



# Towards a Great India

A magazine of the Freedom Team of India

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## Care for India? Then lead India.

It will take at least 1500 leaders to reform India's governance. If you believe you can lead India, then apply to join the Freedom Team.

- India can be changed.
- India can become an ethical place.
- But the very best Indians must come together on one platform first.

## Target/ achievement

Year	Number of leaders wanted (excluding observers)	Number of leaders on FTI (including observers)
2008	100	38
2009	500	70
2010	1500	
Beyond	2500+	

**To join the War for Freedom – a war against corruption and sloth – go to this website:**

<http://freedomteam.in>

[info@freedomteam.in](mailto:info@freedomteam.in)

## Message from the Team

**Little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and tolerable administration of justice; all the rest being brought about by the natural course of things. – Adam Smith**

We have it within us to work hard and achieve our goals. All we really need is security and freedom, and equal opportunity. As Tao Te Ching said, kings should let things be, for then things would get done "on their own". The implication being: give people a modestly good government and they will do the rest themselves. That's it! Just ensure a "tolerable administration of justice" and easy taxes, and a society will become wealthy and successful in every way.

To lead a society to success, the government must not extract excessive taxes to spoon-feed people (welfare state), nor dabble in business (socialism). A government is not a businessman. These classical liberal ideas can help a government regulate optimally by enforcing property rights and ensuring justice, thus neither stifling enterprise nor letting deceit and corruption flourish. Well-designed free societies are highly successful. Empirical studies show that even a modicum of freedom and justice can lead a society to great success.

Liberalism has in many ways become a science now, a far cry from the early days of Machiavelli, Hobbes and Locke. Principles of good governance flow naturally if we study human nature carefully (which is both good and bad, opportunistic and strategic). The free society must aim to maximise everyone's equal freedom subject to everyone being accountable. Democracy, equal opportunity, social insurance, and individual justice: all form part of the free society social contract.

If we have the theory and we have the evidence to prove that liberty works, then why has it been so difficult for India to deliver a successful society? Because India continues to studiously ignore the imperatives of liberty and the findings of economics and public administration. In doing so, we have created a total mess: a corrupt socialist society, where no one is really safe, and justice not an option.

The Freedom Team of India (FTI), the seed of a political movement for freedom, aims to lead India in the coming years to greatness through good governance. Apart from assembling good leaders, FTI has started designing policies for free India. It has recently released its draft policy on religious freedom and tolerance (also published in this magazine). Religious freedom is at the heart of the modern non-denominational free society. "Members of FTI believe that religion is a purely personal matter, not a matter for government policy". And "FTI advocates the complete and total separation of the state and religion". These powerful sentiments demarcate our private and public spaces and clarify the role of the state and religion. In brief, the state must not dabble in religion (and *vice versa!*). We invite you to provide the Team with your valuable thoughts on our draft policies. **Together we can, and will, change India!**

## Updates

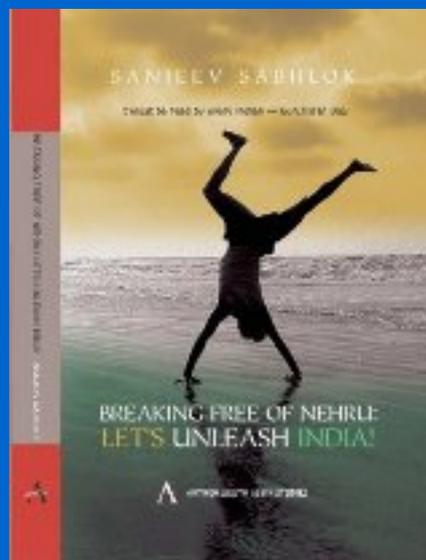
FTI has temporarily postponed its earlier plans to register a Trust in order to first finalise its internal governance procedures. It is, in the meanwhile, ramping up its efforts to find all liberals who can lead India to freedom. We have increased activity on the Facebook group, *We want Freedom*, as well. Do join us there.

