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The Poor Are Not Zombies, says Abhijit Banerjee

SHRAVYA JAIN | NA, March 22, 2013 | 15:41



Abhijit Banerjee, Professor, MIT

Q: Can India manage to eradicate poverty in this generation? How?

A: There is no reason why we cannot. It's not a matter of resources, it's about designing policies that will actually work on the ground. We design something sitting in government offices with some experts but we never try things out. We never admit failure. We never say let's go back to NREGA and take what worked there and dump what doesn't work.

Q: Have government subsidies worked?

A: Surely. I think poverty has been coming down and nrega has been significant in that process. It has increased wages and delivered welfare. Policies such as Indira Awaas Yojana and Janani Suraksha Yojana have worked because they are easy to implement. We should stop subsidising agriculture through water and fertiliser subsidies. It is better to just give farmers money. It's much better than giving them all this loony stuff. In each one of these subsidies-CNG, diesel, fertiliser-the biggest beneficiary is not the poor.



Q: What is the biggest myth about the poor?

A: That they are just victims. It's not that they aren't, but they are also live people. Talk to them, they have a sense of what they want, the life they want. Everytime we make policies we forget that they have ambitions, aspirations. They are not zombies.

Q: One keystone policy reform you wish for.

A: The mindset. Policies need to be understood in their proper context. We need to try them, fail, redesign, succeed. Think of policy as a live object, a domain to engage all stakeholders in.

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http://indiatoday.intoday.in/story/abhijit-banerjee-mit-professor-india-today-conclave-2013/1/258990.html

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