# From Panchsheel to Modi-fication: Metamorphosis of a Nation

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#### Introduction

The word "dole" stands for "benefit paid by the State to the unemployed". This benefit is usually in the form of some subsistence amount, which depends upon the market price index of that specific period, for a predetermined span of time. However, the form of giving doles varies from one State to the other with different forms and different sets of beneficiaries. In India, the politics of giving out dole by the State goes back to the early 60s when certain political parties especially in South India started promising doles as their election agenda which were met once that party came to power. While doles may vary from paying actual money to the beneficiaries who meet certain criteria, they may be in the form of Television sets, laptops, food grains in the form of free rations, cycles, sewing machines, sarees and even liquor. The beneficiaries are mostly the voters of that particular region who are lured to cast their votes for that party which promises these freebies as a part of their election promise. While the politics of dole has now become obvious in various Nations across the globe, its extent and goal is often controversial and biased. It also suffers from several evils which we are going to discuss in this article. For the sake of conciseness, we are going to study only the Indian context for the purpose of our study.

#### Significance of the study

Dole politics is one of the most convenient political strategies that has evolved as a nationwide phenomenon among the political fraternity irrespective of their political ideology. This has resulted in devising innumerable schemes with an idea of distributing benefits among the beneficiaries with the underlying intention of winning their unquestionable support during the democratic elections. It may be argued that a limited application of a few selected schemes are genuinely beneficial for certain targeted sections of our society given the complex socio-economic dichotomy of our nation. However, when the same benefits are distributed extensively with the idea to garner political loyalty and divert the funds to the personal coffers of a section of influential class, it results in widespread embezzlement of the public exchequer at the cost of utilizing them for essential purposes. A section of the society enjoy the benefits unscrupulously while the funds are appropriated from the helpless majority by levying various taxes.

This research article gives a vivid insight about the various underlying and yet covert interests behind devising such schemes. It also delineates the abysmal journey of these schemes from being socially supportive to its summing up as a sterile and extortionate entity.

#### Methodology of the study

This research article is based on thefirst-hand experience and revelations of civil servants who are directly responsible for implementing the social schemes at the ground level. Most of the facts remain unchanged with minor disparities between States. The only independent variable in this research article are the synopsis of the schemes, the target beneficiaries and the implementation procedures. This research article can be designated as a first-hand chronicle from the pen of a civil servant.

#### **Background of the study**

When a State decides to provide a certain benefit to a target section of the masses in order to uplift their social status and bring them at par with the others, it certainly has a distinct goal in mind. The scheme so designed has a certain set of criteria to be met by a beneficiary to be considered eligible to receive it, should be meant for a stipulated period of time when the target mass has been fully covered and a certain section of the fund meant for development should be channeled by the State through a proper fiscal policy to meet this purpose. Even prior to this, a detailed study should be made in order to understand the possible gains of this scheme with a help of distinguished specialists who would provide a categorical and unbiased view of the actual feasibility and benefits of such a scheme. This is where politics takes the upper hand over economics and social study. Most of these schemes are devised by politicians who eye a certain section of the masses which could easily be manipulated by "holding a carrot in front of them". The timing for declaring such schemes is inevitably prior to some elections where the mandate is essential for that political entity to gain grounds. Once initiated, such schemes usually continue over an undefined period without actually intending to measure whether the target is reached or the funds are exhausted. The political regime also fears that once the populist scheme has started, it is "difficult" to bring it to an "abrupt" halt as it might disappoint the masses who are a part of their electoral share. The financial "burden" of continuing the scheme piles up with every new financial year as the costs increase and the number of beneficiaries keep on adding up by "diluting" the actual set of criteria. The scheme loses its actual character and vision and becomes a mere tool of "appeasement" at the cost of the State exchequer.

