

Event Report

India: The Innovation Republic

EIAS Briefing Seminar

26 February 2018

As the premiership of Narendra Modi enters its fourth year, the policies and approaches implemented under the current BJP administration have been credited with helping India along its current trajectory towards great power status. With a healthy, growing economy and a young and booming population, the world is increasingly coming to terms with the possibility that the current century may be an 'Indian' one. Despite India's set of internal conditions appearing ripe for economic and political expansion, harnessing the nation's rich and varied resources represents an enormous challenge. Throughout this briefing seminar, Dr Vinay Sahasrabuddhe presents his most recent publication, *'The Innovation Republic: Governance Innovations in India Under Narendra Modi'*. This book outlines numerous innovative ways through which the author believes the Modi Administration is ensuring India can fulfil its great potential. This seminar provided a platform from which the ideas underpinning this book could be presented, whilst also encouraging discussion into the numerous contemporary issues faced by India as a nation, and the ruling BJP.

Opening Remarks

In his introductory remarks, Member of the EIAS Advisory Board Dr Alexander Spachis highlighted how the book includes insights from somebody within the innermost circle of Indian government. Touching on the book's contents, Dr Spachis made reference to the 'seventeen innovations' the book covers and the various categories into which they all fall. These include: transparency and accountability, institutional innovations, innovations within education, social innovations, cultural innovations, and innovations that ease the lives of everyday Indians. Discussing briefly into the specific innovations mentioned in the book, Dr Spachis also highlights the mention of a Dalit venture capital fund, and how engagement with the issue of caste by the Modi Administration in itself demonstrates innovativeness.

Keynote Remarks: H.E. Ms Gaitri Issar Kumar, Ambassador of India to the EU, Belgium and Luxembourg

Discussing recent innovations in governance seen since the Modi administration assumed power four years ago, Ambassador Kumar described the changes that have occurred as unique in their scale and success. After praising the positive impacts of governance innovation under President Modi, she mentioned how Dr Sahasrabudhe's book could not have come at a better time concerning EU-India relations. As Brussels strives to better understand modern India in order to improve its approach to engagement, this book outlines numerous important and fast-changing aspects of contemporary Indian governance.

In continuation, Ambassador Kumar went on to underline how the principles and visions of India's founding fathers continue to influence and guide the nation. Since 1947, India's democratic values have remained at the centre of India's governance architecture, with the nation's constitution ensuring that successive governments create opportunities, adopt inclusive policies and generate hope, empowerment and employment. The challenges facing India, however, given the vastness and complexity of its geography and political structures, are truly daunting. Fortunately, Ambassador Kumar observed, India's leaders have the talisman of Mahatma Gandhi to help guide them, and to ensure and embed the positive underlying values of India.

Following on from a Mahatma Gandhi quote referencing the need for humility towards societies most disadvantaged, Ambassador Kumar praised the government for not letting India forget about its vast, impoverished population. The Ambassadors praise was particularly directed towards the states' efforts to make development work for all citizens, and the vital work done by women within the framework of the state.

In conclusion, Her Excellency cited how in the process of building a new India, many people have been enthused by Prime Minister Modi's commitment to good governance and innovation. Modi's commitment to a result-oriented approach to state policy and a focus on 'minimum government, maximum governance' was also highlighted. The changes that have taken place since 2014 have made India an easier place to business in and have helped in the process of instigating what Modi has described as an 'Indian renaissance'. To achieve any rapid transformation tantamount to a renaissance, both systems of governance and individual mindsets must be transformed.

Book Presentation: H.E. Dr Vinay Sahasrabuddhe, Vice-President, Bharatiya Janata Party (BJP); President, Indian Council for Cultural Relations (ICCR)

Discussing his new book, *'The Innovation Republic'*, the speaker stated that he would not divulge the contents of the book, at the risk of the event's participants not wanting to read it afterwards. Alternatively, Dr Sahasrabuddhe opted to give the audience an idea about the background of the book and explain in more detail the current situation in India.

Dr Sahasrabuddhe continued by citing a number of features that make the current Modi government unique. This is the first non-Congress government since 1977 which has been elected with a complete majority, allowing it to be more decisive in its policies. Adding to this, Narendra Modi himself had a unique background and was fairly known for implementing successful innovation and good governance throughout his tenure in Gujarat. The speaker also suggested that the changes implemented under Modi are not exclusively in the field of governance, but are also societal.

