

# The Full-Truth in Professor Sen's Half-Truth

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*Calling for increased government responsibility may appear humane, but it ignores the lessons from history*

In a recent lecture, Professor Amartya Sen suggested that the common claim of Indian government being overactive is only half-true. In the economic area, the government has gone too far with its license-raj. However in the social sphere, specifically in education and health care, the government has been grossly underactive. So the liberal agenda of down-sizing the government may be appropriate for its interventions in the economy, but it is completely misguided when applied to the whole of government. The government actually needs to do a lot more in the social sphere. The government needs to expand. That, it seems, was Professor Sen's main message—the Indian government needs to provide equitable social opportunity to all. The radical liberal agenda has run amuck; the social significance, nay the social necessity, of active and enlarging government is then re-established.

Who could possibly be against improving and expanding education and health care? But does the expansion of those services require expansion of the government? Must those services be provided in government schools and clinics? As a possible alternative, government could provide funds—vouchers—to parents who could then use them to purchase education at government or private schools. Professor Sen dismissed the alternative as being too theoretical, speculative, untested. Everywhere, he continued, from Seoul to Seattle, education has always been provided by governments. He did not suggest any alternative to government provision; the Indian government needs to grow to meet the demands of education and health care. We all of course agree—Professor Sen's half-truth—that the Indian government

needs to shrink to meet the demands of the economy. What is the rationale behind this apparent agreement? What makes the half-truth true? Why is government seen incapable of cultivating farms or running factories? The answer exists in various forms. One is what I call the "Dialectics of Three 'I's.'" Interest, Incentives, and Information. The self-interest of government employees, like everyone else's, is to take care of themselves. Individuals do not suddenly become altruistic/communist just because they work in a government factory as opposed to a private one. The conflict between the public interest and the interest of government needs no further proof than a reminder of recent pay raises. Incentives for efficiency are also weak. Government employees have little incentive to minimize costs, to find and correct mistakes, to innovate, and to acquire necessary information about resource availability and consumer demand. Splintering of the iron curtain suggested that the stories of nails weighing a kilogram and ice creams with only vanilla flavor were no exaggeration. Information on which government decisions are based is as reliable as statistics of inflation or balance of payments. There is little entrepreneurial discovery or learning. The "Dialectics of Three 'I's'" is what makes Professor Sen's half-truth true.

If government is inefficient in producing food—cultivating land—then how could it become efficient in producing education—cultivating the mind? Tilling land is certainly a far simpler task than training the young. The suggested contrast on the role of government between economic and social spheres is untenable. A full-hearted acceptance of the truth in Professor Sen's half-truth indicates that it is not a half-

truth. It is the full truth. The reasons that make government incompetent in the economic arena also make it inept in the social sphere. The bureaucratic approach would actually be more damaging in social ventures than it has been to the economy.

**If government is inefficient in producing food, “cultivating land” then how could it become efficient in producing education “cultivating the mind”?**

What could be the reasons for the suggested contrast? When we talk of education and health care, we seem to imagine some homogeneous thing that needs to be imparted or given. Since there seems to be no questions about what it is that is going to be provided, a command approach to reach as many people as quickly as possible appears effective. Are education and health care really that homogeneous, uniform? There is probably a language problem—our terms mask vast diversity. If one were to suggest that government should provide clothing to children, endless number of questions would be raised about how the government would determine likes and needs of all the children and decide what fabrics or materials would meet them. (I presume that no one favors Mao’s uniforms and the Soviet evening gowns.) The vast array of choices possible in clothing suggests that the matters better be left to individual parents and their children. But the options are as varied, if not more, in education: What should be the medium of instruction? (Jyoti Basu’s decree in West Bengal must be remembered.) What should be the curriculum? (BJP state governments attempted to “Indianize” them.) What values, religious or secular, would be part of the instruction? Should we teach environmentalism, provide sex education, and conduct sensitivity seminars on issues of gender and castes? How would the needs of specially gifted or challenged children be met? The questions and the options are indeed limitless. India’s diverse cultures, traditions, religions, and languages further compound them. This di-

versity is an asset; it will become a liability if we attempt to deal with it by any singular solution. Education is an immensely complex and multifaceted service, which is little amenable to uniform approach.

The tremendous variety in clothing, and especially the variety’s accessibility to large masses, did not exist all along. It has been made possible by entrepreneurship and competition, by innovations and discoveries.

Education is too important a field to be left solely in the hands of government. It should be opened up to encourage experimentation and competition—to engage the marvel of private initiative and imagination. Good education needs as many entrepreneurs as good clothing.

Another reason for proposing government provision of education and health care could be the economic argument of externality. Education, particularly elementary education, and primary health care generate positive benefits for all in the society. The externality argument, however, could only justify a government hand, not government monopoly of education and health care.

India’s poor performance in these areas seems to be the result of government monopoly and excessive interventions. If government monopoly and controls play havoc in the production of simple economic goods, how could they be expected to offer opposite results in the production of rather complex social goods? Calling for increased government responsibility may appear humane, but it completely ignores the lessons of history. Professor Sen’s half-truth is the full truth.

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