

# EVA STALIN IAS ACADEMY

12/24, Muthuranga Mudali St, next to Deepam Hospital,  
West Tambaram-600045

## Bonds, big money and an imperfect democracy

**T**he electoral bonds scheme that has been declared unconstitutional by the Supreme Court of India, was supposed to end the financing of elections with black money. If this had happened, Indian politics would have been transformed with great benefit to the nation. After all, illegal finance results in the control of politics passing into its hands – and that subverts democracy. The electoral bonds made not an iota of difference to the way politics is conducted in India. Elections continue to be fought with an increasingly larger amount of illegal funds being spent by political parties and candidates.

### Gap between the professed and the actual

The lesson is clear. If politics is undemocratic in content, no patchwork such as electoral bonds can make it democratic. Indian politics requires large sums of money since it has been largely hollowed out of its content and become formalistic. Elected leaders, mainly serving the interests of those who finance their elections, hardly represent the interests of their constituency. Vested interests, increasingly, have got themselves elected. What they profess and what they practice are different.

This gap between the professed and the actual undermines democracy since government is no longer an entity 'of the people, by the people and for the people'. The vast majority of people see that they hardly gain benefit from government policies while vested interests corner most of the gains from development. It is in the design of the policies – the packaging is cleverly done to make policies appear to be in the national interest. In fact, vested interests are defined as national interest. They take precedence over the interests of the marginalised sections.

For instance, if poverty, unemployment, ill health and poor educational standards persist, these are said to be natural and are left to market forces. Concessions are granted to businesses to provide these services through the market which results in the inability of the poor to afford them while simultaneously leading to growing disparities. Concessions also reduce the availability of resources with the public sector so that it is unable to provide these services at the requisite level. Inadequate public services hurt the interests of the marginalised sections. For instance, the recent Annual Status of Education Report (ASER) shows that 40% of children in the age group of 14 to 18 years are unable to read, write or do the level of math of standard two. They cannot acquire higher skills which could enable them to end their poverty. So, why does education not receive high priority? That is because in the top down model of development, resources are preempted by the elite.

Businesses, not satisfied with the gains that they make legally, resort to making them illegally



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In a well-functioning democracy, fighting an election would need neither extravagant funding nor electoral bonds to be bought in secrecy

using undeclared incomes which constitute the black economy. Illegality is systematic and systemic. But, that is only possible if policymaker and executive become party to the subversion of the systems. This is the triad that underlies black income generation.

It requires weak accountability by government personnel, which is at the root of the weakness of democracy in India and its hollowing out. This is reinforced by the broadly feudal mindset that is prevalent in society which leads to the individual's willingness to bow before authority rather than standing up to it. This is visible in the institutions that are supposed to uphold democracy.

### Money and the election

Voting is often not based on a candidate's performance but on attributes such as caste, community and region. To win votes, political parties slice and dice the electorate along these lines. Vote banks are cultivated and the constituents bribed just prior to an election. Campaigning is conducted by paid workers and crowds are mobilised to attend rallies and meetings using money, transportation and food. Big rallies are held to overwhelm voters, for which posters and cutouts are required, musicians hired and the media kept happy.

All this requires a lot of money – far more than the permitted election expenditure limit of ₹95 lakh for a big parliamentary constituency. People in the know say that it is more like ₹50 crore as the amount required. Thus, ₹49 crore a candidate has to be mobilised through illegal funds. Over and above this sum, a party spends large sums to organise its politics, run offices, and in mobilisation – again, most of it from illegal funds.

It is in this milieu that the electoral bonds scheme was introduced. The argument was that this scheme would enable political parties to get legitimate funds and that their dependence on illegal funds would decline. But, right from day one, the scheme drew criticism for being opaque since the electorate would not get to know who was financing a political party and why – for legitimate or illegal reasons. It enabled a bribe to be given in white for favours done. Since big sums could only be given by businesses and the rich, their influence and manipulations were expected to increase. The bonds could only be given to a political party and not to individuals. So, the individual continued to be in need of illegal funds. The party obtaining funds could use them for all kinds of purposes and not necessarily for elections, such as setting up offices or destabilising Opposition-led governments. Thus, the name electoral bonds was inappropriate.

Further, any amount of bribe could be given since the limit of 7.5% of profits was removed. Even loss-making firms could make a donation. Shell companies could be used, opening the door

for foreign firms to make donations. Even though the bonds had to be encashed within 15 days, they could be traded for 14 days and then given to the intended party. So, the entity buying the bond may not be the entity making the donation. In this case, the trail of funds and the identity of the donor were obscured.

Many of the donors did not realise that their identity would be revealed were the judiciary to declare the electoral bonds scheme to be unconstitutional. Only the experienced ones covered their tracks by making donations through shell companies or in cash. Their names may never be known. Finally, the contributions through the black money route continue, remaining the major source of funding for political parties. In effect, the electoral bonds scheme was only an additional avenue for funds that political parties received.

### Cronyism uncovered

Even though the electoral bonds formed a fraction of the total funding requirement of political parties, data now made available unravels the character of Indian politics and elections. The data show that funds were given to political parties: for favours from policymakers; to escape prosecution for wrong doing, and as investment for the future. Under the last category, even political parties not in power receive funds. The first category enables a business to receive favours such as manipulation of policy or preferred treatment in policy implementation as in for example needing environmental clearance or getting a contract.

