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India, Factor 17: Good Governance

India: Eliminating Corruption to Ensure Food Security

Shashi Tharoor, an Indian diplomat and politician, once stated “India is not, as people keep calling it, an underdeveloped country, but rather, in the context of its history and cultural heritage, a highly developed one in an advanced state of decay” (Tharoor). Indeed, India is a burgeoning, rapidly developing country, and recent progress suggests that it will undergo extensive development in future years. As of 2016, India is the world’s fastest growing major economy and has immense potential for growth, due to its comparatively youthful population and recent scientific and technological developments (“Why India”). Yet, this increased economic growth has not led to an improved diet for those living in poverty, indicating that they have not reaped the benefits from these developments (Lal). In order to fully take advantage of its status as an emerging economic superpower, India must combat the circumstances that currently debase its development (India Country Profile- BBC News).

Currently, a preeminent problem faced by India is one of food security, as poverty and hunger are still prevalent throughout the nation, which contains 25% of the world’s hungry population (“India”). A myriad of possible solutions to food insecurity in India have been enacted by both external and internal organizations, with varying levels of success, however the problem of corruption is not one commonly addressed. Often termed the “c-word”, corruption has historically been an issue that was largely avoided by nongovernmental organizations such as the World Bank. However, events in recent years have created change in organizational attitudes to this developmental obstacle, and corruption has been recognized as a key hurdle to overcome in order to solve global conundrums in the 21st century (Abdul Aziz).

In order to analyze the linkage between corruption and loss of food security, the daily life of rural families, those most affected by a possible loss of food security, as well as the chain of circumstances behind corruption itself must be examined. Rural families encompass the majority of India’s population and the country’s rural population comprises of some 833.1 million people, or 68.7% of the country’s population. As of the 2011 census, the average household size of a rural family is 4.94 people, compared to an average urban household size of 4.66 people (Census India). The disparity between rural and urban areas is further exemplified through the national literacy rate, which is 71% in rural India and 86% in urban India. This imbalance can partially be attributed to a difference in education expenditures between rural and urban areas, as the annual expenditure per primary school student in urban areas is 10,083 rupees, in contrast to an annual expenditure of 2,811 rupees for a rural primary school student. There is also a dissimilarity in the literacy rate between genders, with an 83% literacy rate reported for males, compared to a 63% literacy rate for females (National Sample). The combination of these factors has also led to a significant difference in the quality and accessibility of healthcare between urban and rural areas. Three quarters of the country’s medical resources are situated in urban areas, which are home to only 27% of the country’s population. This has led to the propagation of several infectious diseases within rural areas, such as typhoid, hepatitis, malaria and pneumonia. Recent years have led to the establishment of policies and programs in order to combat this challenge, however healthcare accessibility will prove to be an issue in coming years (“Current Health”1).

These unequal facets of Indian society parallel another disparity- farm size. 67% of the land that is usable for farming is held by those termed “marginal farmers”- who are farmers that have under one hectare of land. Less than 1% of land is in tracts of 10 hectares or higher. However, even though marginal farmers account for almost 70% of total land, their portion of operated area is only 22.5%, and although only 1% of land is in tracts of 10 hectares or higher, this land represents 10.59% of operated holdings, exemplifying the inequalities of land ownership in India. The average size of farms has also dwindled,

from 2.3 hectares in 1970, to 1.15 hectares in 2015. (“Nearly 70 Percent”). The agricultural practices of India have remained unchanged for many years and 60% of farmland does not have irrigation, allowing for deficiencies in the monsoon season to spell disaster for farmers (“Farming in India”).

