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The Mandarin

An Initiative Towards Better Governance

A close-up photograph of several wooden chess pieces on a chessboard. The pieces are made of light-colored wood and are arranged in a way that suggests a game in progress. The background is a soft, out-of-focus green.

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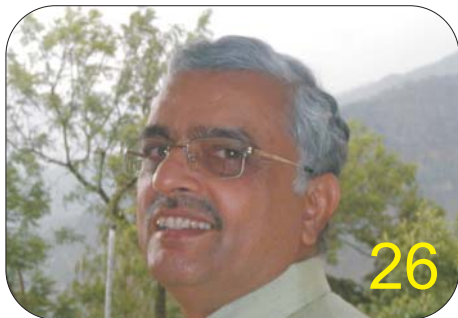
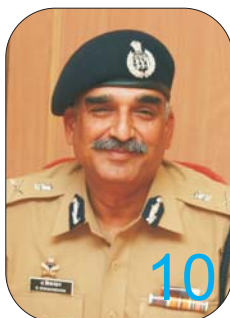
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Founder Chairman
Late Shri R.K. Prasad

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The art of governing consists simply of being honest, exercising common sense, following principle, and doing what is right and just.

- Thomas Jefferson



Dear Friends,

Greetings and welcome to the inaugural issue of **The Mandarin**.

The Mandarin, as the magazine's masthead declares, is an initiative towards good governance. You are aware that the word, Mandarin, by definition, refers to a high-profile government official belonging to an elite group - in this case, the civil services. These encompass the Indian Administrative Service (IAS), the Indian Police Service and various allied services, all of which are dedicated totally to good governance in a welfare state, where the government, aided by personnel from these services works for the economic and social well-being of its people and their protection. In order to achieve this ambitious and broader objective, the Parliament enacts legislative measures. In practice, these initiatives are implemented by the civil servants, whose pre-Independence predecessor, the Indian Civil Service (ICS), was described as the Steel Frame that supported and held the British Raj together. Today's civil servants in the public administration carry out more or less, a similar task.

In essence, in post-Independent India, the civil servants, right from the top echelon IAS, IPS and other cadres down to their last links in revenue collection and law enforcement at the village level, play a key role in implementing various policies of both the Central and state governments and their developmental programmes across the country. Thus, the civil servants at all levels are bound by their duty to ensure that the fruits of development are spread equitably among all sections of society, including the poorest of the poor, as envisioned by Mahatma Gandhi.

In the last two decades, India has posted an unprecedented economic growth, spurred by far-reaching reforms initiated through political will and implemented by a bureaucracy that has kept pace with changing times. Today, India is a trillion dollar economy with a sustained annual GDP growth of around eight percent. Scores of its corporate entities have successfully braced global competition to emerge as winners. The country is an economic giant commanding respect in the comity of nations. Despite a paradigm shift in India's fortunes, many of its social commitments remain unfulfilled. There are millions spread across this vast and diverse country who have no access to basic health, nutrition, education, and employment. It is a gigantic task and challenge for the government to fulfill the needs of these masses. The task can be equally daunting for the vast network of civil servants in public administration, who, besides being dedicated to their avowed mission, need to be tactful, innovative and more importantly, humane, since they are the link between the government and the people at every level.

Broadly, **The Mandarin's** mission is to provide a platform for the civil servants to share with each other, the nuances of governance, their experience in various capacities both as advisors helping the government in framing its policies and facilitators in their implementation. In the eyes of the common

people, the civil servants hold a position of power that can help alter their lives for the better and which can bring them closer to the public.

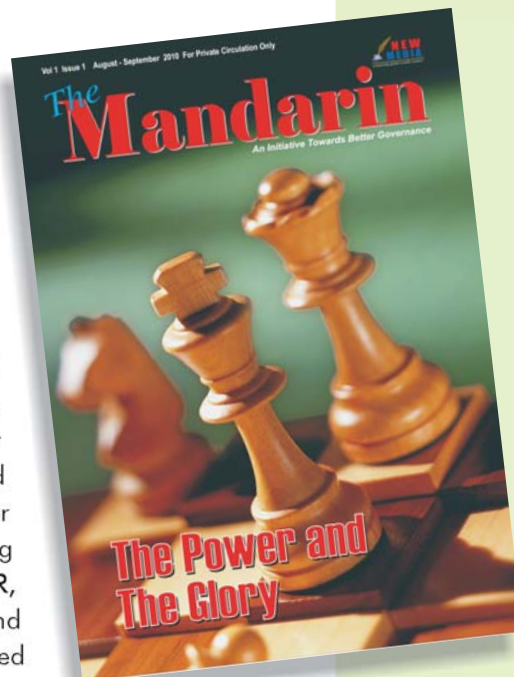
The Mandarin's endeavour is to create a forum for exchange of views, ideas, dialogue, interviews and success stories culled from among a vast spectrum of administrators, which we hope, will provide helpful tips to the Art of Good Governance.

The inaugural issue of **The Mandarin** offers a rich and varied fare. We have Chhatisgarh Chief Minister Raman Singh talking about the challenges of harnessing water for drinking, irrigation and power generation in a landlocked state such as his. There is an insightful interview of Director General of Maharashtra Police D. Sivanandhan on tackling terrorism, published originally in the **Mumbai PROTECTOR**, soon after he took over as Mumbai Police Commissioner and months before his elevation to the present post. Renowned journalist and author M.J. Akbar, talks about the ideological underpinning of 'Jihadi' terrorism. Then we have O.P. Rawat, Additional Chief Secretary, Department of Narmada Valley Development, Madhya Pradesh, sharing an insight into the successful implementation of The Scheduled Tribes and Other Traditional Forest Dwellers Act, 2006, for which he received the Prime Minister's Award for Excellence in Public Administration. On the global economic front, we have the Chief Economist of the World Bank, Dr Justin Yifu Lin, providing an in-depth analysis of the Global Recession. The Secretary General of UNCTAD, Dr. Supachai Panitchpakdi, who then takes it forward and talks about what lies ahead of us in the post-recessionary world. We also have an overview of two important infrastructure sectors of the economy: power and water. We have interviews with Mrs. Chandra Iyengar, Additional Chief Secretary of Maharashtra and Dr. G.D. Gautama, Power Secretary, West Bengal, who talk about their experiences in public administration. There is a section called Assignment, which is a comprehensive list of transfers and promotions of civil servants both at the Centre and the states. Apart from these, we have interesting stories on a newly developed solar energy water filter, a man who makes glaciers, and a look at some new books on India.

We hope you will enjoy reading the maiden issue of **The Mandarin**. Your feedback will be much appreciated.

Warm regards,

Anil K. Sinha,
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editorial

Dear Reader,

Greetings from **The Mandarin**.

There is little doubt that civil servants are the most important players in the country's development. And yet, there is no magazine that serves as a platform for the coming together and sharing of ideas and experiences among fellow administrators. Isn't that such a shame? Well, that's what we at New Media thought. And we simply had to do something about it. The outcome of the endeavour is what you're holding in your hands now: the inaugural issue of The Mandarin.

First and foremost, this magazine is a celebration of, and a salute to, the greatness of civil servants, who often toil away in the background, letting their work speak for itself. But of course, there is a greater purpose to it, too. We think that a magazine that brings together administrators can help to inspire and encourage one another. After all, India is a huge country, and officials of the government are present in every corner of it. Often, you may be aware of fellow officials in your own service, or of officials within the district or state; but it is next to impossible to be aware of all the civil servants who are excelling in their work across the length and breadth of the country. The Mandarin hopes to be able to bring interviews of such exemplary administrators from all over; it hopes to be able to bring reports of schemes and projects implemented efficiently and innovatively from every part of this subcontinent; and it hopes to be able to get administrators to talk about their modus operandi and share with each other their ideas, their experiences, their wisdom.

In truth, we had been toying with the idea of bringing out The Mandarin for a while now. New Media may be India's largest bilateral trade publishing house (we bring out 17 magazines and have several websites), but it is also deeply interested in the concept of good governance and brings out a number of community magazines for greater public-private partnership. For instance, we bring out The Mumbai Protector that serves to forge greater ties between the Mumbai Police and the people of the city. We felt an initiative like this was vital in Mumbai, specially in the aftermath of the terrorist attacks. And the success of The Mumbai Protector led to the launch of The Kolkata Protector, which has also been equally well received. It is in this spirit of creating good governance and greater public-private partnership that The Mandarin has been launched.

I wish you happy reading!

Satya Swaroop

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'I am a 24-hour Civil servant'



As the Principal Secretary, Department of IT, West Bengal, Dr. G.D. Gautama was the man responsible for turning the state into a major IT hub. Starting from scratch, he was able to convince all the major IT companies, including TCS, Wipro, Cognizant and HSBC, to set up operations in the state. It was also during his tenure that e-governance in the state really took off. When he took over as Chairman, the State Electricity Board was incurring an annual loss of 900 crores. Within three years, he brought down the losses of the Board to 65 crores, which became a case study for the whole country. Dr. Gautama is clearly a man of action. In an interview with Subhajit Bhattacharya, he talks about the responsibilities of a civil servant, the energy scenario in the state and the country, and the tasks before him.

What led you to choose this career?

From my student days I was always very focused on my studies. I completed my M.Sc in Applied Physics. Then I started research work in IIT Delhi. It was during my research days that I realized that as a citizen of India, I have a bigger role to play which I can do by joining the government machinery. So I opted for the Civil Services. I felt that as a civil servant, I would get a chance to come closer to people and contribute more for the development of society.

What kind of challenges did you face when you became an IAS officer?

As I told you, my decision to join the IAS was not pre-planned. I was doing my research, and I was actually planning to go to the academic field. The training days in the IAS were quite interesting.

After the training I got my first posting as a sub-divisional officer in the state of West Bengal. In my first posting I handled issues such as development and law and order. I had to manage grim situations, as flood and drought relief. The most important thing in these matters is your attitude towards the people and more importantly how you handle them. You have to try and keep the people's faith in the government machinery. We know that every day the common people face a lot of problems and harassment at different government offices. I tried my best to understand and resolve the problems of the people. Our biggest challenge today is to make a system that is responsive. The government is for the people and we are working for the development of society. We should try to minimize the problems faced by the people in the government machinery, such as corruption,

system deficiencies and delays.

How do you relate to the fact, "With great powers come great responsibilities?"

I have a different view on this quote. The responsibility comes from the core of your heart. As a civil servant, you have a mandate to deliver on the ground. I think that your sense of responsibility depends on your commitment to perform; on your urge to do something good for the common man. I would like to say this again: we are here for the people and we should provide comfort to the people by delivering the best service to them.

Civil Servants work as a bridge between the Public and the Government. How challenging is this?

Civil Servants are a part of the Government. Our mandate is the same as that of a Minister. We are

here to render services to the people. The important thing is how effectively we are delivering these services to the masses. I am a 24-hour civil servant. The day I joined the job, my motto has been to serve the people.

As the Power Secretary of West Bengal, what are the tasks before you?

Power is the most fundamental need of any society and the economic development of the country is intricately linked with the availability of power. In our country, we are still faced with power shortages. We do not have enough generation capacity. We desperately need to set up more power plants. Coal-fed power plants are becoming a subject of debate because of global warming and environmental issues. Hydroelectric projects are getting delayed because of various

challenges including rehabilitation issues. Distribution losses are very high in our country and we have to try and eliminate them, partly through technological and technical interventions. We need to be more stringent and watchful on this matter. Ultimately because of these losses, power cannot be made available to the common man. Besides the financial viability of the power sector is adversely affected which in turn impedes the growth of the sector. Consumers should not bear the burden of inefficiency and corruption. The main challenge in front of the distribution company is to bring down distribution losses and quality service to the consumers.

How far do you think privatization of the power sector has helped?

The private sector has actually increased the service level in this

sector. Power requirement in this country is huge. We are facing a huge challenge in meeting this requirement because of lack of resources. So to face this challenge, both the private and government sectors have to move together.

Many parts of India are still powerless. What are the specific steps that the central or state governments are taking to overcome this challenge?

The per capita consumption of electricity in India as compared to the U.S and China is very small. There is a scheme of the Government of India that talks of Power for All by March 2012. I am very happy to tell you that all the states are actively working towards achieving this goal. Including the state of West Bengal. This would include setting up of more power plants and reaching power to the



far-flung areas.

The concept of alternative energy has not really worked or taken off in India. What are the reasons behind this?

It is not true that the concept of alternative energy has not taken off. There are however huge challenges in this sector. Take the case of solar power. The generation cost per megawatt is Rs. 18 crores. Whereas in the case of a coal-powered thermal plant, the generation cost is only Rs. 4.5 crores. Research and development and economies of scale will bring down costs in the long term. Today, the option of alternative energy is costly but over a period of time the cost will come down.

Do you think that nuclear energy will be an option for the future

As I was saying, we are going through a challenging situation.

So we have to look at all sources of energy and we have to utilize them for the well being of mankind. Nuclear energy is one of them. In India we have huge deposits of thorium. There are immense possibilities for the use of thorium for nuclear energy production.

Any memorable event?

When I brought down the losses in the Electricity Board from Rs. 900 crores per year to Rs. 65 crores per year within a time span of three years. I had a conviction, in a monopoly business you cannot make a loss until you are thoroughly inefficient and thoroughly corrupt.

Who have been the inspirations in your life?

I am greatly inspired by children who I feel are simple and pure. We need to work for the development of society and spend a lot of time in developing values around

children. They are our assets and we owe a lot to them. In this modern age, with the advent of technology around cell phones and internet, certain pitfalls are also noticed; we need to guard against these and make sure that children do not fall prey to these addictions, and that they only take advantage of the good parts around technology.

What kind of books do you read? Which are your favourite ones?

I read books which are inspirational. My favourite author is Munshi Premchand and the likes. I also read books on technology and e-governance to update myself on the latest.

What are your hobbies?

I play cricket and write on it as well. I represented my university.

What about your favourite holiday destination?

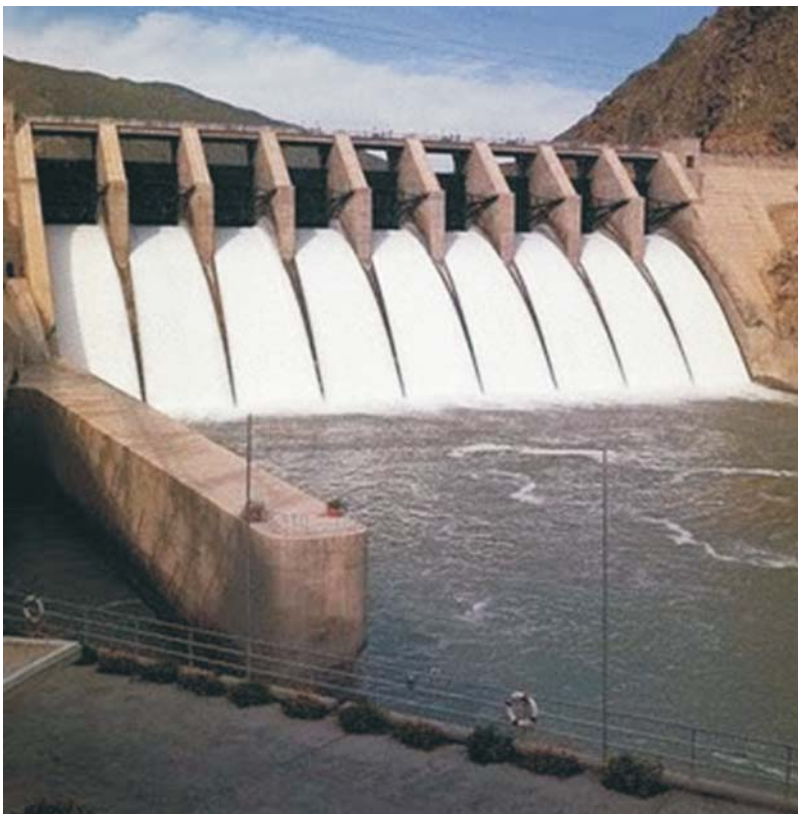
That's a tough one, because I have not taken any holidays in a long time. Though I would love to go to Rajasthan.

And your favourite movies?

A Wednesday, 3 Idiots, Iqbal.

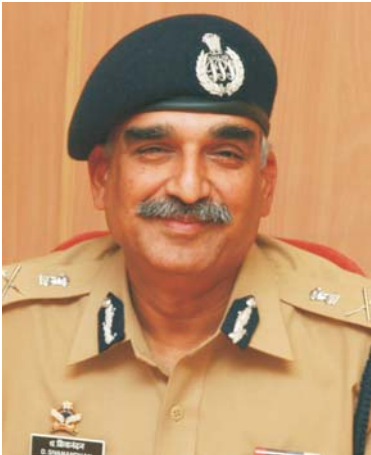
Do you have any regrets in life?

No regrets in life. I think I am blessed that I got this great opportunity to contribute towards the welfare of society. I will do so until my last breath. ■



D. Sivanandhan

Tackling Terrorism My First Priority



The following interview of D. Sivanandhan, Director General of Maharashtra Police was originally published in The Protector magazine, soon after he took over as Mumbai Police Commissioner and months before his elevation to the present post:

Mumbai's Police Commissioner D. Sivanandhan defined his task immediately after taking over as city's Top Cop in the middle of June 2009. "My immediate challenge is to tackle terrorism," he said. The city, still reeling under the impact of the 26 November 2008 terrorist attack, needed such a confidence-building assurance. And Mumbaikars felt assured that it came from a man of Sivanadhan's caliber. Yes, most of them still remember how he smashed the organized underworld crime syndicates during his stint as the Joint Commissioner of Crime a few years ago. In an interview with Dev Varam, the Commissioner of Police talks about his strategies to

motivate his men and the confidence-building measures he has initiated to make Mumbaikars feel safe and secure.

In March 1993, Mumbai was hit by the first serial bomb blasts. In November 2008, the city was attacked by the terrorists. In between, there had been a number of bomb blasts. What has been the threat perception in Mumbai in the last 15 years or so?

I would only say that the threat perception in the last 15 years has increased. The scenario has changed from organized crime syndicates attacking business people to terrorists killing innocent citizens on a much bigger scale. In organized crime, the syndicate attacks targeted particular individuals. A terrorist attack is against humanity at large.

These attacks have taken place all through the years. We could say that Mumbai, being India's

commercial capital, has been targeted by the enemies of the nation. Besides Mumbai attracts the attention of the world. Because of this, terrorists have repeatedly carried out their dastardly acts against innocent citizens. The city with a huge population provides the perpetrators anonymity.

The victims belonged to all communities. So, this is how a fear psychosis is created among the citizens to make them feel insecure. But we all have to come together, stay together, and put our best foot forward to see that these things are not repeated.

Organized crime has not shown its ugly face yet. It is under control.

My priority today is to get prepared for a terrorist attack. So there ends my problem.

The Mumbai Police is famous for its informer network. Was there any slip-up with regard to 26/11?

There was no slip-up as far as the Mumbai Police informer network was concerned. It is limited to organized crime and various other local crimes. In this regard, the informer network is excellent.

Has any organized crime occurred since 1998-2000?

No serious organized crime has occurred since 1998-2000. We had carried out various operations and put a full stop to organized crime.

With regard to terror attacks in Mumbai as well as other Indian cities, these are part of an international conspiracy to spread terrorism in India. On its part, the

I would say that the threat perception in Mumbai in the recent years has increased. Mumbai is the commercial capital with a huge population. Terror activities in this city attract the attention of the world. The city provides anonymity.

There was no slip-up by the informer network of Mumbai Police with regard to 26/11. On the contrary, Mumbai Police came out as one-man and stood up to the crisis. They have investigated, found the perpetrators, charge-sheeted and brought them to trial successfully.

Eighteen Mumbai policemen sacrificed their lives in one incident. It is not a small, mean sacrifice. This kind of police response is something unique, and world class, that one terrorist was caught alive.

“ POLICE COMMISSIONER SPEAKS ”

Organized crime is under control. My priority today is to get prepared for a terrorist attack; so there ends my problem.

Already, 39 combat teams have come into being. They are fully trained, equipped and raring to go.

As of now my best author is Eckhart Tolle, who wrote the best seller called A New Earth and earlier, the Power of Now.

I don't work for anyone to make movies on me. I do my job. If someone gets inspired by that then I will be happy about it.

Wherever I go, I see a bright smile on the face of a policeman. He identifies with me, and that is the biggest achievement, something I'll carry with me to my grave.

Mumbai Police have done extremely well in dealing with the perpetrators, whether in 1992-93 or 2008.