Moving on from this point, Dr Sahasrabuddhe went on to outline a number of crises that have been affecting India in recent years. These crises include a crisis of purpose and motivation within governance and politics, where public servants feel little motivation to and work towards the improvement of themselves and the nation. Adding to this, there is also a crisis of ownership, in which people seem unwilling to take responsibility for the country. Also mentioned was a crisis of authenticity, in which everything feels very artificial, and a crisis of relationship between different institutions within India. As a result of these crises, Dr Sahasrabuddhe argued that today's generation are not interested in political sermons, instead being interested in knowing what value government has added to their lives.

Following on from this, Dr Sahasrabuddhe made efforts to explain to the audience what Prime Minister Modi has added to the process of governance in India. First mentioned was the 'functional philosophy' of the Modi government, with its focus on mutuality of cooperation and universality of development'. He dispelled the notion of 'inclusive governance', describing it as condescending, preferring the term 'participative governance'.

The next subject touched upon was empowerment. Dr Sahasrabuddhe argued that the policies of Congress focused too much on entitlement, not empowerment, suggesting that previous policies of entitlement had in fact hampered the development of less-fortunate communities. Under Prime Minister Modi, it was argued, a culture of entrepreneurship is being encouraged, which is having far reaching, positive implications. Our speaker mentioned how Dalit communities are not necessarily happy to be 'job seekers' and want to be 'job givers'. It was argued that this is now more possible thanks to loans available to the lower castes which has encouraged an entrepreneurial spirit and increased participation.

Another simple change that the current administration has introduced, has been the establishment of systems that use biometric identification to mark attendance amongst public sector workers. A number of employees were unhappy about this change, however our speaker argued that it has introduced a 'result oriented' public sector and helped cut out laziness.

Dr Sahasrabuddhe then went on to praise what he sees as the 'restoration of a sense of purpose in governance'. Inspired by the Prime Minister's quick and dynamic decision

making, our speaker argued that decisions throughout India are being made more quickly, and that state employees have a more robust sense of purpose. Adding to this, it was argued that a mechanism for a more effective public service had also been introduced.

From this point, Dr Sahasrabuddhe moved on to discuss some of the specific changes and innovations that have been enacted under Prime Minister Modi. The first point raised was how on the last Wednesday of the month, the Prime Minister spends three hours communicating with people from different states and regions throughout the country to ensure that state projects are advancing effectively and efficiently. This system is known as PRAGATI. Our speaker argued that before this simple measure was put in place, it is likely that many of the projects under scrutiny by the PM would not have advanced in the same manner.

The next innovation cited by Dr Sahasrabuddhe involves the Government E-Market (GEM). The Indian government spends a substantial amount (35 lakh crore rupees) on procurement every year throughout all of its offices, a process which in the past was vulnerable to wastage. Through the GEM, all government departments are registered as buyers, and then post their required items on the E-Marketplace. This having been done, registered suppliers approach government departments with offers, and compete for business. This process, the speaker argues, has had a dramatic effect in cutting out the problem of corruption in government procurement, as well having sped up the process dramatically for all parties involved.

Moving on, our speaker praised the creation of the International Solar Alliance by Modi, describing it as a product of innovation and 'out of the box thinking'. This alliance helps people living in regions with high levels of sunlight make the most from solar energy. Other examples of innovation mentioned included easing the means through which pensioners claim their pensions and the smart city initiative. Many of these ideas are very simple, however as Dr Sahasrabuddhe put it, "a little bit of innovation goes a long way".

Dr Sahasrabuddhe argued that throughout all of Modi's innovative ideas, there has been a vital emphasis on the issue of implementation. It was suggested that the success of all grand ideas lies in their implementation, and this has been a subject about which Prime Minister Modi has been very candid. Under Modi, there has been a distinct shift away from the planned economy that he inherited in 2014. Having disbanded the Planning Commission, it was replaced by NITI (the National Institute for Transforming India) which has less focus on state planning and does more to encourage entrepreneurship.

Moving towards the conclusion of his talk and speaking as a student of governance and international relations, Dr Shasrabuddhe argued that India's approach to international diplomacy strays from classical forms of cultural, economic, or strategic diplomacy, and instead can be defined as 'development diplomacy'. It was argued that this involves viewing diplomacy as a win-win scenario. Our speaker suggested that Indians have the ability to sympathise with the less fortunate, and has a society that is caring and empathetic, which isn't the case in many other countries.