India has achieved many agricultural superlatives, possessing the world’s largest land area of wheat, rice, and cotton. It is also the largest producer of milk, pulses, and spices (“India: Issues”). However, the country still faces immense challenges with regards to food security, many of these stemming from the issue of poverty. Out of its rural population of 833.1 million, 300 million, or approximately 30% live in poverty, leading to an absence of food security, with a quarter of the world’s hungry population living in India and 43% of children under the age of five suffering from malnourishment (“India”). Over 1.3 million Indian children die premature deaths due to malnutrition and 194.6 million people are malnourished, a number that is double that of sub-Saharan Africa and the highest in the world. These figures have several negative implications for economic growth and development in the future (Lal). Poverty also leads to a host of other issues in both rural and urban communities, in addition to loss of food security, namely low levels of formal education, access to healthcare, and lack of social and governmental services. Other barriers to food security include water scarcity, natural disasters, drought, and degeneration of the environment (“India”).

According to the International Fund For Agricultural Development, good governance is crucial for national growth and development in a multitude of sectors. Governance has been defined by the World Bank to be “the manner in which power is exercised in the management of a country’s economic and social resources for development”- indicating that proper governance and a lack of corruption is necessary in order to properly allocate resources and ensure advancement (Good Governance 1) . The organization also delineates four pillars which can be used to determine proper governance: accountability, transparency, the rule of law, and participation (Good Governance 3) . Corruption, which is defined by the International Fund for Agricultural Development as “the abuse of public office for private gain” goes directly against the pillar of transparency, delegitimizes government authority, and significantly hinders development and advancement (Good Governance 5).

In response to threats to food security in a variety of areas, both rural and urban, the Indian government has created several social services programs and has been the beneficiary of aid from foreign nations. Among these social service programs is the Public Distribution System, consisting of a web of 60,000 ration shops. Established under the National Food Security Act, the Public Distribution System creates a mechanism by which poor families can procure essentials such as kerosene, and staples such as rice, wheat, and sugar, for a low price of 1-3 rupees per month (Lal). The federal government acquires, stores and portions the grain, while state governments dispense the grain locally through a network of 5 million ration shops, known as “fair price shops”. Ration card holders that are designated “BPL”, or below the poverty line card are entitled to 35 kilograms of grain per month in this program, which is aimed towards two-thirds of India’s population (Chandrasekharan). However, this system is fraught with corruption as millions of tons of food intended for the malnourished population have been misused. Over 60% of the food within the program has been wasted- either lost through transit, sold on the black market, corrupted by middlemen or degraded in other manners (Lal). Despite the 750 billion rupees and 5 million ration shops established by the government, 21% of Indian citizens are still reported to be undernourished, highlighting the inefficacy of the current system (Chandrasekharan). In recent years, pictures have been disseminated showing excess grain rotting amidst a backdrop of malnutrition and hunger. Grain surpluses have become commonplace in recent years, however they are not being distributed to the malnourished and hungry- they are sitting in storage facilities, unused (Lal). Government reports have supported these allegations of corruption, stating that over 50% of the grain that goes through the Public Distribution System succumbs to leakage- it is procured by traders who illegally sell the grain in open or black markets or export the grain. These traders have often sold the same grain back to corrupt government

officials, who profit off this fraudulent scheme and are implicit in impeding efforts to improve food security (Devraj).

Repeated missteps of programs such as the Public Distribution System have supported the notion that malnutrition and lack of food security in India cannot be singularly attributed to a lack of available food—rather that the food produced is not being used in a manner that is transparent and which conforms with its intended purpose. These failures can largely be attributed to inefficiencies in government bureaucracy and corruption. These fraudulent schemes can have widespread and tragic consequences. One example lies in the hunger deaths at Rattu Bigha in the state of Bihar. In the summer of 2008, in a monthlong period, five people died of hunger, in Rattu Bigha, a small village comprised mostly of Dalits, also known as the “untouchable class”. Their deaths can directly be traced to corruption, as all of the deceased were well under the poverty line and had food cards which entitled them to receive food from the Public Distribution System. However, local government officials and middlemen solicited bribes in exchange for the food, and refusal of food was often explained as a nonexistent “food shortage”. These deaths are only a minuscule representation of the 3000 deaths from hunger and malnutrition every day and the over 10 million deaths from hunger in India every year (Banerjee).