We came out as one man and stood up to the crisis. Eighteen policemen sacrificed their lives in one incident. It is not a small, mean sacrifice. This kind of police response is something unique, and world class, that one terrorist was caught alive.

Our informers and our police cannot go abroad and collect intelligence about international conspiracies. It is unfair on the part of anybody to say that our network has failed or the Mumbai Police have failed. No. On the contrary, the Mumbai Police has come out in a big way and faced all the challenges. They have investigated. They have found out the perpetrators; they have charge-sheeted them; brought them successfully to trial. Police have always been on top of the scenario.

Terrorism is a national phenomenon. And it is the international players who are involved. We can tie up with Central agencies, Army, Navy and the Coast Guard and be prepared to face the terrorists in a better way. We are definitely putting our heart and soul together in this matter.

How are you preparing your men to meet any contingency?

I have already started providing training. I have selected 1,000 policemen. They are under training of NSG and Army officers. We are equipping them and putting them together. We have got armoured, bullet-proof and blast proof vehicles. Already, 39 combat teams have come into being. They



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are fully trained and equipped. They have bullet-proof jackets, AK-47s and various other necessary gadgets. We are also training a special force of 1,000 for deployment - 500 during the day and 500 in the night. They are also getting ready as we are training them and equipping them in every possible way.

Are you taking any help from the Israelis?

A study group has visited Israel to study what is happening there. It will submit a report to the government. We are awaiting the State Government's action on that report.

Is there any threat from Moists or Naxalites to Mumbai?

As of now, no Moist or Naxalite threat is seen in Mumbai. Nothing can be said about that in future. As of today, our main problem would be terror and various other crimes that a cosmopolitan city faces. ■

The Origin of the Global Recession



So, what was the genesis of last year's economic crisis? What were the specific factors that caused it? Justin Yifu Lin, Chief Economist and Senior Vice President, World Bank provides us with an analysis of the causes that led to the global recession.

The Crisis Creation of Excess Liquidity in the US

It is important to keep in mind that the economic crisis was preceded by six years of global boom. Following the bursting of the US tech-stock bubble in 2000-01, which had a substantial wealth effect on American households, the Federal Reserve aggressively eased monetary policy to minimize the duration and depth of the ensuing recession. There was a lowering in either the Fed funds rate or the discount rate 27 times between January 2001 and June 2003, resulting in the funds rate falling from 6.5 percent to 1.0 percent over that period. This

expansionary monetary policy averted a deeper recession by stimulating a boom in the housing market, which soon turned into a housing bubble.

Higher housing prices fueled a consumption boom, and the Fed's continued expansionary monetary policy kept the US economy awash in excess liquidity.

Lack of Supervision of Financial Markets

At the same time, there were high levels of financial innovations on Wall Street, driven by a search for higher yields in a low-interest-rate environment. Much of this innovation was carried out by firms whose activities were not regulated, and through new instruments that were too complex to be effectively regulated. Financial markets were

deregulated and supervision was lax.

Spread of Crisis to Other Major Economies

Other developed economies faced the same adverse impact when the internet bubble burst; their central banks also lowered interest rates, although less rapidly than the Fed, and their economies quickly recovered as well. In several other developed economies, housing bubbles developed, and in some cases became even larger than the US bubble. As a result of this combination of policy and market psychology, the brief global recession of 2001-02 was followed by a period of reasonably dynamic growth in the US and in much of the developed world, accompanied by low capital costs.



Developing Economies & Their Strength

Developing economies also thrived during 2002-07 for a combination of reasons. One important set of reasons related to domestic factors. As a group, the developing economies had entered the decade in a much better policy stance macroeconomically and otherwise than they had in the previous two decades (for example, with lower inflation and more sustainable fiscal situations). These conditions predisposed the developing world to more rapid growth.

Huge Merchandise Exports

Merchandise export volumes from USA, Japan and Germany (the largest exporters of capital goods) rose on average by 6.6 percent in the period 2002-2007, compared to 5.8 percent in the 1990s. This refers however to total merchandise exports (to both developing and high income countries). In nominal terms, the exports of machinery and transport equipment from high income countries to low and middle income countries increased by an annual average of 16.7 percent over the period 2002-2007, up from 12 percent in the 1990s.

Record Growth Rate by Developing Nations

The developing world as a whole achieved its highest growth rates in decades. From 2003 to 2007, the collective GDP of developing countries grew more than 5.0 percent each year; in 2006, the growth rate peaked at nearly 8.0 percent, with all developing regions close to or exceeding 5.0 percent growth. By contrast, average annual growth for 1980-2000 had been just 3.4 percent. In the recent period, investment is estimated to have added about

four percentage points to annual GDP growth (World Bank 2006).

At the same time, US demand was stimulated by the substantial swing in the US fiscal position, from a small surplus in 2001 to a sizeable deficit in 2003, which resulted from sharply increasing spending on defense and homeland security while cutting central-government taxes. Combined with a low interest rate and low saving rate, the fiscal deficit contributed to large US current account deficits and higher demand for developing-country exports. This created a feedback loop, by further stimulating developing countries' demand for investment goods and developed countries' capital goods industries.

Problems of Rapid Growth

With rapid growth in developing countries came the emergence of vulnerabilities much like those that were appearing in developed countries. The combination of abundant investment capital and rapid growth helped to inflate real estate prices to bubble-like heights in some emerging markets.

Bubble that Burst

Many equity markets surged as well, some to levels that suggested irrational exuberance. The boom was bound to end, especially given the explosion of sophisticated and unregulated financial derivatives which had sustained the process. In mid-2007, the US housing bubble was bursting beginning with the sub-prime mortgage market. The drop in value of the off-balance sheet assets pushed many financial institutions into insolvency. Even worse, the financial innovations of the past decade - many of which had been sold on the promise that they would diversify and minimize risk - turned out to be transmission



mechanisms for instability.

Collapse of Investment Banks

Following the collapse of Lehman Brothers in September 2008, the value of capital eroded dramatically, undermining the creditworthiness of major global financial institutions and triggering massive de-leveraging. Efforts to restore capital adequacy and uncertainty about the underlying value of assets held in the form of sub-prime mortgage backed securities resulted in capital hoarding, causing liquidity to dry up. The ability of borrowers to finance transactions in both the real and financial sectors was then diminished. This in turn reduced demand and employment, undermining consumer and business confidence, and triggering a further contraction in demand. Meanwhile, the total capitalization of world stock markets almost halved by the end of 2008 that is, US\$ 30 trillion of wealth had disappeared. In the United States alone, the wealth losses for households related to the fall in home prices was US\$ 6-8 trillion. Losses of this magnitude obviously have significant effects on consumption and savings. ■

Dr. Supachai Panitchpakdi

An Agenda for Sustainable Growth & Development



Last year's global economic crisis and for that matter, previous crises, stemmed from poor governance and a structural inability in the world economy to correct various systemic imbalances. The retreat of the State, and a fervent belief in the allocative efficiency of markets to price everything from exchange rates and risk to investment and comparative advantages has created uneven global economic growth. This is the view of Dr. Supachai Panitchpakdi, noted economist and Secretary-General of the United Nations Conference on Trade and Development (UNCTAD). Here, he talks about the need for economic governance, regulation of financial markets, and "a new wisdom for a new age."

Radical Change in Outlook

The economic crisis of 2008-2009, which is still persisting in some parts of the world, has signalled a radical change in government policy and international economic governance, according to Dr. Panitchpakdi. First, the so-called "market fundamentalism" that had given rise to innovative but often unregulated and opaque financial instruments has been savagely criticized for not in fact serving the interests of the real economy. Second, the small exclusive group of seven advanced industrialized economies has found itself needing to become more inclusive - and should become more inclusive still. Third, the neo-liberal preoccupation with inflation and tight fiscal policy was turned on its head when global demand fell off a cliff and governments had to pump various stimulus measures into their economies to keep them

alive. And fourth, the dogma that governments should not underwrite their industries let alone nationalize them was brushed aside to salvage leading financial institutions whose imminent collapse threatened the foundations of the entire global economic system.

The signs of recovery that we see today, albeit weak and not yet sustainable, should not tempt us to return to "business as usual". We should not go back to the boom-and-bust cycles that characterized the last 30-to-40 years of economic growth, in which the world experienced roughly one major international crisis every decade, and numerous regional crises in between. UNCTAD had been warning about the coming crisis for several years', and moreover about the dangers of focusing economic policy and governance on a restricted set of macroeconomic targets in the

hope that rising productivity, increased employment and technological upgrading would automatically follow.

Economic Governance is the Key

Not only have we needed to change economic policy and governance to halt the economic crisis, but we should continue to refocus the goal of economic activity on building productive capacities and hence sustainable employment and growth opportunities. That process requires reforms to economic governance structures as well as changes in policies that have governed economic activity for many years at both the national and international levels. Economic governance relates to the institutions, rules and policies that guide, regulate and coordinate economic activity in support of socially desirable outcomes.

Economic governance could be seen as the relationship between governments and the national-level institutions created by governments, on the one hand, and between member States and supranational level institutions, on the other.

Two Views of Economic Governance

In the current context of the global economy, there are two principal views of economic governance, which are not incompatible but whose differences are more a matter of emphasis and scope. The first essentially sees global governance in terms of delivering global public goods. Not only has the economy become more internationalized, but we have become more aware of interdependent threats and opportunities, such as climate change, trade and finance, whose governance structures are still strongly grounded at the national level. This view holds that governance structures at the international level therefore need to be strengthened to meet these new realities.

The second view argues that instead of trying to expand global governance structures, we should instead reclaim some of the areas enveloped by globalization so that the State has more control over the actions and prospects of its businesses and citizens. This view does not, however, simply promote national interests, but rather provides a stronger political basis for the revival of multilateralism itself. We may also add yet a third view, which recognizes the increasing influence of regional initiatives in creating institutions and policy frameworks to govern



regional economic relationships. Here, countries may benefit from regional public goods and at the same time pursue a governance agenda with regional partners that share a closer vision.

Prioritizing Productive Capacities

Investment plays a key role because it simultaneously generates income, expands productive capacity and carries strong complementarities with other factors in the growth process, such as technological progress, skills acquisition and institutional deepening. However, the occurrence of innovative investment is not automatic; it can encounter structural and institutional impediments.

Moreover, the macroeconomic environment can be inappropriate for encouraging and supporting investors seeking to create or expand productive capacity and increase productivity.

Thus, the key to the development process is creating the necessary conditions for innovative investment. The most important condition is that firms have access to reliable, adequate and cost-effective sources for financing their investments. Obviously, this is least costly when corporate profits are the main source of investment financing. Indeed, if an investment-profit nexus can be ignited, profits from innovative investments simultaneously increase the incentive for firms to invest and their capacity to finance

new investments. Another way of boosting this is for government to maintain high levels of public investment in productive capacities and infrastructure.

On the other hand, when enterprises are heavily dependent on borrowing to meet their needs for fixed investment and working capital, as is the case for new enterprises, the stance of domestic monetary policy is of crucial importance, because high real interest rates tend to increase financing costs and may eventually become prohibitive to new productive investment. An overly restrictive monetary policy may bias investment decisions in favour of financial assets.

The governance of economic policy, and those institutions that guide national governments, should therefore opt for a more pragmatic approach, which promotes innovative investment and prioritizes the creation of

productive capacities over allocative efficiency.

A Multilateral Approach to International Finance

In an interdependent world, however, it is wrong to regard a strong profit-investment nexus as a sufficient condition for sustained economic growth. There must also be markets available to absorb the potential expansion in output that this implies. Building robust domestic markets is of course key to long-term growth and development, but exporting is also an essential feature of any balanced economy - although just how significant it is can vary from country to country. Certainly, successful exporting is contingent on favourable investment dynamics, a supportive macroeconomic environment, large domestic firms, etc., and hence, a wide range of conditions must come together for firms that are competitive domestically to

become successful exporters in the global markets". It is also the case that the international environment must be supportive of efforts to forge a dynamic profit-investment-export nexus in developing countries.

UNCTAD has long advocated a multilateral approach to international finance. The principle that well-defined multilateral rules, with a transparent and fair arbitration process to adjudicate on the infringement of those rules by all players, underpins an open and stable economic system and is orthodoxy in the WTO. Yet the same thinking is somehow regarded as anathema when applied to the financial system. Beggar-thy-neighbour policies on currency depreciation are tantamount to protectionism, and indeed can have a far more distorting effect than tariffs. At worst, they could also incite a cycle of retaliation either through competitive exchange-rate adjustments or through other protective measures.

Since experience has shown that under a regime of open capital accounts neither completely fixed nor fully flexible exchange rates can ensure financial stability, the solution must lie with intermediate regimes of managed floating. Exchange-rate changes are necessary to compensate for the price and cost developments between a high-inflation and a low-inflation country. However, exchange-rate changes, and in particular, real exchange-rate changes that determine the competitiveness of the whole economy, cannot be left to the market. Stabilizing rates within certain limits will require significant



foreign exchange market interventions. On the other hand, it has to be acknowledged that attempts by many countries to keep their currencies at an undervalued rate may result in a race to the bottom or in competitive devaluations that would be as harmful for the world economy as in the 1930s. Indeed, avoiding competitive devaluations was a central idea behind the foundation of the IMF. But the existing global economic governance system lacks institutional arrangements that could exercise multilateral discipline on exchange rates.

Most of the financial crises in the post-Bretton Woods era of floating exchange rates have been characterized by nominal interest rate differentials that have triggered large short-term capital flows. As a rule, the quantity of inflows is big enough to increase the short-term attractiveness of the high-inflation country's currency, resulting in appreciation, which further raises the return on investment.

In what is a clear systemic failure, an appreciation of the currency of the higher-inflation country fundamentally undermines the normal functioning of the "exchange-rate mechanism" in the short term. The high-inflation country's higher prices on the world market are not offset by a nominal depreciation, and the appreciation adds to the loss of competitiveness of that country and worsens the current account situation rapidly.

If exchange rates do not follow the purchasing power rule in the short term and destabilize the external accounts, the introduction of this



rule as a political target is the only way out. The presence of the carry trade brings into question the widespread acceptance of floating as the only feasible solution to the problem of the external balance. Brazil's competitiveness, for example, is not helped by inflows of hot money that seek to exploit the high interest differential between Brazil and other countries. Such inflows contribute to appreciating the exchange rate and to any inflationary pressures that exist in the economy. Conversely, the pressure on China to float its currency could actually end up encouraging carry trade and, with a depreciation of the renminbi, a further increase China's competitiveness. Such an outcome would accentuate global imbalances.

In the same way as intended by multilateral trade rules, a well-designed global financial system has to create equal conditions for all parties involved and help to avoid unfair competition. Avoiding competitive depreciations and other monetary distortions that have negative effects on the functioning of the international trading system is more important in

today's highly interdependent world than at any other time in history.

Instability in international currency and financial markets is the result of unregulated international financial activities and clearly cannot be remedied by national policies alone. Therefore, apart from strengthening national and international frameworks of financial regulation, it is also imperative to provide for an institutional framework for better international coordination of financial regulation and supervision. Equally important is to reshape international monetary arrangements that help avoid the build-up of large current-account imbalances and their counterpart, large unbalanced asset positions across countries. Such an agreement would hopefully address the current potential for regulatory arbitrage, which under a system of loosely coordinated national policies, makes a mockery of efforts at financial system reform.

The Difficulty of a Single Global Currency

One problem that has received

renewed attention is dependence on the United States dollar as the main international reserve asset. An international reserve system that uses one or even a small number of national currencies as a reserve asset and as a means of international payments also has the disadvantage of being dependent on monetary policy decisions by the central banks issuing those currencies. However, their decisions are not taken in response to the needs of the international payments system and the world economy, but to national policy needs and preferences. Moreover, an economy whose currency is used as a reserve currency is not under the same obligation as others to make the necessary macroeconomic or exchange-rate adjustments for avoiding continuing current-account deficits. In the current international reserve system, the burden of adjusting imbalances is greater for deficit countries (whose currencies do not serve as reserve currencies) than for surplus countries. Central banks can easily counter pressure for currency appreciation by buying foreign currency against their own currency, but they are less able to withstand pressure for currency depreciation, because their foreign exchange reserves are often limited. Since adjustment would imply a reduction of imports by the deficit country, there is a deflationary bias in the system, which makes it more difficult to achieve and maintain high employment.

The Gap Between Financial Market and Real Economy

It is regrettable that enthusiasm for a reform of the international monetary and financial system

appears to be diminishing now that many observers and policymakers believe the worst of the financial crisis is over. I would argue that rethinking the international reserve system and regulation of speculative capital flows are as urgent as ever, especially as speculation affects many areas of the global economy. For example, from 2006 to 2008, commodities increasingly became a target for speculative activity. Whilst market fundamentals (growing demand from emerging markets, the rundown of stocks, drought, decline in refining capacity, and so on) initiated price increases in many agricultural and non-agricultural commodities, clearly the link between supply and demand was distorted beyond all recognition by the impact of speculation.

The simultaneous movement of commodities markets with other assets appears to demonstrate the influence of speculation. Major commodity exchanges around the world witnessed record trading volumes: in 2007, agricultural futures and options trading grew by 32%, energy by 28.6% and industrial metals by 29.7%. In addition, according to statistics of the Bank for International Settlements, outstanding amounts of over-the-counter commodity derivatives increased by close to 160% between June 2005 and June 2007. The number of futures and options contracts outstanding on commodity exchanges worldwide rose more than threefold between 2002 and mid-2008. During the same period, the notional value of commodity-related contracts traded over-the-counter increased more than 14-

fold, to \$13 trillion. Commodity derivatives exerted a significant influence on spot prices and arguably distorted prices, which had punishing effects for consumers but could also have a negative impact on the future production plans of producers.

In general, the financial sector's lack of transparency and disclosure created a "shadow banking system", with off-balance-sheet assets worth 30% more than those on balance sheets (\$16 trillion: \$12 trillion). Furthermore, opaque innovation in financial products such as collateralized debt obligations and special purpose vehicles for off-balance-sheet assets, increased the systemic risk - just the opposite of what they purported to achieve. Taken together with the huge leveraged debt binge in areas from swaps to real estate, the financial markets became completely detached from the real economy and ultimately created a systemic crisis in the banking sector, which spread to the global economy. Needless to say, stronger monitoring, regulation and disclosure are required for limiting excessive speculation, especially in staple food commodities in the light of the 2008 food crisis. We at UNCTAD support the ongoing discussions in Europe and elsewhere on the restriction of certain instruments, such as credit default swaps after last year's financial crisis, and the role of CDSs in exacerbating the recent sovereign debt crisis in Greece.

Need for Reforms at the IMF

Additionally, the time has come to seriously rethink governance reform at the IMF, so that it can focus most properly on what it

does best: macroeconomic surveillance and management. If it is to have a strengthened role in reserve currency management, it should remove itself from other areas, such as development finance and poverty reduction, which serve only to clutter and confuse its mandate. The IMF should also strengthen its oversight and surveillance functions so that it is in a better position to warn of crises such as the one we are currently experiencing. In any reform of the international financial institutions, or any institutions governing economic activity for that matter, it is imperative that the composition of committees and supervisory boards reflects a diversity of economic views. One of the criticisms levelled at both the IMF and the Financial Stability Forum (now Board) was that the similarity of intellectual backgrounds of members led to a convergence and even reinforcement of opinion, which failed to foresee the coming crisis. Instead of voices pulling in different directions to test views and policy recommendations, a kind of flocking emerged which proved nearly fatal for the global economy. It should, however, be said that there were several voices that did raise concern about the crisis and how it could be avoided, not least in UNCTAD, which has been analysing global imbalances since as early as 2004.

So, The Market is not Always Right!

In the past year, mainstream economic thinking has been turned on its head by events in the real world. As the economist J.K. Galbraith once wrote, "[ideas] yield not to the attack of other



ideas, but [...] to the massive onslaught of circumstance[s] with which they cannot contend". Ultimately, reconstructing economic governance may be the outcome of a more pragmatic policy stance against what was the biggest onslaught of economic events since the 1930s.