**Join the Freedom Team, or ask your friends and relatives to do so.**

**To subscribe to this magazine:** <http://groups.google.com/group/towards-a-great-india>.

## Recommended readings

1. **Capitalism and Freedom** by Milton Friedman
2. **Capitalism: The Unknown Ideal** by Ayn Rand, Nathaniel Branden, Alan Greenspan and Robert Hessen
3. **The Ultimate Resource II** by Julian Simon
4. **Breaking Free of Nehru** by Sanjeev Sabhlok
5. **Economics in One Lesson** by Henry Hazlitt
6. **The Use of Knowledge in Society** by Friedrich A. Hayek
7. **India Unbound** by Gurcharan Das
8. **On Liberty** by John Stuart Mill
9. **The Law** by Frédéric Bastiat
10. **Liberalism** by Ludwig Von Mises
11. **Two Treatises of Government** by John Locke
12. **The Triumph of Liberty** by Jim Powell
13. **Growth Triumphant** by Richard Easterlin
14. **Roots of Freedom** by John W. Danford
15. **Good to Great** by Jim Collins



### **Breaking Free of Nehru – Let's Unleash India**

This book introduces the concept of Freedom Team and proposes policies that the Team could consider. Details of the book, including a preview, are available at: <http://www.sanjeev.sabhlokcitey.com/breakingfree.html>

## Institutes promoting liberty in India

Centre for Civil Society (ccs.in)  
Liberty Institute (libertyindia.org)  
Janaagraha (janaagraha.org)  
India Policy Institute (indiapolicy.org)

## Institutes promoting liberty internationally

Ludwig von Mises Institute (mises.org)  
The Mont Perlin Society (montpelerin.org)  
Institute of Economic Affairs (iea.org.uk)  
Centre for Independent Studies (cis.org.au)

## Political parties that appear to (broadly) promote liberty in India

Lok Satta, Jago Party, Bharatiya Democratic Party, Yuva Party, Lokayat

FTI does not necessarily endorse all policies of these parties. There could be other parties not yet listed here.

## Articles by Team Members

The following articles, published in alphabetical order of their author's last name, have been **contributed by FTI members**. To encourage full freedom of expression, and also given resource constraints (all FTI members are volunteers), these articles have not been edited – except for one which has been condensed. Please note that views expressed in these articles *may not necessarily represent the views of the Freedom Team*. Also, since the Team does not require its members to publicly disclose their identity at this early stage, contact details of each member are not necessarily provided at this stage.

## 1. Why the “War Against Terror” cannot be won by guns alone

Shantanu Bhagwat

Shantanu Bhagwat, a former Indian Foreign Service officer, now working in London, writes a popular blog, Satyameva Jayate. This article is a condensed version of his article published on 5 May 2009 (<http://satyameva-jayate.org/2009/05/05/war-against-terror-ideology/>)

Over the last few days, as news continued to pour in about Taliban's seemingly unstoppable march across north-west Pakistan, the question that would not go away in my mind was: Why is this not on the national agenda?

Is the Indian media really clueless? is it really so naive that it does not realise the gravity of the situation? And yet, the happenings in Pakistan are not only much much closer to us than the games in IPL - literally speaking - but also far more serious in their impact and the potential to threaten India's long-term interests. But if you were simply relying on the daily news for your information, the threat from “Taliban” has already passed, the Pakistani army is in “full control” of the situation, the next PM

may not be Mayawati-ji and isn't South Africa "oh, sooo beautiful!".

Let us blame the "weak" Pakistani government for "giving in" to Taliban in Swat. Let us blame "their education system" for nurturing a generation of jihadis. Let us blame the corrupt Pakistani army that works hand in glove with the Jihadis...and of course how can we forget the ISI? It is all "their fault". The reality is of course, far more complex and far more disturbing...We may not say the word and we may not talk aloud about it...that does not make the menace go away. Unless the intelligentsia in India, the political leadership, the common man, all of us - unless all of us - recognise the evil for what it is, the fight cannot begin...worse it may already be lost.

This is not the time for political correctness. That does not save lives...or stop bullets. It is time to call it the way it is. It is time to fight the ideology.

Back in July 2008, I wrote:

The terrorist attacks in Ahmedabad and Bangalore are merely the latest consequences of a mis-guided, half-hearted approach to tackle terrorism and ignoring the root of the problem - which is the ideology of "Jihad"...and Islamism...This is the ideology that led to 9/11, the massacre of Beslan and numerous attacks since then - a disturbingly large number of them in Bharat.

As long as we don't recognise this, we will be fighting the wrong enemy (not terrorists but innocents)...on the wrong front (not at the level of ideas, but at the level of physical force)...and with the wrong weapons (not better policing and quick, efficient justice but Dharnas, Bandhs, Satyagraha etc..)

In August 2008, in a long post on Tackling Terrorism, I talked about the ideological battle: Finally, the ideological battle must be fought...At the root of all these attacks is the chilling ideology of Islamism and the fanatic agenda of Islamists who are bent on imposing their version of Islam on the whole world and get it rid of all Kaffirs and infidels...I have talked about this issue on my blog on numerous occasions...