On a larger scale, the Uttar Pradesh Food Grain Scam, termed the “mother of all scams” by Indian media in 2011, involved more than 450 Class I government officials and 800 lower ranking government officials. It consisted of grain that was meant for the Public Distribution System and other poverty alleviation programs being sold at markets and to other private groups for a profit and recorded as being doled out to the intended, impoverished, beneficiaries (Siddiqui). The organized crimes involved within this scam were widespread, involving high-level government officials, local government leaders, workers responsible for transporting grain, as well as local shopkeepers. The total monetary value of the goods stolen was estimated to be from \$7.45 billion to \$14.5 billion, a staggering figure (Pandey). Other examples of malpractice and wrongdoing within the Public Distribution System include instances of weighing grain improperly, a lack of consistency regarding which households are entitled to receive distributions from the program, supplies and food being replaced with subpar alternatives and sold in an open market, difficulties with qualified families obtaining ration cards, and counterfeit ration cards for fair price shops being created (Chandrasekharan).

Numerous examples of corruption and misdirection of designated resources stemming from a dearth of good governance delineate the Public Distribution System, and thereby obstruct India from granting food security to its 194 million impoverished and malnourished citizens (Lal). Malnutrition and hunger are often thought to be problems only associated with underdeveloped and underresourced regions, however India’s recent economic growth proves that food security is not a problem that is singularly attached to the amount of economic resources a country possesses—rather these resources must be managed ethically and properly in order for the benefits of prosperity to be reaped by the nation as a whole. According to Tunku Abdul Aziz, the vice chairman of Transparency International and an anticorruption advocate, food security initiatives will not be viable without measures taken to ensure good governance (Abdul-Aziz). Efforts for sustainable, long term development are futile in the absence of a functional, effective, and ethical government and measures must be taken to combat corruption in India in order to ensure food security for its citizens. As India ventures further into the twenty first century, it is slated to undergo a major shift in demographics, overtaking China in population by 2022 (Gladstone). Therefore, it is imperative for the nation to not only maximize its food output, but also better mobilize its existing resources by eliminating corruption, in order to meet the demands of a growing population (Sadik).

In order to develop a workable and effective plan to combat corruption, the root causes behind corruption and its place in Indian government and society must be scrutinized. Corruption is often deeply intertwined within the social fabric of a nation and is influenced by a nation’s history, bureaucratic structure, resources, and customs. Systemic corruption, as is the case in India, is often illicit in theory but accepted

behavior in society, through an unwritten social code. It often requires coordination between multiple sectors and levels of government and eradicating it requires a reworking of both governmental and societal practices (“Helping Countries”).

Obliterating corruption requires the expertise of both the government, as well as nongovernmental organizations in order to ensure greater accountability in both the public and private sectors. Muhammad Yunus, a Bangladeshi social entrepreneur and Nobel laureate has expressed the importance of governments and nongovernmental organizations working collectively, as neither are as effective on their own, or in opposition to each other. His statements include the notion that “governments can be inefficient, slow, prone to corruption” and that “nonprofits alone have proven to be an inadequate response to social problems”. Instead, he suggests that multilateral organizations, funded by governments for global development, or nongovernmental organizations working jointly with governments will have the greatest impact (Yunus).

One example of an innovative and effective governmental reform is a program introduced by the government of the state of Chhatisgarh, involving a complete overhaul of the Public Distribution System with the goal of minimizing corruption, lessening grain diversion from 60% to 10% over a period of 5 years. By shifting ownership of fair price ration shops from private owners, who were prone to corruption, to local cooperatives and panchayats, or local village councils, the government was able to ensure accountability and transparency in the food distribution process, a process which has been scaled and replicated in other Indian states. Through this increased efficiency, Chhatisgarh was able to enlarge the amount of food recipients from 40% to 70% of its population, at a cost of only 600,000 tons of rice, a paltry sum compared to its existing production of 6.8 million tons of rice. This was done at a cost of 40,000 crore rupees, approximately \$2.9 million USD, for the entire state, proving that providing food security does not have to come at a high cost; rather creating strategic reform and eliminating sources of waste, namely corruption are key catalysts for increased food security (Jain).