Economic governance should work primarily to achieve the goals of prosperity, security and stability, which are the prerequisites for sustainable poverty alleviation. This was the original intention of Keynes and the other architects of the Bretton Woods institutions, who looked to the 1930s and saw unemployment as essentially a waste of resources, and undervalued exchange-rate movements as a weapon for exporting unemployment. For those pioneers, a regulated financial system was essential for an open and stable trading system. As developing countries, from the early 1960s, forced their own concerns on to the international economic agenda, international cooperation was extended to address the problem of weak or

insufficient productive capacity through concessional development finance and support for sectoral and industrial policies; macroeconomic targets, such as maintaining low inflation or a balanced budget, were seen as policy tools, a means to serve the goal of rapid economic growth and industrial development - not the goal itself. In recent years, it could be thought that selected macroeconomic targeting has become governments' primary objective, and trust in the efficient factor allocation of the market has replaced government policy: growth and employment will result if the 'prices are right'.

From the perspective of 2010, as growth rates have tumbled and growing unemployment has hit both the North and the South, it should be obvious that these policies have not worked. The crisis was largely the result of a giant market failure: a mega-event in the cyclical pattern of contemporary economic growth. As I mentioned before, even the IMF now acknowledges that some of the policies it prescribed to

governments were based on false assumptions.

UNCTAD has been warning for many years about the dangers of uncontrolled global imbalances and their implications for the world economy. These conditions have produced uneven and unstable growth and mixed results for development. To ensure the long-term sustainability and stability of countries' economic development, we need to adopt new measures at the national and international levels: we need a new agenda, which, incidentally, may draw on some old ideas.

A New Agenda: Regulation of Financial Markets

For one thing, the new agenda should be based on improved regulation of financial markets, which should be based on a careful evaluation of the social costs and benefits of financial innovation. Financial sophistication with no social returns must be weeded out, and

regulatory arbitrage avoided. Incentive structures in the financial industry must be overhauled to put an end to excessive risk-taking. For another, developing countries must increase their resilience to external shocks by maintaining a competitive exchange rate and limiting currency and maturity mismatches in private and public balance sheets. As I have already explained above, the world also badly needs international coordination.

Regulators based in different countries should share information, aim at setting similar standards, and avoid races to the bottom in financial regulation. Special attention must also be paid to the plight of the poor economies, which means increasing development aid is yet another imperative. UNCTAD research has found that past financial crises were followed by a substantial decline in foreign aid, ranging from 10% to 60%. And if Overseas Development Assistance

(ODA) takes as long to recover from today's turmoil as it did previously - say, in three to four years' time, just when world markets are starting to pick up again - the poor countries could be caught short, lacking the resources needed to get back into exporting. Not only should current ODA pledges be kept, but they should be increased, substantially.

A New Wisdom for A New Age

As to the international financial system, I believe that we need to rely more on a multilateral approach and the same rules and regulatory discipline that apply to international trade should also apply to international finance. In this respect, a set of multilaterally agreed rules on exchanges rates, and a mechanism to correct long-term misalignment in exchange rates are long overdue. For rising economic welfare to be sustainable, it has to be shared without altering the relative competitive positions of countries.

In the 1920s, when the "market juggernaut" was rolling at full steam, John Maynard Keynes called for a "new wisdom for a new age" with "new policies and new instruments to adapt and control the workings of economic forces, so that they do not intolerably interfere with contemporary ideas as to what is fit and proper in the interests of social stability and social justice". Open-minded, tolerant and pragmatic approaches to the development challenge, consistent with today's increasingly interdependent world, are urgently needed to place economic policy and governance once again at the service of financial stability and economic prosperity for all. ■



Chandra Iyengar

At Home in a Man's World

By Uday Tarra Nayar



In 1994, Chandra Iyengar, the present Additional Chief Secretary, Govt. of Maharashtra, Home Department, made a breakthrough with her formulation of a Policy for the Women of Maharashtra. The policy, she wrote in the preamble, flowed from the inspiration provided by the women of Maharashtra who always stood aside allowing their men folk to forge ahead. Her policy, which had six vital focus areas to enable the government to lay a firm foundation for the development of women, was, in many ways, the forerunner of the much discussed Women's Reservation Bill, though very few in public life and the media know it as such. It took strenuous research, understanding, concern and confidence, besides the sympathetic heart of an empowered woman in public service, to put together a policy that would go a long way in enabling the state government to improve the physical, emotional and mental quality of life of the women of the state. When you meet Chandra Iyengar the first thing

you notice about her is her natural elegance and confidence. When you get talking to her on varied matters that she feels strongly about, you can't but admire her for what she is - a woman of considerable substance. As a woman who is the Home Secretary of one of the largest states in the country, she knows she is in command in a completely male-dominated domain. But there is no attempt to show off that power or the enviable status the office has given her. She is unaffected and happy in the knowledge that she is acknowledged and completely accepted in a man's world by the sheer worth of the work she has done. Chandra Iyengar in a stimulating conversation with Uday Tarra Nayar talks about herself and what empowerment of women means to her.

What has been your experience in the IAS? More and more young men and women in their twenties are going to Business Schools to qualify for high power Corporate jobs. Has government service lost its original high value?

When you are young you don't know the merits and demerits or the details of any job. You can say this about any job. You want to take it up because you are attracted for whatever individual reasons. But now, after so many years in the IAS, I can tell you this quite categorically about government jobs and particularly

the Indian Administrative Service - that it is a great achievement to be even selected for the job. Look at the numbers every year and the number of candidates who pass the toughest examination in the country and the final sifting is so stiff, based on varied criteria and layers of examining.

I can also say that the IAS job is, perhaps, the only job in the country which can expose you to varying life experiences and connect you with the real people of this nation.

In India, at every 500 kilometres you are in a different milieu. You are listening to a different

language, tasting a different cuisine, experiencing a different culture. If one is a part of the governance of this country it is necessary for one to understand the country's diversity. One meets people who are not the so called movers & shakers but simple folk endowed with native wisdom and grit who solve problems and tackle issues with that wisdom.

In terms of sheer experience it is an invaluable addition to what one has learned and understood through one's formal education and of training. No other job offers this exposure.

Today the management buzz word is: Managing Change. In IAS one does nothing but manage change. Every three years one is transferred and one has to be quick to adapt to the change - the change of job profile, the change of environment, the change of responsibilities and demands. One has not more than three months to take on the new demands and one must do it or lose it. It is a tremendous pressure to learn quickly and accurately. There is no second chance.

When people talk of high power jobs, in the IAS you are in it from the very first assignment. By the time one has served for 6-7 years one is handling a team of 10,000 people and budget of Rs 1000 Crores.

The government is for middle and junior levels the best employer and also has the most transparent HR Systems.

You joined at a time when there were not many women in the IAS. Has the scene changed?

In government service there is a real equality in opportunities offered. It was there and it is still there. Prejudice is different. There are prejudices everywhere. When I joined one could not hope to see a woman in the position of a State Secretary. Now, for two consecutive terms women have occupied the position of the Home Secretary of the State. It is the heartening outcome of social change.

You have worked in different sectors- energy , education, rural welfare, child welfare, women's welfare and drafted a policy for the women of Maharashtra. How satisfying were all these assignments?

All the sectors I worked in were interconnected in some way or other. I would say each gave me a deeper knowledge and maturity to go into the other. Whether it was rural development or gender welfare or education, each gave me the chance to deal with people. Each was enriching in its own way. In fact, this is my first non development job.

Is this a more challenging assignment?

The difference is that this is an immediate job. It is almost a 24 x 7 job. To have a safe society you have to have so many requirements. It takes time to nurture & develop a civilized society and the Home Department has to protect the society as development takes place. The pressure is high. The decisions of the Department touch a chord with all sections of society. As such the impact can be either very positive or very negative; there is no grey area. The issues that come up are all sensitive, demanding careful and considered handling. A certain skill is needed and it comes with the experience one has garnered over a period of time.

What is your view on the Women's Reservation Bill?

The constitution of India states equality of the sexes before the law as one of the fundamental rights. And it categorically also states that reservation is one of the methods of creating an equitable society. Once that principle is accepted, nobody can raise objections to reservation for women or argue that women are not underprivileged. We have everything loaded against us. We have to scream to make ourselves heard. So, reservation as a policy has to be used to help women.

From my own experience I can tell you that in the majority of meetings I am the only woman participant. This is today. There was a time years ago when there was no separate washroom at venues because it was taken for granted that only men would attend. Let me tell you frankly that when you are alone and completely outnumbered you are hesitant to express a strong opinion. You do not know how it will be received. But if there are a number of women with you, the hesitation that comes of being alone is removed.

The other point is that having women in decision-making impacts the decisions considerably. For example if you take a consensus from a group dominated by men about a road in a village as to whether it should go to the school or the market, the men will clamour for the road to go to the market while the women in the group would want the road to go to the school. I am saying this out of my experience. So, if the women are a majority the decision taken would be based on a social need. I call it value judgement. A value judgement can be made only by those who are affected by the decision. If you have, for instance, a budget that could be used either for the nutritional needs of the society or for building a club house the value judgement will be in favour of nutrition and in all probability it will come from women. That's because they are affected.

How did the women in the villages react to you?

I don't know about what they felt about me but I was certainly delighted to see how well defined and clear their objectives were. They were extremely hardworking and they understood the need for

empowerment much more clearly and insightfully than the urban women did. When I interacted with the self-help groups, I could see how responsible they were about the decisions they took and the rights they exercised. If a woman took a loan she made sure she paid it back. A woman's foremost concern is always to give her children a better life and equip them to face life's challenges.

You drafted a policy for Women in Maharashtra in 1994. You gave special emphasis to the need for eliminating violence against women.

In the policy that was drafted, the Government of Maharashtra focused on some immediate areas. The first of the areas was the need to eliminate violence against women. The policy strongly stated that unless women can live without fear of physical and emotional violence there cannot be true blossoming of the spirit which is needed for development.

There were many points that were raised and one of them was the problem faced by women when they approach the Police Stations for help in cases of domestic violence. They are not heard with respect or trust. If it is about the

husband beating up the wife, the attitude is casual. The response is: Why are you so upset? He is your husband, isn't he? Society has to help in the endeavour to empower women with the awareness of their legal rights and the laws framed for their protection.

I think once the Reservation Bill is passed, the nature of debates will change and the subjects of the debates will change and women may not have to live in fear because they will be strong in the knowledge that there are voices in Parliament speaking up for their issues, their rights, their innermost aspirations.

Why are the Police Stations not headed by Women Police Officers?

The heading of a police station is a sensitive issue. It will take some time still for the change of mindset to happen. First of all there have to be enough women police officers to assume the responsibility. You know it is very easy to be one of a crowd. It is not easy to go against your peers and your seniors and others if you want to champion a cause and they want you to leave that cause alone. You can do what you feel you should do only if you have the authority in your hands. I

think the change will come sooner than we all assume.

Globally, the marked difference in the managerial skills of women is being accepted as good for certain managements. So in the management of Police Stations, too, the acceptance of the woman officer as the head being good for society will come.

We would like to know about your other role, that of a home maker.

I have two sons who are young men now working outside Mumbai. When they were young and were growing up I got up every morning asking myself "today, should I concentrate on my work or should I focus on my children"?

All the books and literature on parenting skills cannot teach you the skills that experience teaches you. There is always much talk about spending "quality time" with your children. There is, in practicality, a great need to spend 'quantity time' also. You have to work your day around that need to spend a certain quantum of time with your children. That quantum cannot be specified. It can be more one day and less another day depending on how much the children want from you.

It was tough managing the needs of my sons with the jobs I did and the transfers etc.

I am a single parent. I lost my husband when the boys were very small. I had to brace up and be father and mother to them. So my office had an instruction always that when my children called, even if I was in a meeting, I would be told at once. It was at times a little odd to excuse oneself in a meeting and go out to take a call. But I did that without hesitation to assure my



sons that I was always there for them. That was the time when we had no mobile phones and I was not senior enough to say I must go now.

My advice to parents is that they should trust the parenting skill that comes from gut instincts. Talk to your children and understand them as individuals. Don't force them to do what they don't want to do unless it is absolutely important. For example, I had decided that my children would learn swimming, cycling and driving when they were older. My younger son started by hating swimming. I had to use all the tact and love I could summon to get him to learn swimming, now he is a lover of the exercise. That was because I felt it was absolutely necessary for him to be equipped with the ability to swim.

How was your upbringing? Were you free to choose what you wanted to do?

I grew up in Chennai. I read a lot in Tamil and I still have a great affinity for Tamil literature. My mother was a graduate and it was a great thing to be a graduate in her time. When I wrote the UPSC, they knew I was responsible enough to know that if I got selected I would be facing the prospect of a life full of challenges.

I got married after I joined the service and I was lucky that my husband and parents-in-law also did not stop me from continuing in the service.

My parents grew up in the freedom struggle period and so they had a tremendous value for freedom—especially freedom of thought and expression. All those who grew up in that period had a special legacy to hand over to the next generation and that legacy was the value of individual liberty, which included, among other freedoms, the

freedom to choose the life one wished to live. And that, of course, encompassed career, marriage etc.

To a great extent it was possible because of my mother's educational background. Since it is always the mother who has the final say in deciding anything in the children's lives in most families. She respected my desire to work and be economically independent and encouraged me unflinchingly. I was always taught that one should never control a thought. A thought should be taken to its logical conclusion with complete intellectual vigour, it's the actions that follow that need to be controlled through responsibility and compassion.

What do you do to unwind? Do you read, see movies, listen to music?

I love reading detective novels. Agatha Christie, Arthur Conan Doyle, Ruth Randall anything that can keep me in suspense. I enjoy the suspense in detective fiction. I like movies but I enjoy music and dance more.

You are so well groomed. How do you keep yourself so well groomed.

Thank you. One has to take time off from whatever one is doing to give oneself the great joy of being a woman. It is a gift to be a woman and being an Indian woman is a special gift because Indian women are born elegant. You look at any woman in any region of our country and you'll not fail to notice the inherent good looks. It is rightly said that in India if you throw a stone it will hit a beautiful woman.

I enjoy being the woman I am. And I believe that if you are sloppy about the way you look and carry

yourself as if you are a burden to the world you can't be competent or efficient in the work you do. So it is very important to enhance your appearance and devote that much time to pampering yourself.

What is your opinion about the Mumbai Police and Maharashtra Police?

Maharashtra Police has an enviable reputation. Maharashtra and Mumbai Police are the best. It is amazing how the police force in Maharashtra is constantly reinventing itself and keeping pace with the rapid changes in Information Technology and the relevant Sciences. To play the role of the facilitator and protector in a modern technologically advancing society, it is important to understand the aspirations and needs of the very society it is guarding and protecting. Maharashtra Police and Mumbai Police deserve credit for making ceaseless efforts to connect with the society and understand its needs. It is only when this connect happens that the Police can play the role of the facilitator and protector efficiently with the co-operation of the community. I, for one, am very proud of the calibre of the Maharashtra Police. ■

Madhya Pradesh An Act to Improve the Tribals' Lot

By O.P. Rawat, Additional Chief Secretary,
Government of Madhya Pradesh



When the forest laws were first put into force, the rights of forest and tribal communities to the land and forest resources that they used were blindly ignored. The result was that millions of tribals were subject to harassment, eviction and torture on the pretext of being encroachers in their own homes; in many ways, marking the beginning of the Naxalite movement. The Scheduled Tribes And Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 was a landmark act passed by the Government of India, that sought to correct this gross impropriety. State governments then got down to the mammoth task of implementing this act. Of all states, however, it has been Madhya Pradesh, under Mr. O.P. Rawat, Additional Chief Secretary, Department of Narmada Valley Development, Government of Madhya Pradesh, that swiftly went about and ensured effective implementation of the Act. For this landmark achievement, he

received the Prime Minister's Award for Excellence in Public Administration for the year 2008-09. Here, in Mr. O.P. Rawat's own words, is a brief account of how the state went about successfully implementing the Act.

The Scheduled Tribes And Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 was enacted and brought into force on December 31, 2007, after months of wrangling between tribal rights activists and environmentalists including the

tiger lobby. A few states have yet to initiate action to implement the provisions of the Act and some states are still at the preliminary stage of constituting the forest rights committees. Madhya Pradesh took steps to inform and enlighten the political executive

including the Tribal Advisory Council (TAC), officials of Forest, Revenue Tribal Welfare, Police, Finance and Planning, and Panchayat and Rural Development, District Collectors, Nodal Officers of all the Gram Sabhas and the members of the Gram Sabhas (in their meetings held on October 2, 2007), about the provisions of the Act and Draft Rules and this gave us a head start in implementation when the final rules were notified on January 1, 2008. The training of master trainers and subsequently the training of Nodal Officers of the Gram Sabhas were held within two weeks and the Gram Sabhas decided to constitute their forest rights committees in their meetings routinely scheduled during the week commencing January 26, 2008. While the process of seeking approvals and notifying the District



Mr. O.P. Rawat receiving his award from the Prime Minister in New Delhi

Level Committees (DLCs) and Sub Division Level Committees (SDLCs) was underway, the training of proposed members was undertaken concurrently. The requirement of attaching the caste certificate and two pieces of evidence was extremely difficult, if not impossible, for poor forest dwelling tribal's. Therefore, a circular was issued not to reject the claim if these documents were not attached by the tribals. It was directed to process the claim to reach the Sub-division level and then the onus was put on the officials at that level to verify the caste and evidence claimed and certify or otherwise before considering the claim at the SDLC meeting. Flexi-timings for Gram Sabha meetings to ensure participation of the poorest members going for daily wage labour were introduced. Incentives of Rs.100 per claim for assistance in filing claim, attaching evidence, and participation in the process of verification upto Gram Sabha level was introduced to ensure larger participation and fulfillment of quorum. The Act and the Rules were translated into Bhili, Korku and Gondi dialects (Devanagiri script) largely spoken by the Tribals in M.P. and were distributed through hostel inmates before their summer vacation, and through the street play teams and Nodal

Officers of Gram Sabhas so as to improve the understanding of the poor tribals about the law. Latest state of the art technology integrating GIS and MIS designed and developed in-house and a survey tool i.e. GPS facilitated Personal Digital Assistant (PAD) for survey of claimed land was introduced to achieve time and cost efficiency. This also helped in digitizing the verification records and getting the title deeds printed as soon as the DLC decided the claim. Multimedia awareness raising campaign was launched to inform and educate masses about the whole process. The media was taken on board by holding media workshops at all the divisional headquarters. NGOs were also brought on board by holding four NGOs workshops at Bhopal, Jhabua and Jabalpur. This made the NGO representatives our eyes and ears in the interior tribal/forest areas. We undertook corrective action on their reports to strengthen the process of implementation. A second round of training at all level was organized in July 2008 so as to refresh the memory, clear doubts and also clarify the term "primarily reside in and who depend on the forests or forest lands" in accordance with the clarification issued on June 9, 2008 by the Ministry of Tribal Affairs, Govt. of

India. A compilation of all the circulars and notifications issued and letters written at various levels were compiled and published for ready reference at government level and at DLCs level. With all these initiatives we become the first state in the country to start distributing the title deeds on 8 August 2008 and also a role model for other states who sent their officials to interact with us and see for themselves the actual implementation process on the ground for replication in their respective states.

To ensure respect and regard for this title deed, we also withdrew cases against the tribals under various provisions of forest laws and distributed certificates to this effect along with the title deeds. Also the confiscated wooden implements were also returned to them from the same platform. Participation of women in gram sabha meetings was considerably increased by local initiative of providing food to all members of gram sabha and their dependent children after the meeting. This relieved women of the chore of cooking in the evening and they attended the meetings in large numbers. This also ensured two third or more attendance and fulfilled the quorum. ■



M J Akbar

The Ideological Underpinning of Terrorism



Mumbai Police organized its third in a series of seminars on terrorism, on March 11, 2010. Among those who spoke were Dr. APJ Abdul Kalam, former President of India, Mr. Shyamal Datta, ret'd. Chief of Intelligence Bureau and Mr. AN Roy, then DGP, Maharashtra and Mr. Sivanandan, then Commissioner of Mumbai Police. We reproduce below excerpts from the speech of eminent journalist and political commentator, Mr. M J Akbar.

We think of the police when terrorism happens, we remember them when a 26/11 happens, but if we really want to congratulate the police, remember them on the day that nothing happens.

I wish to discuss here the ideological routes of terrorism and, particularly, the ideological routes of terrorism exported by Pakistan. Two things first. One, I am amazed by the extraordinary maturity of the Mumbai citizens and the Indian people in general. One of the great reasons, one of the great motives of the terrorist is to provoke Hindu-Muslim riots. This is a collateral benefit terrorism seeks to get and each time the people of India and people of Mumbai have defeated the terrorist. It is amazing. Something that I can ascertain is that if a bomb explodes in Pakistan Shias and Sunnis are massacring each other.

