

Not even a fig leaf

The UPA government and its leadership does not have even the fig leaf of A Raja this time. As details of another spectrum scam — perhaps, bigger — unfold, the focus is wholly on the prime minister. This is because the Department of Space, which is the villain of the piece in the instant case, is directly under him. In other words, it is difficult to find a scapegoat this time. From the details available so far, 70 MHz of Spectrum was sold to Devas Multimedia, a Bangalore-based firm associated with former Department of Space secretary M G Chandrasekhar, for as little as ₹1,000 crore. For public comfort, it has a joint venture with the Indian Space Research Organisation (ISRO)-affiliate Antrix. It is still a mystery on what basis Devas Multimedia was chosen for this largesse.

The 2G spectrum scam in which the government lost a potential revenue ₹1.76 lakh-crore for which former telecom minister Raja is now in CBI custody has been dwarfed by the new scam. With 70 MHz of Spectrum, the licence-holder can even provide satellite broadband wireless access services, popularly known as 4G services. For comparison, auction of 15 MHz of 3G Spectrum in 2010 fetched the government a revenue of around ₹67,000 crore. In fact, it was this windfall which opened everyone's eyes to the enormity of the loss caused when Raja sold 2G Spectrum to his favourites on a 'first-come-first-served' basis. Had 4G Spectrum been auctioned in a fair and transparent manner, it would have raised revenue sufficient enough to reduce significantly the fiscal deficit of ₹3.8 lakh-crore this year.

The scandalous nature of the 2G Spectrum allocation was highlighted by the fact that some of the beneficiaries after getting airwaves for a song offloaded them in the market and made a pile of money. The same thing happened in the present case when Devas Multimedia sold 17 per cent of its stake to Deutsche Telekom and earned \$75 million. Merely because it has a joint venture with public sector ISRO does not make the deal any less scandalous. Raja has been continuously insisting that whatever he did was with the knowledge of the prime minister. Steps, now underway, to scrap the deal with Devas Multimedia will not absolve the UPA government, particularly the leadership, of the charge of trying to defraud the nation of tens of thousands of crores of rupees. It calls for prosecution of those guilty of failure to prevent the plunder.

Naveen gets tough on corruption

Orissa Chief Minister Naveen Patnaik has struck once again with characteristic élan. At one stroke, he made his woman and child development minister, Pramila Mallick, resign and initiated legal actions against three senior IAS officers as the multi-crore dal scam began to steal his sleep. With this action he obviously seeks to establish that he does not tolerate corruption and that he can come hard on the perpetrators. What is galling though is why it took so many years to realise that millions of school-children and lactating mothers are being fed substandard, and sometimes rotten, dal under the mid-day meal scheme and supplementary nutrition programme.

Vigilance raids in four districts found evidence of low quality dal, though the final report is not yet ready in the absence of analysts in Orissa. Recently the minister herself admitted that moth-eaten dal was in supply. In fact, the Women and Child Development department is the nodal agency through which pulses are being supplied.

The government for its part has been found wanting and has much to explain. First, it did not adhere to a Supreme Court directive of 2004 that contractors should not supply pulses. On the other, as it has emerged, a handful of contractors were making huge profits by routing inedible stuff from Maharashtra and Rajasthan. Nor did it act on the Orissa High Court directive last year for formation of a committee comprising secretaries of civil supplies, agriculture and WCD to monitor supply of pulses. The business flourished as usual under high-level patronage as the administration chose to look the other way. As more skeletons tumble out, the Opposition BJP and Congress have put Naveen Patnaik in the firing line. The Opposition attributes the ruling party's whistle-blowing to intra-party wrangling rather than an intention to cleanse the system. Playing with the lives of children and women already emaciated and underfed smacks of a criminal mindset and is a challenge to those who swear by good governance. One can only hope that the vigilance department gets to the bottom of this and the government takes probity to its logical conclusion. Children and women should not be made the guinea pigs of politics of greed that is eating into the system.

The tragic story of Mr Clean

It is a mystery how Manmohan Singh, a highly qualified man with a mission and a leader with clear vision, has become just another average politician struggling to survive in office

POWER & POLITICS | PRABHU CHAWLA



ISRO made a charity of, it would have been ₹2 lakh-crore; tens of thousand crore rupees more than the 2G Spectrum loot. Together, the total suspected loss to the exchequer is 64.34 per cent of India's government revenue in 2010-11. Both the BJP and the Left parties have found an excuse heftier than 2G spectrum scam to perhaps, hinder the smooth passage of the 2011-12 budget.