## Social aspect

The political regime carefully devises a particular set of criteria for a scheme with an apparently "noble" vision but has an undercurrent of political calculation which actually targets to bring them huge benefits in the form of popular mandate during the elections. This makes the scheme inherently "self-defeating" at the onset and it tends to lose its "development" character at the cost of "appeasement". This is where the social evils creep up in the system and spread their fangs discretely thus vitiating the "pious" nature of the scheme. Dole politics are often alleged to bring sharp divisions among various social classes and segments, especially among the beneficiaries and the ones who are left out of the fold. The discrimination is so obvious and sharp that such social rifts are difficult to mend in the near future and only serves to cater to the popular "vote-bank" politics. It leads to a sense of dependence among the former thus making them complacent and lazy. These beneficiaries lose their self-esteem and can easily be influenced by the political regime to support them during the elections. Instead of upgrading their living standards through hard work and entrepreneurship, they become prey to these "freebies" and choose to remain poor lest they are discarded from the beneficiary list and stop receiving the benefits. These schemes also lead to the creation of a class of middle-men who act as touts between the State and the beneficiaries and facilitate the later to avail the benefit of a scheme after parting away with a handsome share. A sizeable share of the benefit, thus, gets diverted away from the deserving masses and inevitably enters the coffers of the political leaders in some form or the other. Another disturbing trend is to include nondeserving beneficiaries in the list who do not fulfil the criteria by submitting forged or false documents in their favour to avail the benefits of the said scheme. On one hand, it leads to the entry of undeserving ones in the beneficiary list at the cost of depriving the actual needy, while on the other hand, it leads to a huge pressure on the government exchaquer as the cost of scheme implementation could not be controlled within a definite scale. Eventually, the target tends to become superfluous as too many "ghost" entries creep into the beneficiary list and the limited funds exhaust after a certain point of time. Some schemes are deliberately selected in order to appease a certain section of the society and creates a sharp division on communal and caste lines among the citizens which has a telling effect on the social integrity and fellow feeling in the long run. A very small number of schemes might serve some useful purpose for a limited time and for a certain section of the society but almost all of them are grossly misused to such an extent that the masses tends to gain nothing from them in the ultimate analysis.

#### **Economic aspect**

The first and foremost step in order to devise a government scheme is to allocate sufficient resources for implementing the scheme. This is generally in the form of a fixed amount which is declared in the financial budget by the Government at the beginning of every fiscal year. The fund required is calculated by charting out an approximate quantity of beneficiaries and a certain amount is also kept as administrative or "running" cost. This suggests that the number of beneficiaries should be kept within the expected target, the fund allocated is

"tied" and could not be used for some other purpose, there will be a mandatory audit of the expenditure incurred and the target needs to be fulfilled within a stipulated period of time. However, it is almost always found that the "actual" number of beneficiaries keep on increasing indiscriminately and the funds allocated soon falls short which either results in stopping the implementation at some stage or "pulling out" funds from some other source in order to meet the demands at the cost of "straining" the State exchequer. As expenditure increases and the monitoring process gets weaker, more and more funds get "siphoned" towards undeserving channels and so the State starts avoiding the inevitable audit in order to shun unpleasant questions. The requirement of additional funds frequently necessitates institutional borrowings by the State which pushes it in a "vicious debt trap" from which it is virtually improbable to recover. Several noted economists opine that government schemes reduce the social gap and lead to comparatively better living conditions for the downtrodden and are the preliminary requirement for a "welfare state". But several studies have suggested that though initially the objective of social development is met to a certain extent, the goal remains unachieved in the final count due to the entry of a sizeable number of "undeserving" beneficiaries at the cost of the actual ones. This leads to a virtual unending demand which upsets the fund balance and the State has to curtail some other essential developmental activity to meet this demand. The economic analysis thus suggests that such schemes are virtually infeasible in the long run as it does not yield any tangible result.