Do you think that the events that happened in Mumbai happened without the collusion of people in

Mumbai? Almost impossible, impossible! Who are these people? Let me suggest to all those who are sitting here: do you think that those ships which came from Karachi and brought arms, Kasab and all the terrorists have stopped coming? You really think that they stopped coming? How do you think that you can get drugs in Goa which had come from Afghanistan? Who brings them? Alladin's flying carpet? Everyday those ships land on the shores of India and those of you who party in the evening with drugs as also at every function, private, or public, including sports functions are colluding with the criminal - terrorist nexus which has brought this reality to our shores. I had to get to the bottom of this because you know it is true and we know it is true and it is time to acknowledge it.

Value of Lives Lost

There are many ways of looking at the problems. From the perspective of the terrorist, from the perspective of those who are challenging and fighting terrorism, from the perspective of the political class. Why don't we spend just a minute or two thinking of it from

the perspective of the victim? I want to. If I may get a little personal I would like to narrate a story. This was in 2002 or 2003. I was in that most important place in the world called the White House and at that moment the American President was that great intellectual, George Bush. It somehow fell on me to ask a question. It was a forum limited to two questions or something and it fell upon me to ask a question and, as you know that was a time, when America came very close to declaring Pakistan the Terror State and, at the last minute, George Bush the Elder did not do so and I asked the younger Bush the one question when I was allowed to ask. I asked: when terrorists attacked twin towers in New York, you sent your Air Force and your armies 9,000, 10,000, God knows how many miles away to bomb the hell out of a nation, destroy the nation's government, shred it to bits as part of its retribution which I find explainable. I find it inexplicable. I won't criticize it. I can understand where you are coming from. I can understand the pain you are feeling from New York. But when the Parliament is blown up, when the Assembly is blown up, when

hundreds of Indians are killed... by terrorism sponsored from across the border, you tell us not to cross ten yards. Why? Why don't we have the same rights and privileges that you extended to yourself in taking action in a separate country. I ask: "is it because the value of an American life is far more than the value of an Indian life?" May I, now with your permission, address a more difficult part of this question?

Do we as Indians value lives in the same measure for each one of the life that was lost at the Taj Mahal, at the Oberoi and, more important, the lives lost at V.T?... India has threatened war with Pakistan twice. Once when the Parliament was attacked and Members of Parliament nearly lost their lives and the second was the terror attack at the Taj and Oberoi. India didn't react with a threat to go to war with Pakistan when the Mumbai local trains were destroyed. Have we become the Oligarchy of the elite, in which only our lives elicit the strongest responses and the lives of the poor no longer elicit the same response and we treat it as one of those accidents that come on. It is the thought that I really want to leave you with.

Now to the ideological routes

mentioned. The Jihad did not begin in 1988. The very first decision taken by Pakistan at the time when there were refugees spilling blood all over, when there were millions of things to do, when the state did not have the capacity even to create an established law and order state in both countries, it was that moment when the very first decision was taken to declare war on India. That war was not the declaration of official war, it was not a war launched by the Pakistani Army. It was the first exercise, called Jihad, the first exercise in the export of terrorism. There were 5000 terrorists. What was the Indian response? The Indian response was not to send 5000 counter terrorists into Lahore or into any other part. From the very beginning, India made one decision, that is, whatever action would be taken would be legal and it was the desire of the government to be legal.

This is something to be admired, because the state must live by law. A state cannot be a terrorist and what is the message that you are handing down to your future, and to your history? Actually, if you look at the Kashmir problem very objectively, Pakistan made a stupid blunder by using force. The status of Kashmir had not been

determined. On 15 August, 1947, the British presence was still there and they still had a voice. I have in my next book put on record Lord Mountbatten and Jawaharlal Nehru's private exchange of words in which Nehru is saying 'I know there are so many problems at this moment. We will discuss Kashmir after spring' There would have been a peaceful discussion on Kashmir and some resolutions could have been effected.

The Two Nations Theory

What is the problem Dr. Manmohan Singh is going to face as he tries to make another brave and sincere attempt to find that elusive thing called peace? The problem is that Pakistan is a product of the two nations theory. What is the two nations theory? The two nations theory says that M.J. Akbar, Mr. Sivanandan and Mr. Roy cannot live in the same country. It nearly says that Dr APJ Abdul Kalam, because he is a Muslim, cannot be an equal citizen, let alone be the President, and that Kalam cannot be a scientist who helped to create Agni who helped to create Prithvi. Pakistan says that we have to create in response to Prithvi and Agni, missiles called what? Look at the difference in the names and we will try to understand the one nation and two nation theory. The names are Gazani, Ghouri, Taimur. All people famous for destroying Hindu temples.

Now, how have we been a product of the one nation theory? The sub continent is now three nations but India remains a product of one nation. So in a sense Pakistan is compelled by its ideology, which says that Muslims have to be 'liberated' and it is compelled by its theory to declare a Jihad for the liberation of Kashmiri Muslims



from Hindus.

When I go to Pakistan, there is a kind of crazy reaction. Because you have every right to be a Hindu and a Muslim but you have no right to be an Indian Muslim and succeed in India. It is that something that destroys the whole logic of their theory. The Indian government cannot, by the logic of Indian ideology give an inch of land away from Kashmir, because if you pass that land simply because it is a Muslim majority land, then you are not treating Muslims as equal citizens and, therefore, this is my submission that Indian Muslim is in the first line of the defense of the Kashmir border. Because it is in his interest, the secular interest to prove the secularism of this nation. It is a practical necessity. I keep telling those friends who may or may not want to hear me.

I say India is not secular because M.J. Akbar wants secularism. I have a vested interest. India is secular because people sitting on this dais want secularism and they are Hindus. India is secular because Hindus want secularism. I don't want to mention political party's names, but some of the parties who call themselves "Hindus" in order to be truly Hindu have to be more secular than Congress. This is the logic they cannot understand. But really, is this a fact?

The Meaning of Jihad

India's independence movement was not secular because Gandhi was secular. Gandhi was secular because India was secular. This is the basic truth. But let me now take a little time if you permit me, to tackle a difficult subject. The word "Jihad." There is so much understanding and misunderstanding about the



Quran. I am not a pretender. I really believe in my faith. And, because I believe in my faith I read the Quran. Which I do constantly, I read it in translation and for me English is no less important than Arabic. Although, yes, Arabic is the language in which the Quran was sent and, therefore, it is mellifluous. The Holy Quran is itself mellifluous and a living miracle, if you know how it was transmitted.

Shivaji wrote a letter to Aurangzeb and it was one of the most beautiful letters that I have had the privilege to read. I am not saying this because I am obliged to praise Shivaji. I say this out of conviction because I have read the letters and he says: "You have forgotten that your Allah is called 'Rubbe-la-min', not 'Rubbe la Musliman.' And, therefore, the Hindus of this nation are equally deserving of your protection and your generosity. They are citizens of the country, they are equals."

I say over and over again that the idea of the India we want in the Islamic context is really the idea of a Madina state formed by the Prophet. Because when he enters Madina, the Muslims are the smallest element of the population. He was not made the Imam of Madina because Muslims

were the most powerful and the largest in numbers. He was made the Imam because of his own stature. And he had to live with Jews and with Christians, with idol worshipping Adams. In the second sura of the Quran there is a reference, about a dispute in Madina between Christians and Jews about some point of the doctrine in dispute and somebody says why don't you interfere. He says: "No, remember one thing that both Christians and Jews worship the same god and therefore you have no right to hurt or interfere with either Christ or church or 'synagogue'. There is no instance of the church or synagogue destroyed. To those of you who think Quran has no reference to secularism, I have to say that I have had no definition of secularism which is more relevant. Your faith for you, my faith for me, that is it! We are not compelled to inter-marry, we are not compelled to interfere. We are only compelled to have respect for each other.

Indian Hindus and Muslims have lived for as long with each other as Christians and Muslims. You cannot find Dante here and those who have read Divine Comedy know what I mean. There is no instance of any Hindu poet desecrating Prophet of Islam and

there is no instance of any Muslim poet desecrating the Gods of Hindus. Even Iqbal, the Founder poet of Pakistan, declared Lord Ram to be Imam-E-Hind. Islam is not nationhood; there is no example of a nation being created in the name of Islam. Islam is a brotherhood, it is not a nationhood. If Islam was sufficient to be the glue for a nation, why would there be 26 Arab countries or is it 22? They have culture that is the same, they have the same faith, they have everything and this is something that has become the problem. Never forget that Pakistan was the first Islamic republic in the world. There are lots of Pakistanis who resist it, and don't want theocracy. But what do you do when, as I said, your DNA catches up with you.

The Quranic view of "Jihad" is very simple. Every Jihad may be fought by Muslims but every Muslims' war is not a Jihad. Jihad's rules are not to kill women, children, bystanders, palm trees. I will tell you an anecdote to explain what is actually happening in reality. This was on the fifth anniversary of 9/11. I was at Brooklyn.

In Washington, George Bush used the term 'Islamofascism' and the next day C.N.N. asked me to come and discuss this term. So when I entered the studio. I asked if anybody had a calculator. They said, why do you want a calculator? I said I wanted a calculator for counting. What do you want to count, they asked. I said to count the age of Islam. Islam is 1400 years old. When did fascism enter the Oxford dictionary? Fascism came in 1920 with Mussolini. I said whatever else Islam may or may not be, it cannot be fascist. On the other hand, it is perfectly true that many Muslims are fascist. Perfectly true. That

many Muslims are fascist but why do you blame Islam for the sins of Muslims. We do not go around blaming Christianity for Hitler. We don't go around bleeding the Vatican, the Roman Catholic Church for Mussolini. Why do you blame Islam for the sins of Muslims and therefore we have to change this discourse.

I was invited to the Asiatic Society's annual conference. I thanked them and I asked them to open the conference. I said thank you very much for everything, but which low IQ person thought of the subject 'Islam in the West' for this conference. I said how can I discuss Islam in the West? Islam is a religion and the West is geography. Why don't we have a discussion on Islam and Christianity. I can tell you Mary has been mentioned 23 times in the Quran and only 5 times in the New Testament. I can tell you that Jesus has been called Ruallaha, the Ruh of Allaha, and he is venerated. I can tell you I am from Bengal and how Bengalis died in the first five years of British rule, and 4 million died between 1942 and 43. We can discuss it and that is a discussion between West and South Asia. We can talk about the West and West Asia. How do we discuss Islam and the West unless there is a subtext. And what is the subtext? That the west is everything scientific, beautiful, harmonious, civilized and Islam is really a code name for something barbaric and you are really apprehensive that instead of talking to you, I may take out my sword.

My last point here, which I feel strongly about is: is the Naxalite a terrorist? I think we need to debate this. The Naxalite has not come from Pakistan. The Naxalite is our son, our child. The Naxalite is the child of those who have been left

out of the narrative of rising India. The Naxalite belongs to that class which we do not see. The best of that class becomes a domestic servant. The Naxalite belongs to the class of those we have forgotten to feed. I was in Presidency College from 1967 to 1970. The Naxalite movement of 1963 or 1964 had its headquarters in the canteen of Presidency College. The weapons used in the 1965-1966 movement of the Naxalites are the same weapons they are using today. That is where we have left them. They are the products of hunger; they are the products of our failure.

I'm afraid we have not lived up to the idea of India. India for me is a powerful idea for one reason, one reason alone. India is the only nation that will reach the status of a modern nation. What is a modern nation? A modern nation has four basic fundamental realities. Political equality, adult franchise, religious equality and gender equality. I know that the problem among the Indian Muslims is far more than among others. I tell Indian Muslims that if you don't have gender equality in your community, you will not enter the nineteenth century, forget being invited to the twenty-first! Religious equality, irrespective of what we are made to believe, in front of the law we are the same. If we have poverty, we cannot be indifferent about issues that are a challenge along with terrorism for the next ten years. I suggest we do not call Naxalites terrorists. I do not approve of violence, but remember that if I don't scream, you won't hear and when I scream, you say I am being irrational. Our job, our responsibility is to lift them out of poverty and that will be the end of Maoism. ■

Frederick R. Kharkongor

The Power and The Glory



Frederick Roy Kharkongor, a 2000 batch IAS, represents the spirited and driven younger generation of civil servants who have chosen to work in government and for development, when many of their contemporaries have chosen to pursue more glamorous professions in the private sector. Although only ten years in service, he has made a name for himself as an exemplary administrator, particularly in promoting tourism in Jaintia Hills District, where he was stationed as DC, and other parts of the state of Meghalaya. The Ministry of Tourism at the Centre recently invited him to talk on rural tourism, a sector that is fast emerging as a niche developmental tool in the Incredible India campaign's foray into rural India. This was the third time it had asked him to come in as a resource person. In a conversation with New Media, he talks about his experience in promoting tourism, and his many other responsibilities.

You have done a lot of work in promoting tourism in the state of Meghalaya. Tell us about it.

Tourism is a passion as it involves people, places, cultural & natural heritage and in the ultimate analysis is about promoting friendships, and through friendships, better understanding and tolerance of each other.

As DC in Jaintia Hills District, I had the opportunity to attempt something innovative! We created a corpus out of the interest fund of DRDA and thus came into being, the DRDA Special Tourism Projects. We had 5 developmental Blocks in the District, and took up a pilot project in each of these Blocks. Out of the 7 odd projects we executed, which ranged from beautification of an eco park near a sacred grove to developing a waterfall, to creating an eco lake around the pitcher plant theme, to reinvigorating historical heritage, it was really an exhilarating

experience, as we converged with various departments and the community. In this, we also managed to reawaken the community's sense of value for their natural heritage in the midst of an onslaught against the environment. Three of these projects are now being managed by the community through the Dorbar and the returns are in turn generating jobs in the village.

We also conceived the lalong Rural Tourism Project, Meghalaya's first Rural Tourism Project which we sent to the Ministry. It involved funding for both hardware and software components; hardware being setting up eco lodges, ampitheatres, etc. and software included capacity building of village people to train them as guides, promoting hygiene, etc. When I left the district, the hardware portion was near completion and I learnt that the community is now attempting to

generate revenue from this community based project.

Also to generate excitement and awareness both within and without, we conceived the Discover Jaintia Festival in 2006, which is now an annual event. Many tourism societies have been set up and an apex JTES (Jaintia Tourism Environment Society) has now taken the reins to manage the festival on an annual basis. The showpiece event being the "evening of a 1000 lights" at the scenic lalong sacred grove overlooking the serpentine Myntdu river where a thousand dongmusas (traditional lights) light up the venue with their flaming torches and the skies in the night are lit up with dingkums (traditional fire balloons) amidst an atmosphere of music and carnival. In West Garo Hills District, on similar lines we conceived and promoted the AHAIA winter fest to draw attention

to the immense cultural and natural wealth of the Garo Hills area.

Incidentally, considering our locational proximity to Bangladesh, the international expatriate population at Dhaka yearns for a hill station, with Sylhet being only an hour's drive away. There's also a large middle class in Dhaka that is looking for a holiday destination. With this in mind, along with the JTES, I had organized a conference with Tour Operators of Bangladesh (TOAB) to explore ways and means to facilitate further tourist traffic from Bangladesh. Hopefully, with a friendly government in Bangladesh this process can receive further impetus now.

One of the departments you are looking after now is education? It must be exciting, given the major thrust it is receiving under the Human Resources Minister, Kapil Sibal. Can you tell us more about your work with it?

It is indeed a very exciting time to be in Education, with a slew of reforms, paradigm shifts taking place in the way Education is managed by the State. The Right to Education is a path-breaking act for which we as a state are gearing up. One step we are taking is GIS mapping we are resorting to technology to refine our data base about schools, infrastructural needs, capacities, provision of rights and entitlement, with an overall aim that the output will lead to a more child-centric focus. This GIS mapping will tell us exactly where schools are needed, what exactly is needed, what requires toning up, are schools and teachers actually existing?

This besides, a new project called RMSA (Rashtriya Madhyamik

Sarva Shiksha Abhiyan) is being launched, which will address the needs of the secondary education sector, which has long been neglected; primary education has always been a matter of primary concern, higher education of the highest concern, but secondary education has always remained a matter of secondary concern.

Shillong as such has always been the educational hub of the North East. In fact recently, the Thai Counsellor stationed at the Royal Thai Embassy had come to meet the Education department officials to promote Shillong as an educational centre for the Thais. Besides, we have many students from Bangladesh and Bhutan studying in our schools and colleges. However, in the periphery, the condition is not as satisfactory. Maths and science need more emphasis.

You are also handling cooperative societies? How are they faring in Meghalaya, and the North East in general?

I derive immense satisfaction from my present designation as Registrar of Cooperative Societies. Cooperative Societies are not that many, but some of them have grown substantially. They have organized self-help groups and federated themselves and in some cases the corpus of some of these societies has grown to more than 2 crores. What makes cooperative societies interesting is that the powerless, when they organize, suddenly find themselves empowered economically. At the ICA (International Cooperative Alliance) General Assembly in Geneva, where I had the opportunity to participate, I witnessed the immense influence of Cooperatives worldwide.

It has been our endeavour to

consistently seek ways and means to introduce new technology like the Japanese Bokashi technology amongst piggery cooperatives to improve their activities, introduce CAS (Common Accounting Systems) to enhance their business efficiency and to collaborate with organizations like TERI to introduce the LABL (Light a Billion Lives) campaign amongst our rural cooperatives.

Can you tell us which have been the toughest challenges you have had to face in your career?

Managing elections as Returning Officer in Jaintia Hills District where elections are fought intensely. The Election Commission deputed a team of 7 observers the highest for any district in Meghalaya, amidst potential law & order problems & clashes! Elections in Jaintia Hills are more intensely contested than in other parts of the state. Jaintia Hills is the most wealthy district, being resource-rich. Influence of power and money make elections extremely volatile. Group clashes are common, as constituencies are small and winning margins slender. Managing this volatility was quite a challenge. Also the district's proximity and porous borders with neighbouring states and Bangladesh was another cause for concern.

I learnt that technology can greatly contribute to managing uncertainties. We deployed roving video cameras and micro observers at all sensitive booths. This really enhanced our monitoring mechanism and also greatly discouraged potential problems and complexities. The elections in fact became one of the most peaceful and incident-free in recent memory.

Another interesting experience I had with managing elections was as Returning Officer for the 2008 Parliamentary elections as DC Tura, where we had problems of literally elephantine proportions. A rampaging group of tuskers were giving sleepless nights to the polling parties. We had to form crack teams comprising the community, forest officials & the police to ensure that citizens were given their rights to exercise their franchise. So we had to deal with both two-legged and four-legged problems.

What do you think of the state of the civil services today?

There's much more variety in the civil service today, and the challenges are greater too, as administrators are expected to step into various roles, as Team Mission Leaders, especially in social sectors like health, education and poverty alleviation. The opportunities are immense but capacities at the subordinate levels need further strengthening. The old system of clerk-centric governance has to give way to officer-centric management. Decisions have to be quick, informed and precise, so as to meet the urgent needs. We are short of 5000 plus IAS officers!

With legislations like RTI, transparency is the buzz word and hence we have to be cautious, informed and prepared. There's less room for casualness and frivolity. Today, the chair does not bring you glory, you have to bring glory to the chair.

Specifically, what do you think of the state of development of the North East? What are the bottlenecks that are hampering greater development/integration with the rest of the nation?

In the North East, connectivity, geographical and emotional isolation and weak governance structures have always been the bugbear. However with technology like the internet and greater flow of information, boundaries are collapsing and distances are being bridged. We need quantum leap in infrastructure, better roads, electricity, besides increase in capacity of our human resources, so that not only are we able to exploit our natural resources, but also be in a position where we can utilize our funds and steer the destinies of our region to the next level, from where our dreams can take wings.

What are the kind of books you like to read?

I like travel books. I really enjoy authors like Pico Iyer and Bill Bryson, who give an offbeat insight into various peoples, places and cultures. Presently, I'm reading a wonderful book by Muhammad Yunus, Nobel laureate and founder of Grameen Bank called Social Business. He feels that all social problems need not be addressed through charity but by building a sustainable business model around the problem, and gradually the social problem will be tackled sustainably by the stakeholders themselves, without perpetually turning to governments for doles and handouts.

What are the things you love most about your work?

The power to change things, the platform provided to be a catalyst and the opportunity given to be a facilitator and an agent of change

What is a typical day in your life like?

I'm posted as Secretary, Education, Registrar of Cooperative Societies and MD of the State Warehousing Corporation, so typically I divide my day between these three assignments.

What about the personal side of you? When you're not at work, what are the things that keep you busy? What are the activities/hobbies you like to engage in?

