Case study (start of lecture)

Aadhaar

Aadhaar, India's system for giving every resident a unique twelve-digit identification number, represented an astounding achievement. In 2010, Indian officials began registration by collecting biometric data (photographs, fingerprints, and iris scans). By 2017 over 1.1 billion people were registered.

Prior to Aadhaar, Indians had no nationally accepted way to prove identity. Especially for those at the bottom of the economic pyramid, difficulties in establishing identity presented a profound obstacle to participation in government programs such as subsidized food rations and cooking gas and engaging private services such as bank accounts and mobile telephones. For the government, the inability to determine unique identities resulted in corruption at massive scale. Program rolls were stuffed with ghost accounts. People who qualified for programs often had to bribe middlemen to get subsidies due to them.

To stanch this corruption and create a national identity system, the government turned in 2010 to Nandan Nilekani to head a newly created cabinet-level position. Nilekani had been co-founder and CEO of Infosys, India's largest computer services company, and he brought private sector sensibilities to his government position. He proposed a cloud-based, biometric system that could be scaled up quickly. He also envisioned a wide range of future applications.

By 2017, over 95% of India's population had Aadhaar numbers. Officials estimated that social welfare programs were saving billions of dollars. Banks and mobile phone companies were streamlining account set-up and expanding to new customers.

Entrepreneurs and established businesses sought new uses for Aadhaar. However, as Aadhaar expanded, there were concerns. Privacy advocates

objected to Aadhaar's sweeping role in society and filed a series of court cases about collecting and storing sensitive data.

India had few laws concerning data privacy, and many were looking for possible models. Government efforts to link Aadhaar to taxpayer identification and bank account numbers were receiving stiff resistance. Observers wondered how these challenges would shape the way that Aadhaar would be used by both the private and governmental sector.

Questions:

- 1. What was the biggest challenge for the govt. to improvise the Aadhar systems?
- 2. How you think IT played a major role in making of Aadhar?