The second category is one where there is arm twisting. Given how complex rules are, some violation of rules can be detected and prosecution initiated by agencies such as the Enforcement Directorate. The case can then drag on so that the process becomes the punishment. There are businesses that cut corners and it is easy to have them under pressure. There may be businesses that pay money just to escape harassment. The data provided by the State Bank of India shows the *quid pro quo* in the case of some of the donations made. More analysis could expose the money trail and the link with policy manipulation. This will also expose the criminality.

In a well-functioning democracy, where the political leadership is accountable, fighting an election would need neither big funding nor electoral bonds to be bought in secrecy. There would be no need of having to spend more than the expenditure limits set.

The electoral bonds scheme only highlights the growing weakness of Indian democracy. It could have worked in an ideal situation but then it would not have been required. It seems to have been designed to weaken the Opposition and democracy.

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## *The human-dog relationship, conflict and coexistence*

It seems that each news cycle brings with it a steady stream of gruesome, heart-wrenching stories that relate to human-street dog conflict. These are usually stories of people, often children, being attacked by street dogs, or of the mistreatment of dogs by humans. Familiar tropes such as “the dog menace” or “man’s best friend” animate these discussions and capture public and media attention.

In turn, more complicated and nuanced accounts that pay fidelity to the socio-ecological complexity of human-dog relations remain ignored. How, then, can we resist these reactionary impulses and fruitfully build on the wealth of work in the fields of ecology, public health, canine ethology, and urban dynamics to come to a more sophisticated and integrated understanding of these issues?

### Human-dog interactions

A starting point could be to appreciate that “newsworthy” incidents of dog biting, chasing, or mauling represent only a fraction of all human-dog interactions. Citizen-based research across various parts of India by ROH-Indies (University of Edinburgh), shows that a majority of people-dog interactions are mundane and unremarkable such as casual feeding, occasional petting and ignoring. While this is certainly not intended to downplay the gravity of conflict, it would pay to remind ourselves that extreme instances such as mauling cannot be taken to be representative of the overall human-dog relationship.

On the other side of the spectrum of opinions on human-dog co-existence is the equally problematic notion that dogs are inherently virtuous creatures who can do no wrong. Dogs, like all other animals, including human beings, are beings whose motivations cannot always be known to us. This means treating dogs as individuals with specific backgrounds and environments, rather than an undifferentiated



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Headline grabbing incidents of ‘dog biting, chasing, or mauling’ represent only a fraction of all human-dog interactions

population mass that is either good or bad.

The tragic passing of the high-profile businessman in Ahmedabad in October last year, and subsequent explosion of anti-dog sentiment in media and public discourse is an exemplary case in how this conflict can move to a different level.

It began with the supposed involvement of dogs that attacked him causing him to fall, to his affection for dogs, to the statement by the hospital that treated him, and, finally, statements by animal rights groups asking the media not to villainise dogs. Ultimately, it remains unclear how the incidents leading up to his fall panned out. Did the dogs chase him? Or were they barking at the sight of him fallen on the ground? The incident is an example of one where the same issues could come up again unless we pay due attention to the complexity of human-dog interactions in India.

### Findings from a research study

Being mindful of these considerations which introduce different shades of grey can help us educate ourselves about the folly in holding black and white positions. Take for instance the arguments in favour of mass culling or the eradication of street dogs through other means such as confinement in ‘shelters’. Culling is rarely an effective or workable solution to reduce conflict, and can be counterproductive, especially in the complex social and ecological conditions found in a place such as India.

A research study, ‘Reorienting rabies research and practice: Lessons from India’ published in the journal, *Nature* (2019), says, eradication can exacerbate the situation by triggering unpredictable ecological changes that may be unwelcome. In the United Kingdom, for instance, where street dogs were successfully eliminated through killing and removal, foxes have come to live in the ecological niches vacated by dogs in cities and towns. These foxes, and other animals

such as gulls which occupy similar niches, are now considered by some as pests and a nuisance, even attracting controversy around suspected attacks on children – in effect, simply reproducing many of the same old problems. What this study shows is that the different issues – rabies, bites, public feeding, nuisance – associated with dogs may need different responses.

### Local context, relevant actions

In the face of such complexity, our energies must be geared toward improving our understanding of the drivers of different types of conflict to develop suitable interventions, rather than relying on silver bullet solutions that are rarely successful in building healthy societies.

In other words, what we need is a range of actions that are tailored to local contexts. Our ongoing research shows that this will have to include measures such as ensuring ready access to post-exposure treatment and anti-rabies vaccination for people; prevention of relocation or removal of local dogs, which then triggers the influx of new dogs and associated conflict; maintenance of neutered, vaccinated and socialised street dog populations in their localities so as to reduce incidents of conflict (such as those seen in South Mumbai and parts of Chennai, Bengaluru and New Delhi); better solid waste management as a way to control the “carrying capacity” of known flash points such as garbage dumps; and, very crucially, public education programmes to teach people, both adults and children, how to safely interact with dogs.

Our cities and villages have always been sites where different species live together, without either harmony or conquest. In this context, we would do well to approach problems of human-dog conflict as one among other civic issues relating to how we live and share spaces safely with others.