I like to write, travel, read and yes, spend time with my children. Travelling and tourism are my passions. Not too long ago, I used to contribute travel pieces to India Today Travel Plus. ■



On tour in the Garo Hills as DC

Electricity & Water

The State of Infrastructure

By Viktor Grabik,
Director, Olvima Consult and Trade



Electricity

In 1880, the first small hydroelectric plant started operating in Darjeeling. In 1947, on the eve of becoming an independent state, the Indian electricity-generating capacity was some 1,360 megawatt (MW). By the end of 2008, the combined generation power of all electric plants reached nearly 150,000 MW. Several government institutions regulate or exercise strong influence over the Indian power sector. The Electricity Act of 1948 resulted in the establishment of the State Electricity Boards (SEB). The Industrial Policy Resolution introduced in 1956, reserved production of power for the public sector.

Unfortunately, the 1948 Act and the Industrial Policy Resolution did not prove conducive to the development of the electricity sector. So, new electricity legislation was enacted in 2003. It

provided for a legal and institutional framework that is intended to change the shape and development path of the India power sector profoundly. The new legislation supports the private sector and aims at gradual liberalization of the market for electricity generation, transmission and distribution. The primary agency responsible for the power sector is the Ministry of Power. It is seconded by the Ministry of New & Renewable Energy.

The National Load Dispatch Centre set up in 2005 was entrusted with the scheduling and dispatch of electricity across inter-regional links and monitoring of the national grid. SEBs still account for 48% of installed generation capacity. Power plants operating under federal government agencies account for another 16%. The private sector share has

steadily been growing and currently provides 36% of installed capacity.

The Indian power sector is not yet adequately able to meet the country's needs. Electricity consumption per capita, one of the key performance indicators, was 700 kilowatt-hours (kWh) in 2008. To put this figure in perspective, in 1948, per capita electricity consumption in Switzerland was already 1,924 kWh, and has reached 8,000 kWh. In China and Brazil, the corresponding figure for 2008 was 2,200 kWh.

Another worrying indicator is the growing gap between peak demand and supply. In technical terms, unsatisfied electricity demand increased from 12.1% in 2007 to 14.6% in 2008. In practical terms, this means power cuts for millions of users from April to September. In economic terms,



power shortages increase production costs and lower overall efficiency for the whole economy. Some experts argue that insufficient power supply reduces GDP growth rates by 1 to 2%.

Adding new generating capacity is a necessity. Expansion plans project the installation of 92,700 MW by 2012. Thermal power plants would account for 60,000 MW, hydroelectric plants for 16,000 MW and nuclear plants for 3,400 MW. Renewable energy like wind, biomass and solar plants would make up the rest. The implication is that the country's power-generating capacity should increase by 18,500 MW annually. This is an ambitious task, considering that in 2008 only 7,000 MW were added, and the historic average is even less than this.

However, according to certain sources more than 70% of new plants are already under construction, increasing the likelihood of meeting the target. Increase in generation capacity obviously needs to be accompanied by an adequate extension of the transmission grid. The current network has a length of 211,000 km and a transmission capacity of 143,000 MW. There are plans to have it extended to 293,000 km and 200,000 MW by 2012.

The overall investment in the Indian power sector requires approximately USD 200 billion in funding through 2012. Construction of power generation plants would absorb half this amount while the other half would finance extension of the transmission grid and distribution system. Private investors are



expected to contribute 20% to the financing of power sector expansion. Domestic private investors have responded enthusiastically. Several large corporations are actively promoting and investing in mega thermal power plants (Tata, Reliance, Torrent). Hundreds of Indian investors promote smaller thermal plants, hydroelectric schemes, wind farms, biomass gasification and solar energy installations all over the country. On the other hand, foreign investment in the power sector has not met expectations. Foreign investors seem to be reluctant to commit significantly, although the tariff and tax rules are favourable to them, and the legal framework allows 100% foreign ownership, with the exception of the nuclear sector. The primary cause for this attitude is the Indian electricity sector's poor performance. Investors fear that they might not receive a satisfactory return on their investment.

The fact is that the power sector suffers from substantial losses to the tune of USD 6 billion per year. An average of 35% of the electricity produced does not

generate revenue due to technical transportation and distribution losses, theft, inappropriate billing and collection methods. The SEBs, which control most of the electricity sales to final consumers, have in the past been under pressure from the political authorities to deploy electricity as a mean of gaining votes. So, providing electricity for free to certain electoral groups is not uncommon in several states. This practice seems to be changing for the better; some SEBs have started to generate acceptable returns on their investments. Nevertheless, bringing down losses and increasing revenue generating capacity of the electrical system as a whole will remain the key issue for years to come.

Even if direct foreign investment in the power industry remains modest, there are significant business opportunities for suppliers of hardware and systems related to electricity production, transportation and distribution. Major global power engineering players have been present in India for decades and most of them have set up substantial manufacturing facilities. Few have dared to invest



in power generation plants, mostly under joint venture arrangements with Indian construction or manufacturing companies. In the relatively new field of wind energy, all renowned suppliers of wind turbines have meanwhile set foot in India. Since the development of wind power in the 1990s, the installed capacity of wind turbines reached nearly 9,000 MW and is projected to grow by another 6,000 MW by 2012. Even now India displays the world's fourth largest wind energy generation capacity, and is the wind energy leader in the developing world. Suzlon, an Indian company, has become one of the flagships of the wind power industry worldwide.

The signing of a protocol, allowing the International Atomic Energy Agency to inspect India's nuclear power industry on March 3, 2009 ended a 34 year embargo on civilian nuclear technology and opened a new chapter in the development of atomic power plants in India. Letters of intent with foreign suppliers have already been signed. For example, the French Areva group might be entrusted with the development of

six power plants in the amount of EUR 30 billion. These should be constructed by 2016. Water

The first public-private partnership water supply project in India was completed in the city of Tirupur in 2006. It provides a daily supply of 185 million litres of potable water for domestic and industrial consumers in the city and its surroundings. The project, which cost USD 220 million, was financed through a package of equity and debt from institutional investors, international aid agencies, domestic public financing companies and various commercial stakeholders. Several similar schemes are about to be implemented or are in the advanced planning stages.

However, there are still too few projects to impact the state of India's water supply and sanitation system. A study carried out with the support of the Asian Development Bank in 2007 revealed that in none of the 35 Indian cities with a population of over one million, was constant water supply guaranteed. The average duration of supply was 4.3 hours per day. Most housing complexes are equipped with large storage tanks, which distribute water continuously to inhabitants. Obviously, this adds to the construction cost and bears the risk of water contamination.

According to official statistics, 86% of the population in India has access to improved water supply. Improved water supply is considered assured if at least 40 litres of safe water per day and per person are available within a distance of 1.6 km. There should be at least one pump per 250 persons. A small fraction of

wastewater is collected in the sewage system, and only 30% of sewage collected is properly treated. Most of the wastewater is still discharged untreated into open waterways, the ground or the sea.

Under the Indian Constitution, water supply and sanitation is the states' responsibility. At present, states plan, design and execute water schemes. They often operate these through technical departments. The limited availability of funds is a major impediment to improving the Indian water supply and sanitation. Approximately USD 3.5 billion per year is allocated for investment, which is low compared to countries with a similar level of development. Moreover, the existing water and sewer tariffs do not sufficiently cover operating and maintenance costs.

Furthermore, the level of metering is inadequate. In urban areas only 60% of users are metered. This means that extra subsidies are required to keep municipal and water supply schemes going. Limited funds affect the quality of services related to water supply and wastewater treatment. In conclusion, infrastructure, water supply and sanitation could benefit greatly from structural reform. It is here that Swiss and European companies could render tremendous benefit and reap positive returns through direct investment in water management and treatment projects.

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Chhattisgarh Harnessing Water for Development

By Dr. Raman Singh,
Chief Minister of Chhattisgarh



Civilizations have always flourished near sources of water. Since time immemorial, reservoirs have been constructed for domestic, drinking and irrigation needs. There is a large variation in monsoon pattern. Therefore, storage of water is a prime need of Chhattisgarh. The history of water storage in reservoirs in the State goes back to the Kalchuri dynasty of the 12th century. Vallabhsagar of Kotgath and Khadga reservoirs of Ratanpur are examples of this age-old tradition of preservation and storage of water.

About 59,900 MCM of water drains into the Ganga, Godawari, Mahanadi, Narmada and Bramhani rivers from 137,000 sq km geographical area of Chhattisgarh. Excluding the use by neighboring states, only 41,700 MCM of surface water can be utilized in the State. At present only 22 percent of surface water is being used for irrigation, industrial and domestic purposes. Similarly 13,678 MCM of ground water is

available, of which 20 percent has so far been harnessed.

About 80 percent population of the state is rural and mainly dependent on agriculture. The average rain fall of the state is 1300 mm and entire state falls under the rice-agro-climate zone. Variability in monsoon directly affects agricultural crops, mainly paddy. In the circumstances, more irrigation facility has become a primary requirement for the State.

Targets & Achievements

The gross sown area and net sown area of the State are 5.732 million ha. and 4.722 million ha. respectively. Irrigation potential of 1.328 million ha. was created from the government sources till the formation of the new State of Chhattisgarh (1 November 2000) which was only 23 percent of gross sown area. It has now reached 1.771 million ha., which is 30.89 percent of the gross sown area.

During the 10th Five-Year Plan (2002-2007) additional irrigation potential of 310,000 ha was created.

In addition to plan funds, the works are being executed from other budgetary provision too such as loan from NABARD, Employment Guarantee Schemes (NREGA) etc. to increase the irrigation facilities.

RIDF Programme (NABARD)

Under the Rural Infrastructure Development Fund (RIDF) 391 schemes from Phase-II to Phase-XV

has been taken up. The designed irrigation potential of these schemes is 205167 ha. Tandula Canal Lining, Mata Sutiapat Project and Kharkhara Mohadipat Project are some of the main projects which have been completed.

Accelerated Irrigation Benefit Programme (AIBP)

Under the Accelerated Irrigation Benefit Programme of Government of India, Shivanth Diversion (Medium), Jonk Diversion (Major), Barnai Project (Medium) and Hasdeo Bango Project Major Phase-III have been completed. Since formation of the State, two major projects having great potential under construction are 44,127 ha. and one medium project under construction is 3,000 ha. A total of 45 minor irrigation schemes have been completed under AIBP, which created 8,250 ha. of irrigation potential.

Schemes Under Construction

There are 10 major, medium and minor schemes which are under construction, such as Mahanadi Project (Major), Kosarteda Project (Medium), Hasdeo Bango Project Phase-IV, Kelo Project and 152 Minor. These schemes will especially cater to the requirement of tribal and drought-prone areas.

We have also submitted 17 minor irrigation schemes for central assistance costing Rs. 123.32 crore this year as well.

Chhattisgarh Irrigation Development Project (ADB-assisted)

Increase in productivity by the use of improved irrigation methods, better water management and modern agricultural methods to

increase the irrigated area and raising income to reduce poverty are the main objectives of this project.

Renovation and rehabilitation of 200 minor and 20 medium schemes, repairing of 500 sluice

gates of old irrigation schemes, strengthening and intensive training of Water Users Association (WUA), capacity building of departmental staff and farmers for improvement in agricultural techniques are the main components of this project. Estimated cost of this seven-year project is Rs. 300 crore. The work of 96 projects worth Rs. 126.80 crore is under progress by which 119,109 ha. irrigation potential can be accomplished.

National Hydrology Project Phase-II (World Bank assisted)

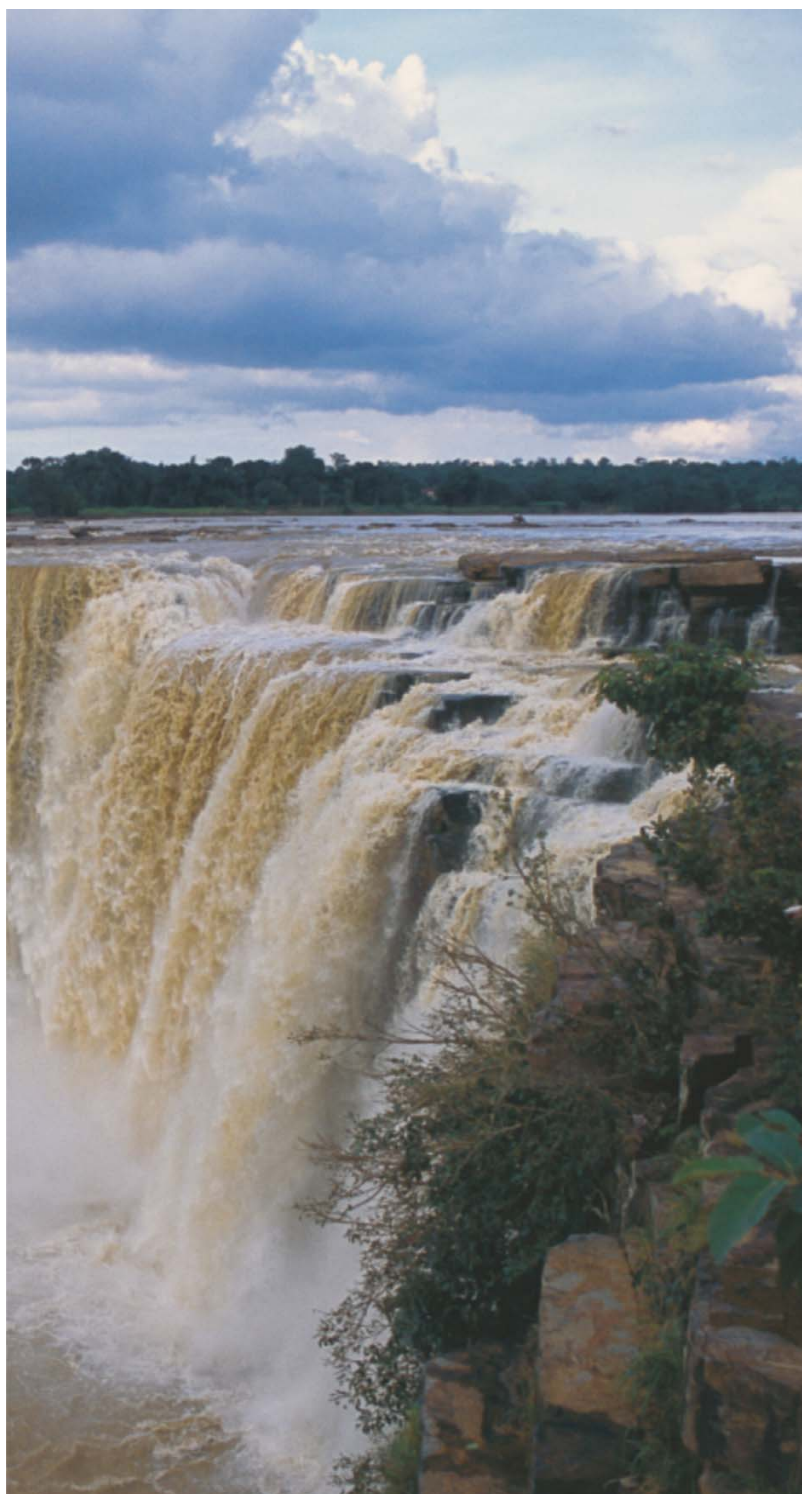
Planning and design of water resources development, decision support and design aid by the use of data collection are main features of this World Bank assisted "National Hydrology Project Phase-II." To provide information about the availability and quality of surface and ground water to different institutions and users is also special purpose of the project. Total estimated cost of the project is Rs. 21.51 crore.

Contribution of Water Resources in all-round Development :

(a) Drinking Water Supply: About 315.70 MCM of water is allocated/supplied to 11 cities for drinking purpose by the Water Resources Department. As one is aware that use of ground water for drinking purpose should be minimal. These schemes use surface water for this purpose.

Hydro Power Generation

There are three hydro power generation schemes. 120MW, 10MW and 7MW hydro power is being generated from Minimata Bango Reservoir Project (Korba), Ravishankar Sagar Project (Dhamtari) and Sikasar Project (Raipur) respectively, resulting not



only in savings of millions of tonnes of coal but also protecting the environment.

Water Supply to Industries

The Water Resources Department has a very important role to play in the fast industrial development of the State. On receipt of a proposal from the Chhattisgarh State Industrial Development Corporation (CSIDC), the Water Resources Department takes immediate action for allocation of water to industries. This is one of the reasons that the major Industries in the state like Bhilai Steel Plant, BALCO, S.E.C.L., C.S.E.B. etc could implement their expansion projects. In all 1951 MCM of water has so far been allocated to 105 industries in State. There are primarily thermal power plants and integrated steel plants which will fetch a revenue of approximately Rs. 450.00 crore every year. Water allotment is being consented for the upcoming power generation plants without any bureaucratic delays. On establishment of these units, the dream of the Government to make the State "Power Hub" will come true.

Pisciculture:

As many as 1,467 reservoirs and tanks of the Water Resources

Department are being used by the Fisheries Department for pisciculture and its development. The water-spread area of these reservoirs is 78,700 ha.. Last year, 11,321 metric tonnes of fish was produced fetching Rs. 34 crore to different societies and the Government also earned a revenue of Rs. 2.32 crore.

Construction of Anicuts

In Chhattisgarh, there were ponds in almost every small habitation. Besides fulfilling the local needs, these ponds were maintaining the natural balance of ground water in almost the whole state. These ponds lost their existence with time and excessive exploitation of ground water. As result, water tables plummeted. To overcome this imbalance, the Government of Chhattisgarh has prepared an ambitious project of creating alternate water bodies by constructing anicuts and stop-dams across various rivers and rivulets in the state. Under this project 595 anicuts and stop-dams have been identified across river Mahanadi, Shivrath, Jonk and other perennial rivers and rivulets in the "rain- shade" region. This will raise the water table and will be very useful to local populace. The estimated cost of these anicuts and stop-dams is Rs.

1,657 crore. Water will be available for drinking, domestic, agricultural and industrial uses from these anicuts. At present 104 anicuts costing Rs. 164.17 crore has been completed and 123 anicuts costing Rs. 418.22 crore are under construction.

Ayacut Development in the State:

Requirement of irrigation water has increased manifold with the development of new techniques in the field of agriculture. With a view to optimizing the use of available water, Command Area Development Programme was launched by Government of India for major and medium irrigation projects. Construction of field channels, Participatory Irrigation Management (PIM), training of farmers etc. are being executed under this programme.

For this purpose, two Command Area Development Authorities have been Constituted in the State: (a) Mahanadi Ayacut Development Authority, Raipur This has developed 725,000 hectares. command area of Mahanadi, Sondur, Paity, Tandula, Kodar, Jonk and Balar.

(B) Hasdeo Ayacut Development Authority, Bilaspur - This has developed 460,000 ha. command area of Minimata Hasdeo Bango (Major) project, Kharang, Maniyari and Ghonga .

Thus, Water Resources Department has contributed to the overall development of the State by creating irrigation potential, providing water for drinking and industrial purpose. ■



Private Sector An Administrator Par Excellence



Mr. Amit Mittal, CMD, A2Z Maintenance & Engineering Services, won the prestigious Ernst & Young Entrepreneur of the Year (Start-up) Award, announced in February this year. The Ernst and Young Entrepreneur of the Year Award is the world's most prestigious business award for entrepreneurs and is given out in many countries including India.

An IIT-Roorkee and IIT-Delhi alumnus, Mr. Amit Mittal, worked extensively with Hindustan Petroleum Corporation before joining Sapient Corporation, a multinational consulting corporation. In 2002, he started A2Z Maintenance & Engineering Services. Under his leadership, the company has grown into a Rs. 2,000 crore entity in a short span of 8 years. Sales of A2Z have grown by more than 3.5 times in the last three years.

The Company had a modest start as a Facility Management Company. It became the first

facility management company in North India to achieve the coveted ISO 9001: 2000 certification. The company has since diversified its business into EPC (Engineering, Procurement and Contracting) in the power sector, and has executed several prestigious assignments in Substations & Switchyards up to 220 kV, Transmission Lines up to 765 kV, Sub-transmission and distribution lines, Underground Cabling up to 33kV, Railway Electrification, and Operational and Maintenance of Electrical Utilities. In 2008, as part of its expansion plans, it acquired Sri Eswara Sai Construction, which had erected transmission lines for KEC Limited & Tata Power Limited.