On a final note, Dr Sahasrabuddhe described India as a 'spiritual democracy', in which people have pride in their communities whilst learning to live with others, all the while collectively striving for spiritual truth. He finished by praising once again Prime Minister Modi's tireless work in attempting to transform India from what was once described as 'functional anarchy', to an effective, modern democracy.

Discussion

Following on from Dr Sahasrabuddhe's book presentation, the event's chair, Dr Spachis, handed the floor to the other panel members to continue the discussion. First to speak was the chair of the European Parliament's Delegation for Relations with India, Mr Geoffrey van Orden. Mr van Orden opened his account by echoing noticeable themes throughout Dr Sahasrabuddhe's presentation; the changing nature of the role of government, and the challenges of retaining the trust and confidence of a nation's population.

Moving on from this point, Mr van Orden highlighted the rise of populism throughout the world. He acknowledged that the concerns that drive populism are not always grounded in ignorance, but are often genuine, and develop out of a feeling that government is not listening. Tying in the issue of good governance, Mr van Orden suggested that without it, few but the political elite benefit from a country's development, and therefore it can further compound the concerns that drive populism.

In conclusion, Mr van Orden said how he very much admired what is happening in India at the moment, especially within the context of the numerous challenges facing the country. Many people throughout the world feel 'goodwill' towards India, and it is important to try and develop this into more solid ties.

To conclude the panel discussion, Mr Axel Goethals, CEO of the European Institute for Asian Studies (EIAS), spoke on the relationship between the EU and India, highlighting how there are many shared values and commonalities between the two. Understanding how the positive innovations in India can be developed in collaboration with other partners and other countries is an important task.

The next issue that Mr Goethals touched upon was related to corporate social responsibility (CSR). He mentioned how the EU and India are both global leaders when it comes to CSR, and that this has led to greater levels of accountability throughout industries in either region, with the two main areas of progress relating to labour and the environment. Following on from this, it was argued that if Europe's professional expertise and India's enormous scale could be combined, vital environmental problems throughout India including waste-management and pollution could be better confronted. Mr Goethals concluded by highlighting the enormous scope for collaboration between India and the EU, reinforcing the potential for benefits in the fields of governance, the economy, and the environment.

Q&A

The first question queried how Modi's reforms are successfully implemented given how implementation is often done by local governments or individual states, which often have different political parties in power and different interests. Dr Sahasrabuddhe responded to this firstly acknowledging that federalism and partisan politics has its merits and demerits, however that Modi is open to consultation with leaders in all states, regardless of political affiliation. Adding to this, he argued that some historically less cooperative regions are now joining new initiatives after witnessing their successes.

Another interesting question was posited by a member of the audience in reference to the serious economic discrepancies existent between the North and South of India. It was asked how this issue is being addressed, and how policy and governance can help northern states develop. In response to this question, Dr Sahasrabuddhe mentioned how this

government has increased the amount of resources going to individual states from 32 to 42 percent, which has given individual states a larger share of national resources, and more economic autonomy. In addition to this, it was said that the Indian government has been prioritising poorer, Northern states when it comes to investment in infrastructure and education.

In reference to India's relationship with the Middle East and its potential role in resolving the numerous problems that haunt the region, it was asked whether India may be able to offer a solution to these problems where the West has failed? Ambassador Kumar cited how the Indian government has made unprecedented advancements in the Middle East. Adding to this, it was said that efforts will continue from within India to help address the complex issues in the Middle East and develop better and father reaching dialogue.

Citing how innovation in India is closely linked to education, Mr Goethals pointed out how many within India still don't have good access to education and enquired as to how this issue is being addressed. Dr Sahasrabuddhe accepted that this issue is a great challenge for any Indian government, before going on to explain how the government is working to change education in India by introducing the issue of 'skills development'. He also added how whilst innovation and education are correlated, innovation doesn't always stem from the best educated.

On what can be done to further develop cultural diplomacy between India and the EU, Dr Sahasrabuddhe responded by proudly stating how when other countries attain 'middle-income' status, their cultures often become 'Americanised'. This however, is not the case in India, which he argued is unique in its ability to maintain its distinctively 'Indian' culture despite its economic development. This, he argued, is a very valuable cultural resource, and that increased tourism and cultural exchange can help develop stronger diplomatic ties between the EU and India.

European Institute for Asian Studies – EIAS a.s.b.l.
26 Rue de la Loi, 10th Floor, 1040 Brussels/Belgium
Tel.: +32 2 230 81 22 E-mail: eias@eias.org Website: www.eias.org

 EiasBrussels

 European Institute for Asian Studies

 @EIASBrussels