Increasing civic engagement within the anti-corruption process has also been proven to serve as an impetus for a drop in bureaucratic inefficiency and a change in societal attitudes towards corruption. In 2015, the Paraspara Trust, acting under the Partnership For Transparency Fund, a global NGO seeking to reduce corruption and promote transparency in developing countries, unveiled a pilot anti-corruption program in Bengaluru, Karnataka. This citizen led pilot program had a twofold premise- increasing accountability within government institutions as well as increasing societal awareness regarding corruption. It involved groups of 30 citizens monitoring the Public Distribution System centers within the city through surveys and visits, as well as segments about corruption embedded within plays, news, and other media. After the conclusion of the program, three of the city’s fair price ration shops were promoted to “model” shops, indicating that they had a low level of corruption and establishing a standard by which other local shops could be evaluated against (“Reducing Corruption”).

In recent years, the World Bank has helped nations withstand corruption and secure better governance through the establishment of governmental programs which work in tandem with other organizations, purveyors of aid, and global foundations. Through creating reforms in the economic and governmental sectors and revitalizing weak governing institutions, the World Bank is able to develop multifaceted strategies for upholding the rule of law in developing countries, creating measures for transparency, and generating economic growth. These measures can be applied to India in order to establish durable strategies in order to minimize corruption (“Helping Countries”).

However, a viable, sustainable, and long-term solution for eradicating corruption and negating the effects of substandard governance on India’s food security must have an end goal of increasing self-sufficiency for India’s lower class and reducing reliance on the Public Distribution System. India’s current food security initiative, the PDS, has been shown to be especially prone to corruption, due to the large number

of middlemen involved within the system, and is not conducive towards cultivating self-sustenance in rural India (Pandey). In order to establish lasting food security throughout India, the Indian government must work directly with rural areas and partner with multilateral organizations such as the World Bank, utilizing the principles of good governance. Through partnerships with the World Bank, measures can be taken to alleviate poverty through intersectional strategies that emphasize employment in both agriculture as well as other related sectors. (“India: Issues”).

Furthermore, governmental reforms for food security in India will have a greater, more potent impact on lasting food security when they take place at the local level, as they will be unblemished by the corruption that takes place at the district and state levels. One way for the Indian government to support grassroots initiatives is through investing in “self-help groups,” which are alliances, often comprised of women, in rural areas that use microenterprise and microfinance in order to create social change, build infrastructure, accelerate development, and distribute funding and technology (“In Rural India”). Women who are part of self-help groups score 6% higher on the empowerment index, a test to assess the authority women have in their day-to-day lives. In recent years, self-help groups have had exceedingly positive implications for food security, and in 2014, 4.19 million self-help groups were associated with NABARD, or the National Bank for Agriculture and Rural Development. Strong government support has been shown to be a key factor in the success of these self-help groups, as shown by a case study of the Indian states of Odisha and Bihar. In Bihar, self-help groups have strong ties with various institutions, leading to a nonperforming asset rate of only 6%, compared to 18% in Odisha, where groups often lack government support (Sharma and Chatterjee). These self help groups have undertaken initiatives that are imperative to food security, some of which are promoting sustainable farming practices, preventing deterioration of natural resources, and creating community grain banks which will provide perennial food security for rural communities (Devraj). Directing resources to these self-help groups will allow the Indian government to ensure food security for its 194 million malnourished citizens (Lal).

Tunku Abdul-Aziz, the Vice Chairman of Transparency International, expressed his belief that “good governance, the antithesis of corruption...holds the key to food security on a sustained basis,” during an IFPRI panel address (Abdul-Aziz). This statement is particularly applicable to India, where extensive economic growth is juxtaposed with sizable malnutrition and hunger, displaying how attempts to obtain food security in the absence of good governance have proven to be futile. The pillars of good governance—accountability, transparency, the rule of law, and participation are essential for global development (Good Governance 5). Only after implementing these practices, eradicating corruption and eliminating bureaucratic inefficiencies can India embark upon its journey towards food security.

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