Sadly, the mainstream media prefers to ignore this aspect and pretends it is not a problem at all... Unfortunately a large section of (otherwise politically astute) commentators and observers share this view too ...

I think unless this ideology is challenged headlong in an open and public debate, we will continue to believe that terrorists are merely some misguided youth and their acts are merely "reaction" to some real or imagined grievances. Tellingly, almost none of the press reports mentioned this last sentence from the email sent to media outlets just before the blasts: "We the terrorists of India - the Indian Mujahideen - the militia of Islam whose each and every Mujahid belongs to this very soil of India, have returned to execute the compulsion of Allah"

The important - and this is critical - thing is not to direct our anger against Indian Muslims. Although the community does share some responsibility for what has happened, if we start painting the whole population as suspect, that would not just be wrong but plain dumb stupid.

Sadly, few commentators recognise the need for this fight...fewer still are willing to wage it. But the "War on Terror" cannot be won by guns alone...The ideology must be challenged.

Pakistan is on fire and our fire-fighters are on the Pakistan-India border. Too bad. What more can one say?

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## 2. Running the Government as a Corporate Body-a Public Enterprise!

L K Kandpal

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### **Nature and Governance**

Before we discuss the issue of the government, let's examine the role/rule of nature in terms of governance. Or what is relationship between nature and other creatures including humans. Or can we begin with a question - does nature have its own laws of governance? The answers may be confusing. If we look at the natural phenomena like seasons, climate, the solar system, there seems to be some system running naturally. This system goes haywire only if we tamper with it or due to some

disturbance in natural equilibrium. Nonetheless, there is some kind of governance.

Another interesting question is - Do humans need to be governed as per this law of nature? Can we assume that our very civilisation is at odds with the law of nature as nature gives us complete freedom to act according to our instinct? Other species like birds and animals act intuitively without any restriction or regulation, which was the case with us in the beginning when we also acted instinctively, like animals and birds. Is there any need of governance or can we be self-governed? It would have been an ideal state had it been so.

The problem ironically perhaps started with our gaining knowledge - may be the fruit of the knowledge at Eden garden. It was a precursor of the things to come. Ownership, family, relationship, caste, religion, region, country are all by-products of our knowledge – or ignorance! Or may be, selfishness, greed, rivalry are natural to human instinct. Can we reach a stage of understanding when we forget all these differences? History has some thing else to tell us contrary to this optimism. But, idealists, philosophers, poets and saints will continue to spread their message of oneness, universal brotherhood and harmony. Who knows, we may reach a stage of understanding when there are no conflicts; there will remain some differences, though.

Nature symbolises and is synonymous with freedom - laissez faire. Restrictions come in to picture only when there is clash of freedoms. To deal with these clashes, we formed a body collective. In the initial phase of our development, we worked in good faith and trust. Then there were certain norms and traditions, which people followed without any written law. Things grew more complicated with the advance of our science, technology and social structure. Then perhaps the question of governance arose. Governance meant laws and rules.

I am venturing in to an uncommon concept of running the government as a corporation. Corporation is a body, created by law, composed of individuals united under a common name, the members of which succeed each other, so that the body continues the same, notwithstanding the changes of the individuals who compose it, and which for certain purposes is considered as a natural person.

### **Why Corporate Governance**

Corporate governance has systems, rules and structures which direct, administer or monitor its functioning. Corporate governance means there are stakeholders involved and there are defined goals and set agenda. The principal stakeholders in the government will be the people as the shareholders/members, the elected representatives and the executives as the management/the board of directors. They will undergo the process of proper training, induction, orientation, refreshers course from time to time. In between there will be other stakeholders including all categories of employees, customers, creditors, suppliers, regulators, and the community at large.

Another important theme of corporate governance is the principle of accountability, which is missing in today's governance. It aims at shareholders' welfare/profitability ultimately resulting in to socio-economic development.

Gabrielle O'Donovan defines corporate governance as 'an internal system encompassing policies, processes and people, which serves the needs of shareholders and other stakeholders, by directing and controlling management activities with good business savvy, objectivity, accountability and integrity. Sound corporate governance is reliant on external marketplace commitment and legislation, plus a healthy board culture, which safeguards policies and processes'.

