

By Sidharth Mishra



Another week has ended, and there has been no debate during the ongoing winter session of Parliament. The session so far has faced a near washout, and the treasury and opposition benches are pointing fingers at each other for the logjam saying that their voice is being muzzled. BJP veteran Lal Krishna Advani expressed his angst at the non-functioning of the House, Prime Minister Narendra Modi says that since he is not being allowed to speak in the Rajya or Lok Sabha so he has taken to addressing Jan Sabhas (public meetings) and Congress vice-president Rahul Gandhi has said that if he speaks inside the house, there would be an earthquake. What's stopping him to measure his speech on Richter scale is beyond your reporter's comprehension. Before one loses the sight of the cause that has led to the logjam, it would be worthwhile to tell the political class that across the spectrum they have not been of any help to the people suffering from the hardships caused by the demonetisation move. If the trumpeters of the government want us to believe that people are taking the hardships in their stride, they must be told that the patience is gradually wearing out.

Why people are losing faith is largely because of the ineptness of the Finance Ministry in handling the whole issue. Last week Finance Minister Arun Jaitley at a Press Conference on completion of a month of demonetization announced a slew of incentives to wean people away from cash transactions and promote digital payments. Jaitley, while doling out incentives for people using different tools of cashless transactions, said that a 0.75 percent discount would be given to those who make digital payments while buying petrol and diesel.

Besides this, people buying monthly seasonal tickets in suburban railway networks through digital modes will also get a 0.5 percent discount, which will be effective from January 1 next year and it will be first implemented by the Mumbai suburban railways.

Announcing incentives for users of toll plazas, the FM said that a 10 percent discount would be provided on payments made using RFID or Fast Tags for at Toll Plazas on national highways. In addition to these, Jaitley announced that two point-of-sale machines would be provided for every village with a population of up to 10 lakh, and 1 lakh villages will be selected for this scheme.

But all this has failed to cut much ice with people as the banks and the ATMs continue to run dry. His ministry's claims of having recalibrated 85 percent of the teller machines are sounding increasingly hollow. The bank branches have resorted to currency rationing. You visit a bank with a drawl cheque of the amount of Rs 24000, sanctioned by the government, the branch official hands you Rs 15000, saying that they do not have sufficient currency in their chests.

How come there is such incongruence in what government is announcing and what its agencies are implementing? There is a purpose behind using the word incongruence. The demonetization process started with the claim that it was a fight against black money. The intent

was to create a financial system without the dirt money. The government planned to do it through the network of the banks across the country.

The efficiency of our banking system was over-estimated especially in the matters of integrity. Even as the taxpayers are standing in a queue to withdraw their clean currency, the bank managers are siphoning off notes to their 'dirt money' paymasters. The Finance Ministry in the first stance failed to foresee such a situation and even after having come across it has so far failed to arrest it.

It's said that one of the major cogs in the governance machine is the awe and respect for the leadership. It's clear that despite such passion and commitment reflected by Prime Minister Narendra Modi towards fighting corruption, while he delivered his demonetization address, the banking industry has not responded in the same spirit.

Take for example the three-day break through the extended last weekend has only added to the misery as the banks decided to put on hold the "online transactions". Now Mr Prime Minister, your Finance Ministry, has not cared to keep ATMs stocked, the bank branches have downed shutters, and the online transactions have been put on hold. What does all this lead to – complete misery and frustration among those who have nothing much to do with black money except being on the receiving end of the evil.

The Finance Minister must realise that the swerve of measures he is announcing to encourage people to shift to digital transactions can only be successful if the banks also rise to meet the challenge. He and his ministry have neither been able to motivate the banks nor do arms twist them in a manner where the Modi government could make a significant political harvest.

Imagine the precarious situation of a person needing money urgently, with ATMs non-functional and digital transactions on an extended holiday. Neither Mr Modi's motivational speeches nor Mr Jaitley's allurements can bring relief to him. There is just a fortnight to go before the deadline Prime Minister sought ends. If his Finance Ministry fails to put the banking delivery system back on the rails, the Modi government stocks are bound to take a big hit.

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