Today, A2Z Maintenance and Engineering Services has its footprint across India with projects in Haryana, Punjab, Maharashtra, Madhya Pradesh, Himachal Pradesh, Delhi, Uttar Pradesh, Jharkhand, Bihar, Jammu & Kashmir, Orissa, Leh & Kargil, etc. Some of its clients/projects include Rajasthan Electricity Authority, Jodhpur & Jaipur (Construction/ Renovation of 11kv & 33kv transmission/ distribution line), Punjab State Electricity Board, Electrification of Agra Village through Reliance Energy, Sapient Corporation, BSES Power, Hindustan Petroleum Corp., Airports Authority of India and Fidelity Business Services India.

The group is now engaged in a diverse range of activities encapsulating Engineering

Services, Electrical Services, Mechanical Services, Civil Services, Facility Management Services viz. Security Services, House-keeping Services, Service Apartments, and much more. As part of its endeavors to contribute towards protecting the environment, the company, through its subsidiary, A2Z Infrastructure, recently got into the business of solid waste management including the collection, transfer, recycling, resource recovery (composting, waste-to-energy, etc.) and disposal of municipal solid waste. It has successfully carried out integrated municipal solid waste management in Kanpur, Firozabad, Indore, Muzafarnagar and Patna.

It is under Amit Mittal that A2Z Maintenance and Engineering Services has grown from strength to strength. And as a growing India focuses on setting up more and more power projects to meet its enormous energy needs, Mr Mittal aims for the company to be among the major players in this sector. Its ISO 9001:2000 accreditation is a testimony of its commitment to achieving high quality standards and maintaining strict quality programmes, and Mr Mittal, the able administrator, is determined to make A2Z Maintenance and Engineering Services among the best technology-driven turnkey contractors and service providers in the country. ■

Subrata Gupta

The Resurgence of Bengal



The state of West Bengal is now one of the largest recipients of investment in the country. It has been receiving major investments in iron and steel, chemicals, plastic, information technology and biotechnology sectors. In particular, there is tremendous potential for investment in the information technology and tourism sectors. Besides, the State has achieved significant improvement in urban infrastructure scenario with reference to water supply, sanitation, education, health, real estate, etc. It has proper transportation system; efficient and high quality power at competitive rates; and sound telecom network. Hence, West Bengal has emerged as a prime investment destination in India, with a large number of foreign investments at Howrah and Kolkata. Haldia is set to be the next petrochemical hub. The steel city of Durgapur and the belts of Asansol are gaining popularity as a ferro-alloy hub. The State Government has

been undertaking several policy measures and incentives for the overall socio-economic development of the economy. In a conversation with Anurag Sinha, Mr. Subrata Gupta, MD, West Bengal Industrial Development Corporation, spoke about high investment, the state's attractiveness to investors and the challenges before the state.

Industrial growth in West Bengal has faced two acute challenges in the last couple of years. One is the withdrawal of the Nano project from Singur and the other one is the global economic meltdown. How would you analyze the current industrial scenario of Bengal?

What you're saying is very true. I feel that after everything that has happened, the biggest challenge we face is that of perception. About the Nano project, the problem was that the media blew it out of proportions. They were focused solely on Singur, when the truth is that the same things were happening elsewhere too. There were several other states where land acquisition, rehabilitation

and compensation became major issues and entire projects were delayed. There are many such cases in Orissa and Maharashtra.

But I think that we have left it far behind and I am happy to say that the confidence of investors in West Bengal continues to remain high. In fact, we have had one of the highest investments among states in the recent past. The entire investment in West Bengal in 2009 has been over 8000 crores. The Industrial Entrepreneurship Memorandum (IEM) conversion ratio of West Bengal is one of the highest in the country. We may have faced a setback because of the Nano project and the global recession, but that is all in the past now. We are now looking towards

the future, not the past; and I think we are moving in the right direction.

So how is the WBIDC handling the task of land acquisition now?

We are the premier agency of the government for industrial development in the state. We focus on the medium and large scale sectors. Most of the entities in these sectors require large amounts of land. Now many of the smaller units go and buy land directly and they do not have to take the help of the government. There is a basic logic to land acquisition, which is the optimal use of land. Once we provide land for a planned industrial park, the requirement of land for individual industrial units

goes down. Because they do not have to set up their own power stations or drainage system or roads or ETP. Whereas if each unit were to set up these individually, it will definitely need more land. So if we provide all these facilities in an industrial park, then automatically, the requirement of land comes down. It is a more effective, a more scientific use of resources.

So I would say that land acquisition is not an option for building industry but a necessity. Now, we go directly to the local people or the local political parties with the anchor investors. We initiate a dialogue. There are three things that we look for. Firstly, we see whether the project is welcome there or not. What is the opinion of the local people? If we see that the project is welcome, we move to the next step, which is to determine whether it is possible for us to get that quantum of land in that area. If the answer is yes, then we get into the specifics of the exact location of the land, the geography of the land, etc.; then, if there are suggestions regarding modifications, we change the plan accordingly. Finally we start processing the compensation package and the rehabilitation package. We act as a mediator between the landowner and the borrower and we come to a point of agreement where the exact compensation package is settled. Then the project can get started. In the recent past, we have met with a great deal of success in acquiring land and compensating the owners on a number of major industrial projects.

Many new steel projects have come up in the state. How do you think these companies will be benefited if they start, or

expand, operations in West Bengal?

Actually West Bengal offers certain advantages not just to steel but to most industrial units. We have one of the lowest costs of living and we have one of the most skilled work forces available in the country. And much of this workforce is English-speaking. In case of steel, the major factor is the availability of raw materials. It is either present within the state or in one of the neighboring ones. So a steel plant doesn't have to carry coal from a far away place. Even the iron ore can be brought from the neighboring states. Also the steel industry is a very old industry in West Bengal. So Adhunik Group, Shyam Steel, Bhushan Steel and Jindal Steel, have all set up new plants or are expanding the existing ones. The total investment is worth 100,000 crores and once these plants start operations, they will generate employment for 500,000 people.

Of late, we have seen the Nayachar chemical plant coming in for a lot of criticism. How is the WBIDC tackling this?

The Nayachar project has made a lot of progress. We have already gotten approval from the Government of India. The first survey of the land has been conducted. The long-term lease of the land to the company has been effected. The foreign consultants appointed by the company have already begun their study and are preparing the detailed project report. The environmental study is also underway as we speak. So I would say that it is right on track. A project of this size definitely takes time to concretize. The challenge before us is of perception, again.

There are so many chemical hubs in India which have not been opposed. So if people there can live happily alongside these chemical units, I don't think it will be difficult for the people of Nayachar to stay happy and safe alongside the chemical project. The government is taking every measure to ensure the safety and security of the people. The environmental issue is something we are taking seriously and the government is determined to see that all things are in place. I am confident that we will be able to clear all the misconceptions surrounding the project.

What steps is the WBIDC taking to boost up the SME sector after the recession?

As I have said, our primary focus are the large and medium sectors; but that is not to say that we are not proactive about the small sector. We are helping SMEs in two ways. Firstly, we are promoting a number of industrial parks for small units. We have created a number of industrial parks using the concept of flatted factory. These are actually buildings which are designed for accommodating small units and they are doing extremely well. One such project is Shilpangan in Salt Lake. Then there is Paridhan, which is a garment park, and Manikanchan is a gems and jewellery SEZ. All these projects are doing quite well in Bengal. Also small industries that want to set up their own projects that are medium in size are being provided plots in industrial parks. Food Park is one example; there's also Poly Park and Borjora Plasto Steel Park. All these parks are actually built to promote the SME sector.

The other way in which we are supporting the SME sector is that whenever we get a large project – such as the Jai Balaji Steel and Power project in Raghunathpur – we design the park in such a manner as to provide some amount of land to the smaller players. These smaller units can then supply parts or raw material to the larger units. It's a symbiosis, and both benefit.

In recent times, the tourism industry has suffered a lot because of some tension in parts of the North East. What steps is the government taking to deal with this challenge?

I am sure that the state government is taking the entire issue very seriously. The tourism department of West Bengal is taking a lot of steps to promote tourism. The government is very proactive. The

West Bengal Tourism Development Corporation is also acting very seriously.

What are the new projects that are coming to Bengal?

One of the big projects coming to West Bengal is the Matix gas-based fertilizer project in Panagar. This will be the only urea factory in this part of the country. As we know, this part of India produces a lot of rice. And rice requires urea. So this project will definitely give a fillip to rice farming in Bengal. Another project I would like to mention is the Aerotropolis project in Andal. It's an industrial park-cum-township-cum-airport project. It will be the first Green Field airport in West Bengal and the project is moving swiftly. The PCPIR projects and other Steel projects are also coming up very fast in the state.

What would you like to say to those people who want to invest in West Bengal?

I do really believe that West Bengal has the potential to become one of the top two or three states in terms of investment. There is huge scope for industrial resurgence in Bengal. We only need the right understanding amongst the people, supported by resolute government action and last but not the least, the good faith of the investors. We are trying our best to transform the single window system into something more efficient so that transactions become easier and faster. So I would like to tell investors to come and invest in Bengal. We assure you our prompt services and you will not be disappointed. ■



Naiade Pump Solar Energy to Quench Thirst

By Andree-Marie Dussault,
India Correspondent, Le Courrier



Imagine if there were a community-based solution to provide safe drinking water in the absence of electricity. A solution that was reliable, mobile, light (75 kg only), economical, eco-friendly, easy to maintain, that did not require combustibles, chemicals, piping, nor electricity. A solution that could purify 2,500 liters of water per day, provide water to 1,000 people or 200 families in a village, and conform to clean water standards set by the World Health Organization (WHO). Well, such a solution exists in Naiade created a few years ago by Nedap, a Dutch company in electronics and ultra violet (UV) products.

Simple and efficient, two washable bag-filters of 10 and 25 micron filter the water. An 18 watt UV lamp which has a life of 12,000 working hours does the decontamination. Electricity is generated by a solar panel of 80 watts. In cloudy weather, a 12 volt automobile battery assures electricity supply.

Tested by various renowned water research laboratories such as ATIRA at Ahmedabad, India, UNESCO-IHE & KIWA in the Netherlands, and the University of Ghana, Naiade has won many awards, including the prestigious European award in 2004. "Change is in the offing, isn't it Mini?" "Oh, it certainly is! And we are very happy about it," replies the fiftyish engineer after he has demonstrated the mechanism manufactured by Nedap to the gathered villagers. Change here comes in the form of the Naiade technology that purifies water with the help of solar energy and rays. It is about to be implemented in India for the first time thanks to Mini Puri's perseverance.

We followed Mini deep into the Indian Punjab, one of India's richest states, referred to as the grain attic of the country, a dozen kilometers away from the Pakistani border. Today's visit to Punchkosi, a village of 4,500 inhabitants has two purposes: The first is to introduce Ritu, the young assistant, who will persuade the villagers or rather the women, in charge of providing water, and "more intelligent", according to Mini to adopt the Naiade technology, and show them how to use and maintain the miracle machine.

The second purpose is to meet Jhakkar, Chairman of the the Indian Farmer's Fertilizer Cooperative Limited (IFFCO), the world's biggest fertilizer manufacturing company in the

cooperative sector. As the biggest landowner and producer of kinnoo, a local fruit, Jhakkar, is like the king of the area. Most of Punchkosi's villagers have little or no land and work as daily laborers in exchange for bags of rice worth 100 rupees. The idea is to help the IFFCO Foundation develop the first model village together with Naiade, so that other villages are encouraged to replicate the success story of Punchkosi in India and neighboring countries like Sri Lanka, Nepal, Bangladesh and Bhutan. Money and Meaning

Mini and the two engineering colleagues who are accompanying him, are charged up with optimism about this Dutch technology. They're not the only ones; their project captures more and more attention and even TV channel France 2 makes it to Punchkosi. The three men were school mates and all worked for big domestic or foreign firms. "We make ten times less money doing this than if we worked for



A Naiade pump in the village of Punchkosi.

multinationals,” explains Jamil. “On the other hand, we find this ten times more meaningful.” Naiade kills all bacteria and viruses contained in the water by UV. Not bad in a country where, according to governments statistics, 80'000 of the 600,000 villages are not electrified. This means that the villagers cannot use electric filters to clean their canal and well water. In fact, the number of villages where people still use candles to illuminate their houses may be closer to 300'000. “If one electric bulb in the whole village is working then the village is categorized as ‘electrified,’ explains Raymond, who has been active in non-conventional renewable energies for 40 years. Meeting at the Top

For Mini, the adventure started a few years ago when the government invited him and others for a brainstorming session to identify ideas and strategies for resolving the ongoing problem of access to electricity and clean drinking water for the 80,000 villages not connected to the national electric grid. Thereafter, the IFFCO Foundation held a contest for ways to implement development projects in remote and rural villages, and farmers' cooperative societies. Keen on accepting a challenge, Mini submitted the proposal utilizing Naiade, the solar powered drinking water purification system. His was selected out of many thousands of proposals. And that is how the village of Punchkosi, was chosen as the pilot project site to test and evaluate Naiade's performance for the first time in a rural context.

Since India is among the top ten nations with the highest death-rate due to impure water in its rural areas, the country has reason to be



Installation at a coop society.

interested in adopting Naiade. While industrial pollution, chemical pesticides and fertilizers contaminate villages' drinking water, the major contaminants are bacteria and viruses from animal and human excreta. This is the result of poor sanitation and lack of education. The Challenges

Mini is aware that the battle is far from being won. The number one obstacle is the cost of the system; INR 285,000 per unit, a large amount for a rural family. “The villagers have the means to buy a bottle of soda for a couple of rupees, but don't want to spend a penny for safe drinking water,” remarks Jamil. “That's because they're so used to promises of free water, repeated again and again by politicians eager to bag rural votes.” However, these pre-electoral commitments are rarely fulfilled apparently. “Villagers should come to understand that safe water is a must and they need to pay for access to it,” advocates Mini. He argues that the cost of the solar-powered water purification system is reasonable compared with boiling water using wood, kerosene or gas. And it does not create any pollution. Going that Extra Mile One strategy to promote

Naiade is to convince the IFFCO foundation and Jhakkar to support his cause. The potential advantages and benefits of the Dutch technology are explored with Jhakkar while sitting in the shady garden of his sumptuous residence. Mini's strongest argument besides the bonus that his villagers will have access to clean water is that if the pilot-project becomes a success, Punchkosi will appear on the world map as a pioneer.

Mini also thinks the government should offer subsidies to the poor villagers and waive off import duties. Subsidies could cover up to 50% of the price of a Naiade device. It would be a pity not to do so and let the initiative fail. Update

Since the trip to Punchkosi in 2006, three neighboring villages have each purchased a Naiade unit. Across India, many other villages are benefiting from this technology. Mini Puri and Reliance Industries Limited are in discussions to manufacture the Naiade in India. ■

Towards Effective Disaster Mitigation

By Anik K. Sinha, IAS (Rtd.)

Co-Chairman, Global Forum for Disaster Reduction



Like anywhere else in the world, India has seen a fair share of natural disasters hit its landmass. From floods to earthquakes and Tsunamis, natural disasters can wreak death and destruction of incredible proportions. But it is no less a fact that often, just following a simple rule can mean the

difference between life and death. In the case of an earthquake, finding shelter under a table or bed rather than running helter skelter can make all the difference. And these are simple rules that even children can follow in moments of crises. But for that to happen, a certain amount of awareness needs to be disseminated, especially in areas that are prone to natural disasters. It is keeping this in mind that The Global Fund for Disaster Reduction [GFDR] was started in 2005. GFDR seeks to synergize efforts towards effective disaster reduction through public-private partnerships, advocacy and alliance building.

In keeping with the spirit of the millennium development compact, GFDR taps global experiences, knowledge and skills

for the development of national and local development strategies. Therefore, its motto is: global vision, local action. The USP of GFDR is the creation of a vital, extensive and comprehensive database, updated constantly to accelerate the process of reconstruction and rehabilitation towards sustainable development.

The organization conducts seminars and workshops in order to raise awareness amongst people on ways and means to tackle disasters such as earthquakes, floods, etc. The work has been focused on three broad targets: Children, Neighbourhoods and the Corporate Sector.

The frequency of disasters is on the increase. Children are one of the





most vulnerable sections of society. It has, therefore, become mandatory to impart them enough knowledge which also enhances their capacity to face any type of disasters. With children, the idea is to make learning of disaster preparedness & management fun and entertaining. The main scope of this endeavor is to make available as many games, videos, cartoons, postures, charts,

slogans, etc. with which children could easily get involve and learn disaster in a very entertaining way.

Neighbourhoods, too, form a very important platform for disaster reduction dissemination

The corporate sector has largely been isolated from the disaster management initiatives taken by the government and voluntary

sector in the past. The corporate sector has an untapped reservoir of skills, manpower and resources that can be effectively utilised in disaster preparedness, mitigation and disaster response and recovery.

Disaster management, apart from being an integral part of corporate social responsibility, is also an important component of good business planning. One of the goals of GFDR is to generate awareness of the benefits that will ensue to the corporate sector by actively participating in disaster management. Adoption of disaster preparedness measures (to be distinguished from industrial safety measures) by any industry can go a long way towards enhancing its viability.

On the eve of the commonwealth games in New Delhi, GFDR is currently involved in engaging with the hospitality sector in Delhi and the neighbouring regions on Disaster Reduction, in the eventuality of some form of disaster.

GFDR has organized a number of international conferences in association with the World Bank and various international bodies. It is a member-body of the Task Force of the National Disaster Management Authority, under the chairmanship of the Prime Minister of India. It has been actively involved with NDMA workshops on earthquake policy (Bhuj, etc.) and Chemical disasters (Bhopal). GFDR has also brought out a book "Disaster Management for Sustainable Development: Involving Corporate Sector." ■



Chhewang Norphel

The Man Who Made Glaciers

By Andree-Marie Dussault,
India Correspondent, Le Courriery

Chhewang Norphel may not look ground-breaking, but he is. With his two hands sunk deep into his pockets, his back ramrod straight and his pitch black hair, the seventy plus years old jumps from one rock to the other with the ease of a gazelle. We are at 4,300 meters above sea level, in the high Himalayas of Ladakh, the eastern part of the Indian state Jammu &

Kashmir. Here the brown, sandy mountains have given way to white snowy summits on a background of electric blue sky.

As on every third day, the retired civil engineer has come to check the progress of his works. Works that are not quite ordinary since what he is building will contain an "artificial glacier" two kilometers

long, sixty meters wide and two meters deep. It will provide three hundred families precious water. Chhewang Norphel is no beginner; he has already built more than ten similar structures, changing the daily lives of thousands of villagers.

Ice Fields that Are not Eternal

His story started in 1987. A native of Skarra, a village in the suburbs of Leh, the capital of Ladakh, the man observed how his neighbors struggled with water scarcity. 85% of Ladakhis live off agriculture. Only five centimeters of water fall annually in this region where vegetation is ankle-high with the exception of long poplars planted by its inhabitants. And with the ongoing climate changes, their hardship is increasing. "The glaciers provide nine-tenths of the water used by the farmers," says the engineer. But they are melting at an alarming pace." Indeed they are. According to World Glacier Monitoring based in Switzerland, the icy giants lose half a percentage of their mass annually. Add to that the rare snow-falls and a growing tourist industry, which makes water consumption skyrocket with its western toilets and showers, and it is clear that Ladakh is facing a water crisis.

Making the Most of the Chill

While watching reserves of water accumulated over thousands of years trickle down in summertime



unused, Chhewang Norphel said to himself, "Why not make use of the cold winters?" This is how he came to divert the water coming from the icy summits towards the shade where instead of melting, it freezes. The beauty of the artificial glacier is that it is the result of a simple and economical technology made from local materials and easy for the villages to maintain.

Their value also resides in the fact that they are closer to the villages than natural glaciers and they melt earlier. "My glaciers start melting at the end of May, instead of August, like the natural ones. This means that the water is available at the right moment for the harvest," explains Chhewang Norphel. So much the better since, with its hostile soil and its temperatures

which drop to minus forty degrees celsius, Ladakh only has one harvest per year.

Nickname: Messiah

Chhewang Norphel built the road that leads to his glaciers himself. "I wanted to bring the bureaucrats to see the project; and no one would take four hours to come by foot," he says half smiling. The road is also used to bring the skeptical villagers to see the structures for themselves. Initially, his artificial glacier made people laugh. But today, no one laughs anymore. Chhewang Norphel has received many international awards and recognition and here his nickname is "Messiah".

In spite of his success, the Messiah has had difficulty mobilizing the modest amount of EUR 3,800 for the construction of an artificial

glacier structure. Bureaucratic red-tape and lack of government support are obstacles. For the time being, his glacier is financed by his own NGO, the Leh Nutrition Project and the Indian army.