The functionaries of the corporate body prepare the organisation's strategy and develop directional policy. All parties here have an interest - selfishness i. e. better performance and profit. When the corporation makes profit, the directors and executives will be paid better salary and incentives on the one hand, on the other hand the customer, shareholders and stakeholders will get better returns from their investment. The society will be richer by creation of human capital and wealth.

### **Guiding Principles**

It need not be emphasized that good corporate governance is guided by certain principles such as honesty, integrity, transparency, accountability, mutual trust and respect, and finally commitment to the organization.

### **Code of Conduct**

A corporate body has a code of conduct for their directors and executives that promotes ethical and responsible decision-making. Transparency is another requirement of a corporate organization whereby the roles and responsibilities of board and management is clearly made public so that all stakeholders

have easy access to clear and factual information.

### Internal and external controls and audits

Other components of corporate governance are a neat, efficient and transparent administration, which aims to meet certain well- defined objectives.

### Checks and balances

There are inherent mechanisms and controls devised to reduce the inefficiency and incompetence. Apart from these internal mechanisms, an independent external team of auditors issues accreditation to the corporation.

The board of directors takes appropriate measures to safeguard the interests of the stakeholders. All matters are discussed at regular meetings and other brainstorming sessions.

To sum up, in corporate governance, every Indian becomes a shareholder and stakeholder as soon as he/she is born. He will be entitled to certain basic necessities like education till matriculation, health, house and food. His share value will increase in proportion to his participation and contribution to the wealth of the nation. Today's young entrepreneurs have every potential in them to be successful corporate executives. Can we think out-of-box and manage the governance like a corporate entity?

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## 3. Equal opportunity in the free society

Sanjeev Sabhlok

Sanjeev Sabhlok, PhD. is a former member of the Indian Administrative Service and currently works as a public servant in Australia. This article was published in the April 2009 issue of *Freedom First*. Contact him at: [sabhlok AT yahoo DOT com](mailto:sabhlok AT yahoo DOT com)

Everyone must be equally free. On that everyone is agreed. But the fact that this equality of freedom translates to equal opportunity (EO), a major plank of the liberal platform, is an area of considerable contention and calls for careful consideration.

The erstwhile Swatantra Party committed, as the first of its 21 principles<sup>1</sup>, to "equality of opportunity for all people without distinction of religion, caste, occupation or political affiliation". Similarly, the Liberal Party of Australia believes "in equal opportunity for all Australians". But wherefrom do these conceptions about EO arise, and what exactly do they mean?

### Meaning of equal opportunity

The most important connotation of EO, on which there is general agreement, has to do with political equality – things like equal citizenship, universal franchise, the uniform application of laws, and absence of discriminatory obstacles to achieving higher (public) office. But as Friedrich Hayek noted, this conception does not mean "that ... the chances of the different individuals [will] be made the same."<sup>2</sup> EO does not imply equal prospects, leave alone equal outcomes. It is an enabling provision, with prospects and outcomes squarely determined by the efforts and demonstrated ability of each citizen.

The second part of EO is the social minimum – a connotation not at all agreed to by all people who advocate liberty. I side with Hayek and most classical liberals on this matter. Thus, Hayek noted in *The Road to Serfdom* that the (free) society assures everybody of "some minimum of food, shelter and clothing, sufficient to preserve health and capacity for work". It must be noted that providing for a social minimum must be considered by a government only after adequately providing for defence, police, and justice. In my terminology, EO is a second order function.

It is worth mentioning that the social minimum outlined above has nothing in common with John Rawls's difference principle which asks "social and economic inequalities are to be arranged ... so that ... they are to be of the greatest benefit to the least-advantaged members of society". Rawls's principle leads to illiberal outcomes and severely distorts property rights. In my view, his is a step towards socialism.

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<sup>1</sup> [<http://tinyurl.com/cw8npm>]

<sup>2</sup> In his essay, *Liberalism* (1973). [<http://tinyurl.com/d29c wd>]

## The equal opportunity social contract

But you could ask: Why is the conception of social minimum above not merely another socialist ruse for cross-subsidising the poor? Surely we are not responsible for others (for we didn't bring them into the world). So why are we being asked to take on responsibility for their existence, even if it is set at a frugal level?

In response, note that equal freedom is meaningless to a sick and starving person or illiterate tribal. If our body and brain doesn't function or we can't think critically, we can't be free. Everyone in the free society must therefore be minimally healthy and possess some basic knowledge.

But consider now the imperatives of our strategic (enlightened) self-interest. A moment's reflection will show that EO is in our long term interest because it leads to a stable and aspirational society.

