We are all being very polite, partly because we do not want to destroy the one remaining institution with some semblance of authority and some credibility and some myths around it. Partly because some of us are afraid of the contempt of court law. But the reality is, the judiciary is as appalling as other institutions of state are in this country. Let me give two illustrations of what is possible.

Look at the corruption in the judiciary, the 'C' word which we usually do not utter with respect to the judiciary. In the state of Maharashtra, 150 judges were removed by a proactive high court, i.e. 20% of all the trial judges in the state, on grounds of corruption over the past 3-4 years. This happened in our country. If this happened in some of the countries like Germany, the large European countries, the whole world would have been talking about it. There would have been umpteen number of case studies and books and compendiums. In a state larger than Germany, judiciary was cleaned up. Two other states followed suit – Rajasthan

and West Bengal – and that is it. In other states, one did not even hear a murmur of it. I am sure that to most of you what I have said is absolute news. I am sure that to most Mumbaikars it is absolute news. Human beings have the unique privilege of learning from other's experience. We are different from animals not only because we communicate and share our experiences, but because we learn from that and we go to the next step. Therefore, we are forever taller than our predecessors. Not because we are greater but because we stand on their shoulders. But somehow, in India we seem to believe that human beings are merely in physical form. It has nothing to do with evolution of ideas and institutions. It is always one step forward and two steps backward. We want to reinvent the wheel all the time and rediscover the fire.

Let me give a second example in the judiciary. You take Britain. There is a 700-year old institution called Justices of the Peace, JP's. There are 35,000 of them in Britain. They outrank the members of Parliament. They are the first courts, so to speak, the ones which take cognizance of cases. Over 95% of criminal cases are heard in these courts, often staffed by lay magistrates. They are small courts, with simple procedures, and they deliver justice in a very short span of time. In the United States, every year, 100 million cases are tried and solved in the so-called 'people's courts'. What is the number of pending cases in India? 25 million cases. We call it a monumental problem which cannot be addressed in the next 230 years according

to our calculations. The problem is not the pending cases; the problem is the missing cases.

Nobody in India dares to go to a court of law unless there is an incentive to go to court, maybe to postpone decision in the form of a stay order or if you want to harass someone. Otherwise, if a friend comes to you with a complaint, you would say, "Look, as a good friend, I would tell you, don't go to court." In Telangana, we have a proverb – If you have the misfortune of going to a civil court and if you have the good fortune of getting a verdict delivered during your lifetime, you must be lucky. If you lose the case, you lament in public in the court. If you win the case, you come back home, shut the door and cry in private. It is a tragedy for both.

There is a marked demand for criminals in our society because justice is so inaccessible. People have to invent criminals in order to get rough and ready justice through devious means. Or else, they have to swallow injustice and suffer silently. The reason why they are legitimised and seen as Robin hoods by many people, whereas you and I look at them as villains, is that they perform a function. They are actually a privatised justice system. For a price, of course. And from there, they are graduating into politics. This is not difficult at all. And does justice cost money? All it takes to build a quality justice system, accessible to ordinary people for the small cases – and that is what matters, that is what creates a culture of law, a rule of law – is something like Rs.500 to 600 crores a year and you can

recover multiples of that in court fees. You can provide justice in the people's language, in a short span of time, 60-90 days, with people-friendly procedures, and yet, today if you and I go to court, we are completely overwhelmed. We are frightened by the whole judicial process.

There are elegant answers. We need leadership in a variety of fields. Education, of course, is a fantastic field. My friend Umesh who is sitting here is deeply committed to that. There is school education – it is not merely a question of brick and mortar, or more teachers, or more money. The collapse of school education has undermined higher education dramatically. The failure of higher education has now hurt the school education very badly. Even if you have everything else you do not have quality teachers. We have people with degrees, we have people with teacher training certificates and B.Ed's and M.Ed's and all sorts of things. But they cannot teach.

Prof.Kasturirangan will immediately relate to this. I talked to a youngster, a lady who did her M.Sc.Chemistry First Class. She was First Class throughout her career – and was intending to be a chemistry teacher where my son was studying. Therefore, I had a private, vested interest. I asked her a simple question. I gave her the volume of a gas. I gave her the temperatures and pressure, and asked her to give me the number of molecules in it. There are two or three principles involved. Conversion to STP, 22.4 litres, gram molecular weight, Avogadro's law, Avogadro's number. Each of them is known to her. The definitions are

known to her. She knows each of them perfectly. The poor girl got a First Class because the system said this is the way to get a First Class. But she didn't know the way to solve the problem. She didn't know how to integrate, how to apply this knowledge to solve the problem. I do not blame her at all. She is now the teacher for my child and I create another moron in this country in the form of my child. The answers are very clear, very simple.

19 percent of the Indian students going abroad today are undergraduates. Earlier, it used to be 4 percent, now 19 percent. I have a suspicion if we continue like this, it will grow to be 30 or 40 percent. We have a wide university infrastructure. We have a civilizational ethos. We have kids who are ambitious and working hard. We have parents who are willing to spend any amount of money to get a decent education for their kids. We are not Ethiopia. We are not sub-Saharan Africa. We are India and yet we don't give even a modicum of education to the bulk of our kids at various levels.