But it is a mystery how Manmohan Singh, reportedly a man with a mission and a leader with clear vision, has become just another average politician struggling to survive in office. Look at the firsts to his credit! He is the first non-Gandhi-family Congress politician to be re-elected to lead the Cabinet twice. He was hailed as the most qualified man to head the government, though it's not a reflection on the creative repertoire of Jawaharlal Nehru. Now Manmohan seems to have lost all sense of purpose and direction. Last year he made half a dozen forecasts of prices coming down within definite timelines, all of which were proved wrong. In desperation, perhaps, he made a hash of the basic economics he learnt in Amritsar many decades ago by suggesting that the current price rise is due to rising food consumption under his super-efficient rule. It was a harsh joke on the poor to whom none of the government's expensive welfare programmes — including the Mahatma Gandhi NREGA — had reached, thanks to a kleptocratic government and thuggish middlemen.

THE PM HAS FAILED TO MAKE THE STATE LOOK ABOVE SUSPICION AS AN AUCTIONEER — BE IT OF NATURAL GAS, COAL MINES, WIRELESS FREQUENCY OR LAND TO BUILD HOUSES FOR WAR WIDOWS. NOTHING SEEMS TO GO WELL IN MANMOHAN SINGH'S HANDS — NOT EVEN APPOINTING THE CVC, WHOSE JOB IS TO CLEAN THE AUGEAN STABLES

When pushed to the wall for an inflation remedy, Manmohan replies from behind a sage-like aloofness that he is no astrologer, nor has he a magic wand.

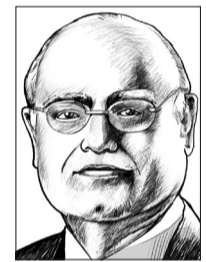
Nobody is blaming him for the rise in the prices of volatile items like oil (what can he do if Egypt begins to boil, driving up the price of Brent crude?). But the headline inflation rate is an aggregate, also underpinned by a core inflation rate of non-food manufactured items, which too ran high at 5.3 per cent in last December. To achieve a headline inflation rate of 5 to 6 per cent, the core inflation rate must not exceed 3 to 4 per cent. Without alternately blaming Sharad Pawar and late winter rains, can the prime minister take a second look at his own policy and seek answers to nagging questions like why reforms are stuck at the 2004 level?

Why are the fingers of a government that earns only \$129.8 billion in revenue so itchy that it splurges \$214.6 billion? If India under Manmohan Singh is such a wonderful story that the Government must spend crores of rupees to tell it at Davos, why did it receive only \$131.1 billion in FDI: 23rd among all countries? Why is India rated 134th among 168 countries in terms of the 'ease of doing business'? All these factors relate to India's supply constraints leading to high inflation. The demand side explanation that the prime minister is offering — "Indians are eating more" — only suits his convenience. Thirty-seven per cent of Indians live below the

poverty line. If they are eating "cake" instead of "bread" they should be somersaulting overnight above the poverty line.

Manmohan has always been circumspect on corruption, his clean image being his passport to South Block in 2004. Of late, however, he has been making his musings on the subject heard through chosen oracles like Montek and others drafted from the corporate sector into the government. They declare that the state has a right to distribute the country's resources, including wireless spectrum, any which way it liked: through auctions to raise funds; or by the first-come-first-served route if the purpose is to enlarge the market. Montek aired this view first in a television interview on the CAG calculation that the free distribution of 2G frequency has cost the state ₹176,000 crore. The CAG was wrong, he said, as the purpose of the spectrum distribution was not to enrich the state's coffers. I have no doubt that the Manmohan Singh administration will spin the same yarn; of the state enjoying the right to throw away spectrum to defend itself on the ₹200,000-crore ISRO S-band scam. It is a poor defence as it creates room for crony capitalism, as the "first-to-come" may also be the largest bribe givers to politicians.

The prime minister has failed to make the state look above suspicion as an auctioneer — be it of natural gas, coal mines, wireless frequency, land to build houses for war widows or even of the right to sponsor events in an international games. Nothing seems to go well in Manmohan Singh's hands — not even appointing the CVC, whose job is to clean the Augean stables. The time has come for the prime minister to either assert his authority or suffer a massive erosion of both image and credibility. It is not difficult to see whom Sonia Gandhi meant when she lamented that there was no retirement age for politicians ■



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P J Thomas:
CVC, in the Supreme Court

"Twenty-eight per cent Members of Parliament — 153 of 543 — face charges of various kinds, 54 face serious criminal charges, including murder. And unfortunately they are the very persons who make laws for us".

K Venugopal:
Counsel for P J Thomas, in the Supreme Court

"Courts cannot go into the question of integrity, and can interfere with an appointment only if a person was not qualified or the proper process for appointment was not followed."

A K Antony:
Defence minister

"Any country in the world, however friendly they are, would not like to part with their most modern 'A' grade technology with any other. That is the reality."