We know that our life energy springs from Nature. Therefore, at some point the laws of the jungle could well apply to us. The poor man who steals bread to feed his starving family, or kills a rich man who has denied him even a menial job, thus taking him to the brink of existence, is governed at that moment *only* by the brutal laws of nature. To construct a moral society we must get away from this precarious 'state of nature'. We must create incentives to prevent amoral behaviour.

The problem is that Thomas Hobbes's whimsical *Leviathan* allowed the rich to gain enormously at the expense of the poor. But this supercilious sovereign soon bit the dust with the beheading of Charles I. Out of this defeat (and the subsequent Glorious Revolution) arose the *Equal Opportunity Leviathan* where equal political freedom was assured more widely, and individual powers better balanced. Indeed, Kaldor and Hicks show us clearly that if we want stability then those who gain from the social contract must compensate those who lose. Buchanan and Tullock (*Calculus of Consent*, 1962) and other theorists have also thrown useful light on this matter. Robert Axelrod, in *The Evolution of Cooperation*, showed us how a tit-for-tat rule (balance of powers) leads to stability and cooperation.

The EO society with a social minimum thus acts as a strategic balance-of-powers society in which petty criminals, Naxalite revolts, and beggars sprawled on footpaths are absent because all of them have been empowered to make an honest living. It is important to emphasise that this contract is not motivated solely by the fear of the rich being attacked by the poor. There are untold benefits for everyone from having a healthy, well-educated citizenry. And, of course, we all gain deeply by ridding society of poverty. EO is really good for our soul.

This (EO) society is particularly stable (and optimal). The rich can reap the rewards of their efforts without the state confiscating their wealth. The poor prefer it because merit and hard work are rewarded, thus enabling their upward mobility, even as they can take shelter, if the need so arises, under the social minimum. The EO society thus motivates everyone to work hard (and ethically) to achieve their highest potential.

## An equal opportunity package

The EO package has to start with an EO law to eliminate discrimination in opportunities for public office on grounds of religion, caste, sex, physical handicap, economic status, domicile, and the like. This law must necessarily abolish affirmative action and subsidies for religious groups, as both these things violate EO principles by discriminating on the basis of religion and caste, and by going well beyond the requirements of the social minimum (which is applicable to the basic physical and education needs of the poor, not to their desire for religious pilgrimage).

The social minimum (insurance) package includes universal school education delivered through private channels funded by the state in the form of top-up vouchers determined by parental income and assets. Health insurance vouchers as appropriate (*not* direct health care provided by government!), and emergency care entitlements, come next. Finally, the incomes of the poor are topped up through a negative income tax scheme<sup>3</sup> (NIT) to eliminate poverty without distorting work incentives.

This social minimum has to be paid through an actuarially fair premium raised through taxes, with all calculations made public. My preliminary calculations show that NIT would eliminate poverty in India by redirecting existing (and ineffective) subsidies *directly* to the poor. For good quality school education some supplementation will be needed through borrowings, but these can be recovered through higher taxes from the well-educated citizens of the future.

In closing, it is important to note that delivering EO will need the resolution of numerous public choice,

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<sup>3</sup> [<http://www.indiapolicy.org/debate/Notes/NIT-paper.PDF>]

moral hazard, and public administration problems, some of which I will discuss in the coming months.

### **Freedom Team of India (FTI)**

The FTI (<http://freedomteam.in>) has now started developing many policies to make India a free country. These will be released for public comment in late 2009. In the meanwhile I look forward to your continuing support of this nascent liberal effort.

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## 4. Soft or selfish and stupid state?

Ritesh Shuka

Ritesh Shukla runs [uniteindia.net](http://uniteindia.net). This article is from his website.

*Note: the statistical figures are taken from an edition of Times of India published couple of months ago.*

Two generations ago government of India pledged for free and compulsory education (quality notwithstanding though and is open and deserves to be debated) to all and still it tolerates 38 crore people out of 110 crore as illiterate.

Why does government of India tolerates such high levels of illiteracy?

25% of teachers in India are not more than 12th pass and 50% do not go to the school to teach. Why should government be tolerating such ill-treatment to the future of India?

Majority of children born in India are born in homes of some kind since they do not have access to basic medical facilities. No wonder 63 out of 1000 children born in India never awaken to consciousness. Why is government of India tolerating this?