## **Political aspect**

In a democracy, the support of the majority is the ultimate requirement to stay in power. The performance of a Government is seldom evaluated by its performance in real terms such as Gross Domestic Product, Per Capita Income, Employment status, Social upliftment, Industrial Development and Sustainable Benefits. The common man usually favours a system which provides them "instant gains" in the form of cash schemes (for building houses, toilets, as disaster relief, for social events such as marriages, cremation, etc.), tangible gifts such as free foodgrains and other essential commodities such as kerosene oil, tarpaulins, utensils and fish-nets, one-time or general schematic items like books and copies, school uniforms and bags, bicycles, power tillers, Television, sewing machines, computers, mobile phones, e-rickshaws, musical instruments and boats, cash relief schemes in the form of subsidies and farm loan waivers, zero interest loans for Self Help Groups, zero income tax for certain sections such as those engaged in the agricultural sector, fixed assets in the form of ownership of land holdings, jobs of contractual nature in Government or semi-government sectors and even providing hard cash, supply of liquor and free "feasts" prior to the poll day. These "gimmicks" may seem ridiculous to the voters in Western countries and even to a section of the educated middle-class in India but several studies have conclusively proved that such "outrageous" activities have profoundly benefitted the political regimes in terms of "unquestionable" support during the elections. A very interesting aspect of Indian politics is the fact that apart from the democratically elected politicians who hold constitutional posts like Member of Parliament, Legislative Assembly or Council, Municipal Corporation or Panchayati Raj Institutions, there is no provision of salary, wages or remuneration in any form for the general leaders, even those holding political posts of national or state stature. It is generally expected that a political party receives donation from the businessmen, subscriptions from the party supporters and general public and funds from several organizations to run their day-to-day affairs. But it does not explain the possible sources of income of the innumerable politicians who live a life of luxury without actually engaging in any economic activity. This is where "dole" politics becomes an "effective" source of earning in several ways such as demanding a certain part of the cash benefit from the beneficiary (cutmoney), inserting the name of an undeserving individual in the beneficiary list (hoax list), debiting schematic funds even though the actual schemes have either been partially implemented on the ground or not at all, "selling" the schematic items in the open market, demanding lump sum amounts for giving government "jobs" and usurping assets for themselves and their family members. Appeasement on communal, caste, sectarian or regional lines have a telling effect on the social integrity of the nation and are done with the obvious objective of gaining the immediate support of a particular community. Since the process of monitoring and auditing is done half-heartedly, it is seldom that such corrupt action gets highlighted and corrective measures are almost absent due to passage of time and obvious political considerations.

#### Administrative aspect

The bureaucratic class finds it extremely difficult to implement these schemes due to several reasons. Firstly, the choice of beneficiaries is almost done by the political class and imposed upon the bureaucracy, there is very little opportunity to negotiate and delete a large chunk from such a list. This leads to political disturbances as the opposition accuses that the ruling party has only included the names of their own supporters at the cost of the

"deserving" ones and also that they are extracting a part of the benefit from such beneficiaries. This leads to various forms of protest in the form of agitations, road blockades, law and order issues and even accusing the bureaucracy of "favoritism" though it is almost never done. Secondly, the administration finds it extremely difficult to implement such schemes properly due to lack of staff to actually monitor and record such cases. This leads to discontent among the beneficiaries who blame the administration for delay as the political fraternity claims that the schematic benefits have already been allocated to the "distribution points". Thirdly, the government employees who are directed to implement such schemes feel that they are being unduly overburdened and either do such work half-heartedly or indirectly indulge the political fraternity at the grass root level to do it on their behalf. Some employees even indulge in corruption themselves by parting away with a part of the allocation thus putting the administration in embarrassment. Fourthly, the lower bureaucratic brass is also pressurized by the District and State administration to complete the schemes or meet the target in the shortest possible time which they in turn put on the employees at the ground level. This leads to deliberate fudging of actual figures and submitting of reports which hold no actual relation to the actual achievement. Fifthly, since any scheme is to be completed within the same financial year or else the funds will be returned back to the Government exchequer, the bureaucracy at the ground level is under undue pressure to submit the completion or utilization certificates within a specified time even though it may not be practically possible to complete a major portion of the scheme at the ground level. This is a open secret in the bureaucratic level which actually "seals the fate" of deserving schemes from being properly implemented as no supplier or agency is under any "moral obligation" to continue with a scheme once he receives the full payment and has given a "share to the stakeholders". Sixthly, there are seldom any official portal through which the general public can monitor the details of progress of such schemes (apart from the figures mentioned) and so it becomes very difficult to figure out the extent of malpractice and lodge a proper complaint. Added to this, most of the complaints lodged by opposition parties or individuals are "lost" in the vicious circle of "administrative enquiry" which never sees the light of the day! Seventhly, of late, several States have engaged agencies to conduct audit of the social schemes at the ground level. It is pertinent to mention that most of the staffing of such agencies are done from the locals, on a temporary basis, with apparent political undertones such that these agencies will always submit "favorable" reports in order to support the "sanctity" of the scheme and its implementation. Eighthly, very few bureaucrats raise their voice against this "murky state of affairs" lest they are victimized and either chose to remain quiet by "turning away their face" or remain happy by extracting a "share" of the "benefits" of the scheme for himself. Last but not the least, the number of such schemes are increasing at such a pace that it is indeed difficult for a bureaucrat to individually keep a track of each scheme let alone the objections and complaints that are lodged against such scheme implementation.