DEAR EDITOR

People are disillusioned with the UPA

Sir, P Chidambaram is advising the electorate to look more at the achievements of his government than failures. The problem with the UPA is that when there is one step forward it is followed by two steps backward. The net result is scams in quick succession have so outnumbered achievements that people are disillusioned and confused about the performance of the Congress-led UPA — S Rajagopalan, Chennai

Congress refuses to accept its mistakes

Sir, M Karunanidhi says that A Raja is behind bars for helping the poor. Kapil Sibal and Montek Singh have argued that the undervaluation of 2G Spectrum resulted in low call charges and empowered the *aam aadmi*. Fork-tongued that the grand old party is, it choreographed a white-wash of the scam, even while criticising NDA's ministers for putting an 'improper' policy in place and making virtue of Raja's ouster. At least MK is not speaking with two tongues.

Viswanath V, Kurnool

Raja has revolutionised the world of scams

Sir, Tamil Nadu CM M Karunanidhi asserts that former minister A Raja revolutionised the telecom sector. This is true with a slight clarification that Raja has revolutionised the 'scam' sector by becoming conduit to the mother of all scams. If this is not revolution, what else is? Politicians know very well that they can escape the gallows after indulging in massive misappropriation of government funds because the system has gaping holes through which they can slide unscathed.

V Sundararajan, Chennai

A more transparent policy required

Sir, Despite clarifications from former telecom minister Arun Shourie that the first-come-first-served basis for allotment of telecom licences was formulated by the NDA regime only after due approval of the Cabinet committee, because of the lack of competitive

bidders, Kapil Sibal now shifts the blame on the previous regime for the current mess. The point at issue is not merely the same policy being pursued by the present regime but what is of concern is the blatant procedural violations in the allotment of licences. No doubt the policy adopted by the previous regime needs to be probed, but that will not absolve the UPA government of its failure in formulating a more transparent policy with revenue maximisation in focus.

S Arunachalam, Chennai

Too early to sympathise with TVU students

Sir, Given the propensity of Indians, especially those from the south, to go abroad by hook or by crook makes one wonder if the 'students' of Tri-Valley University fully knew what they were getting into when they signed up for the course. Recent examples of a Hyderabad-based company sending cooks and gardeners to the US disguised as software engineers reinforces this thought. Under the circumstances, it might be too early to shower sympathy on the students of TVU just yet, till it is established that they did not join the university with mala fide intent.

Rohit Koshy, e-mail

Militants continue their mindless killing in J&K

Sir, Apropos 'Moral of Sopore killing' (TNIE, February 4), the heinous killing of two sisters in their homes at Sopore in Kashmir is spine-chilling and heart-rending. What else could it have been other than rank sadism and high-handed brutality? It is unfortunate that civilians are being targeted by the militants. One

is at a loss to understand what they have achieved by carrying out the hideous act. It is surprising that there has been no protest much less any demur or whisper about the murder, the reason being fear of a spiral of backlash from the militants. Even a monster would down its head in shame before these mindless militants.

R Sampath, Chennai

It is time Manmohan put in his papers

Sir, M G Devasahayam's 'Need for credibility of governance' (TNIE, February 4) is an excellent article which highlights the failure of Prime Minister Manmohan Singh right from the time the UPA came to power. His acts of omission and commission certainly prove that he was incapable of heading a government. For all the wrongdoings and misgovernance, Congress president Sonia Gandhi is to be blamed. It is high time Singh put in his papers and someone more competent and capable is installed in his place. Perhaps Union finance minister Pranab Mukherjee will be a best choice.

R Srinivasan, Chennai

Extend support to the people's movement

Sir, People's uprising in the entire Arab world against their dictatorial rulers was to happen one day. All the autocratic rulers, dictators, monarchs are puppets installed by the West led by America who control the enormous oil reserves in the region. Israel has been strategically created, sustained and militarised to maintain the power balance in the region. While the Arab people remain engaged in

wasting their energy discussing their historic hatred against the Jewish state, the West finds it easy siphoning crude oil, the lifeline of their flamboyant lifestyle. It is now the duty of world leaders, statesmen, UN, civil rights organisations and freedom loving people around the world to extend all support to the people's movement for a good cause, that is desirable also for world peace.

Tushar K Nayak, e-mail

CVC has lost the moral right to continue

Sir, The CVC while arguing his case is reported to have told the court that pending cases against 153 MPs have not prevented them from holding office. By comparing the post of the CVC to that of an MP which does not require any educational qualification or an unblemished social standing, P J Thomas has lost the moral right to continue in the august office.

N S Sankaran, Chennai

Regional parties should emulate Chiranjeevi

Sir, It's a good decision by Chiranjeevi to merge his Praja Rajyam Party with the Congress. It will be good for the country if small parties merge with national parties and cooperate with national leaders instead of encouraging regionalism, which is not in the interest of the nation. Let the other regional parties also take a cue from Chiranjeevi. Too many political parties with fewer membership will always prevent good governance.

Sudha M, Chennai

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