

# DESIGN!PUBLIC

## Conversation, Collaboration, Partnership

### Discussion Paper Four

In an attempt to explain the recent slowdown in India's economic growth, the newly-appointed Chief Economic Advisor Raghuram Rajan has written that there are effectively two ways in which the government could transfer the benefits economic growth from urban elites to the rural poor. The first is to invest in 'education, healthcare, finance, water and power.' The second is to transfer that wealth more directly in the form of populist subsidies, which are unfortunately often 'directed toward the politically influential rather than the truly needy.' He seems concerned that recent government policy tilts rather towards the second strategy than the first.

Under the current policy regime, more taxes have been extracted from every form of economic activity in order to finance a more extensive transfer of funds to rural areas, especially through vehicles like NREGA. In response to this, several critical reactions have been seen: Will this policy lead us to a more productive, self-reliant and wealthy rural economy? Are these funds actually reaching those for whom they are intended? Is there something more innovative that we could do with these investments over and above just giving the money away? The political classes as well as their critics have so far been involved in debating the first two questions. At the Design Public Conclave, it is rather the last question, concerning innovation and its relations to growth and development in India that we will address.

These are times of slowing economic growth and increasing uncertainty about what path India's economy will take. The new market opportunities that had been unleashed among India's middle classes on account of liberalization are diminishing. In order to sustain growth, it will be necessary for industry to discover and create new markets among the larger numbers of India, and this will necessarily mean innovation in every aspect of its manufacturing, engineering, design, distribution and customer engagement processes. On the other hand, government will have to accelerate the pace at which it provides basic infrastructure and public services, so as to ensure an enabling environment for growth and innovation in India. Before the pace of innovation can grow in India, before we can see wider benefits of innovation to different sections of Indian society, our private, public and social sectors must all arrive at a richer understanding about what innovation is, how it relates to design, how it can be undertaken and what benefits it can bring. This is the larger purpose of the Design Public Conclave.

In prior editions of Design Public, we have asked several different questions about how design and innovation can serve the larger public interest. At our inaugural event in New Delhi, for instance, we brought together representatives of the Planning Commission, the National Innovation Council, and the Universal Identification Authority of India, to learn from design thinkers and theorists from within India and other regions of the world. In our second event in Bengaluru late last year, we sought to examine how public benefits come about from private sector innovation and how these can be increased. Most recently, at the National Museum in New Delhi, we explored new forms of

dialogue between public and private agencies, which would be necessary for bringing about new forms of collaboration and further innovation between them.

If one turns now to consider the areas of focus listed by Rajan as being important for India's sustained growth -- education, healthcare, finance, water and power -- one notes immediately that they all crosscut between the public and private sectors. In order to further develop these sectors, therefore, one must use an approach to innovation which can allow public and private players to talk to one another more effectively and to therefore work together in a more coordinated fashion. In its recent Schumpeter column, the Economist magazine argues that the relationship between India's private sector and its government has become one of mistrust, and that this is one of the key reasons for policy arrest and uncertain growth. If we are to see significant new innovations in the major areas of infrastructure and services necessary for inclusive prosperity and growth, there will need to be a new alignment between public and private sectors in this country, one which is predicated not on perpetuating the interests of established business groups, but rather driven by the social and economic interests of the nation as a whole. The creation of trust requires dialogue. One of our goals at Design Public is to provide just such a forum for dialogue and the creation of common cause, which will make new forms of innovation-driven public-private partnerships (PPP) possible.

Where public-private partnerships were once a mantra for a new way of energizing and upgrading the country's infrastructure, they have increasingly come under scrutiny, almost to the point of disrepute. In the wake of recent criticisms in the granting of different kinds of concessions to private parties, the normal interaction between government and private sector entities has been interrupted, and new tendering has slowed to a trickle. In order to drive innovation in the Indian economy at large and in the critical areas of public services, which enable inclusive prosperity to arise, we must develop new and irreproachable approaches to public-private partnership that will actually promote innovation for the benefit of governments, businesses, and the citizen-consumers they both serve.

One example of this might be the Bihar Innovation Lab, a collaborative initiative between the State Government of Bihar, the Bill and Melinda Gates Foundation and the Center for Knowledge Societies. The Lab aims to develop user-centered innovations to improve healthcare service delivery in rural Bihar, but also has the larger aim of contributing to the transformation of Bihar's overall innovation ecology. Beyond its project-specific innovation and design work, the Lab will create a platform for dialogue and collaboration amongst the government and various social sector partners involved in healthcare in the state. The Lab aims to collaboratively discover latent innovation opportunities aimed at improving the quality of healthcare services. It will also offer innovation training seminars and workshops for the Government Staff as well as the Gates Foundation partners, so as to accelerate the spreading of innovation knowledge, techniques and capacities across different government cadres in Bihar. The Lab, therefore, is an attempt to use the expertise of the private sector in making both the Government and civil society smarter and more capable of identifying and solving problems on their own.