## Political rent seeking

When a person or a group in the society try to take unethical advantage from a system with the sole objection to add to his/their own funds without actually contributing anything on their own, this subterfuge act is termed rent seeking. It is an irony that even though each and every Government Scheme is funded from the public exchequer, almost all politicians especially those who are at the helm of power start believing that they are the "real donors" and should get all the accolades for the same. Further worse, apart from expecting a "cut" from the Schematic funds and deriving some Schematic benefits for their own family members and followers, they stoop down further to proclaim that they are the "actual patrons" and put up their party leader or their own names and even photographs in the Schematic names, foundation stones, banners and flexes in just everything related to these Schemes in any way. After a certain period, the common man also starts associating a particular Scheme with a regime and compares its benefits with those of the others. This leads to an unhealthy competition between the political class of misusing the Public Coffers to extend their own vested propaganda and the helpless common man has no other option but to witness a robbery of gigantic proportion from which he might expect a morsel. It is a tragedy that there is perhaps no Social Scheme in our country which does not bear any such despicable legacy and which has been allowed to be implemented fairly and transparently at the ground level.

#### The way ahead

In the coming days, as politics will become more short-sighted in nature and politicians will lose touch and control of the grass root level, more and more of such appeasement schemes will be rolled out by the ruling Governments at the cost of the public exchequer leading to short term political gains and individual "benefits" at several levels. It is a well-known fact that such doles do not serve any useful purpose but criticizing such schemes does not draw admiration from the majority. On one hand, the supposedly poor sections seem to obtain

immediate benefits from such scheme and on the other hand, politicians, bureaucrats, economists and even intelligentsia do not dare to oppose them in fear of receiving a sharp and negative backlash from social circles. Some eminent economists even try to defend the requirement of such schemes in order to enjoy political patronage and further their dubious economic studies. The common middle class who toils hard night and day in order to earn a living and pays tax under his nose feels pained when he sees that his contribution is wasted for some spurious reason among those who do not deserve such niceties. It is indeed very difficult to end such practices unless and until the civil society unites together and raise their voice. Each and every scheme should be monitored properly, auditing should be done transparently and disclosures about names of beneficiaries should be made public in order to cleanse the implementation process. The Judiciary and independent Government agencies like the Comptroller and Auditor General and Election Commission should start taking cognizance of such schemes and see to it that such schemes are not misused and are not just meant to appease the voters before the elections or to remain in power. The common man should be made conscious of the fact that such short-term gains are harmful for their social upliftment and self-esteem and only serve to cripple their initiative and enthusiasm. They should understand that the huge amount allocated for such mindless and trash schemes could definitely be utilized by the government for some meaningful venture such as creating infrastructure which will in turn provide jobs, improve connectivity, bring better living standards and eventually lead to the betterment of the society we live in. The path ahead is indeed difficult as in a country like ours, it is indeed unfortunate that we have to fight against our own people in order to prevent such corrupt and mindless practice. The only hope is that a section of the young generation has already started realizing the gimmicks and has started opposing this "dole politics" from several frontiers. It is expected that in times to come, we will mature as a society and only strive to further our interests towards the actual betterment of our nation and end this practice of appearement once and forever.

## **Declaration of conflicting interests**

The author declares no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

## **Funding**

The author received no financial support for the research, authorship and/or publication of this article.

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