80 crores of Indians do not have access to clean drinking water and hence they are exposed to water borne diseases and specifically when we have so thin medical facilities Epidemic is inevitable. There has been a report submitted to the parliament to make it compulsory for the builders to have the facility of rain water harvesting. Why is the government not implementing it? Water will be the reason for the biggest civil war in India in the future. What is the government waiting for?

Electricity is distributed free as vote gathering mechanism. Majority of Indian farmers do not have access to more than 1 acre of land thus they totally depend on rains for irrigation. Only minority rich farmers can use electricity to pump water from the ground which they do excessively especially when they know that they do not need to pay for the electricity. Consequence is that the ground water level has gone down drastically making it even more difficult for the poor farmers to even think of installing pump sets (the lower is the water level higher is the drilling cost). Why is the government not thinking about the majority of the farmers? Is the government pro poor or pro rich? The constituents of the government do not seem to be pro any one except themselves. Why is the government of India working against Indian people?

After 6 decades of Independence why only 2% roads in India are highways and 12% are 2 lane roads. Poor roads lead to more fuel consumption, delay in transportation leading to higher costs in inventory management etc. More than 50% of the agricultural produce is perished because it could not be transported to the consumers in time leading to costlier product for the consumer and less income for the Farmers. Lack of roads restrict the farmers from growing cash crops such as vegetables. Why is government of India allowing such mismanagement?

Government of India spends most on it's own security and leaves very little for the security of its people.

Why are we tolerating such a government? Can we expect any party, forming the government in India in the coming Lok Sabha elections, will do anything substantial to help the people and country? This year the situation would be even more grim. None of the political organisations seems to be getting more than 150 parliamentary seats which means coalitions of warring factions and the majority of the governments time would be spent in ensuring that the government exists thus where will they find the strength to do any good for the people?

American president elect Obama has committed \$850 billion to ensure computers are placed in every classrooms, rebuild the already world class highways, invest in high speed internet and make the public buildings more energy efficient. Compare it to ours which concentrates only on reducing the

excise duties and increase in plan expenditure. We depend on FBI to give proof to Pakistan of their hand in the terrorist act committed on our soil but we do not take no cue from the Americans resolve to take care of their people at all costs. 5-6 Americans died in Bombay mishap and FBI reached Qusab's village in Pakistan to investigate. It is still not clear what concrete the government of India is doing?

People abstaining from voting and no clear mandate suggest that the people of the country are awaiting an alternative which currently is eluding us. Let's unite to replace the morally dead government in India.

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## 5. Why Socialism/Public sector is less efficient?

Awadhesh Kumar Singh

Awadhesh Kumar Singh is Vice President of Jago Party and member of the Freedom Team of India.

There are very serious institutional shortcomings at micro level in socialism or socialist-oriented economies like India having a very predominant public/government sector. Let us see how:

Under socialism/socialist oriented organizations, in principle, people own means of production and distribution, but in practice, these means are to be necessarily controlled and run by politicians and bureaucrats. Since the head of a production or distribution unit/ Ministry is a bureaucrat/politician and he is only to manage the unit without owning it personally, he is naturally not going to own its profit or surplus. He gets only his salary and perks, which is generally fully assured irrespective of the production or productivity of the unit or organization he heads. Thus there is no linkage between performance of the unit and remuneration of the manager in a govt.- controlled organization. Hence, naturally the manager has no institutional interest to improve the productivity of his unit. This institutional arrangement therefore leads to a natural tendency to do just the minimum to be in the job, to avoid initiatives to raise productivity, to place self-interest above the interest of the organization whenever possible, which results in rampant corruption.

Public sector organizations, though do not reward performance, sometimes punish those who are caught violating rules. This is done through institutional mechanisms such as audit, vigilance, annual inspection, receipt of complaints etc. This strengthens the tendency to shirk decision-making on part of top manager (a bureaucrat or a politician). This further affects the productivity adversely. Since the head of the local organization is not seriously and institutionally interested in making his organization more profitable and efficient, he also does not exert any serious pressure on his employees to increase their productivity. Late attendance, frequent absenteeism, shirking responsibility, indifference towards customers, trade unions' strong arm tactics, theft and corruption therefore becomes rampant in most of such organizations.

But can reward not be linked with performance in principle even in a public sector organization? No, it cannot be done because of the following reasons --

Vested interest -- First, because in a govt-controlled economy, the top person of an organization in the final analysis is always a politician. Since he has to keep the politically important constituency of huge work force of employees happy, he cannot and generally does not take any hard decision, which goes against the perceived "benefits" of employees, even though such a step may be necessary to increase the productivity/profit of the organization.