I remember talking to a professor some days ago. He told me that he had served in a country called Eritrea, a small country of three million people which suffered the ravages of civil war, with Ethiopia in the horn of Africa. Just three million people, smaller than a district in India. I said, "How was that experience?" He served in a university there for two years. He said, "You know, it is unbelievable, something I cannot even explain to you." I said, "Is it so rotten there?" because, after all, we are from the civilized

Asia and India and that is the dark continent of Africa, so I assumed it must be rotten there. He said, "No, it is so wonderful there." The University of Eritrea is superior to most universities in India. Why? It is not a function of money. It is a function of institutional practices to create incentives for better outcomes. And we have it in us. If we mean business today, in a few years time we can dramatically transform our universities. Yes, we have a small upper crust, because of genetic endowments, because of the atmosphere created by the parents, and because of some outstanding teachers. We have that one or two percent which is a match for the best in the world. We have great institutions including the one in which we now are – the Indian Institute of Science. We have, of course, IIT's and IIM's. But the average university degree holder in this country – let us be absolutely blunt about it – she or he does not hold a candle before an average university graduate in most of the civilized countries. And we can do a hell of a lot more.

This is something we have created. We have induced it. We allowed this decline because of lack of leadership. Why? How are the Vice-chancellors chosen? It is an incredibly incestuous practice. The fellow is an undergraduate there, a postgraduate there, then the research scholar there, then a Reader, then a professor, head of the department, and Vice-chancellor. All in that one wretched university, never knowing more than that three-square kilometre area. And you call it a university. You see any

international university. A university in New Zealand was, the other day, advertising for a President of the university globally, in a magazine. They are saying, somebody of vision, depth, and understanding, and a sense of the future – we welcome that person. Colour, age, continent, gender – nothing is a bar. This is what we should do.

Vice-chancellors are now available for the community. Reserved for the specific community. That is for that region, this is for this community. What a disgrace! We have answers, plenty of answers. Let me spend a few minutes on business and society and I will conclude.

We are lucky that some of the malaises, some of the deep problems that afflict our government sectors are not affecting our businesses. Competition brings out the best in people. Because we are fostering competition at last, some of them are actually maturing, but we have to do a lot more in business too. If we do not recognize wealth creation as a noble pursuit, then we have a problem in the long term. The socialist mindset that we have inherited, which believes that all money is sin, no matter how it is earned, is a dangerous one. But more important, the importance given to money itself without wealth creation, unearned wealth, is an extraordinarily dangerous one. A few years ago, I was talking to an IIM graduate from Ahmedabad. I asked him, “What are you doing?” This was when the stock market was booming. He said, “Sir, I’m doing day trading. I spend two hours at the computer, make a lot of money and come and swim in the evening.” I asked him, “Aren’t you

ashamed? What a shame. You went to IIM-Ahmedabad and now you are spending your time on speculations. You are in the business of wealth creation but what you do is speculation, a lottery. Is that what you do?" He said, "No, no, I make money. I'm quite happy. I can't make this much money as a manager."

The joy of wealth creation is not understood. If what you do does not fulfil the needs of the community in the form of creation of goods and services that is so vitally necessary, that life is not worth living and that business is a sham. The idea of ethics in business is not merely about morality. It is about practicality. If each of us somehow does everything possible to hoodwink everybody else, it doesn't require a mathematical genius to tell us that everybody's good is neutralized. Shoddy goods, overpriced goods, bribes distorting the market, competition distorted. They hurt everyone ultimately. Luckily, as I said, much of the business world understands this lesson. But I think there is still a significant section which has no understanding of what true business is about. We require true leadership, visionary leadership which can go beyond the immediate, which can look at India and the business and their own enterprises.

One last word about our society. I am very proud to be an Indian. I do not share or subscribe to the notion that we are somehow the dregs of humanity. I do not believe that at all. I believe that we are a proud civilization with 5000 years of continuing civilization, an unbroken chain, with a

remarkable vitality. Family is a noble institution and an ennobling institution and a stabilizing institution for all of us. We are a relatively happy society, considering our circumstances. But we have three problems. We have no sense of equality. We accept inequality by birth as a natural condition of human life. There is no moral outrage at this inequality. It is not an issue of morality. We cannot live in a modern democracy, in a market society, without respecting labour, and human beings for what they are.

The second – lack of trust. A distinguished freedom fighter once told me about the police. He said, “These are like *ardhananarishwaras*. They are all wives to those above and husbands to those below.” Of course, the assumption – not mine but the analogy’s – being that the wife is always inferior. The point is, it is not about the police. It is a quintessential Indian institution. The trust that is so much required in dealing with people and the trust across groups, for instance. In a caste or religious group, it is there. But across groups, it breaks down. We cannot afford that because it ultimately undermines all of us. We require leadership to build bridges and institutions for trust.

