

Empowering Democracy

Current Reality

- To run a democracy effectively, there is a need to have a healthy multi-party system, which focuses on the truly relevant issues and solutions to them. This needs *dedicated talent, effective leadership, and adequate funds*.
- Unfortunately today the *parallel economy* is the main source of manpower, leadership and funding for the political system. Hence the Indian Democracy, at all levels, is at the mercy of *black money power*.
- It is convenient but incorrect to say that, "This is the state of affairs because all politicians are corrupt"
- The fact of the matter is that even after 60 years our political independence, **we have not found ways to fund the political system through legal, governmental resources**
- The increase of *criminalization* of politics is also a direct consequence of this state of affairs. Politics is not looked upon by *Most of the Talent Pool of the Country* as a vocation of choice due to this reality. This makes a bad situation worse.
- A *Vitiated Political System* has direct negative impact on the *law & order, social security and governance systems* of the country.

The Empowering Democracy Proposal

- *Implementation of the ArthaKranti Proposal* will lead to the government having **enough revenues to make legal/ budgetary provision of funds for the political system**.
- Implementation of the ArthaKranti Proposal by its very design leads to **eradication of black money**
- Provision for funding the political system by **funding the political parties** on one hand and giving **healthy monthly allowances** to the elected representatives on the other hand
- **The Proposal for Funding the Political Parties:**
 - Provision for funding of the political parties **based on a per person** amount for the entire population for a five year period. Say Rs. 100 per person.
 - Total population is to be considered while making this provision as the political system should cater to the needs of the entire population and not just the voters
 - The actual fund availability will be in proportion to the **actual voting percentage**
 - This funding will be available only to Registered Political Parties securing more than a certain minimum percentage of votes cast
 - **Sample Calculations for Funding of Political Parties**

Government Level	Total Provision for Five Years	Funds Required per Year (Assuming 60% Voting)	Yearly Provision as a % of Yearly Tax Revenue
Central	Population of 121 Crores * Rs. 100 per head = 12,100 Crores	$(12,100 * 0.6) / 5$ = 1,452 Crores	$(1,452 / 7,46,651) * 100$ = 0.19
State (e.g. Maharashtra)	Population of 10 Crores * Rs. 100 per head = 1,000 Crores	$(1,000 * 0.6) / 5$ = 120 Crores	$(120 / 50,000) * 100$ = 0.24
Local (e.g. Aurangabad)	Population of 10 Lakh * Rs. 100 per head = 10 Crores	$(10 * 0.6) / 5$ = 1.2 Crores	$(1.2 / 250) * 100$ = 0.48

Consider for example, the Case of Central Government. The provision of Rs. $12,100 * 0.6 = 7,260$ Crores should be distributed among political parties in proportion to the votes cast as shown below:

Political Party	Percentage of Votes Cast	Government Fund Allocated for a Certain Period (Five Years) (Crore Rupees)
A	30	$7,260 * 0.30 = 2,178$
B	25	$7,260 * 0.25 = 1,815$
C	20	$7,260 * 0.20 = 1,452$
D	15	$7,260 * 0.15 = 1,089$
E	10	$7,260 * 0.10 = 726$
F	Less than 5 %	NO Allocation

- **The Proposed Allowance for Elected Representatives**

- For **MPs: Rs. 10 Lakh per month**
- For **MLAs: Rs. 5 Lakh per month**
- For **Corporators: Rs. 1 Lakh per month**
- For **Village Development Officers: Rs. 10,000 per month**

The expenditure as per the above provision will be:

Government Level	Calculation Details	Total Provision	Provision as a % of Yearly Tax Revenue
Central	785 (MPs) *10L*12	942 Crores	$(942/7,46,651) * 100$ = 0.13
State (e.g. Maharashtra)	366 (MLAs) *5L*12	220 Crores	$(220/50,000) * 100$ = 0.44
Local (e.g. Aurangabad)	100 (Corporators) *1L*12	12 Crores	$(12/250) * 100$ = 4.8

Effects of the Empowering Democracy Proposal

- *Assured clean funding will mean decreased dependence on black money. This will lead to decreased dependence on criminals.*
- *Politics can be truly professionalized as people with the talent and dedication will take it up. This will in turn mean that **politics will be focused on real issues & national interests.***
- Since the funding to a political party is determined by the percentage share of votes cast, and there is a minimum cut-off limit, there will be a decrease in importance of local parties in national politics. This will lead to *increased stability of government*. This will lead to *improved functioning & decision making*.
- Improved *governance* and improved *law & order* will be a natural outcome.
- Percentage of votes determines the funding therefore *political game playing will decrease* & focus will be on national issues. This will lead to an empowered democracy.
- Increased presentation of issues and policy choices will have to be done by all political parties. As a result the general population will get educated of real issues and cast votes accordingly. This will lead to an **empowered democracy!**