Politicians too busy -- Secondly, the politician has hundreds of other things to do in addition to managing his ministry. He has to attend Parliament, meet people of his constituency and try to solve their individual and common grievances, campaign for his party, tour his constituency and so on. Thus, even if he wants, he cannot devote adequate time for increasing the efficiency of organizations working under his Ministry.

No permanent interest -- Thirdly, the top manager in a public sector organization, whether a politician or a bureaucrat, is only a manager, not an owner. He is posted / elected there only for a limited period, usually one or 2 years. He therefore cannot take a longer perspective for the benefit of the organization. Because of this very reason, we cannot develop a system of profit sharing by politicians/bureaucrats and hence cannot incentivise him adequately.

Uncertain gestation period -- Fourthly, there is often a gestation period for an organization before it

can yield profit. Decisions taken today may start yielding profit only after some years. If a politician or a bureaucrat is to share profit, a dispute would arise regarding whose decision has resulted in how much profit and during which period. There is no way to resolve this dispute. But politicians are the elected representatives of the people. Would they not be naturally concerned about the productivity/profitability of the organizations they head, if they want to be voted to power again by the people?

In a democratic set up, an average voter is more concerned about employment, poverty alleviation, security, price rise and some immediate common necessities like water, road & electricity than the efficiency of a public sector hotel or steel factory or coal mining. Hence, the Minister or the bureaucrat is under no compulsion to improve the efficiency of these public sector organizations even from vote bank perspective.

It is this institutional arrangement, which encourages a politician to misuse power for personal or short-term political gains rather than using power to increase the efficiency of the organizations he heads.

Getting own ineligible persons recruited in a public organization, yielding to unreasonable demand for a salary hike or time-bound promotion by trade unions, reservations, issuing licenses/contracts/ favors to own people are some of the examples where efficiency or productivity is compromised for personal or short-term political gains.

Thus, we find that in the present political reality in India, it is futile to expect a public organization to be efficient. There is therefore a need to adopt free market economy rather than expecting that politicians or bureaucrats ought to be still honest and efficient even under the present faulty institutions.

**Magazine continues overleaf**

# Draft Policies of the Freedom Team of India

All FTI policies will remain as drafts until they are formally agreed to by at least 1500 FTI leaders. Your comments will inform the development of these policies. Please visit <http://freedomteam.in/blog/content/432> and provide comment.

## Religious Freedom and Tolerance

### 1. The significance of religious freedom and tolerance

- a) Members of FTI believe that religion is a purely personal matter, not a matter for government policy.
- b) We also believe that religious freedom is a fundamental personal freedom; a matter of choice for each citizen. Therefore, FTI neither promotes any religion or religious activity nor opposes it unless it trespasses other's liberties.
- c) In a free society, everyone can enjoy religious freedom only by giving others similar freedom. This means tolerating (and accommodating in good faith, to the extent possible) all religious beliefs. It also includes ensuring that each citizen has the right to preach his or her religion (or not religion) and convert others to his or her beliefs.
- d) But religious freedom, like all other freedoms, must be accompanied by its matching accountability. We must not harm others through our religious (or non-religious) activities. We must all remain accountable for our actions.
- e) FTI is proud of India's great history of religious tolerance. We would like India to continue to lead the world in showing how the people of all religions can happily co-exist together.