Finally, a sense of common fate. Malcolm Adiseshaiah once expressed this eloquently in his autobiography. He came from a very orthodox family and his mother was a widow. Every morning, as was, and still is the practice in south India in the villages, she wore white clothes and used to take cold-water baths even in winter. After that, with the wet clothes, she would take a broom and painstakingly

sweep every room of every speck of dust. With arthritic limbs, with a body that was not very flexible, she would endure a lot of difficulty and then do that. After that she would walk across the lobby and go to the verandah, climb down the steps, walk across the yard, and dump all this rubbish very carefully in the neighbour's backyard. Every single morning.

It is not Adisheshaiah's mother. It is a quintessential Indian practice. A lack of recognition that injustice anywhere will affect us in some form or another everywhere, There is no escape from that. What you give comes back. There is no choice and that is why we have spotlessly clean homes and filthy streets, little recognizing that what we have created for our families cannot insulate them from the mosquitoes or the pockmarked roads breaking our backs, or the pollution affecting our lungs or the traffic that completely makes us crazy. The sense of common fate is missing. But again, if we understand the problem, we can address it, we can build incentives and institutions to change that. People want something nice. Human beings on the whole respond to incentives and institutions.

Leadership is about creating those, identifying the solutions institutionally and finding those things that work in the circumstances in which we are placed. We are not doing too badly despite all these impediments. We are a country next only to China, with a major economy, with 6-7% growth rate among major economies of the world. But

you and I know we could do much more. More important, I think, we must recognize that we can do much more with so little effort if we only know how to do it, how to leverage our strengths. And that is what leadership is all about.

Let me conclude with what Golda Meir often used to say. "If I am not for myself, then who is?" What we require are not some notions of sacrifice and patriotism, but practical patriotism. If I am not for myself, then who is? If I am for myself only, then what am I? If not now, when? As I said, there is nothing original that I wanted to say. But it is time we looked at what we know and we see everyday, make some sense out of it and lead it to a solution, rather than becoming part of the problem. And in today's India, if we are not a part of the solution, we surely are a part of the problem. And discussion of the problem is one of the problems.

What we require is engagement to solve the problem, to find answers. There will surely be new problems for the next generation. That is their problem, they will solve that. We need to solve these problems for them. Today. Now. Here.

Jayaprakash Narayan

Dr Jayaprakash Narayanan is a physician by training, a public servant by choice, and a democrat by conviction. He joined the Indian Administrative Service in 1980 in the aftermath of Emergency and the failure of the Janata Experiment. During his nearly 17 years of distinguished public service in s capacities, he acquired a formidable reputation in the State of Andhra Pradesh. Rehabilitation of 8000 youth from displaced families of Visakahapatnam Steel Plant, creation of a record 2,00,000 of irrigation through people's participation, designing the reconstruction



of drainage and irrigation network in Krishna and Godavari deltas, strengthening the credit cooperatives and making them independent of government control, and several major policy initiatives including empowerment of parents in schools, speedy justice through rural courts, economic reform and restructuring of Andhra Pradesh, developing the Infocity in Hyderabad, and empowerment of local governments and stake holders are among his outstanding accomplishments in Andhra Pradesh. Among other things, he served as Secretary to both Governor and Chief Minister. Dr. Narayan's experience in government fully convinced him that what India needs to day is not merely periodic change of players, but a fundamental change in the rules of the game. In order to translate his vision into practical reality, he resigned from the Indian Administration Service (IAS) from the post of Secretary to the government in 1996, and worked with like-minded colleagues for the formation of Lok Satta and is currently its National Coordinator. For more details see www.loksatta.org



Jayaprakash Narayan

National Coordinator, LOK SATTAA

401/408 Nirmal Towers

Dwarakapuri Colony

Punjagutta

Hyderabad - 500 082

Tel: 91-40-23350778/23350790

Fax: 91-40-23350783

E-mail: loksatta@satyam.net.in

URL: www.loksatta.org

'Excellence in Leadership' Lecture series will bring to you lectures delivered by eminent speakers for the participants of the NIAS Course for Senior Executives. NIAS conducts an annual week long Course entitled 'Excellence in Leadership' that offers an integrated understanding of a wide variety of issues such as governance, management, leadership and Indian culture. The Course is intended to provide the overview that leaders of today and tomorrow will need to possess. The participants of the Course get to interact with some of the most important leaders and decision-makers in the country.

The National Institute of Advanced Studies was conceived and started by the late Shri J. R. D. Tata. Shri Tata was desirous of starting an Institute which would not only conduct high quality research in interdisciplinary areas but also serve as a medium which would bring together administrators in the government and private sector with members of the academic community. He believed that such an interaction could be of great help to executives in their decision making capabilities.

NIAS is situated in the picturesque Indian Institute of Science Campus in Bangalore. Its faculty is drawn from different fields representing various disciplines in the natural and social sciences. The Institute carries out interdisciplinary research and is unique in its integrated approach to the study of the interfaces between science and technology and societal issues.

Dr. M. S. Swaminathan is the Chairman of the Council of Management of the Institute. Dr. Raja Ramanna was the Director since its inception till his retirement on July 31, 1997. Prof. R. Narasimha was the Director from 1997 to March 2004. Dr. K. Kasturirangan, (Member of Parliament, Rajya Sabha), former Chairman, ISRO, is currently the Director of the Institute.