As long as his health permits, Chhewang Norphel says he will do all he can to preserve the much needed water resources on which his people depend. ■



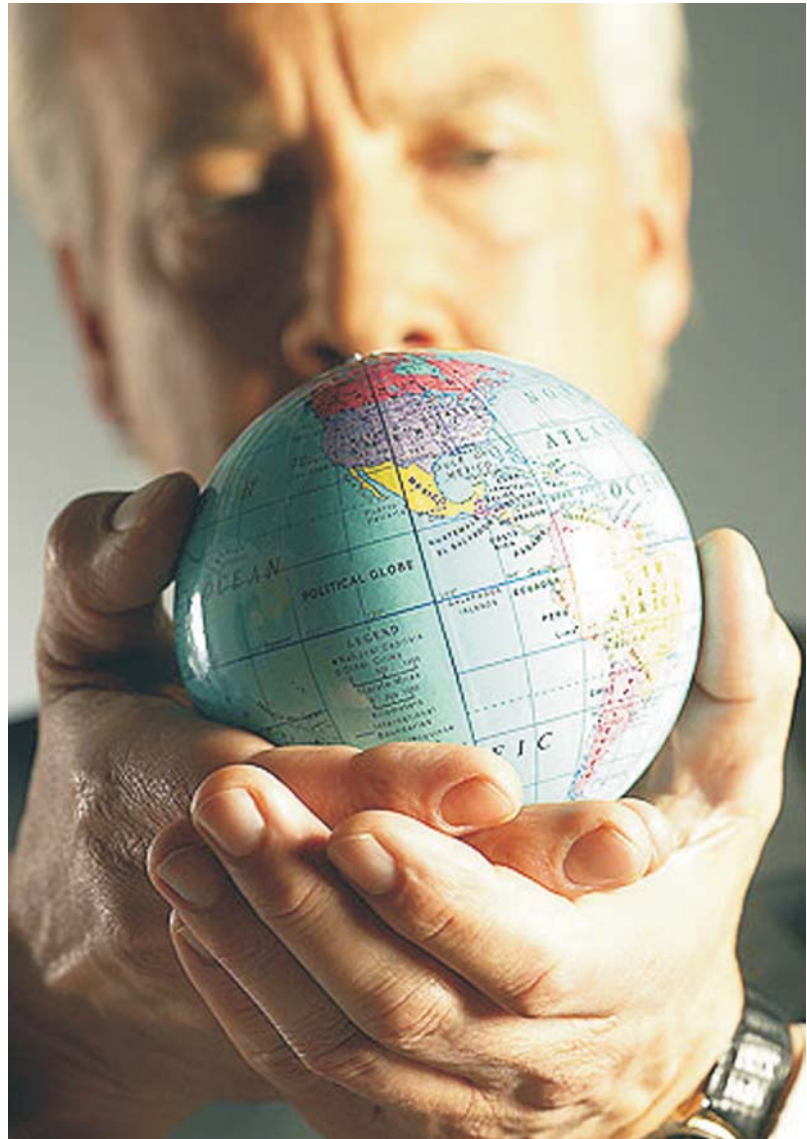
IT Services India will continue to be Global Outsourcing Hub

The Indian IT industry, which has emerged as the pride of the national economy in recent years, will continue to contribute a major chunk of the country's foreign exchange earnings, says a study by the Export Import Bank of India (Exim-Bank), quoting NASSCOM figures and estimates for the future. The study also says that India is expected to assert its dominating position as the global outsourcing hub for IT-enabled software and services.

The Indian IT industry can be segregated into four main components:

- IT Services • ITES-BPO
- Software products and engineering services • Hardware

According to estimates released by NASSCOM. Indian IT-BPO grew by 12 percent in 2008-09 to reach US\$71.6 billion in aggregate revenue. Software and services exports (includes exports of IT services, ITES-BPO, software products and engineering services) reached US\$47 billion, contributing nearly 66 percent to the overall IT industry revenue. IT industry exports (including hardware exports) reached US\$47.3 billion in 2008-09 as against US\$40.9 billion in 2007-08, a growth of 16 percent. Contributing 66 percent to the overall revenue, exports remained the mainstay of the Indian IT-BPO



growth story. Software and services exports, accounting for over 99 percent of the total exports, directly employed over 1.7 million professionals in 2008-09. IT services contributed 57 percent to total exports to reach US\$26.9 billion in 2008-09. BPO services exports, up by 17 percent,

was the fastest growing segment across software and services exports driven by scale as well as scope. BPO service portfolio was strengthened by vertical specialization and global delivery capabilities. Complementing the strong growth in IT services and BPO exports was the continued

growth across software product development and engineering services, which also reflected India's increasing role in global technology IP creation. Export revenues from these relatively high-value-added services such as engineering and R&D, offshore product development and made-in-India software products grew at 15 percent, and clocked US\$7.3 billion in 2008-09.

Domestic IT market (including hardware) reached US\$24.3 billion in 2008-09 as against US\$23.2 billion in 2007-08, a growth of 4.7 percent. Hardware grew at 2.6 percent; software and services spending supported by increasing adoption, grew by almost 4.5 percent. The performance of the Indian IT sector is given in Table: 2.

According to the estimates released by NASSCOM, export revenues for the Indian IT-BPO services industry are expected to record a growth of 5.5 percent, to reach US\$49.7 billion in 2009-10. The growth was led by the domestic market, buoyed by increased Government spending in IT.

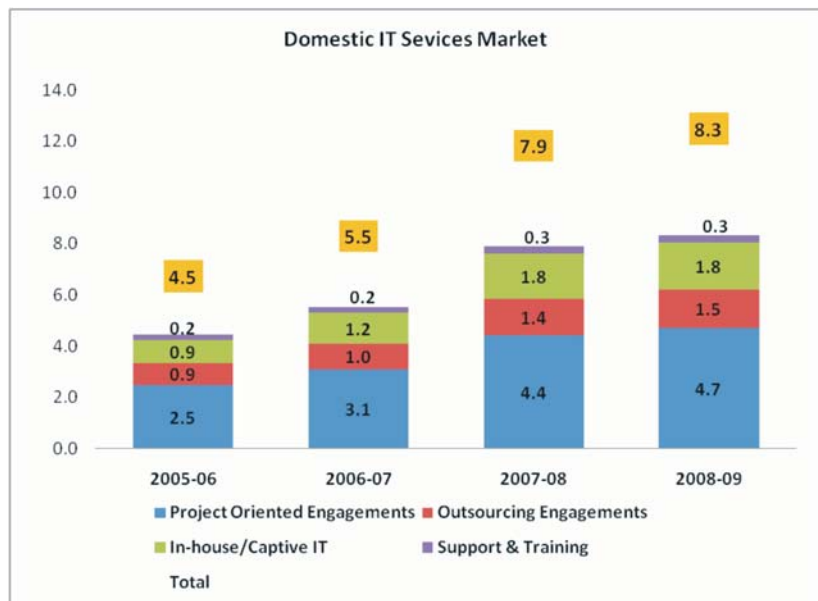
Exhibit 3 shows the domestic IT services market. During 2008-09 the domestic revenue from IT services was US\$8.3 billion and the largest contributing segment for this growth was the project-oriented engagements with a share of 57 percent of the total domestic revenue from IT services, followed by In-House/captive IT (22 percent), outsourcing engagements (18 percent) and support and training (3.0 percent) (Exhibit: 1)

The industry's export vertical market exposure is well diversified across several mature and emerging sectors. Banking,

Table: 1

Key highlights of the IT-BPO Services Industry in 2009-10		
Financial year	Exports (USD bn)	Domestic (INR bn)
FY 08-09	47.1	590
FY 09-10	49.7	662
FY 10-11 (outlook)	56-57	761-775
Source: NASSCOM		

Exhibit: 1



Source: Crisil Research, NASSCOM

Financial Services and Insurance (BFSI) remained the largest vertical market for Indian IT services exports, followed by hi-tech/Telecom (20 percent), manufacturing (17 percent) and retail (8.0 percent) in 2007-08. Others sectors such as healthcare, airlines & transportation, construction & utilities accounted for 3.0 percent each in the IT services exports. (Exhibit: 2)

Outlook

According to NASSCOM, direct employment in Indian IT-BPO crossed the 2.2 million mark, an increase of about 226,000 professionals over 2007-08; indirect job creation is estimated at about eight million. IT services (incl. engineering services, R&D, Software products) exports, BPO

exports and Domestic IT industry provides direct employment to 947,000, 790,000 and 500,000 professionals respectively.

Broad-based growth across all the segments of IT services, BPO, software products and engineering services, is reinforcing India's leadership as the key sourcing location for a wide range of technology related services with Increasing traction in application management and widening service portfolios.

The performance of the industry in 2009-10 is far stronger than what is reflected through the growth numbers. The industry has reinvented itself by increasing its cost efficiencies, utilization rates, diversification into new verticals and markets and new business and pricing models. In the

Table: 3

	The Performance of the Indian IT sector (US \$ Billion)							
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	% Growth in 2008-09 vs 2007-08	CAGR
Exports Revenue								
IT Services	7.3	10.0	13.3	17.9	23.1	26.9	16.5	29.8
ITES-BPO	3.1	4.6	6.3	8.4	10.9	12.8	17.4	32.8
Software products and engineering services	2.5	3.1	4.0	4.9	6.4	7.3	14.1	23.9
Total IT-BPO Services Export revenue	12.9	17.7	23.6	31.2	40.4	47.0	16.3	29.5
Hardware	0.5	0.5	0.6	0.5	0.5	0.3	-40.0	-9.7
Total IT Exports revenue (A)	13.4	18.2	24.2	31.7	40.9	47.3	15.6	28.7
Domestic Revenue								
IT Services	3.1	3.5	4.5	5.5	7.9	8.3	5.1	21.8
ITES-BPO	0.3	0.6	0.9	1.1	1.6	1.9	18.8	44.7
Software products and engineering services	0.5	0.7	1.3	1.6	2.2	2.3	4.5	35.7
Total IT-BPO Services Domestic revenue	3.9	4.8	6.7	8.2	11.7	12.5	6.8	26.2
Hardware	4.4	5.2	6.5	8.0	11.5	11.8	2.6	21.8
Total Domestic revenue (B)	8.3	10	13.2	16.2	23.2	24.3	4.7	24.0
Total IT Industry (A+B)	21.7	28.2	37.4	47.9	64.1	71.6	11.7	27.0
Source: NASSCOM								

process, it was also able to turn itself into a business transformation enabler for its clients. As per the findings of NASSCOM, the coming years are going to represent a significant shift in terms of business models, service lines, customers and talent structure. There will be increased focus on higher end offerings such as system integration, consulting, business intelligence, knowledge services and vertical specific BPO services. The industry is expected to generate an increasing share of revenues from the untapped SMB segment through improved pay per use business models and platform solutions. It is also expected to acquire domain expertise and near shoring capabilities to further advance

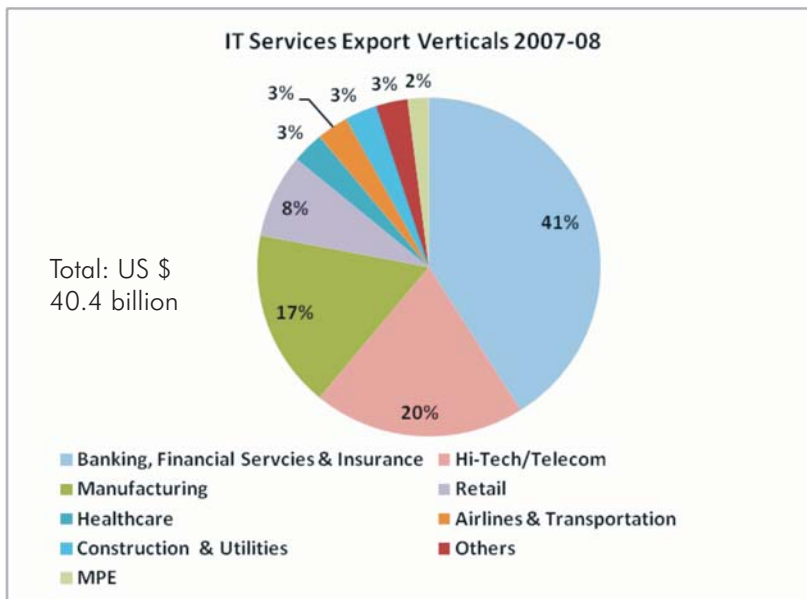
India's value proposition as a global outsourcing hub.

Another likely challenge that may affect the IT sector is the Eurozone crisis. Eurozone nations like Greece, Spain and Portugal are facing financial crisis because of heavy borrowings by their governments, leading to erosion in investor confidence across the world. There has been widespread belief that the European crisis could affect other parts of the world, especially those countries which have high deficits, mainly on account of international borrowings. According to NASSCOM estimates, USA with a share of 60 percent and UK (19 percent) remained the largest IT-BPO export markets for India, followed by Continental Europe

with 13 percent. The industry footprint is steadily expanding to other geographies as well, with the exports to Continental Europe in particular growing at a CAGR of more than 51 percent during FY 2004-2008. So the recent Eurozone crisis, along with the new government in UK deciding to start reviewing all international projects again, might affect the IT industry in the short run as the projects may get delayed due to such a review. The long run perspective, however, remains better as of now, assuming that the Eurozone crisis might not percolate to other regions.

With the Improving economic conditions, signifying return of consumer confidence and renewal of business growth, and

Exhibit: 2



Source: NASSCOM

off-shoring market is still a small part of the outsourcing industry.

NASSCOM predicts the outlook for 2010-11 to remain bright with software and services exports revenues expected to grow by 13-15 percent, and domestic revenues to grow by 15-17 percent. The industry is also expected to generate an increasing share of revenues from the untapped SMB segment through improved pay per use business models and platform solutions. It is also expected to acquire domain expertise and near shoring capabilities to further advance India's value proposition as a global outsourcing hub. ■

the drive in IT spending, the industry is expected to post greater level of growth in the year 2010-11. IT services is expected to grow as companies coming out of recession harness the need for

information technology to create competitive advantage. Even though India has a 51 percent market share in the off-shoring market, there is tremendous headroom for growth as current



*India's economy
is hurtling ahead,
but for many
people life is
still precarious.*

Book Review

A Fine Balance

By James Lamont,
South Asia Bureau Chief, Financial Times

Aids Sutra: Untold Stories from India

Edited by Negar

Akhavi

Vintage

Clearing a Space: Reflections

on India, Literature and Culture

by Amit Chaudhuri

Peter Lang

Footpaths in the Painted City:

An Indian Journey by Sadia

Shepard

Atlantic

Imagining India: Ideas for the

New Century by Nandan

Nilekani

Penguin

Mahatma Gandhi famously observed that "India is to be found not in its few cities but in its 700,000 villages."

Six decades after India declared independence, however, Gandhi's view is being overturned. In the 21st century, Indians are increasingly likely to leave their villages in search of something better beyond, whether it's just around the corner, in the next town or overseas.

India is already a world player. It has sent manned missions to the moon, built the world's cheapest car and supplies the world's IT systems; it's part of the Group of 20 leading nations currently reviewing the world's financial architecture. Almost double-digit rates of economic growth have brought greater opportunities for many and aspirations for more. Alongside the stories of a gleaming, developing India, however, are the

harsh statistics about a nation still wracked by poverty and disease, where more than half the population of 1.2 billion people have no access to a toilet and where per capita GDP is below USD 1,000 a year, behind Sri Lanka and Indonesia. India has for centuries been intertwined with global forces in one way or another. But an important question still rages: does the "true" India need to be protected from globalisation? At the heart of this debate is whether hundreds of millions of Indians will indeed find a better life once they step outside the Gandhian village.

There is, of course, no definitive answer to such a question. But four new books consider India's engagement with the outside world in very different ways, personal, literary and societal, and draw some important conclusions. Each helps to build up a fuller picture of India in the 21st century and the consequences of globalisation.

When we talk of globalisation we may think about the interplay of cultures, about international brands and call centres in far-off places, about the winners and losers of the business world. Aids Sutra, a collection of non-fiction writing about communities in India, reminds us that the transmission of fatal diseases is also part of a globalised world.

This is a book with a mission. The anthology, commissioned by The

Bill & Melinda Gates Foundation, is a campaigning volume written by celebrated writers such as Salman Rushdie, Vikram Seth and Shobhaa De. These raw accounts of communities and individuals living with HIV/Aids explore the complex issues of sexuality and being outcast in India. They bring us a stunted, mixed-up India ravaged by a global epidemic, and illuminate the hidden lives of those striving for dignity amid fevers, harassment and vilification.

The India of Aids Sutra is brutal and unforgiving. Social exclusion pushes people out of the proverbial village as the deadly disease preys on its victims. About 2.4 million Indians currently live with HIV; some estimates put the figure at double that number.

Aids Sutra shocks. Some people in this volume, many of them sex workers, already lie on the margins of society. In most cases, infection renders them even more untouchable. In the terms of Aids Sutra, migration from the village is tantamount to death.

The personal histories are deeply affecting. Nikita Lalwani, a Rajasthani writer living in London, encounters a doctor from Nagaland, in India's far east, who finds out on the eve of his wedding that he is HIV positive. He is discriminated against by law, but picks himself up to continue practising as a doctor. He marries and starts up an HIV-positive dating agency.

A narrative by Booker Prize-winning author Kiran Desai stands out among these pieces. She visits the Godavari region of Andhra Pradesh where 26 percent of sex workers have HIV/Aids. Among her most shocking images are the jungle sex workers who ply their trade from the roadside. They take clients into the forest and offer up their bodies on rice sacks. Their price is INR 50 (USD1.20) a "shot"; in the monsoon this falls to Rs15 (38c). Customers number up to 40 a day.

Life would be better if no one left the village, Desai argues in "Night Claims the Godavari". Her message is clear: in a globalised world people travel more, the world grows lonelier, and disease and displacement await them on their journeys.

Migration dehumanises people, she says. "Refugees and exiles of war and poverty, moving from rural landscapes to urban centres,

from poor countries to rich countries, the kind of poverty that undoes one's spiritual, one's personal place in the world, making anyone uprooted from home exchangeable with anyone else."

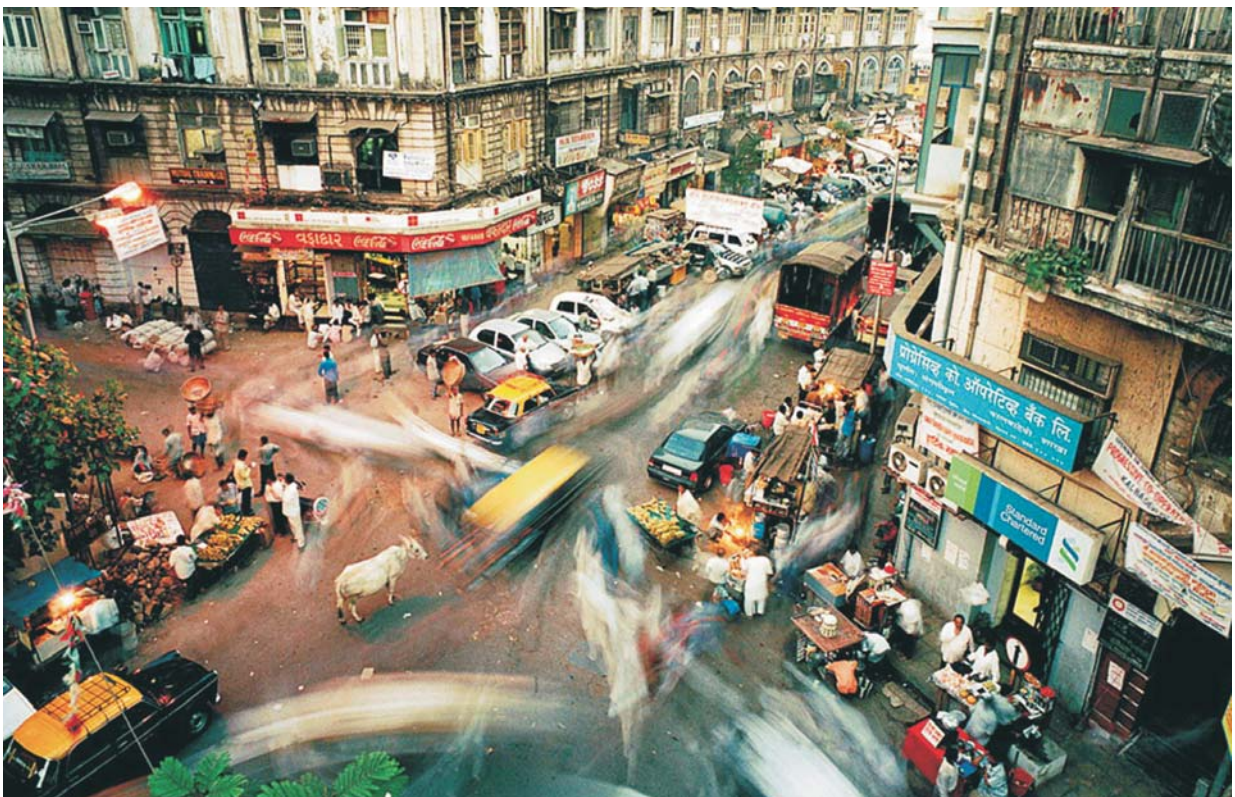
The authors of this anthology concur with Gandhi's vision of India as a nation of villages but not all writers find their India there. At the opposite extreme from the gritty, emotional stories in *Aids Sutra* lies Amit Chaudhuri's *Clearing a Space*. For the Indian-born literature professor, now at the University of East Anglia in the UK, India was never to be found in the village but in the library. His interest is not in India, in fact, so much as in being Indian.