The Bihar Innovation Lab emerged as a concept from the very first Design Public Conclave in New Delhi, owing to the copresence of central government officials, representatives from Bihar state, and personnel from the Bill and Melinda Gates Foundation. During the Conclave, they were able to jointly consider some of the long-standing challenges to health innovation and collectively agree on a new innovation platform specifically designed to overcome those challenges. This was possible, in large part, due to the open and collaborative environment that Design Public afforded them.

It is our hope that, by creating similar assemblies of stakeholders from public, private and social sectors in different domains critical to India's development and growth, we will be able to jumpstart a similar collective conversation that can then lead to exciting, energized forms of collaboration between players that are not normally used to working with each other.

The four areas that we aim to focus on are (i) nimble agriculture, (ii) post-grid power (iii) equitable water, and (iv) smarter cities.

- *Nimble Agriculture*

'Nimble Agriculture' is a concept CKS developed in response to the challenges of small and marginalized farmers (those with land under 2 hectares). The term refers to agriculture that is smart, light and agile: smart in its use of resources, light in its impact on the environment, and agile in its ability to rapidly respond to different market and environmental stresses. While most organizations tend to focus on very specific elements of agricultural production, our approach is to look at the entire range of agricultural services from the point of view of the small farmer. This includes ensuring access to seed, fertilizer, irrigation techniques, automation processes, mobile device integration, market information and more. We aim to bring organizations like NABARD, IFFCO and the Gates Foundation, among other major agricultural companies and policy makers, to participate in this challenge track session.

- *Post-Grid Power*

Despite a sea change in rural connectivity and the dramatic unfolding of a mobile revolution in India over this past decade, the number of households with access to electricity remains dismally low. The conventional grid is unable to meet the increased demand for power due to both infrastructural and procedural inadequacies. In addition, the majority of power in India is generated from fossil fuels, which is both unsustainable and environmentally harmful. To overcome these challenges of access as well as impact, we need to look deeper at sustainable, nano solutions to power generation, as well as look at new domestic appliances that do not require the same threshold of power. This challenge track will examine the problem from different perspectives and seek to develop new models of mini-grids and community-generated power, tackle the redesign of the existing grid, and examine ways of harnessing forms of sustainable energy.

- *Equitable Water*

As India's population grows and expands, clean water supply will become inadequate: demand is expected to rise by over 40 percent in the coming two decades. Large parts of the country already suffer acute shortages in clean drinking water as well as water for domestic use, not to mention water for industrial and agricultural use. This is due, in large part, to the mismanagement of water and the lack of proper recycling technologies. While there are efforts being made better manage our water resources, these are widely distributed and often in misalignment with each other. We will focus on enabling better coordination between these, especially to bring clean drinking and domestic water to the urban and rural poor who suffer most from their lack. This involves tackling the problem through more evolved recycling technologies, better water delivery processes, as well as focused legislation and policy changes.

- *Cocreating Smarter Cities*

Cities in India are growing increasingly faster, and it is predicted that half the nation's population will be living in urban centers by 2050. Even now, many inhabitants suffer inadequate access to transport, power, food, shelter and water, indicating a critical need for smarter cities that better serve their citizens yet simultaneously have a lighter environmental impact. Hence, we need to move past dated planning mechanisms and develop new solutions and an innovative redesign of existing systems. This challenge track will carry forward from the Smarter Cities breakout session at the third Design Public Conclave, and develop actionable solutions towards specific urban planning problems. It will focus on ensuring smoother traffic flows, regular power supply and the tracking of crime, especially exploring the use of cloud-based information systems that will enable real-time coordination between residents, city planners and systems executors.

At present, in India, there would appear to be wide skepticism about the prospects of any such new platforms to address the difficult challenges described above. To some it may appear that these challenges are well-known, the debates around them seem stale, and yet there is no progress forward. Nor will there be progress, unless honest dialogue among people of good faith with optimism in their abilities to solve problems come forward to work with one another. But along with good faith and optimism, we also want to ensure that those participating in Design Public actually enjoy the decision making and decision shaping power to take immediate steps that would change things for India's innovation ecology. We have therefore made special efforts to identify thought leaders and innovation champions from across the Indian bureaucracy, as well as its private sector and social sectors. It is only when these diverse personalities are physically and intellectually copresent that we can see new ideas and initiatives taking shape and then moving forward.

In considering innovation approaches to the redressal of these challenges, we also want to make full use of two strategic assets that India now possesses, that it did not have well in hand just a decade ago: mature capabilities in information technology and an increasingly dense, data-capable telecommunications network. We will want to ensure that stakeholders from these two strategic sectors contribute in all of the challenges tracks mentioned above, to ensure that their abilities fully utilized in the conceptualization of new possible approaches. We will want to ensure, moreover, that key decision-makers in each track are fully aware of the extraordinary capabilities that are already available in the country, both in terms of rich connectivity and massive data processing potential, both of which need to be brought to bear in each challenge area in a more effective and enabling way to benefit citizen-consumers and the social market as a whole.

Design Public is the opening of a new set of conversations among unlike minds who may then discover their common purposes in dialogue with one another. Its success will be depend your presence, participation and contribution towards discovering and unraveling the still undiscovered potential for innovation in India. We hope you will contribute your thoughts and ideas to this effort and suggest to us other key personalities and organizations who should be represented here.