### 2. The need to keep the state and religion separate

- a) FTI advocates the complete and total separation of the state and religion. Our religious and political goals are different domains and should not be allowed to mix. Note that this does mean the state must be secular; it is best to see it as non-denominational, and tasked with a different job to that of religion.
- b) In particular, the role of government is to make and enforce laws which specify our accountabilities. While these laws can be based on precepts of morality, and should, indeed, be compatible with ethical principles, they are meant to clarify our accountabilities and do not aim to represent any particular (such as religious) moral view. All that the state asks for from the citizen is for him or her to comply with laws; the state does not preach morality which is not its domain of expertise.
- c) In this vein, we believe that political groups which promote particular religions harm society by harking to particular views of the law, and thus they emphasise our divisions rather than unity under the law. FTI condemns all political organisations that want specific a religion to inform public policy
- d) While debates among different religions are a natural part of free society (so long as these are conducted in a non-violent environment), the government can have nothing to say about the merits of the content of these debates .
- e) Making political claims based on religion can often provoke or lead to violence. A government's job is to come down heavily on individuals and organizations that advocate or use violence, irrespective of the basis of their advocacy - including religion.
- f) FTI is not disrespectful of religion. It simply asks that people politics and religions separate. In doing so, it recognises that in a society like India, steeped deeply in religion, even ordinary greetings (e.g. namaste) could at times take on a religious meaning. Many official functions in India are opened with lighting earthen lamps or breaking coconuts. Other common practices include applying tika or welcoming guests with garlands. FTI is happy for these practices to continue without attributing religious motivations to them. However, dealing with them could require good judgement on the part of government functionaries. For instance, when a government representative (e.g. a Minister) attends an actual religious event, he or she must not use official titles, and speak on that occasion purely as a private individual.
- g) FTI notes that religions often specify matters such as marriage and divorce . These are to be treated as personal law because these things involve the most intimate unit of human existence, the family. FTI believes that families should be able to structure themselves freely without, however, violating the life and liberties of members of the family. Subject to such constraints, religious requirements that apply to families are outside the scope of a government's jurisdiction. The government, for instance, cannot enact 'religious laws' (e.g. Hindu Laws or Muslim Laws) but only make generic rules that apply to everyone uniformly, such as minimum standards that everyone must comply with (see Section 3).
- h) Clearly, this means that a government cannot financially support religious activities. For instance,

subsidies for Durga Puja on the ground that these will increase tourism in a particular city are not admissible expenditures from the public purse, since they effectively fund a particular religion. Similarly, subsidies for religious pilgrimages such as for the Hajj or temple management by government functionaries is not acceptable in a free society.

- i) FTI believes that a government must be 'religion-blind', 'caste-blind', 'tribe-blind', 'language-blind'. In particular, a government has no cause to recognise 'minorities' as a specific category using religious (or related) classifications. Indeed, if everyone has equal freedom, then a separate category of 'minority' rights are not needed. A strong defence of liberty and the uniform enforcement of laws, as well as the provision of equal opportunity for all would ensure that no minority could harbour any fear from any majority. However, until the rule of law is well-established in India, FTI recommends preservation of Articles 29 and 30 of the Constitution, while ensuring that no subsidisation of any religious or other minority takes place.

### 3. The role of the state in regulating the 'excesses' of religion

While not involving itself in any religious matter, as clarified above, a government must establish and enforce rules of accountability to ensure equal justice and liberty to all citizens. For instance:

- a) FTI believes that India must enact uniform minimum standards of accountability for all citizens. This will ensure that all citizens receive equal justice and equal liberty. While not a Uniform Civil Code, it would effectively mean that uniform standards of accountability apply to all. As a corollary, all specific personal laws and religious laws enacted would need to be repealed and substituted by a single Law of Minimum Standards to protect everyone's life and liberty. These standards would include prohibitions against social ills like sati, child marriage, etc.
- b) All religions have legitimate rights to compete for loyalty and seek to extend their influence. To the extent such activities lead to conversion, the state has an interest in ensuring that no coercion, bribes, or misleading conduct is involved in the process. FTI would ask religious bodies to come up with self-regulatory (and binding) Code of Practice by which all religions will ensure that misleading conduct is eliminated. This Code should have provisions for concerns, if any, from any affected party to be adequately addressed.
- c) Religious freedom is not license. It does not give anyone any rights to encroach on public land, harbour criminals and terrorists, harass or threaten those carrying on civilized discourse, or otherwise create public nuisance such as by feeding stray animals, fouling rivers and ponds, and disturbing peace by blaring loudspeakers at unseemly hours. FTI believes that religions are as accountable as anyone else to maintain order and public calm. No religious organisation should disturb the public order. Illustrative regulations are outlined below.

\* FTI believes that all religious activity in the common spaces of society must be regulated for public order and discipline. This means, for instance, that religious symbols should be on permanent display only in private property that is owned by relevant private individuals or organizations.

\* FTI believes that while any religious group should be fully entitled to buy land and build an appropriate structure on it, this should be done keeping the general tenor of the ambience, and in any event, no religious structure should be built on public spaces like roads. If such structures are detected on public land, these must be respectfully removed and handed over to suitable religious organisations where these structures can be rehabilitated.

\* On a similar vein, while it is valid to hold religious events in public spaces, on payment of appropriate fee as may be admissible to any civil society organisation, they must fully comply with the conditions of behaviour set out by the government, particularly where security is demanded at public expense.

\* In particular, just as no private citizen is allowed to use amplifiers at certain hours, so also religious occasions or announcements cannot be exempt from such regulation.

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