Chaudhuri's India is a long globalised place, shaped by a history of British rule, the East India Company and Mughal Empire, among others. His encyclopaedic meditations in this collection of

academic essays link Matthew Arnold with Bollywood, the Upanishads with T.S. Eliot and Kafka with the Tagores of Bengal.

Written over the past 15 years, these pieces are a dizzying pot pourri of literary and social referencing. His essays put India in its broader intellectual context, plotting its global literary co-ordinates. Yet the reader easily loses the way in the multicultural milieu.

Chaudhuri argues that the globalised India is spiritually and personally wanting. The legacy of the colonial era means the country has lost its high culture, he says. He also acknowledges the inner loneliness he himself experiences living outside India, the difficulty of being a citizen of a global world. He recognises this dislocation in other figures of the Indian diaspora. His fascination with V.S. Naipaul, the Trinidadian author of Indian origin, is revealing. Naipaul



Martin Roemer

favours characters that are post-colonial "half and half" figures emigrants who belong nowhere, straddling different worlds.

Chaudhuri shares this sense of no-man's land. Naipaul sees modernity in the developing world as ramshackle and self-dismantling. For him, the world outside of the west sits in the "waiting room" of history, never to be quite modern but rather "half-made" only a semblance of modernity. Part of India's discomfort with the globalised world is that it is at odds with its own version of a better modernity, Chaudhuri says: "The secret, utopian longing, in India, for another, 'purer' modernity possibly explains why we fail to engage completely with the implications and radical achievements of this one."

Chaudhuri uses writings and writers from across the world to consider how India fits into a wider intellectual culture. Other writers, such as Sadia Shepard, illuminate India's diverse history and peoples with more personal stories from which they draw bigger conclusions. In *Footpaths in the Painted City* Shepard reveals a lighter side of the globalised Indian, more at ease with the complexities this identity brings.

Shepard grew up in a tri-cultural household in the U.S. Her Jewish grandmother Rachel Jacobs was born near Bombay, and converted to Islam when she married; Shepard's Muslim mother and Christian father helped create an identity there for the unpicking. Shepard is the ultimate global Indian and she wants to know her roots.

Her journey back to the Bombay of her grandmother is just one experience in a larger story of

Jewish migration by the Bene Israel 2000 years ago; of Indians forced out of their homes by partition in 1947, when Pakistan was carved out of British-ruled India; of emigration to the U.S.

Written in diary style over the course of a year, this is a fast read about a young American woman's self-discovery as she celebrates India in its many guises. "I want to make myself understood in Hindi," she writes. "I want to fit in, to live here and feel at home. I want to like myself in this place. Some days those goals feel within reach. Other days, they're more elusive than ever."

The book is story of personal redemption, rather than anything more. Shepard untangles her complex familial narrative to gain a better understanding of herself in America a logical resting place for an ancestry rooted in migration and diversity.

If Shepard is an American returning to find her Indian village, Nandan Nilekani is a philosopher king urging Indians to go out and find their America.

Nilekani is co-chairman of Infosys, one of India's most successful IT outsourcing companies. A modern Indian capitalist, he is a strong proponent of globalisation and his country's embrace of the west. His experience of young Indians in the business hub of Bangalore has fuelled his optimism that India is ready to leap into a new era of greater prosperity and fuller integration with the world.

Nilekani's *Imagining India: Ideas for the New Century* is an optimistic book. Though quite different in form, it shares with Shepard's first-person account an enthusiasm for India's possibilities.

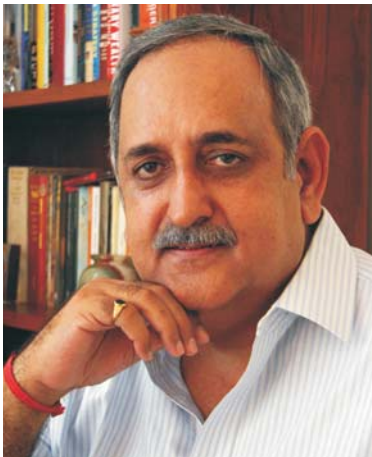
This book is a manual for India's

globalisation. Nilekani sees a country vital and impatient, promising a better life. He argues that many of the old arguments about globalisation have been won - hostility towards multinationals such as McDonald's has evaporated; English is no longer the language of the oppressor but the key to opportunity. The battlegrounds have shifted to more widely beneficial ones: initiatives to improve universities, fight epidemics, save the environment and find new energy sources.

Imagining India mixes personal anecdote with business experience. Nilekani argues that India, alongside China, can now return to the dominant position it held in the world economy before the 18th century. Then, the two countries accounted for more than half of the world's GDP. "India is no longer an adolescent state, insecure and uncertain of its survival," he writes. "Popular angst with bad policy and impatient voters have helped trigger fundamental changes to our economy and enabled new ideas that are now at the core of our growth."

Is there a better life beyond the village? It's hard to reconcile a book as powerfully critical as *Aids Sutra* and one so bullish as *Imagining India*; one so professorial as Chaudhuri's with one so student-like as Shepard's. Although India is fast changing, an estimated 400 million people still live fragile lives on as little as USD 1 a day, mainly in the countryside. For them, Gandhi's mantra still holds true and the outside world still looks forbidding. ■

Establishing West Bengal as Premier IT and e-Governance State



Mr. Siddharth, Principal Secretary, Department of IT, Government of West Bengal, states that attrition rate in IT companies in the state is the lowest in the country as certified by NASSCOM, while the availability and quality of power is the best, according to Gartner, thus making West Bengal the most preferred IT destination in the country today. Studies and surveys have revealed that in terms of average salaries, cost of living and consumer price index, Kolkata has outclassed other IT destinations in the country. West Bengal has also digitized all its land records and surveys, while all its 417 police stations are computerized and connected. In this interview with Anurag Sinha, Mr. Siddharth talks about the role of information technology and e-governance in West Bengal.

How would you analyze the post recession scenario of Bengal IT sector?

I think we handled the recession period well. We did not have any major closures in Kolkata. We did not have any pink slips flying around. All the commitments made towards employment were honored. Of course the rate at which the projects were happening came down. But the scenario has improved now, as new projects have already started coming in. Recruitment has gone up. Even some of the IT giants of Kolkata have recruited more than what they had initially decided on.

So we feel that the entire scenario is changing. For example, Cognizant wants to set up their second centre at Bantala. Even Wipro is setting up another centre. So I feel all these are very good and positive signs for Bengal's IT sector.

Every sector in West Bengal is facing two major challenges. One is the issue of infrastructure, the other is the issue of land acquisition. How is the IT department tackling these issues?

As far as the IT industry is concerned, we are quite well placed in terms of infrastructure. In a recent survey conducted by Gartner & NASSCOM, they have said that we are number one in power in terms of quality, availability and tariff. In terms of housing or social infrastructure too, I think we are as good as any other state of India. I also strongly feel that certain advantages that we have are very exclusive. Take the case of logistics. We can reach the IT hub within an hour from any part of the city. You can reach the IT sector from the airport within 15 minutes, which is a great thing. If you look at the real estate prices in the city, a young IT professional

can think of buying a flat of his or her own because of the very reasonable rates in Kolkata.

The cost of operation is less compared to other cities; also the availability of quality human resource is another added advantage for the state. So as far as infrastructure is concerned we are doing quite well. Today we have almost 10 million sq ft of office space which is going to be utilized exclusively for IT. Another 20 million sq ft is already in the pipeline, which will be handed over within two or three years. These are not plans or proposals. These are projects which are being executed.

I do agree that today land acquisition is an issue. In fact a couple of our projects got delayed on account of that. But having said that, we have managed to get about 100 acres of land in Kalyani from the state government. Now



we are trying to develop an SEZ in Kalyani with the help of a private partner. In new town Rajarhat area, HIDCO has offered 50 acres of land to WIPRO. Also the same amount of land has been offered to INFOSYS there. All these lands are offered at a very minimal rate, which is almost 1/6th of the market price. We give these lands to the IT companies at a rate of 1 crore or 1.5 crore per acre. Whereas if you see the market price today, it is almost 6 crore per acre.

We know the IT sector is developing at a very fast pace in West Bengal. As Kolkata has become too crowded, IT companies are now setting up offices in cities like Durgapur, Asansol, etc. What steps is the IT department taking to develop proper infrastructure in these places?

Actually we never wanted IT to be confined to Kolkata. We got one locational analysis done by PWC and identified Siliguri, Durgapur, Kalyani as potential IT hubs. In Durgapur and Siliguri, WEBEL has established its own incubation centre with a provision to build another tower as an IT park.

Siliguri Jalpaiguri Developmental Authority and Durgapur Asansol Developmental Authority floated tenders to develop SEZs on the PPT model. It is already done and the contracts have been awarded. In Durgapur, the project will be executed by Sapurji Palanji, and in Siliguri it will be done by Infinity Infotech. In Siliguri, Videocon is setting up one SEZ. This is a private initiative. In Haldia too, one IT tower is coming up; it is again a private initiative. In Kharagpur we got land from WBIDC and we have plans to develop an incubation centre in Kharagpur.

How would you analyze the current situation of e-governance in West Bengal?

There are actually four or five verticals in e-governance. We are doing this entire programme as a part of the NEGP project. Firstly, if we look at the connectivity part, which is known as SWAN (State Wide Area Network), the entire expansion programme is completed. All the blocks are connected. I am very happy to say that in one district in Burdwan, we have provided connectivity up to the gram panchayat level. We have connected almost 277 gram

panchayats. Now we are also doing the same thing in two other districts, Bankura and Jalpaiguri. The connectivity in block level is almost complete while at the sub-divisional level, all the departments such as treasury, police, etc. are connected. At the state headquarter level, we have connected almost 20 buildings which cover almost all the major departments of the West Bengal government.

Secondly, if we look at the state data centre which is another infrastructure project, we have already constructed a building in the WEBEL premises. We have allotted the work to WIPRO. All the equipment will be in place in another two or three months. We are hoping that this project will be ready by the end of August, and by the beginning of September it will be up and running.

We have already developed a State Portal. In this portal we have tried various things. We provide advisory services to students. In the time of exams, we get hold of some of the toppers of previous years to work as consultants and give online suggestions to the students. This initiative has become very successful. Beside this we are also trying turn the entire admission procedure in the government colleges online.

Another very important thing about e-governance in West Bengal is the Common Service Centres. In Bengal out of the 6797 CSCs, 5211 have been rolled out. We are among one of the better performing states in this regard. The e-district project is also almost ready and we will go live by the end of this month. So if we analyze our position from the perspective of

providing infrastructural backbone to the state, I think we have done pretty well. In a recent report by the Government of India, we have gone up from third place to second. We are now in the aspiring leader category. So things are moving in the right direction. Some of the individual departments are doing a very good job, like the PNRD department. Most of the Gram Panchayats and Zila Parishads have been computerized. Most of the information system is digitized. Recently we have developed a software-based video conferencing platform on open source. It is very cost effective and cheap, and one can enjoy this facility only for Rs. 8000. The entire land records of the State have been digitized. The survey systems have been digitized. The civilians can get the records of the land and the maps of the land very easily. All the registration offices have been automated. All the 84

treasuries were connected long back. All the 417 police stations are computerized and connected. So I think we have achieved a fairly good performance in e-governance in our state.

How has the smart card project fared in West Bengal?

Initially we started the smart card project by transforming the driving license. Now the food department is looking into the matter of providing ration cards online. We are working on the project and soon I think we will get to see very positive results.

We have seen that WEBEL and many Government Technical Colleges worked very closely on different IT projects. Will WEBEL continue to do this in future too?

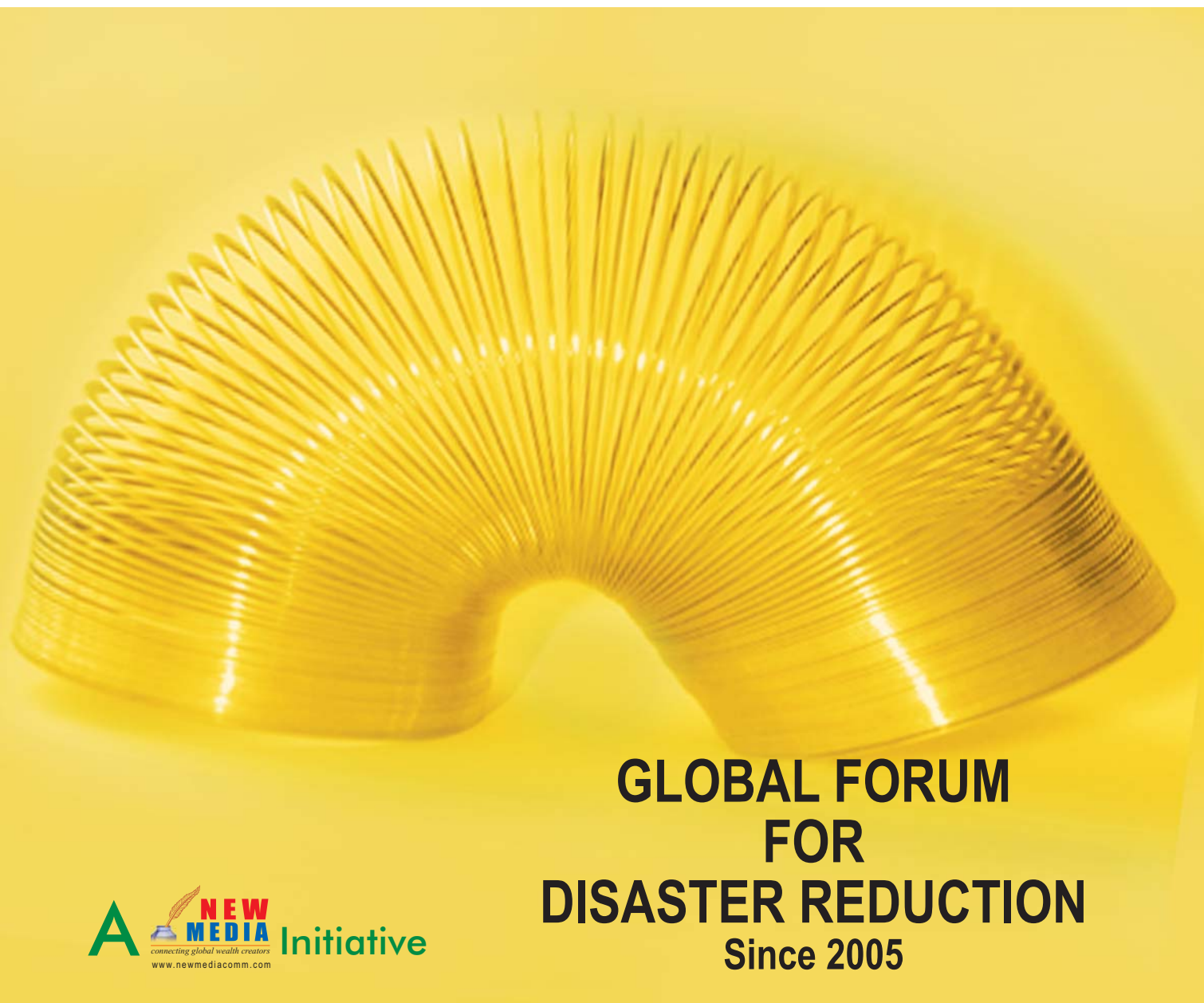
WEBEL has today become the nodal agency for e-governance. No WEBEL has 5 companies under its umbrella. The main idea is to

restructure WEBEL in such a way that it should become more of a service provider. Now WEBEL will act as the promoter for the IT industry. So it will now facilitate and attract investment. It will act as a single window system and will provide all strategic help, such as with respect to land, space, clearances, etc. Also at the same time, it will help in rolling out e-governance.

Where would you like to see the Bengal IT sector in another one year?

I think we are in a very good position. Many companies are coming in, and many of the companies which are already here are expanding very fast. I am happy to say that today we have almost 1 lakh people employed in Kolkata. Our exports today have gone up to 6,000 crores. So I think things are looking up. ■





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Former foreign secretary and the Prime Minister's envoy on climate change **Shyam Saran**, a 1970 batch IFS, is joining the board of India's software company Wipro Ltd on July, 2010, as an independent director.

C. S. Verma has been appointed Chairman, Steel Authority of India Limited.

Arun Kumar Misra, IAS, has been appointed Principal Adviser, Planning Commission.

Vivek Sahai, IRTS, has been appointed Chairman, Railway Board, Ministry of Railways

J K Sharma, IAS, has been appointed Chairman, Tariff Commission, Ministry of Commerce & Industry.

Ranjit Ray, IFS, has been appointed Indian Ambassador to Vietnam.

Gautam Mukhopadhyay, IFS, has been appointed Indian Ambassador to Afghanistan.

A.B.P. Pandey, IAS, has been appointed Regional Deputy Director General, Unique Identification Authority of India, Mumbai.

C B Paliwal, IAS, has been appointed CVO of SAIL.

Pravat Ranjan Mohanty, IAS, has been appointed Chairman of the Orissa Public Service Commission.

Shyamlal Goyal, IAS, has been appointed Joint Secretary, Ministry of Chemicals and Fertilisers.

Ajay Kumar Bhalla, IAS, has been appointed Joint Secretary, Ministry of Coal.

J M Phakak, IAS, has been appointed CMD, Rural Electrification Corporation (REC).

Brij Mohan Singh Rathore, IFS, has been appointed Joint Secretary, Ministry of Environment & Forest.

Mr Koppula Raju, IAS, Principal Secretary to CM's Office, Andhra Pradesh, has been appointed as Joint Secretary, National Advisory Council (NAC).

D S Dhesi, IAS, has been appointed Joint Secretary, Ministry of Commerce.

Mr. N K Gupta, IAS, has been appointed Executive Director, ITPO.

Indian Railways has appointed 3 New General Managers:

Keshav Chandra
(North Frontier)

Neeraj Kumar (Railway Staff College Vadodra)

C P Verma (East)

R K Srivastava, IAS, has joined as Joint Secretary, Disaster Management, Ministry of Home Affairs.

D Diptivilasa, IAS, has been appointed Joint Secretary, Police (I), Ministry of Home Affairs.

Prof Anantha has been appointed Secretary, Statistics and Programme Implementation.

Manish Saxena, ITS, has been appointed Deputy Secretary, ASI.

Rahul Jain has been appointed Director, National Commission of Minorities Educational Institute (NCMEI).

Anil Kumar Sinha, IPS, has been appointed Additional Secretary, Central Vigilance Commission.

Nita Kapoor has been appointed Secretary, Ministry of Defence.

Arun Kumar, IAS, has been appointed Additional Secretary, Oil Industries Development Board (OIDB), Ministry of Petroleum.

Shila Sangwan has been appointed Additional Secretary & Financial Adviser, Department of Science and Technology.

Ms. Rashmi Goel, IRAS, has been appointed Joint Secretary, Ministry of Home Affairs.

P Uma Shanker, IAS, has been appointed Secretary, Department of Power.

Rohit Nandan, IAS, Joint Secretary, Ministry Of Civil Aviation, has been given additional charge of Commissioner of Security, Bureau of Civil Aviation Security (BCAS).

Deo Dutt Sharma, IFS, has been appointed Joint Secretary, Department of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy. ■



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Mr Amit Mittal (Founder-MD)



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