

Kerala had many of the characteristics of a highly efficient transfer economy 70 years ago

Wanted: A development primer for the Malayali intellectual

This seems to be the most wanted unpublished title in Malayalam. And it must come out addressing intellectuals in this part of the country straining to frame their version of development, largely from Vettom Mani's puranic encyclopedia and/or pre-stressed concrete confines of ideology.

The average Malayali intellectual is still unaware that his version of development as state-sponsored equity is dead. His premise that equity would sustain itself if left alone has been buried forever. His equity-based development model that his vanguard wanted to showcase to the world

has been sniffed foul and rejected. Sociologists have cautioned other states or nations against following even a shadow of his social development model for reasons of unsustainability. The booster rockets fuelling the development frame— investment, savings and job creation— sink in the cesspool of confusion in his mind, his macro-stability seriously challenged for want of statesmanship.

And more dangerous than all, he is showing signs to blame it on an undefined enemy (globalisation) and commit the ultimate harakiri in development thinking - to withdraw into ideological refugeeship and pontificate.

The Malayali intellectual - but for M.P.Parameswaran and Dr B.Ekbal - has never bothered to understand or explain the impact of technology on ideology. A clinical analysis of the reasons for decline of ideology and state in the former eastern Europe and Sovi-

et Union is still taboo.

Ideology has been exposed to irrecoverable positions across the world. This is not isolated to say, Marxism. In knowledge -information society, to pontificate is to invite disaster. In many parts of the world, scribes are fast recognising the obsolescence of news. In a post-industrial metropolis, news is obsolete in 15 flat minutes. In ten more years of the Internet, teachers in classroom mode will be obsolete even here. As transfer of knowledge and reservoir of knowledge, the guru as we knew will be long dead.

The cyberspace has already uprooted the classroom, and the entity "that knew better than the rest" will be extinct. When all know as good and deep as their technology would allow them to, intellectualism and ideology will lie six feet under. Simply since ideology is - *I know our situation better and here is how we must go.* The age of dissonance and *as many ideologies as we are* has arrived. Every one being an ideology to him/herself makes your ideology for me and mine for you redundant. I have an ideology for you and both of them are bettered by a third instantly.

Development as meeting two square meals through the production possibility frontier and import substitution had already met its death when Amartya Sen discovered that democracy feeds better than most high-yielding varieties- since the hungry tend to demand with the power structure better. Development has metamorphosed through development as production, dev-

elopment as distribution, development as capacities, to development as transfer. In short that development has metamorphosed into *efficiency in transfer* has not dawned upon the Malayali intellectual. If he cares to look at the parts of the earth that have made efficient transactional economies doing much better than the rest, it will be instant truth to him.

which they tax. Their personnel policies are multiracial and multinational and free from restrictive practices. They accept raw materials of brain and protect it with IPR. They scout talent and sell services like tourism. They have brands that sell to the whole world- which travel faster than them. A transfer economy has its core competency in value addition. It is

The Malayali intellectual has never bothered to understand or explain the impact of technology on ideology. He is quick to join the slogan-shouting to keep cola, burgers and pizzas out as evidences of invasion. Due to his paranoid opposition to technology, he has no systems of transfer. He does not have a brand of his own, argues Dr. B. Ashok IAS in this thought-provoking article.

^ Readers are welcome to send in their reactions

The simple fact that the plundering colonialists of the last century are operating maximum efficiency economies of transfer -- including democracies where political power is transferred with least cost-- must be an eyeopener. All the economies that are operating 80 percent employment are economies of transfer. They are moving people, goods and services across the world. They are allowing and promoting their corporations to trade with all on the other side and tariffs are lowered as trends.

Their politics is facilitating growth,

mechanised to the extent life is easy and most productive.

For instance, it would have the wisdom to understand that if farm labour loses jobs to mechanisation, machine industry would absorb them instantly. The change involved is again a transfer, capacity building in this case, from unskilled to skilled mechanised.

The macro-control of the economy is on demand and not on supply- the fundamental question that the macro-controller is asking is how to take care of demand (say for mechanised farming) and not how to take care of surplus lab-

our, surplus crops and surplus subsidies. These issues of transfer are not to be exaggerated as to slow-pace change itself; we will find answers as we go. And there are no answers if we don't. In short, transfer economies are proactive to change and tend to manage it while the static ones tend to quarrel with change and invariably meet their nemesis.

It also follows that the speed of change itself becomes a market. It attracts excellence from all over the world and takes competition out early. Every IITan lost to India is a potential innovator who adds value to the foreign economy, which it would like to retain, reward and sustain. It sells its pace of innovation itself -- while it crops less, it will sell what the latecomer to each field is likely to invest in. It gets potatoes grown by machinery while it tries to sell computer chips to the needy.

Thus technology itself becomes the growth engine.

Kerala had many of the characteristics of a highly efficient transfer economy 70 years ago. It was a hub for trade in spices, coir and cashew. Vasco da Gama and his fellow travellers had no cultural-political barriers in trading with the then political structure. The advisors of Zamorin knew the value of transfers in maintaining the production systems in any country.

Of late, there have been writers like Vandana Shiva (whom I find has great appeal in Kerala mostly since people do not appreciate the depth of her superfluosity through first-hand reading) who stress local production systems only. She has, in fact, tried to calculate how much more chicken would cost if it is produced distantly, corn

would be cheaper if it is grown only domestically etc. The fundamental theme seems to be that transfers are inherently inefficient and hence bad. She would hardly acknowledge that but for cross-breeding, India would have never topped the list of milk producers in the world. The argument is yes to aid and no to trade.

In the melee, the intellectual in Kerala is quick to join the slogan-shouting to keep cola, burgers and pizzas out as evidences of invasion (*adhinivesham!*). That the pizza is an open invitation to market his *olappam* worldwide has not dawned on him. Due to his paranoid opposition to technology, which he nurtured too long, he has no systems of transfer. He does not have one brand of his own.

The label "Made in Kerala" is solitarily attached to his appalling work culture (described 11-3, thrice a week and perhaps hundred days a year or so with luck) as against the 24*7* 365, which is compulsory recipe for any further investment and jobs. I have often wondered how the trashes in development-writing abroad (eg Stienz, Stiglitz) are held in esteem by the high and mighty in Kerala.

The anti-climax of the story is that the intellectual is still crucial since he, through his cult in mass media (another *area of darkness*, I must confess) is still able to dictate terms to the uninitiated politician. Between the uninitiated and the half-knowing, a primer can be of great use, at least to convey how successful peoples elsewhere manage change.

The invitation is standing. **(The views expressed in this article are personal)**